



CAPITAL WORLD LIMITED

(Company Registration number: CT-276295)

DISCLAIMER OF OPINION BY INDEPENDENT AUDITOR ON THE GROUP'S AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Pursuant to Rule 704(4) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"), the Board of Directors (the "**Board**") of Capital World Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company's independent external auditor, Moore Stephens LLP (the "**Auditors**") had issued a disclaimer of opinion (the "**Disclaimer of Opinion**") in its Independent Auditors' report dated 15 October 2025 (the "**Independent Auditors' Report**") on the audited consolidated financial statements of the Group and the Company for the financial year ended 30 June 2025 ("**FY2025**").

A copy of the Independent Auditors' Report is annexed to this announcement for information purposes. The Independent Auditors' Report and the FY2025 financial statements will form part of the Company's Annual Report for FY2025 (the "**FY2025 Annual Report**") which has been released on SGXNet at the same time as this announcement. Shareholders are advised to read this announcement in conjunction with the Independent Auditors' Report, the FY2025 financial statements and the FY2025 Annual Report in their entirety.

As disclosed in Note 2.1 to the financial statements, in FY2025, the Group incurred a net loss of RM16,602,000 (2024: RM79,575,000), total comprehensive loss of RM16,450,000 (2024: RM80,159,000) and net cash flows used in operating activities of RM6,982,000 (2024: RM53,440,000). In addition, the net current assets of the Group of RM142,263,000 (2024: RM161,162,000), includes inventory properties amounting to RM109,376,000 (2024: RM109,892,000) and non-current assets held for sale amounting to RM199,731,000 (2024: RM203,893,000) (collectively, the "**Properties**").

The Group's ability to continue as a going concern is dependent on the successful completion of the sale and purchase agreement ("**SPA**") in respect of the sale of the Properties to a third party, as disclosed in Note 14 to the financial statements.

In respect of the above, the Board is of the opinion that the Group and the Company will be operate as a going concern after taking into consideration the following:

- a) The Board is of the view that the process of completing the SPA is administrative in nature and nothing has come to the attention of the Board and management that the SPA would not be completed within the next twelve months. In addition, management is continuing its negotiations with the purchaser for additional deposits. The total deposits received from the purchaser to date is RM96 million, representing approximately 26% of the total purchase consideration;
- b) The Group has submitted applications to two creditors to defer payments amounting to approximately RM9.7 million. Given that these creditors have previously granted instalment plans to the Group, the Board and management are of the view that the outcome of these applications will be favourable;

Registered Address: Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman,
KY1-1111, Cayman Islands

Mailing Address: c/o LG-06, Pangsapuri Jentayu, Jalan Jentayu, 81200 Johor Bahru, Johor, Malaysia

Contact: H/P: +65-9006 8078 Tel: +607-238 6622 Email: general@capitalworldlimited.com

- c) Management is continuing its negotiations with a creditor to extend the payment period for an outstanding balance of approximately RM17.5 million. The payment terms have been extended since prior years due to the continued delay in the re-opening of the Group's retail mall;
- d) Management is continuing its discussions with the Malaysian Anti-Corruption Commission (MACC) to seek the unfreezing of the Group's bank accounts amounting to approximately RM3.0 million; and
- e) The Board and management are of the view that the Group have sufficient working capital to meet its obligations as and when they fall due based on a cash flow forecast for the next twelve months.

The Board is of the view that sufficient information has been disclosed for trading of the Company's securities to continue in an orderly manner and confirms that all material information in relation to the Group has been provided for trading of the Company's shares to continue.

Shareholders and potential investors are advised to exercise caution before making any decision in respect of their dealings in the Company's shares. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers in the event of any doubt about this announcement or the action they should take.

By Order of the Board
CAPITAL WORLD LIMITED

Datuk Wira Eric Tan Eng Huat
Managing Director
15 October 2025

This announcement has been reviewed by the Company's sponsor, RHT Capital 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 document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the sponsor is Mr. Josh Tan at 36 Robinson Road, #10-06 City House, Singapore 068877, Email: sponsor@rhtgoc.com

Capital World Limited and its Subsidiaries

Independent Auditor's Report To the Members of Capital World Limited

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of Capital World Limited (the "Company") and its subsidiaries (the "Group"), which comprise the statements of financial position of the Group and the Company as at 30 June 2025, and the consolidated statement of comprehensive income and consolidated statement of cash flows of the Group and the statements of changes in equity of the Group and the Company for the year then ended, and notes to the financial statements, including material accounting policy information.

We do not express an opinion on the accompanying financial statements of the Group and the statement of financial position and statement of changes in equity of the Company. The matter described in the *Basis for Disclaimer of Opinion* section of our report is significant. We have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

Use of the going concern assumption

As disclosed in Note 2.1 to the financial statements, the Group incurred a net loss of RM16,602,000 (2024: RM79,575,000), total comprehensive loss of RM16,450,000 (2024: RM80,159,000) and net cash flows used in operating activities of RM6,982,000 (2024: RM53,440,000) during the financial year ended 30 June 2025 and, as of that date, the net current assets of the Group of RM142,263,000 (2024: RM161,162,000), includes inventory properties amounting to RM109,376,000 (2024: RM109,892,000) and non-current assets held for sale amounting to RM199,731,000 (2024: RM203,893,000) (collectively, the "Properties").

The above conditions indicate the existence of a material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.

In the preparation of the financial statements, the directors of the Company believe that the use of the going concern assumption is appropriate, based on the factors disclosed in Note 2.1 to the financial statements. However, we were unable to obtain sufficient appropriate audit evidence to determine whether the going concern assumption is appropriate, as the outcome of these factors is inherently uncertain and may significantly impact the timing and availability of the Group's cash flows and its ability to continue as a going concern. Due to these material uncertainties, we were unable to form a conclusion on the appropriateness of the use of the going concern assumption in the preparation of the financial statements.

In the event that the Group is unable to continue as a going concern, the Group may be unable to discharge its 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 currently recorded in the statements of financial position. In addition, the Group 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.

Capital World Limited and its Subsidiaries

Independent Auditor's Report To the Members of Capital World Limited

(cont'd)

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards ("IFRSs"), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the financial statements of the Group and the statement of financial position and statement of changes in equity of the Company in accordance with International Standards on Auditing and to issue an auditor's report. However, because of the matter described in the *Basis for Disclaimer of Opinion* section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' ("IESBA") *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code") and the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements, the IESBA Code and the ACRA Code.

The engagement partner on the audit resulting in this independent auditor's report is Chong Jia Yun, Michelle.

Moore Stephens LLP
Public Accountants and
Chartered Accountants

Singapore
15 October 2025