CAPITAL WORLD LIMITED
(Incorporated in the Cayman Islands)
(Company Registration No.: CT-276295)

RESPONSES TO SIAS QUESTIONS ON 20 OCTOBER 2026

The board of directors (the "**Board**") of Capital World Limited (the "**Company**", and together with its subsidiaries, collectively the "**Group**") wishes to provide the following responses to the questions from the Securities Investors Association (Singapore) ("**SIAS**") in relation to the annual general meeting scheduled for 29 October 2026.

The questions below are reproduced from the SIAS document.

Q1. Fit-out and renovation works at Capital City Mall have been underway since April 2026, with the first 24,000 square feet of retail space targeted to open before the end of the first quarter of 2027.

The retail units have been contracted for sale to MK Mustafa for a total consideration of RM368.0 million. The units are recognised as inventory properties and non-current assets held for sale[1]. The group had received deposits of RM98.2 million as at 30 June 2026, followed by a further RM45.5 million after year-end.

The sale and purchase agreement (SPA) was first signed on 26 January 2023.

(i) What are the reasons the transaction remains incomplete more than three years later? What outstanding steps or conditions must be satisfied before completion, what is the current expected completion date, and what evidence does the board have that the purchaser remains able and willing to complete the transaction?

Company's response:

The delay is due mainly to the State approvals required for a transaction of this size, in particular the release of Bumiputera lots and State Authority consent for foreign ownership above the prescribed quota.

Under Johor's foreign ownership policy[2], the prescribed quota for commercial spaces within shopping complexes is generally 20%. Given the substantial number of units acquired by MK Mustafa, the transaction requires approvals well above that quota, which take considerably longer to obtain.

As previously disclosed at the Company's AGM on 30 October 2025[3], these State approval requirements remain a key obstacle to completion. Nevertheless, as announced on 9 July 2026, Section 433B approvals had been obtained for 55 of the 591 units, with applications for the remaining 536 units still outstanding at that time.

MK Mustafa has paid deposits of approximately RM144 million to date and has commenced fit-out works. The Board regards this as clear evidence of its continued commitment and ability to complete. The timing of completion depends on the State approvals, which are outside the Group's control. The Group is not able to give a firm completion date at this stage. The Group continues to work towards securing the necessary approvals and will provide further updates when there are material developments.

If the approvals are ultimately not obtained, the SPA does not, following the waiver, automatically provide for termination and refund; the legal consequences would instead need to be assessed based

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[1] Including freehold land
[2] https://ptj.johor.gov.my/pendaftaran/perolehan-hartanah-oleh-kepentingan-asing/
[3] https://links.sgx.com/FileOpen/CWL%20-%20AGM%20Minutes%20held%20on%2030%20October%202025.ashx?App=Announcement&FileID=867868

on the reason for non-obtainment and the effect on the parties' ability to lawfully complete the transaction.

The group also disclosed that it had agreed to waive the requirements for EPU Confirmation and 433B Approval, which were conditions precedent under the SPA.

(ii) What were the original purposes of these conditions, and what legal, financial and execution risks did the group consider before agreeing to waive them? How does the board satisfy itself that the waiver does not compromise the enforceability of the SPA or the legitimacy of the transaction?

Company's response:

As previously disclosed in the Company's announcement dated 3 April 2024[4], the waiver was agreed upon at MK Mustafa's request due to administrative delays in obtaining the relevant regulatory approvals. The Board considered the legal advice received and the benefits of securing an unconditional SPA, with MK Mustafa undertaking to fulfil the waived conditions.

The waiver applied only to the contractual conditions precedent and did not dispense with mandatory statutory requirements. Accordingly, the transfer of the relevant units remains subject to obtaining the necessary State Authority approvals under the National Land Code.

(iii) Separately, what progress has been made over the past 18 to 24 months in monetising or developing the five towers within the integrated development?

Company's response:

As announced on 4 October 2024[5], the Group entered into a non-binding term sheet with Growth Development & Management Sdn Bhd for the proposed disposal of the five towers for RM25 million. However, the purchaser subsequently withdrew following its due diligence, as announced on 20 June 2025.

The Group continues to explore alternative monetisation opportunities and will announce any material developments accordingly.

Q2. The former financial controller, Mr Koh Chee Huat, appointed[6] on 2 April 2025, resigned[7] with effect from 31 May 2026. The company appointed[8] Mr Tan Yu Heng on 4 May 2026 as the next financial controller. Mr Tan Yu Heng is due to retire[9] on 23 October 2026, after less than six months in the position.

(i) Given the succession of two financial controllers within a relatively short period, has the audit committee reviewed the circumstances surrounding both cessations and assessed whether they indicate any underlying issues with the company's financial reporting, internal controls or working environment?

Company's response:

The Audit Committee reviewed the circumstances relating to the departures of both Financial Controllers, including the reasons for their departures and the relevant handover arrangements. Both departures were consistent with the reasons stated in the Company's cessation announcements.

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[4] https://links.sgx.com/FileOpen/Response%20to%20SGX%20queries.ashx?App=Announcement&FileID=794462
[5] https://links.sgx.com/1.0.0/corporate-announcements/5IM0Q8TEYO30H8UJ/a8b667467a467299d2e8e05d513ff618bc6018c6f9892d66f23f35988df6e1d5
[6] https://links.sgx.com/1.0.0/corporate-announcements/X57TDYYVT9W5E9X0/753d6040dcd68bc9d1716aa89b6617d53c62c3430b8d86b685fc30ccbd3dbb8e
[7] https://links.sgx.com/1.0.0/corporate-announcements/F8WQY4P9O0BL6ZN7/744c9d82282759fb91032710425bec138a850b019ed5c3f3d8ba13506e798e3b
[8] https://links.sgx.com/1.0.0/corporate-announcements/YM4N3ABKK8JS4USZ/98013e24a081238aba871151c78767d516fe666f358ef16ae4c3f634ea6b84ba
[9] https://links.sgx.com/1.0.0/corporate-announcements/LWIFXMYCBM9YZL8M/7b969ed3d754e6eb45fd1f168321e1d6a995f21569018847138951 47e98fc6c2

The Board and the Audit Committee continue to oversee the Company's financial reporting and internal controls, including ensuring continuity during changes in finance personnel.

Based on the information reviewed by the Audit Committee, no material concerns relating to financial reporting, internal controls or workplace matters were identified in connection with the departures.

(ii) What enquiries did the sponsor make with each financial controller regarding the reasons for their departure, and how did it independently satisfy itself that there were no other material reasons for the cessations beyond those disclosed?

Company's response:

The Sponsor, RHT Capital Pte. Ltd., conducted the necessary enquiries during the exit interview in connection with the cessations of both Financial Controllers, Mr Koh Chee Huat on 1 April 2026 and Mr Tan Yu Heng on 21 August 2026.

As disclosed in the Company's SGX announcements dated 1 April 2026[10] and 21 August 2026[11], the Sponsor was satisfied, based on its enquiries and to the best of its knowledge, that there were no other material reasons for their respective departures beyond those disclosed.

The Company also confirmed that there were no financial reporting concerns or disagreements with Management or the Board relating to practices affecting the Company's financial reporting.

(iii) What progress has been made in appointing a new financial controller, and what qualifications, experience and competencies will be prioritised? Given the short tenure of the previous appointees, what steps will the board and sponsor take to assess the suitability of the candidate and ensure continuity in financial reporting and internal controls?

Company's response:

The Group has identified Mr Loke Chee Kien to lead the finance function following Mr Tan Yu Heng's departure. The Board's priorities are continuity in statutory reporting, audit coordination and internal controls, supported by appropriate handover and oversight. His formal appointment and effective date were announced on 27 October 2026.

Mr Loke is a Chartered Accountant with 22 years of finance experience. Pending his appointment, the finance function was overseen by Lum See Kiat, a Finance Manager under the supervision of the Audit Committee.

Q3. The group recognised negative revenue[12] of RM(2.6) million in FY2026, RM(4.3) million in FY2025, RM(4.7) million in FY2024, and RM(3.8) million in FY2023, arising from reversals of revenue from inventory property sales, net of provisions for liquidated damages.

Loss before tax was RM(7.3) million, RM(16.6) million, RM(79.3) million and RM(30.3) million respectively over the same period.

The company appointed Datuk Wira Eric Tan Eng Huat as managing director with effect from 13 January 2025[13]. In FY2025, Datuk Wira Eric Tan Eng Huat received $235,125 for approximately 6 months of work, following his appointment on 13 January 2025. In FY2026, with a full year of service, the managing director received $500,316, with approximately 86% or $430,271 as base salary and 14% or $70,044 as other benefits.

(Source: company annual report)

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[10] https://links.sgx.com/1.0.0/corporate-announcements/F8WQY4P9O0BL6ZN7/744c9d82282759fb91032710425bec138a850b019ed5c3f3d8ba13506e798e3b

[11] https://links.sgx.com/1.0.0/corporate-announcements/LWIFXMYCBM9YZL8M/7b969ed3d754e6eb45fd1f168321e1d6a995f2156901884713895147e98fc6c2

[12] Revenue was negative due to reversal of sale of inventory properties, net of provision for liquidateddamages.

[13] Prior to his appointment, the director received $150,000 paid to him for advisory services, and $440,000 paid to a company owned by him for advisory services as well.

(i) Has the company entered into a formal service agreement with the managing director? If so, what are its key terms, including the duration, termination provisions, renewal arrangements and performance-related components (such as profit sharing)?

The company has a market capitalisation of approximately $16.1 million, based on its share price of $0.001[14] and 16.1 billion issued shares. Accumulated losses have increased to RM(938.7) million as at 30 June 2026.

Company's response:

The Company entered into a formal Service Agreement with the Managing Director on 13 January 2025. The Agreement provides for a monthly basic salary of S$35,000, together with applicable allowances and benefits. The remuneration package is subject to annual review by the Board and Remuneration Committee.

The Agreement provides for termination by either party upon three months' written notice, subject to provisions for immediate termination under specified circumstances. Any renewal or variation of the employment terms is subject to the applicable corporate approvals.

The Agreement does not provide for a fixed term. It continues until terminated in accordance with its terms.

The Agreement also provides for participation in the Company's employee share option or performance share plans, where applicable.

The Agreement does not provide for a contractual or profit-linked bonus. Any bonus or incentive award is at the discretion of the Remuneration Committee and the Board.

(ii) How did the remuneration committee (RC) determine that a base salary of approximately $430,000 was appropriate given the group's market capitalisation, sustained losses, negative revenue in each of the past four financial years and accumulated losses of RM(938.7) million? What remuneration benchmarks and other considerations supported this level of fixed pay, and how did the RC conclude that it was appropriate and proportionate to the group's current financial condition and scale?

Company's response:

The Remuneration Committee ("**RC**") acknowledges shareholders' concern regarding the Managing Director's remuneration in light of the Group's financial performance and market capitalisation.

The approximately S$430,000 referred to represents the salary and CPF component of the Managing Director's FY2026 remuneration. Total remuneration, including other benefits, was S$500,316.

In assessing remuneration, the RC considers not only market capitalisation but also the scope of executive responsibilities, the scale of the underlying assets and the demands of executing the Group's business plans. As at 30 June 2026, the Group reported total assets of approximately RM327 million.

The Managing Director's responsibilities include overseeing the Group's Malaysian development assets, progressing completion of the MK Mustafa sale and purchase agreement and pursuing the monetisation of the five towers.

A review of publicly disclosed remuneration at selected SGX-listed property-related companies shows that the Managing Director's salary component falls within the observed range. For example, the FY2025 salary components disclosed for the CEOs of KOP Limited and Heeton Holdings Limited were approximately S$567,000 and S$594,000 respectively, while Pollux Properties Ltd disclosed S$240,000. These comparisons provide context rather than a definitive benchmark, given differences in company size, business mix, remuneration definitions and financial performance.

[14] $0.001 is the minimum trading price on SGX-ST.

The RC recognises that sector comparisons and the scope of responsibilities must be balanced against affordability and outcomes delivered to shareholders. It will review both the level of fixed remuneration and the balance between fixed and performance-linked pay, with a view to strengthening alignment with measurable outcomes, including transaction completion and actual cash realization.

(iii) Why did the RC consider it appropriate for approximately 86% of the managing director's remuneration to comprise base salary, rather than linking a greater proportion to measurable improvements in profitability, cash flow and shareholder value? What specific performance targets and safeguards are in place to ensure that remuneration aligns with actual value creation for shareholders, consistent with Principle 7 of the 2018 Code of Corporate Governance?

Company's response:

The remuneration structure reflects the need for stable executive leadership during the Group's ongoing restructuring and business recovery, where significant commercial transactions may take time to translate into financial results.

The high fixed proportion for FY2026 also reflects that no performance bonus was paid, given the Group's results.

The Managing Director's remuneration is subject to annual review by the Board and Remuneration Committee, taking into consideration the Group's business performance, strategic progress and long-term shareholder interests.

The Service Agreement also provides for participation in the Company's share-based incentive schemes, where applicable, allowing for potential alignment with shareholder value creation.

As noted in Q3(ii) above, the RC will review the structure with a view to increasing the performance-linked portion.

Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders are also advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests. Shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

By Order of the Board
CAPITAL WORLD LIMITED

Datuk Wira Eric Tan Eng Huat
Managing Director
28 October 2026

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*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.*

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