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

ENTRY INTO SUPPLEMENTAL SETTLEMENT AGREEMENT BETWEEN ACHWELL PROPERTY SDN BHD ("APSB"), A WHOLLY-OWNED SUBSIDIARY OF GADANG HOLDINGS BERHAD ("GADANG"), AND CAPITAL CITY PROPERTY SDN BHD ("CCPSB"), A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY (THE "SUPPLEMENTAL SETTLEMENT AGREEMENT")

Reference is made to the Company's announcements on 1 April 2019, circular dated 15 May 2019 in relation to the conditional settlement agreement, put option agreement and call option agreement entered into between the Parties on 29 March 2019 to vary the terms of the JVAs (collectively, the "**First Settlement Agreement**") and approved by Shareholders at an extraordinary general meeting held on 31 May 2019 and announcements released on 2 August 2021, 3 November 2021, 29 July 2022, 31 August 2022, 30 October 2022 and 5 January 2023 ("**Announcements**"). Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meaning in the aforementioned Announcements.

1. BACKGROUND

The board of directors (the "**Board**" or the "**Directors**") of Capital World Limited ("**CWL**", the "**Company**", and together with its subsidiaries, the "**Group**") refers to the settlement agreement entered into between APSB and CCPSB (collectively, the "**Parties**") (the "**Settlement Agreement**") on **28 July 2021** ("**Execution Date**"). Pursuant to the Settlement Agreement, the Parties also entered a Deed of Debenture ("**Debenture**") and a Power of Attorney dated of 28 July 2021.

On 28 July 2022, APSB had served a written notice to CCPSB requesting for remedy in relation to CCPSB's default in payment for Tranches 1 and 2 of the Settlement Sum (defined below) amounting to RM10.0 million in aggregate, together with the late payment interest at the rate of 5% per annum (calculated on a daily basis) for Tranche 1 of the Final Settlement Sum ("**Default Event**"). If CCPSB is not able to remedy the Event Default, APSB shall be entitled to enforce its full rights under the Settlement Agreement, including its right to enforce the security set out in the Debenture and proceed to sell the 101 retail units in Capital City Mall as collateral to secure the outstanding amount of RM40 million ("**Final Settlement Sum**") due to APSB, and use the said sale proceeds to settle the entire outstanding Final Settlement Sum together with any interest thereon and all other sums due and payable by CCPSB to APSB.

The Board wishes to update that the CCPSB has entered into a supplemental settlement agreement with APSB on 10 February 2023 ("**SSA**"). To recapitulate, CCPSB is remedying the aforementioned Default Event by entering into the SSA with APSB.

2. SALIENT TERMS OF THE SUPPLEMENTARY SETTLEMENT AGREEMENT

Subject to the provisions of this SSA, the Parties hereby mutually agree that the Settlement Agreement shall from the date hereof be varied as follow:-

a) Amendments to the Repayment Schedule (defined below)

As set out in the original Settlement Agreement:

<table>
<tr><th>Clause</th><th></th></tr>
<tr><td>5.1</td><td>The Settlement Sum shall be paid in accordance to the following schedule (the "Repayment Schedule"):

<table><tr><th>Tranche</th><th>Amount (RM)</th><th>Date</th></tr></table></td></tr>
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	Tranche 1	5 million	Within six (6) months of the date of the Execution Date of Settlement Agreement
	Tranche 2	5 million	Within twelve (12) months of the Execution Date.
	Tranche 3	10 million	Within twenty-four (24) months from the Execution Date.
	Tranche 4	10 million	Within thirty-six (36) months from the Execution Date.
	Tranche 5	10 million	Within fourty-eight (48) months from the Execution Date

The date on which the full RM40 million ("**Settlement Sum**") together with interest (if any) and all sums due and owing by CCPSB to APSB pursuant to and under this Settlement Agreement is paid to APSB shall be referred to as the "**Settlement Date**".

As set out in the Supplemental Settlement Agreement:

Clause			
5.1	CCPSB shall pay and settle the Settlement Sum to APSB strictly on the following dates and in the following manner :		
	Tranche	**Amount of Settlement Sum to be Paid (RM)**	**Date**
	1	5 million	On or before 15th November 2022 with APSB's appointed solicitors, Messrs P Y Hoh & Tai as stakeholders ("**Stakeholders**") (the receipt of which has been acknowledged) who are authorised to release the same to APSB upon the execution of this SSA (hereinafter the date of 15th November shall be referred to as the "**Stakeholder Sum Due Date**". For the avoidance of doubt, Tranche 1 has been paid in full by CCPSB to the Stakeholders on 11 November 2022, the receipt of which has been acknowledged by the Stakeholders.
	2	5 million	On or before the 29th day of July 2023, hereinafter referred to as the "**T2 Due Date**"
	3	10 million	On or before the **T2 Due Date**
	4	10 million	On or before the 29th day of July 2024, hereinafter referred to as the "**T4 Due Date**").

	5	10 million	On or before the 29th day of July 2025, hereinafter referred to as the "**T5 Due Date**").
	Total	**40 million**	

The date on which the full Settlement Sum of RM40 million together with interest (if any) and all sums due and owing by CCPSB to APSB pursuant to and under this Settlement Agreement is paid to APSB shall be referred to as the ("**Settlement Date**").

b) Repayment of outstanding interest for late payment

Notwithstanding anything stated to the contrary herein and in this Settlement Agreement, in consideration of APSB, at the request of CCPSB, agreeing to vary the dates for the payment of the Settlement Sum in accordance with Clause 5.1 herein, CCPSB has agreed to pay all outstanding interest for late payment of the respective tranche payments of the Settlement Sum at the rate of 5% per annum calculated from their respective Due Dates to their respective dates of actual payment. Nevertheless, in relation to Tranche 1 and Tranche 2, CCPSB has agreed to pay all outstanding interest for late payment of the respective tranche payment of the Settlement Sum at the rate of 5% per annum calculated from their respective Due Dates to their respective Cut Off Dates as shown in the table below, and such interests are to be paid on or before the respective Interest Payment Date as follows:-

Tranche Payment	**Due Date**	**Cut Off Date**	**Interest Payment Date**
Tranche 1	29th January 2022	Date of this SSA	Within 14 days of the date of this SSA.
Tranche 2	29th July 2022	Date of this SSA	Within 14 days of the date of this SSA
Tranche 2	The date following next of the date of this SSA	Date of payment of Tranche 2	Within 14 days of the date of payment of Tranche 2

c) To insert a new Clause 7.5A after Clause 7.5 as follows:

"7.5A Notwithstanding anything written to the contrary in Clause 7.5 and anywhere herein, the Parties hereto agree that in the event that CCPSB shall default in the payment of Tranche 2 on or before the T2 Due Date, CCPSB hereby agrees that APSB shall be entitled to the entire outstanding Settlement Sum (inclusive of Tranche 2) which shall become due and payable by CCPSB to APSB without the need for APSB to give a notice of remedy to CCPSB to settle the outstanding Settlement Sum within the two (2) months from the date of the said written notice of remedy as set out in Clauses 12.1 and 12.2 herein. Pursuant thereto, APSB shall immediately be entitled to enforce its rights under Clauses 12.2(a), 12.2(b) and 12.2(c) hereof."

3. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Supplemental Settlement Agreement.

4. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Supplemental Settlement Agreement**,** the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any

statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

5. DOCUMENTS FOR INSPECTION

A copy of the Supplemental Settlement Agreement and Settlement Agreement are available for inspection at the Company's registered office at 1 North Bridge Road, #24-09 High Street Centre, Singapore 179097 for a period of three (3) months from the date of this announcement.

Trading in the Company's securities on the SGX-ST has been voluntarily suspended by the Company on 14 February 2020. The Company will make further announcements as appropriate or when there are any material developments.

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

Hoo Khee Leng
Executive Director and Chief Executive Officer
10 February 2023

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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 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. Shervyn Essex, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.