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

UPDATES PURSUANT TO RULE 704(22) OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED'S ("SGX-ST") LISTING MANUAL SECTION B: RULES OF CATALIST ("CATALIST RULES")

Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meaning in the previous announcements on 21 January 2021.

The board of directors (the "**Board**" or the "**Directors**") of Capital World Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to provide the following updates pursuant to Rule 704(22) of the Catalist Rules:

A. Negotiation between the issuer and its principal bankers or trustee

The Group does not have any significant loans with banks and is not engaged in any negotiations with banks. The Group confirms that it does not maintain any trustee account.

B. Update on legal claims against the Group

As at the date of this announcement, the total number of legal claims that the Group has received is approximately RM88.9[(1)] million, of which RM44.4[(1)] million are claims from trade and other creditors, while the remaining RM44.5[(1)] million are loans from a financial institution (non-bank) and a convertible loan agreement. The increase in the total amount of legal claims were due to changes in exchange rates.

C. The Company's future direction, or other material development that may have a significant impact on the issuer's financial position

At the hearing on 8 February 2021 for the Court's approval for the Scheme of Arrangement pursuant to section 71(1) of the Insolvency, Restructuring and Dissolution Act 2018 (the "**Sanction Application**") under HC/OS 784/2020, the Company applied for and the Court has approved a six-week adjournment of the court hearing for the Sanction Application and a corresponding extension of the moratorium under HC/OS 216/2020 granted under Section 211B(1) of the Companies Act (Cap. 50). The next hearing of the Sanction Application is fixed on 22 March 2021.

The Company's wholly owned Malaysian subsidiary, Capital City Property Sdn. Bhd.'s ("**CCPSB**") judicial manager, CRS Corporate Services Sdn Bhd ("**JM**") is in the final stage of negotiations with Achwell Properties Sdn Bhd ("**APSB**") in relation to the contingent liabilities of CCPSB and has not been able to reach a settlement agreement. The Board is of the view that reaching a conclusion on the settlement agreement is necessary to facilitate the Court's approval at the hearing of the Sanction Application on 22 March 2021.

With respect to CCPSB, the Malaysia HC granted the JM an extension of the Judicial Management Order ("**JMO**") to 8 March 2021. Subsequently JM has on 7 February 2021; made an application to Malaysia HC to further extend the JMO with the case management date set on 24 February 2021.

(i) To date, the hearing of the appeals filed by APSB against the decision of the Malaysian HC for not setting aside the JM appointment has been fixed on 6 October 2021.

(ii) On 25 October 2020, Zhang Chi ("**ZC**") has made an application to the Malaysian HC for leave to start legal action for his claim amounted to RM0.3 million against CCPSB in the Malaysia HC and/or to enforce ZC's rights under the Judgement in Default against CCPSB. ZC had, on 25 September 2020, withdrawn the Malaysia originating summons ("**MOS**") from the session court of Johor Bahru. The case management has been fixed on 11

November 2020. On 29 January 2021, the Judicial Commissioner did not decide on the case as he was of the view that it should be heard by JM Court as CCPSB is under JM. ZC had thereafter withdrawn the MOS from the Malaysian HC.

(iii) On 21 December 2020, Teh Swee Neo, Lee Yong Hen and 97 other purchasers (collectively, the "**Plaintiffs**") and CCRM Management Sdn Bhd ("CCRM") have filed the amended statement in reply to the counterclaim. The case management for the Plaintiffs' claim against CCRM and CCPSB which was fixed on 3 February 2021 has been adjourned to 24 March 2021.

(iv) On 26 November 2020, Lembaga Hasil Dalam Negeri Malaysia also known as Inland Revenue Board of Malaysia filed a claim against CCPSB on the outstanding tax payable for the Year Assessment ("**YA**") 2017 and YA2018 amounting to RM35.2 million. The case management which was on 19 January 2021 has been adjourned to 1 March 2021.

Save as disclosed above, no other further material developments have taken place that, in the Board's view, may have a significant impact on the Company's financial position pursuant to Rule 704(22) of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist.

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, and to exercise caution when dealing in the securities of the Company. 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

Siow Chien Fu
Executive Director and Chief Executive Officer
19 February 2021

*This announcement has been prepared by the Company and its contents have 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**"). 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 Ms. Lim Hui Ling, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.

Note (1): Based on exchange rate of RM 3.0517: S$ 1; RM 0.520615: HK$ 1.0000