



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

UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2020

Pursuant to Rule 705(2C) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist, 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 2020.

PART I INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a)(i). An income statement and statement of comprehensive income, or a statement of comprehensive income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Description	Group		Change %
	First quarter ended 30 September 2020 (Unaudited) RM'000	2019 (Unaudited) RM'000	
Revenue	387	1,656	(76.6%)
Cost of sales	(101)	(2,139)	(95.3%)
Gross Profit/(Loss)	286	(483)	(159.2%)
Other income	2,696	992	171.8%
Selling and distribution expenses	-	(154)	n.m.
General and administrative expenses	(3,375)	(7,590)	(55.5%)
Finance costs	(778)	(628)	23.9%
Loss before tax	(1,170)	(7,863)	
Income tax (expense)/credit	(61)	93	(165.8%)
Loss for the year	(1,231)	(7,770)	
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising from translation of foreign operations, net of tax	7	(928)	(100.7%)
Total comprehensive loss for the year	(1,225)	(8,698)	
Loss for the year attributable to:			
Owners of the Company	(1,231)	(7,620)	(83.8%)
Non-controlling interests	-	(150)	n.m.
	(1,231)	(7,770)	
Total comprehensive loss for the year attributable to:			
Owners of the Company	(1,225)	(8,548)	(85.7%)
Non-controlling interests	-	(150)	n.m.
	(1,225)	(8,698)	

n.m: Denotes not meaningful

1(a). (ii) . (ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year:

Description	Group First quarter ended 30 September		Change %
	2020 (Unaudited) RM'000	2019 (Unaudited) RM'000	
	Loss for the year is arrived at after (crediting)/charging:		
Interest income	(37)	(251)	(85.3%)
Reimbursement of operating expenses	(2,394) -		n.m.
Depreciation of property, plant, and equipment	391	1,385	(71.8%)
Depreciation of investment properties	-	1,156	n.m.
Amortisation of mining rights	32	392	(91.8%)
Rental of premises	38	47	(19.1%)
Rental of office equipment	-	16	n.m.
Employee benefit expense:			
- <i>Salaries and bonuses</i>	195	1,204	(83.8%)
- <i>Social security contributions</i>	1	4	(75.0%)
- <i>Contributions to defined contribution plan</i>	22	88	(75.0%)
Interest expense:			
- <i>Loans and borrowings</i>	777	628	23.7%

n.m: Denotes not meaningful

1(b)(i). A statement of financial position (for the Issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

Description	Group		Company	
	As at 30.09.2020 (Unaudited) RM'000	As at 30.06.2020 (Audited) RM'000	As at 30.09.2020 (Unaudited) RM'000	As at 30.06.2020 (Audited) RM'000
Current assets				
Inventory properties	338,869	343,308	-	-
Inventories	67	67	-	-
Deferred expenditure	-	-	-	-
Trade receivables	7,795	7,144	-	-
Other receivables, deposits, and prepayments	1,991	2,110	90	325
Amount due from subsidiaries	-	-	80,357	80,492
Cash on hand and at banks	1,309	1,299	28	11
	350,031	353,928	80,475	80,828
Non-current assets held for sale	226,539	226,539	-	-
	576,570	580,467	80,475	80,828
Non-current assets				
Property, plant, and equipment	60,673	61,062	173	179
Intangible assets	400	432	-	-
Investment in subsidiaries	-	-	107,434	107,434
	61,073	61,494	107,607	107,613
Total assets	637,643	641,961	188,082	188,441
Current liabilities				
Trade payables	315,926	302,775	2,361	-
Other payables and accruals	84,455	101,575	16,352	22,854
Amount due to subsidiaries	-	-	5,535	-
Deferred revenue	5,306	5,000	-	-
Loans and borrowings	45,170	44,689	16,720	17,027
Provision for taxation	35,473	35,386	319	294
	486,330	489,425	41,287	40,175
Non-current liabilities				
Deferred tax liabilities	1,312	1,312	-	-
	1,312	1,312	-	-
Total liabilities	487,642	490,737	41,287	40,175
Equity attributable to owners of the Company				
Share capital	176,240	176,240	225,365	225,365
Share premium	3,824	3,824	645,582	645,582
Merger reserve	5,000	5,000	-	-
Equity component of convertible bond	186	186	186	186
Foreign currency translation reserve	1,532	1,525	2,542	2,392
Capital reserve	-	-	487	487
Accumulated losses	(36,781)	(35,551)	(727,367)	(725,746)
Total equity	150,000	151,224	146,795	148,266
Total liabilities and equity	637,643	641,961	188,082	188,441

1(b)(ii). In relation to the aggregate amount of the Group's borrowings and debt securities, specify the following at the end of the financial period reported on with comparative figures at the end of the immediately preceding financial year.

	Group			
	As at 30.09.2020		As at 30.06.2020	
	(Unaudited) RM'000		(Audited) RM'000	
	Secured	Unsecured	Secured	Unsecured
Amount repayable within one year	45,170	-	44,689	-
Amount repayable after one year	-	-	-	-
	45,170	-	44,689	-

The loans and borrowings are mainly secured by the following: -

The Group's secured borrowings as at 30 September 2020 and 30 June 2020 comprised (i) a HK\$ loan which was secured by pledge and charge of certain shares by the controlling shareholders and corporate guarantee by the Company; and (ii) Convertible Loan which were secured by personal guarantees by the Company's CEO and an associate of the Company's controlling shareholders.

1(c). A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group	
	First quarter ended 30 September 2020 (Unaudited) RM'000	2019 (Unaudited) RM'000
Cash flows from operating activities		
Loss before tax	(1,170)	(7,863)
Adjustments for:		
Depreciation of property, plant and equipment	391	1,385
Depreciation of investment properties	-	1,156
Amortisation of intangible assets	32	392
Property, plant and equipment written off	-	142
Interest income	(37)	(251)
Interest expense	777	628
Operating cash flows before changes in working capital	(7)	(4,411)
Changes in working capital:		
Inventories	-	770
Inventory properties	4,439	(1,356)
Trade and other receivables	(532)	3,022
Trade and other payables and deferred revenue	(3,638)	8,375
Cash flows generated from operations	262	6,400
Interest paid	(296)	(742)
Interest received	37	251
Income taxes paid	-	(656)
Net cash flows generated from operating activities	3	5,253
Cash flows from investing activities		
Purchase of property, plant and equipment	-	(66)
Net cash flows used in investing activities	-	(66)
Cash flows from financing activities		
Repayment of loans and borrowings	-	(4,454)
Net cash flows used in from financing activities	-	(4,454)
Net decrease in cash and cash equivalents	3	733
Effect of exchange rate changes in cash and cash equivalents	7	2,399
Cash and cash equivalents at the beginning of the year	544	(910)
Cash and cash equivalents at the end of the year/ period	554	2,222
Cash on hand and at banks	1,309	3,047
Less: Cash at bank and deposits not available for use	(755)	(825)
Cash and cash equivalents per the consolidated statement of cash flows	554	2,222

1(d)(i). A statement (for the Issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share capital	Share premium	Merger reserve	Equity component of convertible bond	Foreign currency translation reserve	Accumulated losses	Total	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group (Unaudited)									
Balance as at 1 July 2020	176,240	3,824	5,000	186	1,525	(35,551)	151,224	-	151,224
Loss for the year	-	-	-	-	-	(1,231)	(1,231)	-	(1,231)
Other comprehensive income									
Exchange differences arising from translation of foreign operations	-	-	-	-	7	-	7	-	7
Total comprehensive loss for the year	-	-	-	-	7	(1,231)	(1,224)	-	(1,224)
Balance as at 30 September 2020	176,240	3,824	5,000	186	1,532	(36,782)	150,000	-	150,000

	Share capital	Share premium	Merger reserve	Equity component of convertible bond	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group (unaudited)									
Opening balance at 1 July 2019	176,240	3,824	5,000	186	1,069	116,819	303,138	(828)	302,310
Loss for the year	-	-	-	-	-	(7,620)	(7,620)	(150)	(7,770)
Other comprehensive loss									
Exchange differences arising from translation of foreign operations	-	-	-	-	(928)	-	(928)	-	(928)
Total comprehensive loss for the year	-	-	-	-	(928)	(7,260)	(8,548)	(150)	(8,698)
Closing balance at 30 September 2019	176,240	3,824	5,000	186	141	109,199	294,590	(978)	293,612

	Share capital	Share premium	Equity component of convertible bond	Foreign currency translation reserve	Capital reserve	Accumulated losses	Total equity
<u>Company (Unaudited)</u>							
Opening balance at 1 July 2020	225,365	645,582	186	2,392	487	(725,746)	148,266
Loss for the year	-	-	-	-	-	(1,621)	(1,621)
<u>Other comprehensive income</u>							
Exchange differences arising from translation of foreign operations	-	-	-	150	-	-	150
Total comprehensive loss for the year	-	-	-	150	-	(1,621)	(1,471)
Balance as at 30 September 2020	225,365	645,582	186	2,542	487	(727,367)	146,795
Opening balance at 1 July 2019	225,365	645,582	186	2,048	487	(138,988)	734,680
Loss for the year	-	-	-	-	-	(16)	(16)
<u>Other comprehensive loss</u>							
Exchange differences arising from translation of foreign operations	-	-	-	(620)	-	-	(620)
Total comprehensive loss for the year	-	-	-	(620)	-	(16)	(636)
Balance as at 30 September 2019	225,365	645,582	186	1,428	487	(139,004)	734,044

1(d)(ii). Details of any changes in the Company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Number of issued shares	Share capital RM'000
As at 30 September 2020	1,832,094,554	225,365
As at 30 June 2020	1,832,094,554	225,365

There is no issuance of new ordinary shares during the financial period ended 30 September 2020.

On 3 October 2019, the Company had a convertible loan of S\$5,500,000, which may be converted into approximately 362,538,361 new fully paid ordinary shares of the Company based on a fixed conversion price of S\$0.0151708 per share.

Other than the above, there were no other outstanding convertibles, options, treasury shares or subsidiary holding as at 30 September 2020 and 30 September 2019 respectively.

1(d)(iii). Total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 30.09.2020	As at 30.06.2020
Total number of issued shares excluding treasury shares	1,832,094,554	1,832,094,554

The Company has no treasury shares as at 30 September 2020 and 30 June 2020 respectively.

1(d)(iv). A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable. There were no treasury shares during and as at the end of the current financial period reported on.

1(d)(v). A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. There were no subsidiary holdings during and as at the end of the current financial period reported on.

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

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

3. 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.

3A. 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.

- (a) The independent auditor of the Company, Messrs Moore Stephens LLP, have in their Independent Auditor's Report for the financial year ended 30 June 2020 ("FY2020") dated 16 August 2021 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 FY2020.

Management has assessed that the net realizable value of these IP and the recoverable amount of these PPE are higher than their carrying amounts and therefore no write down or impairment is necessary as at 30 September 2020 and 30 June 2020.

- (b) The Board confirms that the impact of all outstanding audit issues on the financial statements has been adequately disclosed.

4. Whether the same accounting policies and methods of computation as in the Issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in preparation of the financial statements for the current reporting financial year as those used in the most recently audited annual financial statements for the financial year ended 30 June 2020, except as mentioned in Paragraph 5 below.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The accounting policies adopted are consistent with those the previous financial year except 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 2020. The adoption of these standards did not have any effect on the financial performance or position of the Group and the Company.

6. Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group	
	First quarter ended 30 September 2020	30 September 2019
	(Unaudited)	(Unaudited)
Loss after tax attributable to owners of the Company (RM'000)	(1,225)	(8,548)
Weighted average number of ordinary shares for basic and diluted loss per share computation ('000)	1,832,095	1,832,095
(a) Basic loss per ordinary share (RM per cents)	(0.07)	(0.47)
(b) Fully diluted loss per ordinary share (RM per cents)	(0.07)	(0.47)

For the financial period ended 30 September 2020 and 30 September 2019, the computation of the diluted losses per ordinary share does not assume the conversion of the outstanding Convertible Loan Agreement and Convertible Bond Subscription Agreement as they had anti-dilutive effect on the losses per ordinary share calculation.

7. Net asset value (for the Issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the Issuer at the end of the: -

	Group		Company	
	As at 30.09.2020	As at 30.06.2020	As at 30.09.2020	As at 30.06.2020
	(Unaudited) RM'000	(Audited) RM'000	(Unaudited) RM'000	(Audited) RM'000
Net assets value (RM'000)	150,000	151,224	146,795	148,266
Weighted average number of ordinary shares in issue ('000)	1,832,095	1,832,095	1,832,095	1,832,095
Net asset value per ordinary share based on issued share capital (RM per cents)	8.19	8.25	8.01	8.09

8. 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.

REVIEW OF STATEMENT OF COMPREHENSIVE INCOME OF THE GROUP

First quarter ended 30 September 2020 ("1Q2021") vs First quarter ended 30 September 2019 ("1Q2020")

The Group's revenue had dropped significantly mainly because there were no sales of the property units in Capital City Mall during the period 1Q2021. The Group derived its revenue mainly from sales from marble products in 1Q2021.

The Group's cost of sales had also dropped significantly which is inline with the decrease in the Group's revenue.

Consequently, the Group recorded a gross profit of RM286,000 for 1Q2021 from marble business, which was RM769,000 higher than the 1Q2020.

Other income in 1Q2021 pertains to expenses recovery of the operating expenses including maintenance fees and sinking fund in relation to Capital City Project from CCRM Management Sdn Bhd which amounted to RM2.4 million.

The Group did not incur any selling and distribution expenses which was in line with the reduction in the Group's revenue, as there were no sales of property units in Capital City Mall during 1Q2021.

The general and administrative expenses mainly consist of manpower cost, depreciation of property, plant and equipment, professionals fee, utilities and office administrative expenses. The manpower cost, office administrative, utilities expenses has reduced substantially due to the scaled down staff strength since second quarter of FY2020, particularly after the Company underwent for court supervised debts restructuring exercise and Capital City Properties Sdn Bhd ("CCPSB"), 100% owned subsidiary was placed under JM (defined below) in March 2020.

The decrease in general and administrative expenses was also due to

- a) decrease in depreciation of property, plant and equipment amounting to RM1 million,
- b) decrease in depreciation of investment properties amounting to RM1.2 million, and
- c) decrease in employee benefit expense amounting to RM1.1 million.

As a result of the aforementioned, the Group recorded a loss after tax of RM1.2 million for 1Q2021 as compared to a loss after tax of RM7.8 million in 1Q2020.

REVIEW OF STATEMENT OF FINANCIAL POSITION OF THE GROUP

The decrease in total asset was mainly attributed to

- a) decrease in Inventory properties amounting to RM4.43 million due to reversal of development cost upon received the final certification from the contractor,
- b) decrease in property, plant and equipment due to depreciation in 1Q2021 amounting to RM0.4 million, and
- c) increase in trade and other receivables, as a result of receivables arising from expenses recovery in CCPSB amounting to 2.4 million and collection during the period 1Q2021 amounting to RM1.8 million.

The total liabilities between 1Q2021 and result as at financial year 2020 ("FY2020") remained constant slightly decreased by RM3.1 million mainly due to trade payables and other payables.

The Group had a net current asset of approximately RM90.2 million as at 1Q2021.

In FY2020, the following efforts has been undertaken by the Group in respect of restructuring their debt obligations and liabilities. On 16 March 2020, the Company announced that on 13 March 2020, the High Court of the Republic of Singapore (the "Court") had granted the Company pursuant to Section 211B(1) of the Companies Act (Cap. 50) to reorganize its liabilities ("Scheme of Arrangement"). On 24 June 2021, the Court has sanctioned the Company's Scheme of Arrangement for the repayment to the creditors and extension of moratorium to 30 September 2021. The Company is presently in the process of implementing the Scheme of Arrangement.

On 24 February 2020, the Company also announced that CCPSB had filed an application to place CCPSB under judicial management in the High Court of Malaya, Kuala Lumpur, Malaysia (the "Malaysian Court"). CCPSB had been granted by the Malaysian Court for CCPSB to be placed under judicial management of judicial manager (the "JM") which has expired

on 8 September 2021, pursuant to Section 405 of the Malaysia Companies Act 2016. CCPSB's JM has held the creditors meeting on 26 October 2020 and is currently implementing the proposed restructuring of the liabilities of CCPSB. The JM has applied and Malaysian Court had granted, on 6 September 2021; an extension of the JM to 8 January 2022 for the purpose to follow up on the fulfilment of the conditions precedents which included the court sanction of the Settlement Agreement which has been granted on 6 September 2021 and the approval of Gadang Holding Berhad's shareholders' meeting which is expected to be held in November 2021. Once the abovementioned condition precedents are met, the settlement with Achwell Property Sdn Bhd would be considered completed.

The Board is of the view that the successful implementation of the Scheme of Arrangement will be an important consideration in its ability to continue to operate as a going concern. Upon completion of the Scheme of Arrangement as well as the above proposed restructuring of the liabilities of the Company and CCPSB, substantial liabilities is expected to be extinguished which will further improve the Group's net current assets position. The Company's shares had been voluntarily suspended since 14 February 2020.

REVIEW OF STATEMENT OF CASH FLOWS OF THE GROUP

The Group reported net cash flows generated from operating activities of RM3,000 mainly due to negative operating cash flows before changes in working capital of RM7,000 offset by positive working capital changes in 1Q2021.

There were no cash flow generated from nor used in investing activities and financing activities during 1Q2021.

As a result of the above, the Group recorded a cash and cash equivalent of RM554,000 as at 1Q2021.

9. 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.

10. 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.

Due to the outbreak of the Coronavirus Disease 2019 (COVID-19) in Malaysia since March 2020, Malaysian government had implemented movement control order ("MCO") throughout the whole Malaysia. MCOs have weakened the economic situation as well as the consumer sentiment in Malaysia including Johor Bahru. With the prolonged closed border between Singapore and Malaysia, all economic sectors in Johor Bahru are greatly affected. While the vaccination program in Malaysia is progressing at a slow pace due to the restriction on its supply has created a gloomy situation as to when the Covid 19 will be under control. As such, the Group is expecting the Johor property market to remain lackluster in the near term.

On 24 June 2021, Singapore High Court has sanctioned the Company's Scheme of Arrangement ("Restructuring") to reorganize its debts as well as the CCPSB (in judicial management) debts. Upon the completion of the Scheme, which is targeted to be 4th quarter of year 2021; the Group will be able to reduce its liabilities and accordingly will improve financial position of the Group. The Company is working to explore potential fund raising opportunities in addition to restructuring the existing business to be a viable and sustainable business and is also exploring potential acquisition of other new businesses.

At the same time, the Group will also work towards the submission of a resumption of trading proposal ("Resumption Proposal") to SGX-ST by 31 December 2021. With reference to the announcement made on 24 June 2021, the Company will be providing regular updates on the meeting the key milestone of the Restructuring as well as for its submission of Resumption Proposal to SGX-ST, and will continue to do so via SGXNET.

11. If a decision regarding dividend has been made: -

(a) Whether an interim (final) dividend has been declared (recommended); and

None.

(b) Amount per share (cents) and Previous corresponding period (cents)

Not applicable.

- (c) **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.

- (d) **The date the dividend is payable.**

Not applicable.

- (e) **The date on which Registrable Transfers receive by the Group (up to 5.00pm) will be registered before entitlements to the dividend are determined.**

Not applicable.

12. 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 period ended 30 September 2020 as the Group's funds is required to be used for the Group's operations.

13. 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 Company has no IPTs that was equal to or had exceeded S\$100,000 from 1 July 2020 to 30 September 2020.

14. Negative confirmation pursuant to Rule 705(5) of the Catalist Listing Manual.

We, Siow Chien Fu and Low Chai Chong, being directors of Capital World Limited, hereby confirm that to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements of the Company and the Group for the first quarter ended 30 September 2020 to be false or misleading in any material aspect.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) 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 Listing Manual

BY ORDER OF THE BOARD

Siow Chien Fu

Executive Director and Chief Executive Officer

20 September 2021

This announcement 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.