

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

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**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")**

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Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meaning in the previous announcements on 19 April 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 RM59.1<sup>(1)</sup> million, of which RM13.8<sup>(1)</sup> million are claims from trade and other creditors, while the remaining RM45.3<sup>(1)</sup> million are loans from a financial institution (non-bank) and a convertible loan agreement. The increase in the total amount of legal claims were mainly due to the addition of a new case mentioned below by Lee Choi Fah and 25 others and withdrawal of some cases as well as changes in exchange rates.

On 23 April 2021, with regard to Achwell Properties Sdn Bhd ("**APSB**") applying to set aside the Judicial Manager, CRS Corporate Services Sdn Bhd ("**JM**") of Capital City Properties Sdn Bhd ("**CCPSB**") (Judicial Manager Appointed), a wholly owned subsidiary of the Company, the Malaysia High Court ("**Malaysian HC**") has decided that the case is to be dismissed with cost as the sum claimed has yet to be crystalized and therefore sum claimed in Proof of Debt ("**POD**") at this stage is premature. The Court further held that JM had not acted in bad faith and has not acted erroneously and rejected APSB's POD. Please refer to further update below regarding the binding termsheet signed between APSB and CCPSB on 22 May 2021.

On 28 April 2021, with regard to the cases involving 1) Wai Choo Soon & Chui Siao Kuan, 2) Pung It Teong and Tan Yee Ting and 3) Yee Chee Kheong and Cheong Foong Leng (collectively "**Plaintiffs**") with CCRM Management Sdn Bhd. as lessee and CCPSB as developer (collectively, the "**Defendants**"). The Malaysian HC has instructed the Plaintiffs to withdraw their cases.

On the same date, for case between the Plaintiff, City Environment Cleaning Sdn Bhd ("**CEC**") and the defendant, CCPSB; the Malaysian HC has given CEC a final date on 24 May 2021 for it to discuss with CCPSB with regards to the settlement, failing which the court will ask the Plaintiff to withdraw the suit. The next case management has been fixed on 24 June 2021.

On 12 May 2021, Lee Choi Fah and 25 others as Proposed Interveners have filed in an application that leave be granted to the Proposed Interveners to intervene and be added as a parties in this proceeding, that the JM Order dated 13 March 2020 be set aside, that the votes acquired during Creditors' Meeting be set aside and as a result, the Statement of Proposal ("**SOP**") by the JM be set aside and a stay on the SOP and/or JM Order. The next case management has been fixed on 24 May 2021.

Note (1): Based on exchange rate of RM 3.0931: S\$ 1; RM 0.5620: HK\$ 1.0000

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

With regards to 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 which is scheduled on 24 May 2021, both CCPSB and APSB have entered into a binding Term Sheet on 22 May 2021 and the parties needed some more time for the settlement agreement to be prepared and signed within one month. In this regard, APSB has also agreed to withdraw their objections to the Company's Sanction Application in HC/OS 784/2020 immediately after the signing of the settlement agreement. As such, both APSB and the Company have applied for, and the Court has approved a one month 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 24 June 2021. In light of this extension, the Company will be consulting with the Singapore Exchange Regulation Pte. Ltd. ("**SGX RegCo**") regarding the consequential impact on the previously approved reporting timelines in SGX Regco's no objection letter announced on 11 April 2021. The Company will update shareholders on this matter in due course.

Salient details of the aforementioned binding term sheet dated 22 May 2021 will be announced in a separate announcement in due course.

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 Catalyst.

**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**

Siow Chien Fu  
Executive Director and Chief Executive Officer  
24 May 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.*

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