

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

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**PROPOSED ISSUANCE OF (I) BONUS SHARES, (II) ADVISORY SERVICES SHARES AND (III) SETTLEMENT SHARES**

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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:

**(I) Proposed issuance of bonus Shares**

(a) Proposed Director Bonus Share Issue

The Directors in their role contribute their experience, knowledge and expertise towards the corporate governance and business management, as well as invaluable guidance in relation to the strategic planning and development of the Company, thus providing the Company with holistic solutions when evaluating and considering business issues and opportunities. As a result of their guidance, the Shares of the Company have resumed trading on the SGX-ST on 31 October 2023.

While they are entitled to receive nominal directors’ fees for their contributions and services, it may not always be possible to quantify the contributions and services rendered by them in monetary terms due to the nature and scope of their responsibilities. In view of this, it is desirable that the Directors be granted the Director Bonus Shares (as defined below) to give recognition to their services and contribution, especially in view of the resumption of trading of the Company on the SGX-ST, and to further align their interests with that of the Company (each and collectively, a “**Proposed Director Bonus Share Issue**”).

(b) Proposed Employee Bonus Share Issue

Separately, the Company has decided to award bonuses to certain employees of the Group (“**Relevant Employees**”) for the purpose of retaining and motivating these individuals who have made invaluable contributions to the Group. The payment of bonus in the form of issuance of Employee Bonus Shares (as defined below) would align the employees’ interests with that of the Group, as they would be motivated to optimise their performance standards and strive to maintain the high levels of contribution to the Group (the “**Proposed Employee Bonus Share Issue**”).

The Company intends to pay bonuses aggregating (i) S\$440,000 to the directors and (ii) S\$115,800 to the Relevant Employees. The bonus will be paid by way of issuance of new shares of 146,666,666 (the “**Director Bonus Shares**”) and 38,600,000 (the “**Employee Bonus Shares**”) respectively at the price of S\$0.003.

The Director Bonus Shares and Employee Bonus Shares will be issued at a price of S\$0.003, which represents a premium of approximately 50% to the VWAP of S\$0.002 for each Share, based on the trades done on the Shares on the Catalist Board on 5 March 2024, being the full market day on which the Directors and the Relevant Employees were issued the letters setting out their bonus entitlement to be satisfied by the Proposed Director Bonus Share Issue and Proposed Employee Bonus Share Issue.

## **(II) Proposed issuance of Advisory Services Shares**

The Company intends to pay a one-off incentive fee aggregating S\$150,000 to Datuk Wira Eric Tan Eng Huat ("**Datuk Eric**") as company advisor, for his advisory services relating to the Company's resumption of trading on the SGX-ST which includes facilitating the Company's debt restructuring exercise, introducing potential investors to the Company and negotiating with the Company's creditors on the payment terms. Datuk Eric is a veteran of the property development industry in Singapore and Malaysia with vast relevant experience and well connected.

The one-off incentive fee aggregating S\$150,000 to Datuk Eric will be settled by way of issuance of an aggregate 50,000,000 Shares (the "**Advisory Services Shares**") at the Issue Price of S\$0.003 per Advisory Services Share.

The Advisory Services Shares will be issued at a price of S\$0.003, which represents a premium of approximately 50% to the VWAP of S\$0.002 for each Share, based on the trades done on the Shares on the Catalist Board on 5 March 2024, being the full market day on which Datuk Eric was issued the letter setting out his incentive fee being satisfied by the Proposed Advisory Services Share Issue.

## **(III) Proposed issuance of Settlement Shares**

The Company has decided to issue 50,593,200 new shares at the price of S\$0.005 in settlement of the debts owed to creditors of the Group (the "**Settlement Shares**"). The proposed issuance of Settlement Shares will enable the Group to (i) improve its working capital and financial position, (ii) eliminate the need for any cash repayment or payment in view of the current financial and cash position of the Group, and (iii) allow the Group to focus its resources on stabilising its business activities and better its financial position to enable it to continue as a going concern.

The Company will issue the Settlement Shares to settle the debts owed to the following creditors of the Company:

- a) Legal fees owed to Chee Hoe & Associates in consideration of the legal services rendered to the Group totalling RM400,000 (equivalent to S\$112,966, on the basis that the exchange rate used in respect of this debt conversion is S\$1 : RM3.5409 as at 28 February 2024). This debt was assigned by Chee Hoe & Associates to Mr. Lai Chee Hoe. Mr. Lai Chee Hoe is the partner of Chee Hoe & Associates. The Company has, on 5 March 2024, entered into a debt conversion deed with Mr. Lai Chee Hoe for the amount of RM400,000 (equivalent to S\$112,966) to be repaid via the issuance and allotment of 22,593,200 Settlement Shares in the capital of the Company; and
- b) Arranger fees owed to Mr. Tan Chin Tuan in consideration of the arranger services rendered such as assisting the Company to raise capital through private placement of shares and introducing prospective parties such as subscribers to subscribe for new shares to the Group totalling to S\$140,000. The Company has, on 5 March 2024, entered into a debt conversion deed with Mr. Tan Chin Tuan for the amount of S\$140,000 to be repaid via the issuance and allotment of 28,000,000 Settlement Shares in the capital of the Company.

The Settlement Shares will be issued at a price of S\$0.005, which represents a premium of approximately 150% to the VWAP of S\$0.002 for each Share, based on the trades done on the Shares on the Catalist Board on 5 March 2024, being the full market day on which the debt conversion deeds were executed.

The proposed issuance of the Director Bonus Shares, the Employee Bonus Shares, the Advisory Services Shares and the Settlement Shares will not result in any new cash proceeds for the Company. The Directors are of the opinion that the working capital available to the Group is sufficient to meet its present requirements.

No placement agent has been appointed in connection with the proposed issuance of the Director Bonus Shares, the Employee Bonus Shares, the Advisory Services Shares and/or the Settlement Shares.

The Company's Sponsor will be submitting an application for a listing and quotation notice on behalf of the Company to the SGX-ST for the approval in-principle for the dealing in, listing of and quotation for the Director Bonus Shares, the Employee Bonus Shares, the Advisory Services Shares and the Settlement Shares on the Catalist of the SGX-ST. The Company shall make the relevant announcement on this as and when there is any update on the status of the above.

The Company will be seeking Shareholder's approval for the proposed issuance of the Director Bonus Shares, the Employee Bonus Shares, the Advisory Services Shares and the Settlement Shares at an extraordinary general meeting ("**EGM**") to be convened on a date to be announced later. A circular to Shareholders' containing, inter alia, information on the proposed issuance of the Director Bonus Shares, the Employee Bonus Shares, the Advisory Services Shares and the Settlement Shares will be circulated to the Shareholders in due course.

**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  
5 March 2024

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*This announcement has been prepared by the Company and its content have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**") for compliance with the relevant rules of the SGX-ST.*

*This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions contained in this announcement.*

*The contact person for the Sponsor is Mr. Josh Tan – Registered Professional, at 36 Robinson Road, #10-06, City House, Singapore 068877, sponsor@rhtgoc.com.*