

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 8 September 2020.

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 remains largely unchanged since the last update announcement and is approximately RM55.2⁽¹⁾ million, of which RM9.9⁽¹⁾ million are claims from trade and other creditors, while the remaining RM45.3⁽¹⁾ million are loans from a financial institution (non-bank) and a convertible loan agreement. The changes in the total amount of legal claims were due to the change in exchange rates.

In relation to the Malaysia originating summons (the "**MOS**"), applied by CCPSB's creditor, Zhang Chi ("**ZC**"), for leave to continue the legal proceedings 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to enforce ZC's rights under the Judgement in Default against CCPSB, ZC had, on 25 September 2020 during the hearing, withdrawn the MOS. ZC's claim amounted to RM0.3 million out of the RM9.9 million claims from trade and other creditors.

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

On 8 September 2020, at the direction of the Court, the Company filed the 4th affidavit of Mr Siow Chien Fu explaining the communication with Achwell Property Sdn Bhd ("**APSB**") in relation to APSB's submission of proof of debt for their contingent claim.

On 14 September 2020, APSB filed 1st affidavit for HC/OS 784/2020 of Yu Kang Huai, a director of APSB, opposing the Company's application for the Court's approval of the proposed Scheme of Arrangement. The CCPSB's JM (the "**JM**") will continue to engage with APSB through further meeting(s) to settle the issues between parties amicably.

On 12 October 2020, a hearing was held for the summons (the "**Summons**") filed by the Company on 28 September 2020 for a three (3) months adjournment of the court hearing for the Sanction Application on 19 October 2020 and a corresponding extension of the moratorium under HC/OS 216/2020 granted under Section 211B(1) of the Companies Act (Cap. 50). During the Summons hearing, the Court made orders for:

- i) A three (3) months adjournment of the 19 October 2020 hearing for the Court's approval for the Sanction Application to a date to be fixed by the Court;
- ii) Company to file a reply affidavit in response to the 1st affidavit of Yu Kang Huai filed by APSB, at least 2 weeks prior to the adjourned hearing of Sanction Application; and
- iii) The moratorium under section 211B(1) of the Companies Act be extended until the adjourned hearing of the Sanction Application.

Subsequent to the Summons hearing, the Court has, on 14 October 2020, re-fixed the hearing of Sanction Application on 8 February 2021.

With respect to CCPSB, the Malaysia HC granted the JM an extension of the JMO on 4 September 2020:

- i) On 10 September 2020, APSB filed notices of appeal to the Court of Appeal over the approval of the Malaysia HC for JMO over CCPSB and the approval of the extension of time for JMO by the JM. The hearing of the appeals has yet to be fixed by the Court of Appeal and are pending the issuance of grounds of judgement by the Malaysian HC.
- ii) On 25 September 2020, CCPSB's JM circulated the Statement of Proposal (the "**SOP**") to its creditors in connection with the debt settlement proposal under Section 420 of the Malaysia Companies Act 2016. CCPSB's creditors' meeting was convened on 9 October 2020 with 96.6% in value of creditors present and voting in person or by proxy supporting the JM's SOP. The JM will file the results of the creditors' meeting with the Malaysia HC and implement the creditors' approved SOP by 16 October 2020.
- iii) On 7 October 2020, APSB filed an application to appeal against the JM's rejection of their proof of debt form dated 11 June 2020 and that pending the full and final disposal of this application, the CCPSB's creditors' meeting to be convened pursuant to Section 420(1)(a) of the Companies Act, 2016 be stayed. The case management has been fixed on 20 October 2020.

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, 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
14 October 2020

*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. Gillian Goh, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.

Note (1): Based on exchange rate of RM 3.0574: S\$ 1; RM 0.5350 : HK\$ 1.0000