

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

LAPSE OF PROPOSED VARIATION TO THE TERMS OF THE JOINT VENTURE BETWEEN ACHWELL PROPERTY SDN BHD (“APSB”), A WHOLLY-OWNED SUBSIDIARY OF GADANG HOLDINGS BERHAD (“GADANG”), AND CAPITAL CITY PROPERTY SDN BHD (“CCPSB”), A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY

The board of directors (the “**Board**” or the “**Directors**”) of Capital World Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s announcements dated 1 April 2019, 31 May 2019, and 26 September 2019 (the “**Previous Announcements**”), as well as the Circular to shareholders dated 15 May 2019, in relation to the proposed variation to the terms of joint venture between APSB and CCPSB through the Settlement Agreement dated 29 March 2019. Unless otherwise defined, capitalised terms used in this announcement shall bear the same meanings as ascribed to them in the Previous Announcements.

The Board wishes to announce that due to the current negative business environment, CCPSB had managed to fulfill only two (2) out of three (3) Conditions Precedent as set out in the Settlement Agreement, being Clause 3.1(b) and Clause 3.1(c) of the announcement dated 1 April 2019, despite the Settlement Agreement having been extended to 28 March 2020. As the Conditions Precedent had not been fulfilled by 28 March 2020, the Settlement Agreement, together with the Call Option and Put Option, have lapsed. The lapse of the Settlement Agreement has resulted in the Joint Venture Agreement reverting to status quo and the terms of the Joint Venture Agreement between APSB and CCPSB has not and is not able to be completed as envisaged. The Judicial Manager of CCPSB is seeking legal advice on the impact arising from the lapsing of the Settlement Agreement and to determine a suitable plan of approach to resolve the matter with APSB.

The Judicial Manager of CCPSB aims to seek a mutually beneficial outcome for both APSB & CCPSB. The Company will make further announcement as and when there are material updates in relation to this matter.

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 further 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
1 April 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") in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst.

This announcement has not been examined or approved by the SGX-ST. The SGX-ST 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, Director, Head of Continuing Sponsorship (Mailing address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, and Email: sponsorship@ppcf.com.sg).