

## **MEDIA RELEASE**

### **CAPITAL WORLD ENTERS INTO A TERM SHEET WITH PRIVATE INVESTORS TO RAISE S\$18.3 MILLION**

- **Mr. Yuan, a reputable real estate player in China will hold 28.11% stake in Capital World upon completion of the Proposed Subscription, emerging as a new controlling shareholder**
- **Proceeds will be used for the development of the Capital City Project, repaying existing debts and for working capital purposes**
- **The transaction demonstrates confidence in the Group's business model and allows the Group to strengthen its balance sheet**

**Singapore, 15 July 2019** – Capital World Limited (the “Company”, and together with its subsidiaries, the “Group”), an innovative property developer, is pleased to announce that it had on 10 July 2019 entered into a term sheet with Mr. Yuan Zhiwei (袁智伟) and Mr. Chng Chor Tong (collectively, the “Investors”) relating to a proposed issuance of new ordinary shares of the Company (“Proposed Subscription”).

The Proposed Subscription involves an issuance of 916,047,277 new ordinary shares at S\$0.020, representing a 13.04% discount to the volume weighted average price (“VWAP”) of S\$0.023 on 5 July 2019, being the latest full market day where shares were traded before the term sheet was signed. This would allow the Group to raise gross proceeds of about S\$18.3 million which will be utilised for the development of the Capital City Project, partial repayment of existing loans and borrowings and for working capital purposes.

Upon completion of the Proposed Subscription, Mr. Yuan will hold 28.11% stake in the enlarged share capital of the Group, emerging as a controlling shareholder while Mr. Chng will be holding 4.84% of the enlarged share capital.

Mr Yuan is a Singapore Permanent Resident and is currently a Director and shareholder of Guizhou Honki Real Estate Development Company Ltd. (贵州鸿基房地产开发有限公司) (“Guizhou Honki”) and Shen Zhen South Honki Investment Co., Ltd. (深圳南方鸿基投资有限公司), specialising in property development, property investment, and property management. Mr Yuan founded Guizhou Honki in 1993. After more than twenty years of development, the small and medium-sized real estate firm has transformed into a real estate conglomerate supplemented by diversified businesses in construction, property management, advertising, entertainment and etc. Today, Guizhou Honki has become a well-known regional real estate development enterprise in Guizhou with presence in other provinces and cities such as Guangzhou and Shenzhen.



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**Capital World Limited**  
(Incorporated in the Cayman Islands)  
Company Registration Number: CT-276295

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Mr. Siow Chien Fu, Executive Director and CEO, said, **“This transaction not only strengthens the Group’s balance sheet but also attests to our proven business model. We are pleased to have a prominent real estate player in China as our shareholder. We believe the Group will be able to draw on Mr Yuan’s extensive industry experience and expertise in the future.”**

Due diligence of the Group will be carried out by the Investors and will be completed within two months from the date of the term sheet, subject to extension as mutually agreed between both the Investors and the Company (“Parties”). The Parties shall as soon as practicable from the date of this term sheet and in good faith, negotiate and settle the terms of the subscription agreement, which shall be entered into within seven (7) days from the date of completion of due diligence. The Proposed Subscription is subject to shareholders’ approval at an Extraordinary General Meeting to be convened at a later date.

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### **About Capital World Limited**

Capital World Limited (formerly known as Terratech Group Limited) and together with its subsidiaries, (the "Group") is an innovative property developer that joint ventures with landowners to minimize initial capital outlay. The Group's origins can be traced back to June 2013 with the establishment of Capital City Property Sdn Bhd. The Group undertakes the conception, design and implementation of integrated property projects.

The Group is currently developing Capital City Project, an integrated property project comprising a retail mall, indoor theme park, hotel and serviced suites and serviced apartments along Jalan Tampoi, Johor Bahru, Malaysia. The Group has also entered into joint venture agreements to develop:

- i) Project Austin, an integrated development project which is expected to comprise a retail mall, office suites, hotel and serviced residential apartments,
- ii) Project Sitiawan Wellness Hub, a mixed development project focusing on providing health and wellness services; and
- iii) Pengerang project, a landed housing township development project

The Group is also engaged in the production and sale of premium quality marble blocks and slabs, aggregates and calcium carbonate powder from its quarry in Kelantan, Malaysia.

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**Issued for and on behalf of Capital World Limited  
By Financial PR Pte Ltd**

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*This press release 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 Catalist.*

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