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

MONTHLY UPDATE FEBRUARY 2023

Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meaning in the previous announcements dated 7 February 2023.

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:

A. Update on legal claims against the Group

i. As at the date of this announcement, the total ongoing legal claims of the Group is RM19.8 million.

ii. Following are the updates on the ongoing legal matters:

a. With regards to the case involving Teh Swee Neo, Lee Yong Hen and 97 other purchasers, with CCRM Management Sdn Bhd. ("**CCRM**") as the lessee and Capital City Property Sdn Bhd ("**CCPSB**") as the developer, the Court has further postponed the hearing to 6 March 2023.

b. With regard to the case involving Lee Choi Fa and 139 other purchasers with CCRM as the lessee and CCPSB as the developer, the High Court Judge has directed that the Judiciary Management has the right to enter into the Consent Order although Lee Choi Fa and the 139 other purchasers are neither secured creditors nor unsecured creditors as they are contingent creditors. CCPSB has filed an appeal on 22 December 2022, and the Court has directed for the appeal to be fixed on 21 March 2023.

c. With regard to the case involving Mr Pung It Teong and Ms Tan Yee Ting (the "**Purchasers**"), the Purchasers served a Writ and Statement of Claim dated 28 September 2022 to CCPSB as the developer. The Purchasers are claiming a refund for the sum paid. The claim amount is RM435,756.00. The Court has directed the defendant, CCPSB to file an affidavit on or before 5 April 2023,

d. With regard to the legal demand letter involving Ms Debra Tan ("**Ms Debra**") with CCPSB, as of the date of this announcement, there are no further developments.

e. On 20 December 2022, Mr. Pey Boon Siong and 19 other purchasers ("**Pey & 19 Purchasers**") served their Writ Summons and Statement of Claim(s) to CCPSB as developer and CCRM as lessee. Pey & 19 Purchasers are claiming a total of RM8,926,783.94 for the liquidated and ascertained damages of the late delivery of the Capital City Mall retail units' vacant possession, arrears of guarantees rent, and the financial loss and property depreciation value faced by them. The Court has directed the Physical hearing for the consolidation application to be fixed on 14 March 2023.

iii. Referring to the announcement dated 29 July 2022, CCPSB receipt of a Notice of Default from APSB. As per the Notice, APSB claimed that CCPSB, a wholly owned subsidiary of the Company had defaulted in the payment for Tranches 1 and 2 of a loan amounting to RM10,000,000.00, and an additional accrued late payment interest charge at a rate of 5% per annum (calculated on daily basis) for Tranche 1 of the Final Settlement Sum ("**Default Event**").

The Company refers to its announcement dated 10 February 2023 in relation to the entering into a supplemental settlement agreement ("**SSA**") between Achwell Property Sdn bhd ("**APSB**"), and CCPSB. The Default Event was remedied by CCPSB upon entering into the SSA with APSB.

Further disclosures will be made in due course to keep shareholders apprised of its developments.

B. <u>The Company's future direction, or other material development that may have a significant impact on the issuer's financial position</u>

The Company refers to its announcement dated 10 February 2023 wherein the Company has submitted its resumption of trading proposal ("**Resumption Proposal**") to Singapore Exchange Regulation Pte Ltd. The Company shall keep the shareholders updated on the outcome of the Resumption Proposal accordingly.

Trading in the Company's securities on the SGX-ST has been voluntarily suspended by the Company since 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

Hoo Khee Leng
Executive Director and Chief Executive Officer
3 March 2023

This document has 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") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

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