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 31 August 2021.

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

(i) As at the date of this announcement, the total number of legal claims that the Group has received is approximately RM58.5[(1)] million, of which RM12.9[(1)] million are claims from trade and other creditors, while the remaining RM45.6[(1)] million are loans from a financial institution (non-bank) and a convertible loan agreement. The decrease in the total amount of legal claims were mainly due to the changes in exchange rates.

(ii) On 24 September 2021, the Company was informed by Dato Wira Eric Tan ("**Dato Tan**") that he had reached an amicable settlement with the Plaintiff of HC/S 1257/2020, Dato Chong Thim Pheng. In the circumstances, it was no longer necessary for the Company to intervene further in HC/S 1257/2020. Therefore, the Company has withdrawn its application to intervene in HC/S 1257/2020.

(iii) On 24 March 2021, with regard to the case involving Teh Swee Neo, Lee Yong Hen and 97 other purchasers (collectively, the "**Plaintiffs**") with CCRM Management Sdn Bhd. as lessee and Capital City Property Sdn Bhd (Judicial Manager Appointed) as developer (collectively, the "**Defendants**"), the Malaysia Court had fixed the trial dates from 20 September 2021 to 22 September 2021. However, as the Plaintiffs have filed their amendment application to the Court and due to the extension of the JMO (defined below) from 8 September 2021 to 8 January 2022, the Court has vacated and postponed the trial dates to a later date (to be fixed). The next case management has also been fixed on 21 October 2021, for the Court to give directions on the filing of documents / cause papers (if the Plaintiffs' amendment application is allowed) and to fix trial dates.

(iv) In reference to the case management for the application by Lee Choi Fah and 25 other purchasers the case management date has been adjourned from 21 September 2021 to 21 October 2021.

(v) On 31 August 2021, Lee Choi Fah & 25 other purchasers (the "**Proposed Interveners**") has through their solicitors, Messrs. Hakem Arabi intervened to object the sanction application for the Settlement Agreement which was entered on 28 July 2021 with Achwell Property Sdn Bhd ("**APSB**"); until their earlier application to set aside the JMO is heard. On 6 September 2021,in order to allow the Settlement Agreement to be sanctioned by the High Court, JM has agreed for and Malaysia Court has sanctioned a Consent Order and has set aside 18 retail units to cover the amount of the Proposed Interveners alleged claim in Capital City Mall. and Proposed Interveners , subject to sanction of a scheme of arrangement pursuant to Section 366 of the Malaysia Companies Act 2016 or settlement agreement between Proposed Interveners and Capital City Property Sdn Bhd ("**CCPSB**").

Note (1): Based on exchange rate of RM 3.0941: S$ 1; RM 0.5376: HK$ 1.0000

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

On 24 February 2020, the Company announced that CCPSB had filed an application to place CCPSB under judicial management in the High Court of Malaya, Kuala Lumpur, Malaysia (the "**Malaysian Court**"). CCPSB had been granted by the Malaysian Court for CCPSB to be placed under judicial management.

On 16 March 2020, the Company announced that on 13 March 2020, the High Court of the Republic of Singapore (the "**Court**") had granted the Company pursuant to Section 211B(1) of the Companies Act (Cap. 50) to reorganize its liabilities.

CCPSB's judicial manager (the "**JM**") has held the creditors meeting on 26 October 2020 and is currently implementing the proposed restructuring of the liabilities of CCPSB.

On 24 June 2021, the Court has sanctioned the Company's Scheme of Arrangement for the repayment to the creditors (which includes creditors of the Company and CCPSB) and extension of moratorium to 30 September 2021.

The JM order (the "**JMO**") has expired on 8 September 2021, pursuant to Section 405 of the Malaysia Companies Act 2016. The JM has applied and Malaysian Court had on 6 September 2021, sanctioned the Settlement Agreement between CCPSB and APSB and granted an extension of the JMO to 8 January 2022. The extension of the JMO was to allow the JM to follow up on the implementation of the restructuring of the liabilities of CCPSB as well as the fulfilment of the condition precedents of the Settlement Agreement which includes APSB procuring the approval of its ultimate holding company, Gadang Holding Berhad's, shareholders' meeting which is expected to be held in November 2021. Once the aforementioned condition precedents are met, the settlement agreement with APSB would no longer be conditional.

On 28 September 2021, the Company applied to Court and has been granted sanction for an extension of the moratorium from 30 September 2021 to 28 October 2021 due to the extended time required by CCPSB's JM in finalizing the creditors' debts of which Scheme Shares are to be issued to settling their debts. This delay was also due to the prolonged movement control orders implemented by the Malaysian government.

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. 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
30 September 2021

*This announcement 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.*

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