

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

ENTRY INTO OPTION AGREEMENT IN RELATION TO THE PROPOSED GRANT OF UP TO 50,000,000 SHARE OPTIONS TO ONE WORLD CORPORATION LIMITED

1. INTRODUCTION

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 5 December 2018 and 21 December 2018 in relation to the entry into a binding term sheet (“**Term Sheet**”) and a subscription and options agreement (the “**Subscription and Options Agreement**”), respectively, with PRG Holdings Berhad (the “**Subscriber**”) (the “**Previous Announcements**”). Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meaning as ascribed to them in the Previous Announcements.

Further to the Previous Announcements, the Board wishes to announce that the Company has on 9 January 2019 entered into an option agreement (the “**Option Agreement**”) with One World Corporation Limited (the “**Referrer**”) to formalise the terms of the referral fee and Referrer Options (as defined herein), pursuant to which:

- (a) the Company shall pay to the Referrer a referral fee amounting to 5% of the total gross proceeds raised from the Proposed Subscription within five (5) working days from the date of allotment and issue of the Subscription Shares and/or Subscriber Option Shares, as the case may be; and
- (b) the Company shall grant to the Referrer up to 50,000,000 non-listed and non-transferrable share options (the “**Referrer Options**”) at no consideration, with each Referrer Option carrying the right to subscribe for one (1) new Share (“**Referrer Option Share**”) at the exercise price of S\$0.035 for each Referrer Option Share (“**Exercise Price**”) within two (2) years from the date of completion of the Proposed Subscription (“**Completion Date**”) (the “**Grant of Referrer Options**”).

Save as set out in this announcement, all information relating to the Grant of Referrer Options remain the same as set out in the Previous Announcements.

2. PRINCIPAL TERMS OF THE GRANT OF REFERRER OPTIONS

The principal terms of the Grant of Referrer Options are summarised as follows:-

Number of Options	Up to 50,000,000 Referrer Options
Transferability	Non-transferrable
Exercise Rights	Each Referrer Option entitles the Referrer to subscribe for one (1) Referrer Option Share at the Exercise Price. The Referrer shall exercise the Options in multiples of 10 million with a minimum of 10 million Options each time.
Exercise Price	S\$0.035 for each Referrer Option, which represents a discount of approximately 34.0% to the volume weighted average price of S\$0.053 of the Shares for trades done on 5 December 2018, being the date on which the Term Sheet was signed.
Exercise Period	The period commencing on and including the Completion Date, and expiring on the second anniversary of the Completion Date

	<p>unless such date is a date on which the register of members is closed or is not a market day, in which event, such period shall end on the date prior to the closure of the register of members or immediate preceding market day (as the case may be).</p>
Aggregate Gross Proceeds	<p>Up to S\$1,750,000 (assuming the exercise of all the Referrer Options)</p>
Status of the Referrer Option Shares	<p>The Referrer Option Shares, when issued by the Company, will rank <i>pari passu</i> in all respects with and carry all rights similar to the then existing ordinary shares of the Company, save that they will not rank for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Referrer Option Shares.</p>
Adjustments	<p>The Exercise Price is subject to certain anti-dilution adjustments under certain circumstances provided for in the Option Agreement. Such circumstances relate to, <i>inter alia</i>:</p> <ul style="list-style-type: none"> a) issue by the Company of Shares credited as fully paid-up by way of capitalisation of profits or reserves; b) a capital distribution made by the Company to Shareholders; c) an offer or invitation made by the Company to its Shareholders whereunder they may acquire or subscribe for Shares by way of rights; or d) any consolidation or subdivision of Shares.
Notice of Expiration	<p>The Company shall, not later than one (1) month before the expiry of the Exercise Period, announce the same on the SGXNet. Additionally, the Company shall, not later than one (1) month before the same, take reasonable steps to notify the Referrer in writing of the expiry date and such notice shall be delivered personally or by post to the address of the Referrer.</p>
Alteration to Terms	<p>No material alteration to the terms of the Referrer Options after the issue thereof to the advantage of the Referrer shall be made, unless the alterations are made pursuant to the terms and conditions of the Referrer Options or the prior approval of Shareholders in general meeting has been sought.</p>
Governing Law	<p>The laws of the Republic of Singapore.</p>
Winding-up	<p>The Options shall lapse and cease to be valid for any purpose if the Company is wound up.</p>
Further Issues	<p>The Company shall be at liberty to issue Shares to the Shareholders of the Company either for cash or as a bonus distribution and to issue further subscription rights, upon such terms and conditions as the Company sees fit, but the Referrer shall not have any participating rights in such issue unless otherwise resolved by the Company in general meeting.</p> <p>The terms and conditions of the Referrer Options do not provide the Referrer with any right to participate in any distributions and/or offers of further securities made by the Company unless the options are converted into Shares.</p>

Conditions Precedent	<p>Completion of the Grant of Referrer Options is subject to <i>inter alia</i> the following conditions:-</p> <p>a) the Company having received approval from the Board and Shareholders in respect of the Grant of Referrer Options;</p> <p>b) the submission of the additional listing application and the receipt of the listing and quotation notice from the SGX-ST for the listing and quotation of the Referrer Option Shares on the Official List of the SGX-ST, and the same not being revoked or amended, and where such approval is subject to conditions, such conditions being reasonably acceptable to the Company and the Referrer, and to the extent that any conditions to such approval are required to be fulfilled on or before completion, they are so fulfilled to the satisfaction of the SGX-ST or so waived by them; and</p> <p>c) the allotment, issue and subscription of the Referrer Option Shares not being prohibited by any statute, order, rule or regulation promulgated by any applicable legislative, executive or regulatory body or authority of Singapore.</p>
-----------------------------	---

3. SHAREHOLDERS' APPROVAL

The Grant of Referrer Options to the Referrer will not be made pursuant to the general mandate obtained from Shareholders at the annual general meeting of the Company held on 31 October 2018, and the Company will therefore be seeking specific Shareholders' approval for the Grant of Referrer Options in accordance with Rule 811(3) and Rule 824 of the Catalist Rules at an extraordinary general meeting of the Company ("EGM") to be convened.

A circular to Shareholders containing more information on the Proposed Transactions, together with the notice of the EGM, will be despatched to Shareholders in due course.

4. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or the controlling shareholders of the Company or their respective associates has any interest, direct or indirect, in the Grant of Referrer Options, other than through their respective directorships and/or shareholdings in the Company.

5. DOCUMENT AVAILABLE FOR INSPECTION

The Option Agreement is available for inspection during normal business hours from 9.00 am to 5.00 pm at the business office of the Company at 390 Havelock Road, #04-06 King's Centre, Singapore 169662 for a period of three (3) months from the date of this announcement.

6. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Grant of Referrer Options, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and

correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

7. TRADING CAUTION

Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders are 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. In the event of any doubt, Shareholders should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisors.

By Order of the Board
CAPITAL WORLD LIMITED

Siow Chien Fu
Executive Director and Chief Executive Officer
9 January 2019

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"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"), this being the SGX-ST Listing Manual Section B: Rules of Catalyst. The Sponsor has not independently verified the contents of this announcement.

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