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

ENTRY INTO SALE AND PURCHASE AGREEMENTS FOR THE PROPOSED DISPOSAL OF THE FIVE TOWERS OF CAPITAL CITY PROJECT

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1. INTRODUCTION

The Board of Directors (the "**Board**") of Capital World Limited (the "**Company**", and together with its subsidiaries, collectively the "**Group**") wishes to announce that the Company's wholly owned subsidiary, Capital City Property Sdn. Bhd. ("**CCPSB**"), has on 2 November 2026 entered into three sale and purchase agreements (collectively, the "**SPAs**") with the respective purchasers (the "**Purchasers**") for the proposed disposal of the development rights and property interests relating to the five towers (the "**Five Towers**") of the Capital City Project in Johor Bahru, Malaysia (collectively, the "**Sale Properties**") (the "**Proposed Disposal**").

The details of the Sale Properties, Purchasers and consideration are set out below.

2. SALIENT TERMS OF THE SPAs

2.1 Sale Properties, Purchasers and Purchase Consideration

The Proposed Disposal of the Sale Properties relates to specified tower sites and property interests within the freehold development held under Geran 544822, Lot 48975, Bandar Johor Bahru, together with the associated carpark, accessory parcel and utility rights specified in the SPAs. It does not comprise a sale of the entire master land or the retail mall.

Component of Sale Properties and Purchaser	**Sale Properties Description**
Tower A - Parasky Projects Sdn. Bhd. Registration No. 200701011038 (769041-K)	Partially constructed hotel tower comprising 315 units, together with the specified Level 14 podium site, associated podium interests, 60 accessory parcels comprising 235 carpark bays and associated utility parcels and rights.
Tower B - Kirana Tiara Sdn. Bhd. Registration No. 202201015171 (1460868-T)	Partially constructed tower comprising 630 parcels, of which 465 unsold parcels are included in the disposal and 165 previously sold parcels are excluded, together with specified Level 14 podium site, 630 accessory parcels comprising 751 carpark bays and associated utility parcels and rights.
Towers C, D and E - MBW Projects Sdn. Bhd. Registration No. 201901006593 (1315920-U)	Specified sites on Level 14 of the podium and associated rights for three planned serviced apartment towers comprising 690 units in total, together with 690 carpark bays and associated utility parcels and rights. Construction of three towers has not commenced.

The properties are being sold en bloc on an "**as is where is**" basis as to physical condition, subject to the SPAs warranties and other terms. The purchasers are companies incorporated in Malaysia.

The aggregate purchase consideration under the three SPAs is RM50 million ("**Purchase Consideration**"), comprising an aggregate purchase price of RM25 million ("**Purchase Price**") and RM25 million in reimbursement of CCPSB's (the "**Vendor**") expenses and costs for fulfilling its Post-Completion Obligation ("**PCO**")("**PCO Costs**"), as follows:

Property	Purchaser	Purchase Price	PCO Costs	Total Purchase Consideration
Tower A	Parasky Projects Sdn. Bhd.	RM5 million	RM5 million	RM10 million
Tower B	Kirana Tiara Sdn. Bhd.	RM8 million	RM8 million	RM16 million
Towers C, D and E	MBW Projects Sdn. Bhd.	RM12 million	RM12 million	RM24 million
Total		**RM25 million**	**RM25 million**	**RM50 million**

The aggregate Purchase Consideration was arrived at following arm's length commercial negotiations, taking into account the existing condition of the Five Towers, outstanding development obligations and the arrangements relating to the previously sold Tower B units.

Based on corporate information obtained from the Companies Commission of Malaysia, Kirana Tiara Sdn. Bhd. and MBW Projects Sdn. Bhd. are wholly owned subsidiaries of MB World Group Berhad. Parasky Projects Sdn. Bhd. is wholly owned by SKS Southern Sdn. Bhd., which is in turn wholly owned by Cindi Sim. All three Purchasers share the same four directors, namely Cindi Sim, Simon Sim Yow Yung, Ng Kok Boon and Ng Pek Hung.

The Purchasers and their respective ultimate beneficial owners are independent of, and unrelated to, the Company, its Directors and controlling shareholders.

2.2 Payment and Completion Arrangements

An aggregate sum of RM5 million is payable as deposits upon execution of the respective SPAs.

The aggregate balance Purchase Price of RM20 million is payable to CCPSB's solicitors as stakeholders within three (3) months from the respective SPA dates, with an extension of two (2) months subject to interest at the rate of 8% per annum on the outstanding balance, calculated daily, and the applicable contractual exclusions and extension provisions under the respective SPAs.

The release of the balance Purchase Price is subject to the stipulated conditions under the respective SPAs, including delivery of vacant possession, acknowledgment of the notices of assignment by the Joint Management Body ("**JMB**") and satisfaction of the corresponding release conditions under the other SPAs. After settlement of the applicable outgoings, the remaining monies shall be released to CCPSB within ten (10) days after the fulfilment of the relevant release conditions.

Upon full payment of the applicable balance Purchase Price to CCPSB's solicitors in accordance with the respective SPAs, the relevant Sale Properties and all ownership rights, title and interests therein shall be deemed transferred, assigned and vested in the respective Purchasers, notwithstanding that the corresponding PCO Costs may remain outstanding.

2.3 Mustafa Carpark Confirmation

Under the SPAs, CCPSB is required, within two (2) months from the respective SPA dates, to procure written confirmation from MK Mustafa Centre Sdn. Bhd. ("**Mustafa**"), duly executed by both parties and supported by the requisite corporate resolutions, confirming the carpark allocations under the proposed strata plan and the exclusion of other carparks and common property from the Mustafa sale agreement. Any delay beyond this period shall be excluded from the computation of the completion and extended completion periods.

Upon full payment of the applicable Purchase Price, the relevant property interests shall be assigned to the respective Purchasers in accordance with the terms of the SPAs, notwithstanding that the corresponding PCO Costs may remain outstanding.

2.4 Post-Completion Obligations

Under the SPAs, CCPSB is required, at its own cost, to fulfil the stipulated PCOs within twelve (12) months from the respective SPA dates. These include the issuance and delivery of Provisional Strata Titles, obtaining the requisite planning and building plan amendments for the conversion of Tower B's 465 unsold parcels into serviced apartments, and fulfilling the relevant obligations concerning the previously sold Tower B units and under the other SPAs.

The Purchasers are not obliged to pay the corresponding PCO Costs until fulfilment of the stipulated obligations. In the event of non-fulfilment, the Purchasers may utilise the allocated PCO Costs to undertake the relevant obligations. Separately, pursuant to Clause 3.12 of the respective SPAs, the Purchasers may utilise the PCO Costs to settle CCPSB's outstanding JMB liabilities, including those relating to other parcels within the Sale Properties. Any costs exceeding the allocated PCO Costs shall remain CCPSB's responsibility, subject to the SPAs. Accordingly, the RM25 million PCO Costs may not be fully receivable as cash proceeds by the Group.

2.5 Tower B Supplemental Agreement

In connection with the Tower B SPA, CCPSB and Kirana Tiara Sdn. Bhd. have also entered into a Supplemental SPA governing the arrangements concerning the 165 previously sold Tower B units, including the proposed settlement arrangements with existing purchasers and the treatment of participating, non-participating and revoked sale and purchase agreements.

2.6 Powers of Attorney

CCPSB has executed the corresponding Powers of Attorney in favour of the respective Purchasers to facilitate the development, management and other dealings relating to the Sale Properties. The stamping and registration of the Powers of Attorney shall be undertaken in accordance with the payment and completion arrangements stipulated under the respective SPAs.

3. TRANSACTION ARRANGER COMMISSION FEE

In connection with the Proposed Disposal, PropNex Realty Sdn. Bhd. ("**Transaction Arranger**") was engaged as the transaction arranger and is entitled to an arranger's fee equivalent to six per cent (6%) of the aggregate consideration of RM50.0 million, amounting to approximately RM3.0 million, excluding applicable taxes and disbursements.

The arranger's fee is payable by CCPSB upon receipt of the second payment tranche of RM20.0 million, representing 40% of the aggregate consideration, in accordance with the agreed terms of engagement.

4. BACKGROUND AND RATIONALE FOR THE PROPOSED DISPOSAL

The Five Towers form part of the Capital City Project, an integrated property development comprising the retail podium and five tower blocks designated for hotel, suites and serviced apartment developments.

The Proposed Disposal is intended to facilitate the continued development and completion of the Five Towers by the respective Purchasers, subject to CCPSB's continuing contractual obligations under the SPAs.

The Board considers the Proposed Disposal beneficial to the Group as it is expected to reduce future development funding requirements, monetise existing development interests and enable Management to focus on the Group's remaining assets and operations.

5. TRANSACTION IN THE ORDINARY COURSE OF BUSINESS

Pursuant to Rule 1002(1) and paragraph 2 of Practice Note 10A of the Catalist Listing Manual, the Board is of the view that the Proposed Disposal is undertaken in connection with the Group's ordinary course of business as:

(a) the Proposed Disposal is carried out as part of the Group's existing principal business of property development, investment in and sale of properties;

(b) the Proposed Disposal involves the commercial realisation of existing development rights and property interests within the Capital City Project, consistent with the nature of the Group's property development business; and

(c) having regard to the Group's remaining assets and continuing operations, the Proposed Disposal is not expected to materially change the nature or risk profile of the Group's principal business.

Accordingly, the Board considers that the Proposed Disposal falls within the ordinary-course exclusion under Rule 1002(1) of the Catalist Listing Manual. Nevertheless, the Board has decided to voluntarily disclose details of the Proposed Disposal in the interests of transparency and good corporate governance.

6. BOOK VALUE, NET TANGIBLE ASSET VALUE

Based on the Group's audited financial statements for the financial year ended 30 June 2026 ("**FY2026**"), the book value and net tangible asset value attributable to the Sale Properties were approximately RM0.1 million.

In a letter dated 5 October 2026 prepared for CCPSB for internal management purposes, VPC Alliance (JB) Sdn. Bhd. ("**VPC**") assessed the market value of the development rights in respect of the Five Towers at approximately RM20.0 million as at that date. Its opinion assumed vacant possession and good, marketable and registrable titles free from encumbrances.

The aggregate Purchase Price of RM25.0 million is RM5.0 million, or 25%, above VPC's assessed value of the development rights in respect of the Five Towers. This comparison excludes the separate RM25.0 million in PCO Costs, which is subject to fulfilment of the stipulated obligations and may not be fully received in cash by the Group.

7. CONSIDERATION OVER BOOK VALUE & PROPOSED USE OF PROCEEDS

Based on the book value of the Sale Properties of approximately RM0.1 million as at 30 June 2026 and the aggregate consideration of RM50.0 million, the Proposed Disposal is expected to result in an estimated excess of approximately RM49.9 million over the book value of the Sale Properties.

The estimated net proceeds from the Proposed Disposal are approximately RM22.0 million, representing the aggregate Purchase Price of RM25.0 million less the arranger's fee of approximately RM3.0 million, excluding the conditional PCO Costs of RM25.0 million and any other applicable transaction expenses.

The Group intends to utilise the net proceeds primarily for working capital purposes. Pending such utilisation, the proceeds may be placed in deposits with financial institutions.

8. ESTIMATED GAIN ON DISPOSAL

Based on the carrying value of the Sale Properties, the Group expects to recognise an estimated gain on disposal of approximately RM21.9 million, after taking into account the applicable accounting treatment of the PCO Costs, retained liabilities, transaction costs and other relevant adjustments.

9. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

The financial effects of the Proposed Disposal on the Group's net tangible assets ("**NTA**") per share and earnings per share ("**EPS**") are set out below. These have been prepared based on the Group's audited consolidated financial statements for the financial year ended 30 June 2026 and are for illustrative purposes only.

The calculations are subject to the applicable accounting treatment of the Purchase Price, PCO Costs, retained contractual obligations and transaction expenses, including the arranger's fee.

9.1 Net Tangible Assets ("NTA") per Share

For illustrative purposes, assuming that the Proposed Disposal had been completed on **30 June 2026**, being the end of FY2026:

	Before Proposed Disposal	**After Proposed Disposal**
NTA attributable to shareholders (RM'000)	135,312	157,212
Number of issued shares (excluding treasury shares) ('000)	16,099,980	16,099,980
NTA per share (RM cents)	0.84	0.98

9.2 Earnings per Share ("EPS")

For illustrative purposes, assuming that the Proposed Disposal had been completed on **1 July 2025**, being the beginning of FY2026:

	Before Proposed Disposal	**After Proposed Disposal**
Profit/(Loss) attributable to owners of the Company (RM'000)	(7,288)	14,612
Weighted average number of shares ('000)	16,099,980	16,099,980
Basic EPS / (LPS) (RM cents)	(0.05)	0.09

10. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders of the Company and their respective associates has any interest, directly or indirectly, in the Proposed Disposal, save through their respective shareholdings in the Company (if any).

11. FURTHER ANNOUNCEMENTS

The execution of the SPAs does not constitute completion of the Proposed Disposal, which remains subject to the applicable contractual requirements.

The Company will make the appropriate announcements as when there are material developments on the Proposed Disposal.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the SPAs and the Tower B Supplemental SPA will be made available for inspection during normal business hours at the Company's office 120 Lower Delta, Road #09-15, Cendex Centre, Singapore 169208 for a period of three (3) months from the date of this announcement.

13. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information contained 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 concerning the Proposed Disposal, and that they are not aware of any facts the omission of which would render any statement in this announcement misleading.

14. CAUTIONARY STATEMENT

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

Datuk Wira Eric Tan Eng Huat
Managing Director
4 November 2026

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*This announcement has been reviewed by the Company's sponsor, RHT Capital 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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