



**KTL Global Limited**  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 200704519M)  
(The "**Company**")

Condensed interim financial statements  
for the third quarter and nine months ended  
31 March 2023

The Company is required, pursuant to the requirements of the Singapore Exchange Securities Trading Limited ("SGX-ST"), to continue with quarterly reporting of its financial statements, in view of the disclaimer opinion and material uncertainty relating to going concern highlighted by the auditors in its audited financial statements for the financial year ended 31 March 2023.

Change of financial year end

On 10 January 2022, the Company announced a change of its financial year end from 31 December to 30 June. Accordingly, the 3<sup>rd</sup> quarter will be for the period 1 January 2023 to 31 March 2023.

Extension of time

As announced on 18 July 2023, the Company has submitted an application to seek the SGX-ST's approval for an extension of time to comply with the requirements of Rule 705(2) of the Listing Manual, and for an extension of up to three (3) months to announce the Company's Unaudited FY2023 Financial Statements by 14 August 2023. For more information, please refer to the actual announcement on 18 July 2023.

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## A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Group			Group		
	3 months ended			9 months ended		
	31 March 2023	31 March 2022	Change	31 March 2023	31 March 2022	Change
	Unaudited	Unaudited		Unaudited	Unaudited	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Revenue</b>	<b>40</b>	209	-81	<b>190</b>	915	-79
Cost of sales	<b>(104)</b>	(161)	-35	<b>(378)</b>	(901)	-58
Gross (loss)/profit	<b>(64)</b>	48	-233	<b>(188)</b>	14	-1443
Other income	<b>3</b>	11	-73	<b>3</b>	158	-98
Administrative expenses	<b>(970)</b>	(325)	198	<b>(1,550)</b>	(1,751)	-11
Sales and marketing expenses	-	-	NA	-	-	NA
Finance costs	<b>(14)</b>	(22)	-36	<b>(41)</b>	(52)	-21
<b>Loss before tax</b>	<b>(1,045)</b>	(288)	263	<b>(1,776)</b>	(1,631)	9
Income tax (expense)/credit	-	-	NA	-	(33)	NM
<b>Loss from operations</b>	<b>(1,045)</b>	(288)	263	<b>(1,776)</b>	(1,664)	7
<b>Other comprehensive loss</b>						
<i>Item that may be reclassified subsequently to profit or loss:</i>						
- Reclassification of reserves upon disposal of subsidiaries						
<b>Other comprehensive loss, net of tax</b>	-	-		-	-	
<b>Total comprehensive (loss)/income for the financial period</b>	<b>(1,045)</b>	(288)	263	<b>(1,776)</b>	(1,664)	7
NM: Not Meaningful						

**A. Condensed interim consolidated statement of profit or loss and other comprehensive income (cont'd)**

	Group			Group		
	3 months ended		Change	9 months ended	9 months ended	Change
	31 March 2023	31 March 2022		31 March 2023	31 March 2022	
	Unaudited	Unaudited	Unaudited	Audited		
S\$'000	S\$'000	%	S\$'000	S\$'000	%	
<b>(Loss)/profit attributable to:</b>	<b>(1,045)</b>	(288)	263	<b>(1,776)</b>	(1,664)	7
Equity holders of the Company						
Non-controlling interests	-	-	NM	-	(266)	NA
	<b>(1,045)</b>	(288)	263	<b>(1,776)</b>	(1,930)	-8
<b>(Loss)/earnings per share for (loss)/profit for the period attributable to the equity holders of the Company:</b>						
<u>Basic (SGD in cent)</u>	<b>(0.51)</b>	(0.60)		<b>(0.30)</b>	(0.09)	
Weighted average number of ordinary shares ('000)	347,927	323,554		347,927	323,554	
<u>Diluted (Loss)/earnings per share (SGD in cent)</u>	<b>(0.51)</b>	(0.60)		<b>(0.30)</b>	(0.09)	
Weighted average number of ordinary shares ('000)	347,927	323,554		347,927	323,554	

NM: Not Meaningful

## B. Condensed interim statements of financial position – Group

	Group		Company	
	31 March 2023	30 June 2022	31 March 2023	30 June 2022
	Unaudited	Unaudited	Unaudited	Unaudited
	S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Plant and equipment	8	66	-	-
Goodwill from investments	27	27	-	-
Subsidiaries	-	-	210	210
Other receivables	493	600	-	-
<b>Total non-current assets</b>	<b>528</b>	<b>693</b>	<b>210</b>	<b>210</b>
<b>Current assets</b>				
Inventories	-	274	-	-
Trade receivables	114	354	-	-
Other receivables, deposits and prepayments	45	818	-	-
Amount due from subsidiaries	-	-	1,500	-
Cash and bank balances	24	28	6	6
<b>Total current assets</b>	<b>183</b>	<b>1,474</b>	<b>1,506</b>	<b>1,969</b>
<b>Total assets</b>	<b>711</b>	<b>2,167</b>	<b>1,716</b>	<b>2,179</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Borrowings	670	633	670	633
<b>Current liabilities</b>				
Trade payables	40	64	-	-
Contract liabilities	200	200	-	-
Amount due to subsidiaries	-	-	10	10
Other payables and accruals	1,428	1,092	1,064	916
Borrowings	300	329	-	-
Income tax payable	285	285	-	-
<b>Total current liabilities</b>	<b>2,253</b>	<b>1,970</b>	<b>1,074</b>	<b>926</b>
<b>Total liabilities</b>	<b>2,923</b>	<b>2,603</b>	<b>1,744</b>	<b>1,559</b>
<b>Net (liabilities)/assets</b>	<b>(2,212)</b>	<b>(436)</b>	<b>(27)</b>	<b>620</b>
<b>Equity</b>				
Issued capital	38,776	38,776	38,776	38,776
Reserves	(40,055)	(38,279)	(38,803)	(38,156)
Equity attributable to equity holders of the Company	(1,279)	497	(27)	620
Non-controlling interests	(933)	(933)	-	-
<b>Total equity</b>	<b>(2,212)</b>	<b>(436)</b>	<b>(27)</b>	<b>620</b>

### C. Condensed interim statements of changes in equity

Group	Attributable to equity holders of the Company						Total	Non-controlling Interests	Total Equity
	Issued Capital	Treasury shares reserve	Premium paid on acquisition of non-controlling interest	Translation (deficit)/ surplus	Statutory reserve fund	Accumulated Losses			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance at 1 July 2022</b>	38,776	(706)	-	-	-	(37,573)	497	(933)	(436)
Net loss and total comprehensive losses for the period	-	-	-	-	-	(1,776)	(1,776)	-	(1,776)
<b>Balance at 31 March 2023</b>	<b>38,776</b>	<b>(706)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(39,349)</b>	<b>(1,279)</b>	<b>(933)</b>	<b>(2,212)</b>
Balance at 1 Jan 2021	36,776	(706)	-	-	-	(34,747)	1,323	(929)	394
Conversion of shares from convertible loans	2,000	-	-	-	-	-	2,000	-	2,000
Net Loss and Total comprehensive income/(losses) for the period	-	-	-	-	-	(2,276)	(2,276)	(4)	(2,280)
Balance at 31 March 2022	38,776	(706)	-	-	-	(37,023)	1,047	(933)	114

## C. Condensed interim statements of changes in equity (cont'd)

Company	Share Capital	Treasure Share Reserves	Accumulated Losses	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance at 1 July 2022</b>	38,776	(706)	(37,450)	620
Loss and total comprehensive losses for the financial period	-	-	(647)	(647)
<b>Balance at 31 March 2023</b>	<b>38,776</b>	<b>(706)</b>	<b>(38,097)</b>	<b>(27)</b>
Balance at 1 January 2021	36,776	(706)	(36,147)	(77)
Conversion of shares from convertible loans	2,000	-	-	2,000
Loss and total comprehensive losses for the financial period	-	-	(1,164)	(1,164)
Balance at 31 March 2022	38,776	(706)	(37,311)	759

## D. Condensed interim consolidated statement of cash flows

	Group	
	9 months ended	9 months ended
	31 March 2023	31 March 2022
	Unaudited	Unaudited
	S\$'000	S\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss)/profit before income tax from operations	(1,776)	(1,631)
Adjustments for:		
Depreciation of plant and equipment	27	39
Impairment loss on trade receivables	102	-
Gain on termination of ROU assets	10	(4)
Fair value adjustments on borrowings	-	(147)
Finance expense	41	52
<b>Operating loss before working capital changes</b>	<b>(1,596)</b>	<b>(1,691)</b>
Changes in operating assets and liabilities:		
Inventories	274	(720)
Trade and other receivables	912	(338)
Trade and other payables	312	993
Contract liability	-	-
<b>Cash (used in)/generated from operations</b>	<b>(98)</b>	<b>(1,756)</b>
Taxation paid		(17)
<b>Net cash (used in)/generated from operating activities</b>	<b>(98)</b>	<b>(1,773)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net cashflow from disposal of discontinued operation	-	-
Acquisition of a subsidiary, net of cash acquired	-	-
Purchase of plant and equipment	-	(43)
Deposit paid to renovation works	-	(204)
Deposit paid to purchase of a property	-	(600)
Advance to a third party	107	(600)
<b>Net cash (used in)/generated from investing activities</b>	<b>107</b>	<b>(1,447)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(4)	5
Proceeds from convertible loans	-	2,000
Advance from a director related company	-	-
Proceeds from borrowings	-	0
Repayment of principal portion of lease liabilities	(9)	(51)
Repayment of borrowings	-	1,050
Dividend paid to non-controlling interest	-	-
<b>Net cash generated from/(used in) financing activities</b>	<b>(13)</b>	<b>3,004</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		
Cash and cash equivalents at beginning of the financial period	28	291
<b>Cash and cash equivalents at end of the financial period</b>	<b>24</b>	<b>75</b>

### List of significant non-cash transactions:

Conversion of shares from convertible loans (Note 14)	-	2,000
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## E. Notes to the condensed interim financial statements

### 1. General information

KTL Global Limited (the “**Company**”) is a limited liability company domiciled and incorporated in Singapore and is listed on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). The address of the Company’s registered office and its principal place of business is at Blk 1 Ang Mo Kio Industrial Park 2A AMK Tech 1, #02-10 Singapore 568049.

These interim consolidated financial statements as at and for the nine months ended 31 March 2023 (“**3Q FY2023**”) comprise the Company and its subsidiaries (collectively, the “**Group**”).

The principal activity of the Company is investment holding and the principal activities of the Group are sale and distribution of fresh vegetable and fruit produce (including import and export of fruits and vegetables, and growing of leafy and fruit vegetables), provision of technical, operational, procurement management services and other related services.

#### Change of financial year end

On 10 January 2022, the Company announced a change of its financial year end from 31 December to 30 June. Accordingly, the nine months will be for the period 1 July 2022 to 31 March 2023.

#### Rationale for the Change of Financial Year End

The Group had suspended its BOP services business since January 2021. Following the completion of the Company’s acquisition of the entire issued and paid-up share capital of Tianci Agritech Pte. Ltd. (“**TCA**”) on 28 June 2021, the Group operates in one business segment involved in the sale and distribution of fresh vegetables and fruit produce. The Group will, as at 31 December 2021, record operations from TCA for only six (6) months. The Board is of the view that it would be more meaningful and reflective of the Group’s performance if the financial year end of the Group was changed to 30 June which would then capture a full year of business activities of the Group. In addition, as announced on 17 August 2021, the Company had requested for voluntary suspension for trading of its shares on 17 August 2021 in view of the receipt by the Company of the auditor’s report on discovery of potential fraud (the “**Report**”). The Audit Committee and the Board has engaged Deloitte & Touche Financial Advisory Services Pte Ltd (“**Deloitte**”) to undertake an independent review of the concerns raised in the Report, including the provision of branding, operation and procurement (the “**BOP**”) business segment of Bluegas Private Limited (the “**Review**”). The Review is currently still ongoing. The Board is of the view that the change would allow the Company additional time to strengthen and standardise its internal control processes thereby improving administrative and operational efficiencies. Please refer to the announcement dated 10 January 2022 for more details regarding the change of financial year end.

### 2. Going concern

The Company continued its losses for the nine months ending 31 March 2023 (“**3Q FY2023**”) of S\$1.78 million. As at 31 March 2023, the Group was in a net liability position of S\$2.21 million. These conditions indicate an existence of a material uncertainty that may cast significant doubt on the Company’s and the Group’s ability to continue as a going concern.

The Board has assessed that there is an urgent need to raise funds and look for opportunities to inject new revenue-generating businesses into the Group. On 2 August 2023, the Company entered into a non-binding term sheet with Everose Holdings Pte. Ltd. to extend a convertible loan of S\$5,000,000 to the Company (the “**Proposed Investment**”). The loan will carry an interest rate of 12% per annum and/or converted into shares of the Company at S\$0.007 per share subject to relevant regulatory and shareholder approvals.

The loan will be drawn down as follows:

- (a) the first drawdown of S\$200,000 will be upon the appointment of a financial controller as approved by the Investor (the “**First Drawdown**”);
- (b) the second drawdown of S\$250,000 will be upon the signing of a Convertible Loan Agreement by no later than 31 August 2023, and the entirety of its usage to be subject to the approval of the Investor; and
- (c) the remaining drawdowns will be subjected to the approval of the Investor depending on the progress of the Proposed Investment provided always that all the remaining funds will be released upon the approval by the SGX-ST Exchange of the resumption of trading of the Company’s shares.

As at the date of this announcement, the Company had already received the First Drawdown and had disbursed S\$176,253.53 to pay off some of the Company’s creditors. Further, the parties had mutually agreed to extend the long-stop date to 30 September 2023 to enter into the definitive Convertible Loan Agreements.

The Company is of the opinion that subject to the completion of the Proposed Investment, the Company should be able to (i) operate as a going concern; and (ii) meet its short-term obligations as and when they fall due.

The Company’s and the Group’s financial statements have been prepared on a going concern basis as the management is of



the view that the Company and the Group will be able to continue as a going concern. If the Group is unable to continue in operational existence for the foreseeable future, the Group may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the condensed interim statement of financial position. In addition, the Group may have to reclassify non-current assets and liabilities as current assets and liabilities respectively, and to provide for further liabilities which may arise. No such adjustments have been made to these condensed financial statements.

### 3. Basis of preparation

The condensed interim financial statements for the nine months ended 31 March 2023 have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last unaudited financial statements for the year ended 30 June 2022. The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 3.1 below. The condensed interim financial statements are presented in Singapore Dollars ("S\$") and rounded to nearest thousand ("S\$'000") except when otherwise indicated.

#### 3.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

#### 3.2 Use of estimates and judgements

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. Except for net realisable value of inventories as disclosed in Note 15, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in Note 15.

### 4. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

### 5. Revenue and segment information

#### Business segment

Due to the change in the Company's financial year end from 31 December to 30 June, the revenue for the current financial period is from 1 July 2022 to 31 March 2023 ("**3Q FY2023**"). Accordingly, the corresponding period for comparison is from 1 July 2021 to 31 March 2022.

Following the completion of the Company's acquisition of TCA on 28 June 2021, the Group operates in one business segment involved in the sales and distribution of fresh vegetable and fruit produce since FY2021.

The revenue for the period ended 31 March 2023 as well as the corresponding period ending 31 March 2022 were generated from the sales and distribution of fresh vegetable and fruit produce by TCA.

#### Geographical segment

For the relevant periods, the Group's operations related to sales and distribution of fresh vegetables and fruit produce operations are located in Singapore.

### 6. Financial assets and liabilities

(i) Financial instruments by category

At the reporting date, the aggregate carrying amount of financial assets at amortised cost are as follows:

	Group		Company	
	31 March 2023	30 June 2022	31 March 2023	30 June 2022
	Unaudited	Unaudited	Unaudited	Unaudited
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Financial assets measured at amortised costs</b>				
Trade receivables	114	354	-	-
Other receivables and deposits	-	-	-	-
Amount due from subsidiaries		-	1,500	1,963
Cash and bank balances	24	28	6	6
<b>Total financial assets measured at amortised cost</b>	<b>138</b>	<b>411</b>	<b>1,506</b>	<b>1,969</b>

At the reporting date, the aggregate carrying amount of financial liabilities at amortised cost are as follows:

	Group		Company	
	31 March 2023	30 June 2022	31 March 2023	30 June 2022
	Unaudited	Unaudited	Unaudited	Unaudited
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Financial liabilities measured at amortised costs</b>				
Trade payables	40	64	-	-
Other payables and accruals	1,411	1,092	1,064	916
Borrowings	970	962	670	633
Amount due to subsidiaries	-	-	10	10
<b>Total financial liabilities measured at amortised cost</b>	<b>2,421</b>	<b>2,118</b>	<b>1,744</b>	<b>1,559</b>

(ii) Fair value measurements

**Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value**

The carrying amounts of cash and bank balances, trade and other receivables, trade and other payables approximate their fair values, either due to their short-term period of maturity and/or where the effect of discounting is immaterial.

The carrying amounts of borrowings approximate their fair values at the end of the reporting period, as the market lending rate at the end of the reporting period was not significantly different from either the interest rates of borrowings or market lending rate at the initial measurement date of the borrowings.

**7. Loss before tax**

This determined after charging/(crediting) the following:

	Group		Group	
	3 months ended		9 months ended	9 months ended

	31 March 2023	31 March 2022	Change	31 March 2023	31 March 2022	Change
	Unaudited	Unaudited		Unaudited	Unaudited	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Depreciation of plant and equipment	5	9	-44.4	32	54	-40.7
Impairment loss on trade receivables	-	-	NM	-	-	NM
Fair value adjustments on borrowings	-	(5)	NM	-	(147)	NM
Gain on disposal of discontinued operations	-	-	NM	-	-	NM
Gain on termination of ROU assets	-	-	NM	-	(4)	NM

NM - not meaningful

## 8. Income tax expenses/(credit)

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected taxable income. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group		Group	
	3 months ended		9 months ended	9 months ended
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	Unaudited	Unaudited	Unaudited	Unaudited
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Current tax expenses</u>				
Current year	-	-	-	-
Under/(over) provision in prior year	-	-	-	33
Total income tax expenses/(credit)	-	-	-	33

## 9. Significant related party transactions

Other than disclosed elsewhere in the financial statements, transactions carried out with related parties in the normal course of business on terms agreed between the parties are as follows:

	Group		Group	
	3 months ended		9 months ended	9 months ended
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	Unaudited	Unaudited	Unaudited	Unaudited
	S\$'000	S\$'000	S\$'000	S\$'000
Drawdown of CEO Loan	-	50	-	750
Corporations in which a director of the Group is a member of key management personnel				
- Advance received from	-	-	-	300
- Legal services rendered by	-	105	-	255

## 10. Net assets/ (liabilities) value

	Group		Company	
	31 March 2023	30 June 2022	31 March 2023	30 June 2022

	Unaudited	Unaudited	Unaudited	Unaudited
Net (liabilities)/assets value per ordinary share based on issued share capital excluding treasury shares as at the end of the period/year (SGD in cent)	(0.64)	(0.13)	(0.01)	0.18
Number of ordinary shares issued at the end of the period ('000)	347,927	347,927	347,927	347,927

### 11. Plant and equipment

There was no acquisition and disposal of plant and equipment during the period.

### 12. Trade receivables

	Group		Company	
	31 March 2023	30 June 2022	31 March 2023	30 June 2022
	Unaudited	Unaudited	Unaudited	Unaudited
	S\$'000	S\$'000	S\$'000	S\$'000
Trade receivables	216	354	-	-
Less: impairment loss on trade receivables	102	-	-	-
	114	354	-	-

### 13. Borrowings

	Group		Company	
	31 March 2023	30 June 2022	31 March 2023	30 June 2022
	Unaudited	Unaudited	Unaudited	Unaudited
	S\$'000	S\$'000	S\$'000	S\$'000
Lease liabilities	-	29	-	-
Borrowings	970	933	670	633
	970	962	670	633
<u>Represented by:</u>				
Amount repayable in one year or less, or on demand, unsecured				
Lease liabilities	-	29	-	-
Borrowings – advance from a director related company	300	300	-	-
	300	329	-	-
Amount repayable after one year and not later than five years, unsecured				
Lease liabilities	-	-	-	-
Convertible Loans	-	-	-	-
Borrowings – CEO Loan	670	633	670	633
	670	633	670	633

#### Lease liabilities

During the financial period ended 30 June 2022, the Group purchased a ROU asset of S\$0.07 million from a third party with a lease term of 2 years. The lease liability was recognised in accordance with SFRS(I) 16. The Group has terminated a ROU asset with a carrying value of S\$0.03 million in FY2021. The associated lease liabilities of S\$0.03 million was derecognised upon termination of lease term in 18M2022. A difference between ROU assets and lease liabilities of S\$4,000 was recorded in the other income.

#### Advance from a director related company

As at 31 March 2023, the Group had received advances from a former director related company. The advances are unsecured, interest free and repayable on demand.

#### CEO Loan

As at 31 March 2023, the CEO Loan totalling S\$750,000 has been drawdown. The CEO Loan was initially recognised at its amortised costs and subsequently remeasured at fair value.

### 14. Share Capital

There have been no changes in the Company's share capital since 30 June 2022.

	Group and Company	
	No. of Shares	Share Capital S\$'000
<b>As at 31 March 2023</b>	<b>347,927,082</b>	<b>38,776</b>

There are no treasury shares or subsidiary holdings as at the end of the current financial period and as at the end of the corresponding period of the immediately preceding financial year.

The Company has no outstanding options, convertible securities, treasury shares or subsidiary holdings as at 31 March 2023.

There were no sales, transfers, cancellation and /or use of treasury shares or subsidiary holdings during the current financial period.

### 15. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### (i) Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. For the eighteen months ended 30 June 2022, except for net realisable value of inventories as disclosed below, there were no significant updates to the estimates and assumptions applied since the audited financial statements as at 31 December 2020. Notwithstanding, the consolidated accounts for FYE 30 June 2022 has not been audited as the Group is still in the process of appointing an external auditor. Should the opinion of the external auditor differ with the opinion of the management, the accounts for FYE 30 June 2022 may change and affect the results for the period ending 31 March 2023.

Information about assumption and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next interim period are included in the following notes:

#### (a) *Impairment of non-financial assets*

An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing the asset. The value in use calculation is based on a discounted cash flow model. In estimating the future cash flows, management has taken into account past performance, market expectation and the Group's marketing plan.

#### (b) *Allowance for doubtful trade receivables*

The Group uses an individual (debtor-by-debtor) basis to calculate expected credit losses ("ECLs") for trade receivables. There is critical judgement used in the measurement of expected credit losses and forward-looking assumptions. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

#### (c) *Useful lives of plant and equipment*

The cost of plant and equipment is depreciated on a straight-line basis over the plant and equipment's estimated economic

useful lives. Management estimates the useful lives of these plant and equipment to be within 2 to 3 years. Changes in the expected level of usage and technological developments could impact the economic useful lives of these assets, therefore future depreciation charges could be revised.

*(d) Estimated net realisable value of inventories*

Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices. A change in any of these assumptions will alter the estimated net realisable value and may therefore impact the carrying value of inventories.

**(ii) Critical judgements in applying the entity's accounting policies**

Information about critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the condensed interim financial statements is included in the following notes:

*(a) Determination of functional currency*

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on management's assessment of the economic environment in which the entities operate and the entities' process of determining sales prices.

**16. Subsequent events**

There are no known subsequent events which have led to adjustments to this set of condensed interim financial statements.

## **F. Other Information Required by Listing Rule Appendix 7.2**

- 1. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice**

These figures have not been audited or reviewed.

- 2. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**
  - a) Updates on the efforts taken to resolve each outstanding audit issue;**
  - b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed. This is not required for any audit issue that is a material uncertainty relating to going concern**

The disclaimer of opinion issued by the auditors were in relation to (i) trade receivables and corresponding revenue and (ii) allocation of dividends and profits/losses of a subsidiary of the Company, Bluegas, between the Company and the non-controlling interest of the Bluegas. For more details of the audit opinion, please refer to the Company's announcement dated 31 August 2021.

The independent reviewer, Deloitte was appointed on 14 August 2021. The review is still ongoing.

At the latest annual general meeting convened and held by electronic means on 24 September 2021, the ordinary resolution for the re-appointment of RT LLP as auditors of the Company was not approved by the Shareholders, thereby resulting in the vacancy in the office of the Company's auditors. The Company is taking necessary steps to appoint another firm of auditors to act as the independent auditors of the Company.

The Company will make necessary announcements as and when there are any material updates in respect of the foregoing.

Save as disclosed, the Board confirms that the impact of all outstanding audit issues on the financial statements has been adequately disclosed.

- 3. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
  - (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
  - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

### **Profit or Loss Review** **3Q FY2023**

#### **Revenue**

The revenue for the period ended 31 March 2023 as well as the corresponding period ending 31 March 2022 were generated from the sales and distribution of fresh vegetable and fruit produce by TCA. Revenue decreased 81% from \$209K to \$40K.

#### **Cost of sales**

Cost of sales decreased from S\$161K to S\$104K by 35%.

#### **Gross profit**

The Group recorded a gross loss of S\$64K compared to a gross profit of S\$48K. The gross loss in the current period was due to certain expiring and expired inventory which were sold at discounted prices.

#### **Other Income**

The Group had nominal other income of S\$3K compared to S\$11K in the earlier period.

### **Administrative expenses**

Administration expenses amounted to S\$970K for 3Q FY2023, an increase of 198% as compared to S\$325K over the same period. This is also a significant increase as compared to 1H FY 2023, which recorded S\$580K in administrative expenses for the period 1 Jul 2022 to 31 December 2022. This is largely due to certain expenses not included and/or not provided for in the previous periods.

Description ('000)	1H 2023	3 months ending 31 March 2023	Nine-months FYE2023
Listing expenses	-	109	109
Renovation costs	-	459	459
Director's remuneration	143	90	233
Legal and professional expenses	89	131	220
Other administrative expenses	348	181	529
Total	580	970	1,550

Notes:

1. Listing expenses refers to amounts due to SGX for the period January 2021 to 31 March 2023.
2. The renovation costs were works done for the Tuas property that the Company intended to acquire in 2021. The Company had originally intended to capitalise these costs. As the Company did not get approval from JTC Corporation, the acquisition did not proceed. The capital costs are expensed.

### **Net Profit/(Loss)**

The Group closed the period with a net loss of S\$1,045K as compared to a net loss of S\$288K in the corresponding 3 months period. This is primarily due to the increase in administrative expenses as explained above. As a result, the Company reported a net loss of S\$1,776K versus a net loss of S\$1,664K for the corresponding 9 months.

### **Statement of Financial Position Review** **31 March 2023 vs 30 June 2022**

#### **Non-current assets**

Non-current assets of the Group decreased from S\$693K to S\$528K for period ending 30 June 2022 to 31 March 2023 respectively. This is largely due to a decrease in other receivables resulting from a set-off of amount due from the advancement to Ebuy against renovation expenses incurred by the Company and settled by Ebuy.

#### **Current assets**

Current assets of the Group dropped from S\$2,167K for period ending 30 June 2022 to \$711K for 31 March 2023. The decrease was mainly due to:

- 1) Decrease in inventories from S\$274K to zero;
- 2) Decrease in trade receivables from S\$354K to S\$114K;
- 3) Decrease in other receivables, deposits and prepayments from S\$818K to S\$45K due to the return of the deposit for the purchase of the land premise (S\$600k); and
- 4) Decrease in cash and bank balances from S\$28K to S\$24K.

#### **Non-current liabilities**

Non-current liabilities of the Group increased marginally by S\$37K due to accruing interest from the CEO Loan for the entire 9 month period.

#### **Current liabilities**

Current liabilities of the Group increased from S\$2,603K for the period 30 June 2022 to S\$2,923K for the current period. This is largely due to the increase in other payables from S\$1,092K to \$1,428K as result of the recognition of the listing expenses (S\$109K) and the renovation costs (S\$429k) but partially reduced against the advancement due from Ebuy.

#### **Total equity**

Total equity of the Group decreased from a negative equity of S\$436K as at 30 June 2022 to negative equity of S\$2,212K as at 31 March 2023 due to the increase in accumulated losses from S\$38.3 million as at 30 June 2022 to S\$40.1 million as at 31 March 2023, which reflected the Company's net operating losses for the period.

### **Cash Flow Review** **31 March 2023 vs 31 March 2022**



Net cash used in operating activities in the period 3Q FY2023 was S\$98K as compared to net cash used in operating activities of S\$1,773K in the period ending March 2022. The net operating cash was offset by the cash inflow from trade and other receivables (S\$912K) and inventories (S\$274K) offset by the reduction in trade and other payables (S\$312K).

Cashflow from investing activities amounted to S\$107K due to the offset of the advancement to Ebuy against the renovation costs.

Net cash generated from financing activities in the period nine months ending 31 March 2023 was a net deficit of S\$13K. The net cash used in financing activities was mainly attributed repayment of lease liabilities and interests.

As at the end of the period, the Company had a net cash and cash equivalent of S\$24K.

**4. Where a forecast, or a prospect statement, had been previously disclosed to shareholders, any variance between it and the actual results**

There is no forecast or prospect statement which has been previously disclosed.

**5. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

As previously announced, the Company has been in active negotiations since end of last year with the vendors of Ebuy Pte. Ltd. ("Ebuy") on the status of the proposed acquisition of Ebuy (as announced on 21 April 2022), which may include extending the long-stop date with a revised set of terms or terminating the proposed acquisition. This would also include the net amount recoverable by the Company should the parties decide to terminate the transaction. This is because the Company had previously utilised Ebuy's facilities for warehousing, office rental and other services of which some of these services provided by Ebuy were not invoiced to the Company due to the proposed acquisition while in turn, the Company had made an advanced payment of S\$600,000 for the proposed acquisition which Ebuy has fully acknowledged. The Company had appointed a collection agent to negotiate and collect the Company's debts from Ebuy. Failing which, the Company may consider further legal action.

The Company had on 2 August 2023, entered into a non-binding term sheet with Everose Holdings Pte. Ltd. To extend a convertible loan of S\$5,000,000 to the Company. The loan will carry an interest rate of 12% per annum and/or converted into shares of the Company at S\$0.007 per share subject to relevant regulatory and shareholder approvals. The loan will be drawn down as follows:

- (d) the first drawdown of S\$200,000 will be upon the appointment of a financial controller as approved by the Investor (the "First Drawdown");
- (e) the second drawdown of S\$250,000 will be upon the signing of a Convertible Loan Agreement by no later than 31 August 2023, and the entirety of its usage to be subject to the approval of the Investor; and
- (f) the remaining drawdowns will be subjected to the approval of the Investor depending on the progress of the Proposed Investment provided always that all the remaining funds will be released upon the approval by the SGX-ST Exchange of the resumption of trading of the Company's shares.

As at the date of this announcement, the Company had already received the First Drawdown and had disbursed S\$176,253.53 to pay off some of the Company's creditors. Further, the parties had mutually agreed to extend the long-stop date to 30 September 2023 to enter into the definitive Convertible Loan Agreements.

**Current litigations**

The Group's ongoing litigations are set out as follows:

Litigations where the Company is a Defendant:

- A. HC Suit No S347/2021 and Sub-case HC/SUM 4380/2022 in relation to Khua Kian Keong's claim against the Company for acquiring his 5,500,000 shares in the Company on 20 April 2015. On 13 March 2023, the Company announced that following a hearing with respect to HC/SUM 4380/2022, the Plaintiff's application to enter judgement against the Company had been allowed and the Company to pay the Plaintiff a sum of S\$933,800. The Company had on 30 May 2023 successfully appealed against the judgement under HC/SUM 1000/2023 and will not have to pay the said amount. Accordingly, the parties will continue with the proceedings under HCS347/2021 and the Company will continue to defend its case.

For further details please refer to the Company's announcements dated 17 and 21 May 2021, 13 March 2023. As the litigations are still ongoing, quantification of the financial impact is not available at this point in time.

- B. As announced on 17 March 2023, the Company's subsidiary, TCA, had been served with an originating claim taken by Fastfix Systems Pte Ltd ("**Fastfix**") in relation to a sum of S\$203,000. TCA had not contested the claim and had yet to reach a settlement with Fastfix. However, as at the date of this announcement, Fastfix had not taken any further action. For avoidance of doubt, there are no guarantees provided by the Company on behalf of TCA.

Separately, the Company had announced on 21 May 2021 that it served with an originating summons (HC/OS 438/2021) taken out by the solicitors of Lawrence Group Inc ("**Lawrence Group**") in relation to supply of surgical gloves. Lawrence Group subsequently filed a claim against the Company, Bluegas (a subsidiary of the Company) and various parties, for a claim amounting to US\$700,000 on 17 December 2021. The Company refuted and denied all of Lawrence Group's claims and filed successfully a security of costs application (HC/SUM 1405/2022) against Lawrence Group of S\$60,000. As Lawrence Group did not provide the security of costs by the court defined date, the Company filed and successfully obtained an Unless Order from the court to strike out Lawrence Group's claim on 15 August 2022. The matter is therefore legally concluded in relation to the Company and Bluegas.

**6. If a decision regarding dividend has been made:-**

**(a) Whether an interim (final) ordinary dividend has been declared (recommended)**

None.

**(b) (i) Amount per share**

None.

**(b)(ii) Previous corresponding period**

None.

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country whether the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable

**(d) The date the dividend is payable.**

Not applicable.

**(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**

Not applicable.

**7. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.**

No dividend has been declared or recommended for the current financial period up to the date of this announcement as the Group currently still has retained losses.

## 8. Interested person transactions

The Group has not obtained any general Interested Person Transaction mandate from its shareholders.

During the current financial period, the Company did not enter into any interested party transactions that exceed S\$100,000 in value save for the existing interested person transactions aggregated as at 31 March 2023 was as follows:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial period under review ( <b>excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920</b> )	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 ( <b>excluding transactions less than S\$100,000</b> )
Wu Yongqiang (resigned on 27 June 2022) <sup>(1)</sup>	Former Non-Executive Non-Independent Director and Non-Executive Chairman of the Company	2,500,000	-
Chong Eng Wee (resigned on 21 March 2022) <sup>(2)</sup>	Former Group Non-Executive Independent Directors	255,000	-

### Note:

- (1) Mr Wu is the spouse of substantial shareholder, Ms. Zhang Xuemei. As announced on 2 March 2022, Ms Zhang Xuemei has a direct interest in an aggregate of 40,250,000 ordinary shares in the capital of the Company representing more than 5% of the entire issued share capital of the Company. Pursuant to Chapter 9 of the SGX-ST Listing Rules, Mr Wu is deemed as an interested person and the provision of a loan to the Company constitutes an interested person transaction ("**IPT**"). On 2 March 2022, the Company entered into a Shareholder Loan agreement with Mr Wu ("**Shareholder Loan**"). The Shareholder Loan, up to S\$10.0 million, is unsecured, bears interest at 5% per annum and has a term of 5 years from the date of drawdown. As the value of the transaction, being interest payable on the Loan, exceeds 5% of the Group's latest audited net tangible assets as at 31 December 2020, the Shareholder Loan will be subject to the approval of Shareholders pursuant to Rule 906(1)(a) of the SGX-ST Listing Rules, which will be obtained at an extraordinary general meeting to be convened. Notwithstanding, the Company has not drawn down on the Loan to date as the conditions precedent to the Loan have not been met. On 20 June 2023, the Company announced that they have received written notice from Mr Wu that he is no longer ready, willing nor able to provide the Loan to the Company. For more details about Shareholder Loan, please refer to the Company's announcement dated 2 March 2022.
- (2) As Company's announcement on 22 March 2022, the Group had entered into several interested person transactions with Chevalier Law LLC ("**Chevalier Law**"), for the provision of legal services on various litigation, transactions and/or corporate actions involving and/or undertaken by the Company (the "**Legal IPTs**"). Mr. Chong Eng Wee is the managing director and a shareholder who holds more than 30% shareholding interest in Chevalier Law. The aggregate value of the Legal IPTs for the period under review exceeded 5% of the group's latest audited net tangible assets as at 31 December 2020. The Company will make necessary arrangements to seek shareholder's ratification of the Legal IPTs (the "**Proposed IPTs Ratification**"). For more details about Proposed IPTs Ratification, please refer to the Company's announcement dated 22 March 2022.

For completeness, as Company's announcement on 12 November 2021, the CEO Loan, extended by Mr Chin Teck Oon, Chief Executive Officer and Executive Director of the Company, up to S\$1.5 million, is unsecured, bear interest at 2% per annum and has a term of 3 years from the date of drawdown. As the value of the transaction, being interest payable on the CEO Loan, is less than S\$100,000, the Company is not required to obtain the approval of its shareholder for the CEO Loan pursuant to Rule 905(3) of the SGX-ST Listing Rules. As at 31 August 2023, only S\$750,000 has been drawdown.

## 9. Confirmation pursuant to Rule 720 (1) of the Listing Manual

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7.7 of the Listing Manual) under 720 (1) of the Listing Manual.

## 10. Confirmation pursuant to Rule 705 (5) of the Listing Manual

We, Andrew and Chin Teck Oon, being two Directors of the Company, do hereby confirm, on behalf of the Board of Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors which may

render the unaudited financial statements for the nine months ending 31 March 2023 to be false or misleading in any material aspect.

**11. Review of performance of the Group – turnover and earnings**

Please refer to paragraph 3 above for additional information.

**12. Use of proceeds**

Not applicable.

**13. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder**

Pursuant to Rule 704(13) of the Listing Manual, KTL Global Limited confirms that there are no persons occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

For and on behalf of the Board of Directors  
**KTL Global Limited**

Chin Teck Oon  
Chief Executive Officer and Executive Director  
6 September 2023