



**KTL GLOBAL LIMITED**

(Incorporated in the Republic of Singapore under Registration Number 200704519M)

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## **RESPONSE TO SGX-ST'S QUERIES**

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The Board of Directors (the "**Board**" or "**Directors**") of KTL Global Limited (the "**Company**", together with its subsidiaries, the "**Group**") refers to the announcement released by the Company on 14 December 2021 on Mr Wu Yongqiang's ("**Mr. Wu**") appointment as a Non-Executive Non-Independent Director and Non-Executive Chairman (the "**Announcement**").

SGX-ST's questions and the Company's corresponding responses are listed below to enable investors to understand the matters raised by SGX-ST:

In the Announcement, it was provided, *inter alia*, that Mr. Wu was a director and shareholder of Weifang Shengxing Property Co., Ltd ("**WFSX**") which was declared to be insolvent and bankrupt by the district courts in Weifang city, Shandong, pursuant to an application for liquidation by several of WFSX's creditors. In addition, there was unsatisfied judgment against Mr. Wu in various civil suits initiated in People's Republic of China ("**PRC**") for various companies.

### **SGX-ST's Query 1:**

Please provide salient details of the background of each of the outstanding civil suits against Mr. Wu including the relevant regulatory requirements/laws, status of each of the civil suits; details of the unsatisfied judgment; Mr. Wu's role or involvement in each of the relevant companies and civil suits; and potential implications on Mr. Wu.

### **Company's Response:**

Based on a legal opinion issued by a law firm in the PRC (the "**Opinion**"), the Board's understanding of the salient details of each of the outstanding civil suits against Mr. Wu is set out in the appendix to this announcement. The Board wishes to highlight that all references to WFSX in the Announcement shall mean Weifang Shengxin Real Estate Co, Ltd in this announcement and its appendix.

The Board further understands from the Opinion that in respect of WFSX, the People's Court of Hanting District, Weifang City had on 26 December 2014 issued the Hanshang Bankruptcy No. 1-1 Civil Order (2015) upon the application of Jiangsu Jiufeng Real Estate Co., Ltd., Weifang Shunyu Economic and Trade Co., Ltd. and other creditors for the liquidation of WFSX and at the same time, designated Shandong Qiushi Hexin Law Firm as the insolvency representative/administrator to take control of the debtor company's property. On 13 November 2020, the court issued a ruling that the assets of WFSX had been distributed and the bankruptcy proceedings had been completed.

**SGX-ST's Query 2:**

Listing Rule 720(1) of the Listing Manual provides that an issuer must also comply with Listing Rule 210(5) on a continuing bases, which requires among others, a consideration of the character and integrity of directors and management. Paragraph 5.9 of Practice Note 7.1 states that the Board should conduct an independent assessment of the matter and not rely solely on the representations made by the director or executive officer.

For the matters relating to each of (i) WFSX case and (ii) the civil suits against Mr. Wu, please provide the Nominating Committee's assessment of and the details of the bases for such assessment of Mr. Wu's suitability as a director of the Company.

**Company's Response:**

In assessing Mr. Wu's suitability as a director of the Company, the Nominating Committee ("NC") has noted and/or understands the following:

- (i) that the WFSX case and the civil suits against Mr. Wu are commercial in nature and arose from business disputes and/or the defendants' failure to pay the sums owing. Some of the civil suits resulted solely from Mr Wu acting as a guarantor for certain loans taken out by entities whereby Mr. Wu was a director and/or legal representative. In view of Mr. Wu's relatively long track record of being a businessman, such civil suits may not be uncommon. In addition, the NC noted from the Opinion that notwithstanding the dates of the unsatisfied judgements, the commencement of most of the underlying civil suits occurred on or around 2012 to 2014;
- (ii) based on queries made by the PRC lawyers, there were no case records pertaining to Mr. Wu being a personal bankrupt in PRC. This is in line with Mr Wu's confirmation to the Board that he has never been adjudged to be a bankrupt nor is not an undischarged bankrupt pursuant to PRC laws or the laws of any other jurisdiction; and
- (iii) based on the Opinion, Mr. Wu has no criminal record in the PRC, in particular any conviction pertaining to dishonesty, fraud or other offence which may lead the NC to doubt Mr. Wu's character or integrity and affect Mr. Wu's suitability to be appointed as a director of the Company. This is in line with Mr. Wu's confirmation to the Board that he has never been convicted of an offence pursuant to PRC laws or the laws of any other jurisdiction.

**SGX-ST's Query 3:**

Please advise as to whether (i) the Board would be kept updated by Mr. Wu on the progress of the various civil suits and that the Company will make further announcements as and when necessary; and (ii) the Board will continue to monitor the progress of the civil suits as informed by Mr. Wu, in evaluating his continued suitability as a director of the Company and compliance with the continuing listing rules.

**Company's Response:**

Yes, the Board has informed Mr. Wu to update the Board on the progress of the various civil suits and the Company will make further announcements as and when necessary. The Board will continue to monitor the progress of the civil suits as informed by Mr. Wu in evaluating his continued suitability as a director of the Company and compliance with the continuing listing rules.

**By Order of the Board**

**Chin Teck Oon**  
Chief Executive Officer  
10 January 2022