



KTL GLOBAL LIMITED

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

PRESS RELEASE

KTL Global to Acquire 51% of Singapore E-Commerce Platform, EBUY, to Expand its Business Presence in the Fresh Produce and Consumer Retail Industry in Singapore

- *Proposed acquisition accelerates KTL's consumer-centric business model transformation*
- *Allow KTL's fresh produce business segment to add new customer base and online presence with an established logistics supply chain network in Singapore*
- *Aligned with the addressable market opportunities that are driving the food demand and consumption trends in Singapore*

Singapore, 12 July 2021 – **KTL Global Limited** ("KTL" or the "**Company**", and together with its subsidiaries, the "**Group**"), is pleased to announce that it has entered into a Memorandum of Understanding ("**MOU**") to acquire a 51% equity stake in Ebuy Pte Ltd ("**EBUY**") for approximately S\$1.476 million which will be satisfied by the issuance of new ordinary shares of the Company, subject to any changes and the finalised terms in the definitive agreement(s) to be entered into by parties in relation to the Proposed Acquisition.

An established e-commerce company in Singapore, EBUY is a leading distributor of fresh produce in Singapore, including daily fresh vegetables and fruits, to food service providers, retailers, restaurants and hotels. With its fulfilment centre at the western region of Singapore, EBUY has built up its own logistics supply chain network with a fleet of delivery vehicles.

In addition, EBUY has a mobile application that serves as an online supermarket for consumers, offering a wide range of groceries.

The proposed acquisition is subject to the approval of shareholders of the Company at an extraordinary general meeting to be convened (the "**EGM**") and the approval of the Singapore Exchange Securities Trading Limited.

In June 2021, KTL completed the acquisition of Tianci Agritech Pte Ltd ("**Tianci Agritech**") for S\$0.2 million, marking its first foray in the fresh produce business. Tianci Agritech is engaged in the business of supplying and distributing vegetable and fruits produce to various consumer groups in Singapore and it has secured key supply contracts with suppliers of vegetable produce in Malaysia.

More recently, Tianci Agritech has procured nearly 18 containers of fresh produce and consumer products to be distributed and marketed in Singapore. The fresh produce and consumer products are sourced and procured mainly from Shandong Province, China, which is a leading agriculture hub in China. Key agricultural products includes apples, peanuts and vegetables, among others.

Offering more options to Singapore consumers, Tianci Agritech will be bringing in popular Chinese brands and products from prominent Chinese consumer product manufacturers, such as 山东鲁花集团 and 泰祥集团, which have produced a wide variety of delectable consumer products.

Positive Market Prospects Driven by Growing Food Demand and Consumption Trends in Singapore

Based on preliminary research conducted, the Company's management has observed that the food demand and consumption in Singapore has been on a general uprising trend, and the Group expects such trend to continue to increase albeit the rate of increase potentially varying over periods of time.

The expected increase in demand in food consumption in Singapore is likely to increase demand for raw and/or perishable food products (such as vegetable and food produce and livestock) which may in turn allow the Group to tap into the expanding consumer market.

Due to Singapore being a small country with limited resources and notwithstanding existing efforts to boost local food production, a majority of raw food material such as vegetables and food produce as well as livestock are still imported from overseas. Overseas suppliers may also present cheaper alternatives than local food produce. This presents an opportunity for the Group to keep its costs low and compete with other similar local suppliers.

Mr Chin Teck Oon, Executive Director of KTL, said: *"This is a landmark step in our strategic development plans to the transformation of our consumer-centric business model and also contribute to Singapore's food security strategy."*

We see tremendous potential to build on EBUY's established distribution platform, technology capabilities and customer base, drawing on our combined experience, network and resources to further scale and capture new growth opportunities within the fresh produce and consumer market in Singapore."

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This press release is to be read in conjunction with KTL's exchange filings on 12 July 2021, which can be downloaded via www.sgx.com.

About KTL Global Limited

(Bloomberg: KTLG:SP / Reuters: KTLG.SI / SGX Stock Code: EB7)

Listed on the Mainboard of the Singapore Stock Exchange, KTL Global Limited has a history of more than 100 years since its establishment.

In recent years, KTL Global Limited has established strategic partnerships and business ventures to harness new growth opportunities in the services, fresh produce and consumer retail industries.

For more information, please visit <https://www.ktl.group>

Issued on behalf of KTL Global Limited by 8PR Asia Pte Ltd.

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