



KTL Global Limited

(Incorporated in the Republic of Singapore)

(Company Registration No. 200704519M)

(The "Company")

Unaudited First Quarter Financial Statements and Dividend Announcement for the Financial Period Ended 31 March 2021

The Company is required, pursuant to the requirements of the Singapore Exchange Securities Trading Limited, to continue with quarterly reporting of its financial statements with effect from 7 February 2020, in view of the material uncertainty relating to going concern highlighted by the auditors in its audited financial statements for the financial year ended 31 December 2019.

1(a) Statement of Comprehensive Income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

(The figures have not been audited or reviewed by the auditors)

	Group First Quarter Ended		% Change Increase/ (Decrease)
	Three Months Ended	Three Months Ended	
	31.03.2021 S\$'000	31.03.2020 S\$'000	
Revenue	-	1,990	(100%)
Sales and marketing expenses	-	(14)	(100%)
Administration expenses	(333)	(768)	(57%)
(Loss)/ profit from operations	(333)	1,208	(128%)
Finance costs	(2)	(2)	N.M.
(Loss)/ profit before taxation	(335)	1,206	(128%)
Income tax expense	-	(308)	N.M.
Total comprehensive (loss)/ profit	(335)	898	(137%)
Total comprehensive (loss)/ income attributable to:			
- Equity holders of the Company	(335)	88	N.M
- Non-controlling interests	-	810	(100%)
	(335)	898	(137%)

1(a)(i) (Loss)/ Profit before taxation is arrived after crediting/ (charging) the following :

	Group Three Months Ended		% Change Increase/ (Decrease)
	31.03.2021 S\$'000	31.03.2020 S\$'000	
	Depreciation of property, plant and equipment	(7)	
Interest expenses	(2)	(2)	N.M

Notes:

(1) N.M. = Not Meaningful

1(b)(i) A Statement of Financial Position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group As At		Company As At	
	31/03/2021 S\$'000	31/12/2020 S\$'000	31/03/2021 S\$'000	31/12/2020 S\$'000
ASSETS				
Non-current assets:				
Property, plant and equipment	39	46	-	-
Subsidiaries	-	-	50	50
Total non-current assets	39	46	50	50
Current assets:				
Other receivables, deposits and prepayments	44	48	35	39
Due from subsidiaries	-	-	401	651
Cash and bank balances	404	986	6	6
Total current assets	448	1,034	442	696
Total assets	487	1,080	492	746
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the Company				
Share capital	36,776	36,776	36,776	36,776
Reserves	(37,150)	(36,815)	(36,326)	(36,116)
(Deficit)/equity attributable to equity holders of the Company	(374)	(39)	450	660
Non-controlling interests	-	-	-	-
Total (deficit)/ equity	(374)	(39)	450	660
Non-current liabilities:				
Interest-bearing loans and borrowings	11	19	-	-
Total non-current liabilities	11	19	-	-
Current liabilities:				
Trade payables	-	29	-	29
Other payables and accruals	126	187	42	57
Interest-bearing loans and borrowings	32	31	-	-
Income tax payable	692	853	-	-
Total current liabilities	850	1,100	42	86
Total liabilities	861	1,119	42	86
Total equity and liabilities	487	1,080	492	746

1(b)(ii) Aggregate amount of group's bank borrowings and debt securities**Amount repayable in one year or less, or on demand**

	As at 31 March 2021		As at 31 December 2020	
	Secured	Unsecured	Secured	Unsecured
	S\$000	S\$000	S\$000	S\$000
Interest-bearing loans and borrowings: from SFRS(I) 16 (Rights to use)	-	32	-	31
	-	32	-	31

Amount repayable after one year

	As at 31 March 2021		As at 31 December 2020	
	Secured	Unsecured	Secured	Unsecured
	S\$000	S\$000	S\$000	S\$000
Interest-bearing loans and borrowings: from SFRS(I) 16 (Rights to use)	-	11	-	19
	-	11	-	19

1(c) A statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group	
	Three Months Ended	Three Months Ended
	31/03/2021 S\$'000	31/03/2020 S\$'000
<u>Cash Flows Generated From/ (Used In) Operating Activities:</u>		
Total (loss)/ profit	(335)	898
Adjustments for:		
Income tax expenses	-	308
Depreciation of property, plant and equipment	7	8
Interest expenses	2	2
Operating Cash Flows Before Working Capital Changes	(326)	1,216
Trade and other receivables	4	(1,054)
Trade and other payables	(90)	107
Net Cash Flows (Used In)/ Generated from Operations Before Interest and Tax	(412)	269
Income tax paid	(161)	-
Net Cash Flows (Used In)/ Generated From Operating Activities	(573)	269
<u>Cash Flows Used In Financing Activities:</u>		
Repayment of interest-bearing loans and borrowings	(9)	(10)
Net Cash Flows Used In Financing Activities	(9)	(10)
Net (Decrease)/ Increase in Cash and Cash Equivalents	(582)	259
Cash and Cash Equivalents at Beginning of Period	986	136
Cash and Cash Equivalents at End of Period	404	395

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

GROUP	ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY							Non-Controlling Interests	Total (deficit)/equity
	Share Capital	Treasury Shares Reserve	Premium paid on on acquisition of non-controlling interest	Translation Reserve	Statutory Reserve Fund	Accumulated Losses	Total Reserves		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
Current Period:									
Balance as at 1 January 2021	36,776	(706)	-	-	-	(36,109)	(36,815)	-	(39)
Net loss for the period	-	-	-	-	-	(335)	(335)	-	(335)
Balance as at 31 March 2021	36,776	(706)	-	-	-	(36,444)	(37,150)	-	(374)
Previous Period:									
Balance as at 1 January 2020	36,776	(706)	(60)	717	15	(54,929)	(54,963)	2,288	(15,899)
Net profit for the period	-	-	-	-	-	898	898	810	1,708
Release of reserve due to disposal of subsidiaries	-	-	60	(717)	(15)	20,553	19,881	-	19,881
Balance as at 31 March 2020	36,776	(706)	-	-	-	(33,478)	(34,184)	3,098	5,690

COMPANY

Current Period:									
Balance as at 1 January 2021	36,776	(706)	-	-	-	(35,410)	(36,116)	-	660
Net loss for the period	-	-	-	-	-	(210)	(210)	-	(210)
Balance as at 31 March 2021	36,776	(706)	-	-	-	(35,620)	(36,326)	-	450
Previous Period:									
Balance as at 1 January 2020	36,776	(706)	-	-	-	(35,573)	(36,279)	-	497
Net loss for the period	-	-	-	-	-	(114)	(114)	-	(114)
Balance as at 31 March 2020	36,776	(706)	-	-	-	(35,687)	(36,393)	-	383

- 1(d)(ii)** Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There have been no changes in the issued share capital of the Company since 31 December 2020.

As at 31 March 2021, the Company held no treasury shares (31 March 2020: nil) against a total number of 315,669,019 issued shares (31 March 2020: 315,669,019 issued shares excluding treasury shares).

The percentage of the aggregate number of treasury shares held against the total number of issued shares as at 31 March 2021 is nil% (31 March 2020: nil%).

The Company had no outstanding options, convertible securities, treasury shares or subsidiary holdings as at 31 March 2021 and 31 March 2020.

- 1(d)(iii)** To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year

	As at 31 March 2021	As at 31 December 2020
No. of issued shares excluding treasury shares	315,669,019	315,669,019

- 1(d)(iv)** A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial year reported on.

- 1(d)(v)** A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on

Not applicable. The Company do not have any subsidiary holdings during and as at the end of the current financial year reported on.

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The figures have not been audited or reviewed by the Company's auditors.

3 Where the figures have been audited or reviewed, the auditor' report (including any modifications or emphasis of a matter)

Not applicable. The figures have not been audited or reviewed by the Company's auditors

3A 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.

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Other than the adoption of the new and revised Financial Reporting Standards ("FRS") which come into effect for the financial period ending 31 December 2021, there were no changes in accounting policies and methods of computation adopted in the financial statements for the current reporting period as compared to the most recent audited financial statements for the financial year ended 31 December 2020.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change

There is no change in accounting policies and methods of computation since 31 December 2020.

6 (Losses)/ Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference

(Losses)/Earnings per ordinary share attributable to the equity holders of the Company for the period is computed based on losses/profit, net of tax attributable to equity holders of the Company:-

	Group First Quarter Ended	
	31/03/2021	31/03/2020
(Losses)/ Earnings per ordinary share		
(a) Based on the weighted average number of ordinary shares in issue	(0.11) cents	0.03 cents
Weighted average number of ordinary shares in issue	315,669,019	315,669,019
(b) On a fully diluted basis	(0.11) cents	0.03 cents
Weighted average number of ordinary shares in issue	315,669,019	315,669,019

7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares at the end of the:-

- (a) current financial period reported on; and
(b) immediately preceding financial year.

	Group As At		Company As At	
	31.03.2021	31.12.2020	31.03.2021	31.12.2020
Net asset value per ordinary share based on total number of issued shares excluding treasury shares	(0.12) cents	(0.01) cents	0.14 cents	0.21 cents
Number of shares in issue excluding treasury shares	315,669,019	315,669,019	315,669,019	315,669,019

8 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

Revenue

1Q 2021 vs 1Q 2020

As the Group has suspended the services with customers since January 2021, no revenue of the Group for the three months ended 31 March 2021 ("1Q 2021") was generated by its 80% owned subsidiary, Bluegas Private Limited ("Bluegas") from the provision of branding, operation and procurement ("BOP") services to our clients in Mainland China that manufactures smart automatic vending kiosks ("AVK") for the sales and dispensation of medical consumables and supplements. BOP services include (i) branding management, (ii) operational support, (iii) central procurement, (iv) recruitment, customised training and development of human resource to the downstream operators that supply to hospitals, clinics and pharmacies in different provinces of Mainland China with smart AVK.

Sales and marketing expenses

1Q 2021 vs 1Q 2020

No sales and marketing expenses have been incurred during 1Q 2021. The sales and marketing expenses recognised in 1Q 2020 represented the promotional costs of the BOP service business in China.

Administration Expenses

1Q 2021 vs 1Q 2020

Administration expenses for 1Q 2021 were much lower compared with the administration expenses in 1Q 2020 due to suspension of BOP services of the Group from year 2021.

Finance Costs

1Q 2021 vs 1Q 2020

Finance costs represented the interest expenses derived from the Group's leased premises and are recognised in accordance with SFRS(I) 16.

Profit or loss, attributable to the equity holders of the Company

1Q 2021 vs 1Q 2020

Losses attributable to the equity holders of the Company were incurred in 1Q 2021 mainly due to no revenue of the BOP business contributed by Bluegas during 1Q 2021.

Statement of Financial Position Review

31 March 2021 vs 31 December 2020

Current assets

The COVID-19 outbreak has resulted in a significant impact on the Group's customers in Mainland China. The customers failed to settle the outstanding balances to the Group. Allowance for doubtful debts owing by such defaulting customers has been provided for the financial year ended 31 December 2020 and there was nil balance of account receivables as at 31 December 2020.

The decrease in current assets mainly represents reduction of cash and bank balances.

Current liabilities

Current liabilities include other payables and accruals, finance lease obligation recognised in accordance with SFRS(I) 16, income tax payables. There was no significant change of current liabilities since the suspension of BOP services from January 2021.

Cash Flow Review

1Q 2021

The net cash flows used in operating activities for 1Q 2021 was S\$0.6 million and this was mainly due to the losses incurred in 1Q 2021 amounting to S\$0.3 million and income tax paid of S\$0.2 million. There were no cash flows generated from investing activities during the period of 1Q 2021. The net cash flows used in financing activities was S\$9k lease payments.

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

The Group's financial results for 1Q 2021 are in line with the profit guidance announcement released by the Company on 10 May 2021.

10 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

The COVID-19 outbreak has resulted in a significant impact on the BOP business of the Group. Due to the default of the Group's customers to execute the repayment plan of settlement of their outstanding balances, the Group has suspended the BOP services since January 2021. Although the Group has taken necessary debts recovery procedures against such customers, there was no repayment made by the customers since the last receipts from these customers in November 2020.

As the situation pertaining to the COVID-19 outbreak remains highly uncertain, the Group will continue to closely monitor the impact. Although the Group is facing uncertainties and challenges due to the COVID-19 pandemic, the Group continues to develop its BOP business, and it has been exploring new business opportunities to diversify its operations. The Board will update shareholders when there are material developments.

Going concern of the Group

The Board is of the opinion that the Group and the Company are able to meet their debt obligations as and when they fall due and are able to continue to operate as a going concern as the Group is in discussion with lender(s) for obtaining a loan of about S\$ 2.0 million for general working capital purposes and/or investment in new revenue generating businesses.

11 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.

(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.

12 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.

13 Interested person transactions

The Company does not have a general mandate for interested person transactions.

In the current financial period, the Company did not enter into any interested person transaction that exceed S\$100,000 in value.

14 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.

15 Confirmation pursuant to Rule 705(5) of the Listing Manual

We, Chng Hee Kok and Liu Changsheng, 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 first quarter ended 31 March 2021 to be false or misleading in any material aspect.

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

Chng Hee Kok
Non-executive Chairman
Date: 14 May 2021

Liu Changsheng
Chief Executive Officer
Date: 14 May 2021