

KTL GLOBAL LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 200704519M)

PROPOSED PLACEMENT OF AN AGGREGATE OF 30,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY

1. INTRODUCTION

The Board of Directors (the “**Board**” or “**Directors**”) of KTL Global Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on the date of this announcement entered into a placement agreement (the “**Placement Agreement**”) with several placees (each a “**Placee**”) pursuant to which the Company shall issue and allot to such Placees such number of ordinary shares in the capital of the Company (the “**Shares**”, and each a “**Share**”) (the “**Placement**”).

2. THE PLACEMENT

2.1 Placement Shares

Pursuant to the Placement Agreement, the Company shall issue an aggregate of 30,000,000 Shares (the “**Placement Shares**”). The number of Placement Shares to be issued and allotted to each Placee is set out in the table below.

No.	Name of Placee	No. of Placement Shares
1.	Goh Yeow Koon	2,400,000
2.	Lee Loi Sing	3,800,000
3.	Chan Chung Pheng	1,150,000
4.	Tok Teck Bin	8,000,000
5.	Ang Poh Guan	1,000,000
6.	Wu JianSheng	6,825,000
7.	Lim Hean Nerng	6,825,000
	Total no. of Placement Shares	30,000,000

2.2 Placement Price

2.2.1 Each Placement Share shall be issued at the issue price of S\$0.103 per Placement Share (the “**Placement Price**”). The Placement Price of S\$0.103 represents a discount of 9.89% to the volume weighted average price of S\$0.1143 per Share for trades done on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 13 July 2021, being the last full market day prior to which the Placement Agreement was signed, on which trades were done. The aggregate Placement Price to be paid by all Placees to the Company amounts to S\$3,090,000 (the “**Total Placement Consideration**”).

2.2.2 The Placement Price was arrived at following arm’s length negotiations between the Placees and the Company, taking into account the prevailing Share price and the financial position and prospects of the Company.

2.3 Ranking

The Placement Shares will be issued free from all claims, charges, liens and other encumbrances whatsoever and shall rank, *pari passu*, in all respects with the existing Shares save that they will not rank for any dividends, rights, allotments or other distributions, the Record Date of which falls on or before the date of completion of the Placement. For the purposes of this announcement, “**Record Date**” means the date fixed by the Company for the purposes of determining the entitlements to dividends, rights, allotments or other distributions of holders of its securities.

2.4 No placement agent

2.4.1 No placement agent has been appointed in respect of the Placement. However, the Placees were introduced to the Company by Mr. Alex Tan (the “**Introducer**”), who is a director of 8PR Asia Pte. Ltd., the public and investor relations consultancy firm engaged by the Company.

2.4.2 An introducer fee of 3% of the Total Placement Consideration will be paid to the Introducer in cash. No part of the foregoing introducer fee will be shared with any of the Placees.

2.5 Private Placement

2.5.1 The offer of the Placement Shares are made pursuant to the exemption under Section 272B of the Securities and Futures Act, Chapter 289 of Singapore (the “**SFA**”). Accordingly, no prospectus or offer information statement will be issued by the Company in connection with the Placement.

2.5.2 For purposes of Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018, the Placement Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

2.6 Conditions to the Placement

Completion of the Placement in respect of each Placee is conditional upon, among others, the following:

- (a) the receipt by the Company from the SGX-ST of an approval in-principle for the listing of and quotation for the respective Placement Shares on the Mainboard of the SGX-ST (the “**Listing Approval**”) (on terms and conditions acceptable to the Company and the respective Placees, each acting reasonably) and such Listing Approval not being revoked or amended, and any conditions attached to the Listing Approval which is required to be fulfilled on or before respective Completion Date (as further described in paragraph 2.7.1 below), having been fulfilled on or before that date to the satisfaction of the SGX-ST unless waived by the SGX-ST; and
 - (b) such Placement not being prohibited by any laws which is applicable to the Company or the Placee;
- (collectively, the “**Conditions**” and each a “**Condition**”).

2.7 Completion

2.7.1 Pursuant to the Placement Agreement, the Placement in respect of each Placee shall be completed within 7 business days after the fulfilment or waiver of the last Condition, or such other date as the Company and the relevant Placee may mutually agree in writing (the “**Completion Date**”).

2.7.2 On or by the relevant Completion Date, each Placee shall pay or procure to pay to the Company the total consideration for the respective Placement Shares. Subject to the satisfaction of payment by each Placee, the Company shall then issue and allot the respective Placement

Shares to such Placee as soon as practicable thereafter and in any event subject to such deadlines as may be specified in the Listing Approval as may be granted by the SGX-ST.

- 2.7.3 Completion of the Placement in respect of each Placee is not be completed simultaneously or concurrently with each other. The completion of the Placement in respect of each Placee is also not contingent or subject to completion of the Placement in respect of the other Placees.

3. INFORMATION ON THE PLACEES

The information set out in this paragraph 3 were provided by the respective Placees, which have been extracted and reproduced herein. In respect of such information, the Directors have not independently verified the accuracy and correctness of the same and the Directors' responsibility is limited to the proper extraction and reproduction herein in the context that the information is being disclosed in this announcement

3.1 Goh Yeow Koon

Goh Yeow Koon is a Singapore citizen. He is a private investor and a director of a waste recycling company. As at the date of this announcement, Goh Yeow Koon does not hold any Shares.

3.2 Lee Loi Sing

Lee Loi Sing is a Singapore citizen. He is a private investor and a remisier at a stock broking firm. As at the date of this announcement, Lee Loi Sing holds 1,500,000 Shares.

3.3 Chan Chung Pheng

Chan Chung Pheng is a Singapore citizen. He is a private investor and a director of a corporate and accounting services firm. As at the date of this announcement, Chan Chung Pheng does not hold any Shares.

3.4 Tok Teck Bin

Tok Teck Bin is a Singapore citizen. He is a private investor and a businessman in the manufacturing industry related to semiconductor and biomedical products. As at the date of this announcement, Tok Teck Bin does not hold any Shares.

3.5 Ang Poh Guan

Ang Poh Guan is a Singapore citizen. He is a private investor and the chief executive officer of a Singapore based construction company. As at the date of this announcement, Ang Poh Guan does not hold any Shares.

3.6 Wu Jiansheng

Wu Jiansheng is a Singapore citizen. He is a private investor and a director of a company in the food and beverages business. As at the date of this announcement, Wu Jiansheng does not hold any Shares.

3.7 Lim Hean Nerng

Lim Hean Nerng is a Singapore citizen. He is a private investor and a semi-retired businessman. He was previously involved in a property management business. As at the date of this announcement, Lim Hean Nerng does not hold any Shares.

- 3.8 There is no specific reason for the Placement apart from purely financial investment purposes and the Placees being willing investors in the Company.

3.9 Other information

- 3.9.1 Save in respect of Lee Loi Sing's existing shareholding in the Company as set out above, the Company confirms, to the best of its knowledge, that the Placees do not have any connection (including business relationships) with the Company, its Directors and/or substantial shareholders. The Placees have also confirmed with the Company that they do not fall within any categories of persons set out under Rule 812 of the Listing Rules.
- 3.9.2 Each Placees has also confirmed that he / she is independent of, and are not acting in concert with, any other Placees or any other persons (including existing Directors or shareholders of the Company) and is not bound by or involved in any agreement, arrangement or understanding (whether formal or informal) to cooperate, through the acquisition or subscription of Shares, to obtain or consolidate effective control of the Company).
- 3.9.3 The Placees have also confirmed that they will not be holding any of the Placement Shares in trust or for the benefit of any other person.

4. RATIONALE FOR THE PLACEMENT AND USE OF PROCEEDS

- 4.1 The rationale for the Placement is to raise funds which will be used as primarily for::
- (i) as working capital for Tianci Agritech Pte. Ltd., a wholly owned subsidiary of the Company, in its business of supplying and distributing vegetable and fruits produce to various consumer groups in Singapore; and
 - (ii) as general working capital of the Group.
- 4.2 The estimated net proceeds from the Placement, after deducting expenses of approximately S\$117,700 incurred in connection with the Placement, is expected to amount to approximately S\$2,972,300 (the "**Net Proceeds**").
- 4.3 The Company intends to use the Net Proceeds from the Placement in the following manner:

Intended Purpose	Percentage of Net Proceeds
Working capital for Tianci Agritech Pte. Ltd., a wholly owned subsidiary of the Company, in its business of supplying and distributing vegetable and fruits produce to various consumer groups in Singapore	80%
General working capital of the Group	20%

- 4.4 Pending the deployment of the Net Proceeds for the above-mentioned purposes, the Net Proceeds may be deposited with banks and/or financial institutions, invested in short-term money market instruments and/or marketable securities and/or debt instruments or used for any other purposes on a short-term basis as the Board may in their absolute discretion deem fit in the best interest of the Group.
- 4.5 The Company will make periodic announcements as to the use of the Net Proceeds from the Placement as and when such Net Proceeds are materially disbursed and whether such use is in accordance with the stated use. The Company will also provide a status report on the use of the Net Proceeds in the interim and full year financial statements and the annual report of the Company. Where the Net Proceeds are used for working capital purposes, the Company will provide a breakdown with specific details on how the Net Proceeds have been applied in the announcements and status reports. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reason(s) for such deviation.

5. DIRECTORS' OPINION

5.1 The Directors are of the opinion that after taking into consideration:

- (a) the present bank facilities, the working capital available to the Group is sufficient to meet its present requirements; and
- (b) the present bank facilities and Net Proceeds of the Placement, the working capital available to the Group is sufficient to meet its present requirements.

5.2 Notwithstanding the foregoing, the Company has decided to undertake the Placement to strengthen its financial position in order to meet its anticipated general working capital requirements and business expansion.

6. MANDATE FOR THE ISSUE OF THE PLACEMENT SHARES

6.1 Pursuant to the existing general mandate to issue Shares passed at the annual general meeting of the Company held on 29 June 2020 (the "**2020 AGM Mandate**"), the Company is allowed to:

- (i) (a) allot and issue shares in the capital of the Company, whether by way of rights, bonus or otherwise; and/or (b) make or grant offers, agreements or options (collectively, the "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and
- (ii) (notwithstanding that the authority in the 2020 AGM Mandate may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while the 2020 AGM Mandate was in force,

provided that, among others, the aggregate number of shares to be issued pursuant to 2020 AGM Mandate (including Shares to be issued in pursuance of the Instruments made or granted pursuant to the 2020 AGM Mandate) does not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the 2020 AGM Mandate, of which the aggregate number of shares to be issued other than on a *pro-rata* basis to the existing Shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to the 2020 AGM Mandate) does not exceed 20% of the total number of issued Shares then.

6.2 As at the date on which the 2020 AGM Mandate was passed (being 29 June 2020), the issued and paid-up share capital of the Company was 315,669,019 Shares (excluding treasury shares and subsidiary holdings). As no Shares were previously issued under the 2020 AGM Mandate, the maximum number of Shares to be issued other than on a *pro rata* basis is 63,133,803.

6.3 The Company wishes to highlight that, as set out in the Company's announcement dated 3 June 2021 in respect of the convertible loan agreement entered into between the Company and certain lenders (the "**Convertible Loan**"), the Company intends to issue up to 32,258,063 new shares to the lenders ("**Conversion Shares**"), assuming that the (a) the Company draws down the maximum facility amount under of S\$2,000,000 (b) the lenders elect to exercise the conversion right to convert the maximum facility amount of S\$2,000,000, and (c) there is no adjustment to the conversion price of S\$0.062 per Conversion Share. In this regard, the Company has stated that it will rely on the 2020 AGM Mandate for the issuance of the Conversion Shares. Please refer to the Company's announcement dated 3 June 2021 for more information on the foregoing convertible loan agreement and Conversion Shares.

- 6.4** Accordingly, assuming that the 32,258,063 Conversion Shares have been fully issued, the remaining number of Shares which can be issued under the 2020 AGM Mandate (other than on a *pro rata* basis) would be 30,875,740. As such, the issuance of an aggregate of 30,000,000 Placement Shares falls within the limits of the 2020 AGM Mandate after taking into consideration the issuance of the 32,258,063 Conversion Shares. Accordingly, the Company will be relying on the 2020 AGM Mandate for the issuance and allotment of the Placement Shares and will not be seeking specific Shareholders' approval for the issuance and allotment of the Placement Shares.
- 6.5** The aggregate of 30,000,000 Placement Shares, when fully issued pursuant to the Placement Agreement, represent approximately 9.50% of the existing issued and paid up share capital of the Company comprising 315,669,019 Shares. Assuming that all 30,000,000 Placement Shares are issued and no other Shares (including the Conversion Shares) are issued between the date of this announcement until the issuance of the Placement Shares, on completion of the issuance and allotment of such Placement Shares, the total number of issued Shares in the share capital of the Company will increase to 345,669,019 and the Placement Shares will represent approximately 8.68% of the enlarged share capital of the Company.
- 6.6** For completeness, assuming that all 30,000,000 Placement Shares and 32,258,063 Conversion Shares are issued and no other Shares are issued between the date of this announcement until the issuance of the Placement Shares and Conversion Shares, on completion of the issuance and allotment of such Placement Shares and Conversion Shares, the total number of issued Shares in the share capital of the Company will increase to 377,927,082 and the Placement Shares and Conversion Shares will represent approximately 7.94% and 8.54% respectively of the foregoing enlarged share capital of the Company.
- 7. CHANGES IN SHAREHOLDING INTEREST OF SUBSTANTIAL SHAREHOLDERS, DIRECTORS, AND THE PLACEES**
- 7.1** The shareholding interests of the substantial Shareholders, the Directors, and the Lenders, before and after the issuance of the Placement Shares as a percentage of the current share capital of the Company as at the date of this announcement and the enlarged share capital after the issuance of the Placement Shares, respectively, are as set out below.

	Existing Shareholding Interests ⁽¹⁾		Shareholding interests after issuance of the Placement Shares ⁽¹⁾	
	No. of Shares	% of total issued Shares ⁽²⁾	No. of Shares	% of total issued Shares ⁽³⁾
Substantial Shareholders				
Zhang Xue Mei	40,250,000	12.75	40,250,000	11.64
Changsheng Investment Development Limited	50,000,000	15.84	50,000,000	14.46
Tan Kim Tjio @Tan Kim Chow ⁽⁴⁾	22,009,600	6.97	22,009,600	6.37
Yu Ting ⁽⁵⁾	50,000,000	15.84	50,000,000	14.46
Directors				
Liu Changsheng ⁽⁶⁾	629,000	0.20	629,000	0.18

Chng Hee Kok	-	-	-	-
Chin Teck Oon	38,000,000	12.04	38,000,000	10.99
Chong Eng Wee	-	-	-	-
Tso Sze Wai	-	-	-	-
Teh Chong Seng	-	-	-	-
Chua Thiam Chwee	-	-	-	-

Placees

Goh Yeow Koon	-	-	2,400,000	0.69
Lee Loi Sing	1,500,000	0.48	5,300,000	1.53
Chan Chung Pheng	-	-	1,150,000	0.33
Tok Teck Bin	-	-	8,000,000	2.31
Ang Poh Guan	-	-	1,000,000	0.29
Wu Jiansheng	-	-	6,825,000	1.97
Lim Hean Nerng	-	-	6,825,000	1.97

Notes:

- (1) Shareholding interests includes direct and deemed interests of the Shareholders.
- (2) Based on the existing issued and paid-up share capital of the Company of 315,669,019 Shares.
- (3) Based on the enlarged share capital of the Company of 345,669,019 Shares, after the issuance and allotment of 30,000,000 Placement Shares.
- (4) Tan Kim Tjio @Tan Kim Chow holds 13,416,900 Shares directly, representing 4.25% of the existing issued and paid-up share capital of the Company, and is deemed to be interested in 8,592,700 Shares held by his spouse, Choo Lai Ling, which represents 2.72% of the existing issued and paid up share capital of the Company.
- (5) Yu Ting is the sole shareholder of Changsheng Investment Development Limited. By virtue of Section 4 of the SFA, Yu Ting is deemed to be interested in 50,000,000 Shares held under Changsheng Investment Development Limited representing 15.84% of the existing issued and paid-up share capital of the Company.
- (6) Liu Changsheng is a shareholder of Raffles Financial Group Limited, holding 31.9% shareholding in Raffles Financial Group Limited. Raffles Financial Group Limited is the sole shareholder of Raffles Financial Pte. Ltd. By virtue of Section 4 of the SFA, Liu Changsheng is deemed to be interested in the 629,000 Shares held under Raffles Financial Pte. Limited representing 0.20% of the existing issued and paid-up share capital of the Company.

7.2 Pursuant to Rule 803 of the Listing Rules, an issuer must not issue securities to transfer a controlling interest without prior approval of shareholders in general meeting. As at the date of this announcement, and as shown in the table above, there are no controlling shareholders of the Company. Further as shown in the table above, completion of the issuance and allotment of all 30,000,000 Placement Shares will not result in any transfer of controlling interests in the Company. Accordingly, no specific Shareholders' approval is required for the Placement.

8. FINANCIAL EFFECTS OF THE PLACEMENT

8.1 Bases and Assumptions

The financial effects of the Placement on the share capital, loss per Share ("LPS") and net tangible assets ("NTA") per Share of the Group have been prepared based on the audited

consolidated financial statements of the Group for the financial year ended 31 December 2020 (“FY2020”). The *pro forma* financial effects of the Placement are for illustration purposes only and do not necessarily reflect the actual future results and financial position of the Group following completion of the Placement.

For illustration purposes only, the financial effects of the Placement have been computed based on the following assumptions:

- (a) the completion of the issuance and allotment of all 30,000,000 Placement Shares to all Places;
- (b) where reference is made to Conversion Shares, the exercise of the conversion right by all relevant lenders and the completion of the issuance and allotment of all 32,258,063 Conversion Shares to all lenders (being the maximum number of Conversion Shares to be issued);
- (c) the financial effects on the Group’s NTA attributable to the Shareholders and the NTA per Share have been computed assuming that the Placement was completed on 31 December 2020, being the end of the most recently completed financial year;
- (d) the financial effects on the Group’s loss attributable to the Shareholders and LPS have been computed assuming that the Placement was completed on 1 January 2020, being the beginning of the most recently completed financial year; and
- (e) the expenses in connection with the Placement and Convertible Loan have been disregarded.

8.2 Share Capital

	No. of Shares	(\$'000)
Existing Issued share capital	315,669,019	36,776
Add:-		
Placement Shares to be issued and allotted ⁽¹⁾	30,000,000	3,090
Enlarged share capital after completion ⁽¹⁾	345,669,019	39,866
Add:-		
Conversion Shares to be issued and allotted ⁽²⁾	32,258,063	2,000
Enlarged share capital after completion ⁽²⁾	377,927,082	41,866

Notes:

- (1) Assuming all 30,000,000 Placement Shares are issued and allotted and no other Shares (including Conversion Shares) are issued.
- (2) Assuming all 32,258,063 Conversion Shares are issued and allotted after completion of the issuance of all 30,000,000 Placement Shares.

8.3 NTA per Share

	As at 31 December 2020	After Issuance of Placement Shares	After Issuance of Placement and Conversion Shares
NTA attributable to Shareholders (S\$'000)	(39)	3,051	5,051
Number of Shares ('000)	315,669	345,669	377,927

	As at 31 December 2020	After Issuance of Placement Shares	After Issuance of Placement and Conversion Shares
NTA per Share attributable to Shareholders (Singapore cents)	(0.01)	0.88	1.34

8.4 LPS

	As at 31 December 2020	After Issuance of Placement Shares	After Issuance of Placement and Conversion Shares
Net loss attributable to Shareholders (S\$'000)	(2,686)	(2,686)	(2,686)
Weighted average number of Shares ('000)	315,669	345,669	377,927
LPS (Singapore cents)	(0.85)	(0.78)	(0.71)

9. ADDITIONAL LISTING APPLICATION

The Company will be submitting application to the SGX-ST for the listing and quotation of the 30,000,000 Placement Shares on the Mainboard of the SGX-ST. The Company will make the relevant announcement(s) to notify the Shareholders when the Listing Approval from the SGX-ST is obtained.

10. DIRECTOR'S SERVICE CONTRACT

No persons is proposed to be appointed as a director of the Company in connection with the Placement.

11. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save for their respective directorships and/or shareholding interests in the Company and/or its subsidiaries (as the case may be) and as disclosed in this announcement, none of the Directors or their associates or, as far as the Company is aware, substantial Shareholders or their associates, has any interest, direct or indirect, in the Placement.

12. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given 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 about the Placement, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the announcement in its proper form and context.

13. TRADING CAUTION

Shareholders are advised to exercise caution in trading their Shares. The Placement is subject to certain conditions. There is no certainty or assurance as at the date of this announcement

that the Placement will be completed or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

14. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Placement Agreement are available for inspection at the Company's registered office at 18 Boon Lay Way, #10-139 Tradehub 21, Singapore 609966, during normal business hours for a period of three (3) months commencing from the date of this announcement.

In light of the prevailing regulations due to the COVID-19 situation, any Shareholder who wishes to inspect the document should contact the Company at the email address **shareholders@ktl.group** at least 3 working days in advance to make a prior appointment to attend at the registered office of the Company to inspect the document. Shareholders will need to identify themselves by stating his/ her/ its full name as it appears on his/her/its CDP /CPF /SRS share records, contact number and NRIC/ Passport/ UEN number and state the manner in which he/ she /it holds his/ her/ its Shares in the Company (e.g. via CDP, CPF or SRS).

By Order of the Board

Liu Changsheng
Chief Executive Officer

15 July 2021