



## **KTL GLOBAL LIMITED**

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

### **PRESS RELEASE**

## **KTL Global Undertakes Share Placement to Raise Approximately S\$3.1 Million to Accelerate Growth of its Consumer-Centric Businesses in Singapore**

- *Proposed share placement to provide new funds for the growth of its consumer-centric business model*
- *KTL has recently announced new business initiatives targeted at the fresh produce and consumer market in Singapore*
- *KTL's consumer-centric business model is aligned with the existing market opportunities that are driving the food demand and consumption trends in Singapore*

**Singapore, 15 July 2021** – KTL Global Limited (“KTL” or the “Company”, and together with its subsidiaries, the “Group”), is pleased to announce that it is raising approximately S\$3.1 million from a proposed share placement exercise (the “Share Placement”) to accelerate growth of its consumer-centric business in Singapore.

Under the terms of the Share Placement, KTL will issue 30,000,000 new ordinary shares at an issue price of S\$0.103 per share, which represents a discount of approximately 9.9% to the volume weighted average price of S\$0.1143 for trades done on the ordinary shares in the capital of the Company (“Shares”) on the Singapore Exchange Securities Trading Limited (“SGX-ST”) for the full market day on 13 July 2021 (being the preceding market day up to the time the respective Placement Agreements were signed).

The proceeds of the Share Placement shall be used for business expansion and working capital purposes in relation to the Group’s growth plans of its consumer-centric businesses in Singapore.

As at end-June 2020, Singapore had a population of 5.7 million, representing a slight decrease by 0.3 per cent. from 2019, largely due to a 2.1 per cent. decrease in the non-resident population in 2020<sup>(1)</sup>. By 2030, it is estimated that Singapore’s total population could range between 6.5 million and 6.9 million<sup>(2)</sup>.

In 2018, expenditure on food constituted approximately 20.3% of the total average monthly household expenditure in Singapore, forming the second largest category of expenditure, behind just housing and related expenditure<sup>(3)</sup>.

Notably, with little farming land, Singapore imports over 90% of the food consumed in the country<sup>(4)</sup>.

Recognising that the food demand and consumption in Singapore has been on a general uprising trend, the Group expects such trend to continue to increase albeit the rate of increase potentially varying over periods of time.

1. <https://www.singstat.gov.sg/-/media/files/publications/population/population2020.pdf>.

2. <https://www.strategygroup.gov.sg/media-centre/population-white-paper-a-sustainable-population-for-a-dynamic-singapore>

3. <https://www.statista.com/statistics/1202700/singapore-share-of-household-expenditure/>

4. <https://www.sfa.gov.sg/food-farming/singapore-food-supply/the-food-we-eat>

As such, overseas suppliers may also present cheaper alternatives than local food produce. Hence, this presents opportunities for the Group to create new value propositions in this market segment.

The Group has announced two new business initiatives in this area:

1. On 12 July 2021 – Proposed acquisition of 51% of Singapore E-Commerce Platform, EBUY, to expand its business presence in the fresh produce and consumer retail industry 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.

2. 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.

**Mr Chin Teck Oon, Executive Director of KTL, said: “*We have made good headways with the new team’s background in fresh produce and agricultural trade as well as extensive business networks and experience in the import and distribution of food products.*”**

***The proposed share placement provide futher impetus to accelerate our business plans to build a stronger business foundation based on the positive macro trends of Singapore’s consumer staples market.”***

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This press release is to be read in conjunction with KTL’s exchange filings on 15 July 2021, which can be downloaded via [www.sgx.com](http://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>

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

**Media & Investor Contacts:**

Mr. Alex TAN  
Mobile: +65 9451 5252  
Email: [alex.tan@8prasia.com](mailto:alex.tan@8prasia.com)

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