



KTL GLOBAL LIMITED

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

RESPONSE TO SGX-ST QUERIES – CLARIFICATION IN RESPECT OF THE ANNOUNCEMENT DATED 3 JUNE 2021 ENTITLED “ENTRY INTO CONVERTIBLE LOAN AGREEMENT”

The Board of Directors (the “**Board**”) of KTL Global Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the following queries raised by Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) to the Company in relation to “Entry into convertible loan agreement”, and wishes to provide its responses as follows:

SGX-ST’s Query 1:

It is stated in Paragraph 3.1 of the 3 June 2021 Convertible Loan Announcement:- “The Lenders were introduced to the Group through the business connections of a Director.” Please clarify the identity of the director who introduced the Lenders?

Company’s response:

The director who introduced the Lenders is Chin Teck Oon, the Company’s Executive Director. Since assuming the role of Executive Director as announced on 28 April 2021, Mr Chin devoted much time to understand the Company’s financial position and identified the need to raise funds. Thereafter, Mr Chin acted promptly to identify potential investors from his network of business contacts, engaged them in discussions and noted their preferred mode of investment in the Group. Eventually, Mr Chin managed to procure the 3 Lenders to provide funding to the Group by way of a convertible loan which was announced on 3 June 2021.

SGX-ST Query 2:

It is noted that Paragraph 8 provides the changes in shareholding interests of substantial shareholders, directors and the lenders. Please also disclose a breakdown between the direct and deemed interests of the directors and substantial shareholders before and after the proposed issuance of the conversion shares.

Company’s response:

The shareholding interests (direct and deemed) of the substantial Shareholders, the Directors, and the Lenders, before and after the issuance of the Maximum Number of Conversion 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 Maximum Number of Conversion Shares, respectively, are as set out below:

	Existing shareholding interests ⁽⁷⁾		Shareholding interests after issuance of the Conversion Shares	
	No. of Shares	% of total issued Shares ⁽¹⁾	No. of Shares	% of total issued Shares ⁽²⁾
Substantial Shareholders				
Direct interests:				
Zhang Xue Mei	34,050,000	10.79	34,050,000	9.79

Changsheng Investment Development Limited	47,879,000	15.17	47,879,000	13.76
Raffles Financial Pte. Ltd. ⁽³⁾	13,750,000	4.36	13,750,000	3.95

Deemed interests:

Raffles Financial Pte. Ltd. ⁽³⁾	61,629,000	19.52	61,629,000	17.71
Raffles Financial Group Limited ⁽⁴⁾	61,629,000	19.52	61,629,000	17.71
In Nany Sing Charlie ⁽⁵⁾	61,629,000	19.52	61,629,000	17.71

Directors

Direct interests:

Chng Hee Kok	-	-	-	-
Chin Teck Oon	38,000,000	12.04	38,000,000	10.92
Chong Eng Wee	-	-	-	-
Tso Sze Wai	-	-	-	-
Teh Chong Seng	-	-	-	-
Chua Thiam Chwee	-	-	-	-

Deemed interests:

Liu Changsheng ⁽⁶⁾	61,629,000	19.52	61,629,000	17.71
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Lenders

Direct interests:

Lender 1	-	-	8,064,516	2.32
Lender 2	-	-	11,290,322	3.25
Lender 3	43,000	0.01	12,946,225	3.72

Notes:

- (1) Based on the existing issued and paid-up share capital of the Company of 315,669,019 Shares.
- (2) Based on the enlarged share capital of the Company of 347,927,082 Shares, after the issuance and allotment of 32,258,063 Conversion Shares (being the Maximum Number of Conversion Shares based on the assumptions set out in paragraph 6.1 of this announcement).
- (3) Raffles Financial Pte. Ltd. is directly interested in 13,750,000 Shares representing 4.36% of the existing issued and paid-up share capital of the Company. Raffles Financial Pte. Ltd. is the sole shareholder of Changsheng Investment Development Limited. By virtue of Section 4 of the Securities and Futures Act (Cap. 289), Raffles Financial Pte. Ltd. is also deemed to be interested in 47,879,000 ordinary Shares held under Changsheng Investment Development Limited representing 15.17% of the existing issued and paid-up share capital of the Company.
- (4) Raffles Financial Group Limited is the sole shareholder of Raffles Financial Pte. Ltd. Raffles Financial Pte. Ltd. is the sole shareholder of Changsheng Investment Development Limited. By virtue of Section 4 of the Securities and Futures Act (Cap. 289), Raffles Financial Group Limited is deemed to be interested in (i) the 47,879,000 Shares held under ChangSheng Investment Development Limited representing 15.17% of the existing issued and paid-up share capital of the

Company and (ii) the 13,750,000 Shares held under Raffles Financial Private Limited representing 4.36% of the existing issued and paid-up share capital of the Company.

- (5) In Nany Sing Charlie is a shareholder of Raffles Financial Group Limited, holding 31.9% shareholdings in Raffles Financial Group Limited. Raffles Financial Group Limited is the sole shareholder of Raffles Financial Pte. Ltd. Raffles Financial Pte. Ltd. is the sole shareholder of Changsheng Investment Development Limited. By virtue of Section 4 of the Securities and Futures Act (Cap. 289), In Nany Sing Charlie is deemed to be interested in (i) the 47,879,000 Shares held under ChangSheng Investment Development Limited representing 15.17% of the existing issued and paid-up share capital of the Company and (ii) the 13,750,000 Shares held under Raffles Financial Private Limited representing 4.36% 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. Raffles Financial Pte. Ltd. is the sole shareholder of Changsheng Investment Development Limited. By virtue of Section 4 of the Securities and Futures Act (Cap. 289), Liu Changsheng is deemed to be interested in (i) the 47,879,000 Shares held under ChangSheng Investment Development Limited representing 15.17% of the existing issued and paid-up share capital of the Company and (ii) the 13,750,000 Shares held under Raffles Financial Private Limited representing 4.36% of the existing issued and paid-up share capital of the Company.
- (7) Shareholding interests includes direct and deemed interests of the Shareholders.

BY ORDER OF THE BOARD

Liu Changsheng
Chief Executive Officer
17 June 2021