



KTL GLOBAL LIMITED

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

RESPONSE TO SGX-ST'S QUERIES

The Board of Directors (the "**Board**" or "**Directors**") of KTL Global Limited (the "**Company**", together with its subsidiaries, the "**Group**") refers to the announcement released by the Company on 14 December 2021 on Mr Wu Yongqiang's ("**Mr. Wu**") appointment as a Non-Executive Non-Independent Director and Non-Executive Chairman and announcements made on 10 January 2022 and 21 February 2022 on the Company's responses to SGX queries (the "**Announcements**").

SGX-ST's questions and the Company's corresponding responses are listed below to enable investors to understand the matters raised by SGX-ST:

SGX-ST query:

1. We refer to the Company's SGXNet announcement of 21 February 2022 titled:- "Response to SGX Queries::", available via the following web-link:- <https://links.sgx.com/1.0.0/corporate-announcements/YUAHCV4N0VXXG1R0/f5e3231a36b239e60bc9ea7d078d6d49bcf8985288ae7b9233f3abea1bec005b>. (the "**21 February 2022 Announcement**").
2. The **21 February 2022 Announcement** states amongst others the following in response to Query 4:-

"In addition to its earlier queries to Mr Wu, the NC (save for Mr Wu) has since also requested for a signed written statement from Mr Wu to provide amongst others, all details on each and every pending case and unsatisfied judgment, including the circumstances leading to the suits, attempts to pay the outstanding debts and/or achieve settlement, if any and confirmation on whether Mr Wu was involved as a principal debtor/ guarantor. The NC understands that most of these pending cases and unsatisfied judgments date back to 2014/2015 and all are related to commercial disputes. Other than the relative long period of time which has lapsed and the lack of contact with the parties involved, Mr. Wu may also be required to follow up in person in PRC and/or engage PRC lawyers so as to get back to the NC with accurate information and details for their further assessment. Accordingly, Mr. Wu requested for the NC to allow him more time to prepare a comprehensive and accurate written statement. The NC (save for Mr Wu) will engage in further deliberations and assessment based on the signed written statement before rendering its opinion/ respond to SGX-ST's aforesaid query.

*The NC (save for Mr Wu) has also requested Mr Wu to include in the written statement, undertakings to (a) promptly inform the NC and Board on any changes or developments in the pending cases and/or unsatisfied judgements against him or any other matters referred to in the declaration (the "**Declaration**"), and (b) resign with immediate effect if the NC and/or the Board at any time, deems him unsuitable or unfit to continue as a director of the Company." (Emphasis added)*

The Exchange notes that the Company's Nominating Committee ("**NC**") has not responded to us with regard to the items set out in Query 4, namely:-

“Please provide details of the Nominating Committee's assessment of:-

(a) each civil suit including Mr Wu's role and accountability for the relevant debts which resulted in the court judgements; and

(b) as to how each suit will affect Mr Wu's ability to meet the requirements under Listing Rule 720(1) read with Listing Rule 210(5) relating to character and integrity of directors and management of an issuer.”

In the absence of the NC's response, the continued appointment of Mr. Wu as the Non-Executive Non-Independent Director and Non-Executive Chairman of the Company would be a potential breach of Listing Rule 720(1) read with Listing Rule 210(5) relating to the character and integrity of directors and management of an issuer.

3. Please provide the Board of Directors' response to the Exchange on its action plan to ensure ongoing compliance with Listing Rule 720(1) read with Listing Rule 210(5).

Company's Response to aforesaid SGX query:

The Nominating Committee (“**NC**”) has been following up with Mr Wu on the provision of the written statement to provide amongst others, all details on each and every pending case and unsatisfied judgment, including the circumstances leading to the suits, attempts to pay the outstanding debts and/or achieve settlement, if any and confirmation on whether Mr Wu was involved as a principal debtor/guarantor (the “**Statement**”). As at the date of this response, the Company understands that Mr Wu is still collating the information pertaining to the matters in the Statement.

Notwithstanding the above, the NC has reviewed the civil suits, including seeking further clarification from the lawyers in the People's Republic of China (“**PRC**”) and would like to explain its assessment as follows:

1. Based on the 18 civil suits in PRC (the “**Suits**”) which was listed in the appendix to the Company's announcement dated 10 January 2022, 12 of such cases stated that it resulted from amounts owing by Mr Wu and/or entities associated with Mr Wu and PRC lawyers have confirmed that these are commercial in nature. Based on the information available to the NC as at the date of this response, there is no basis and/or reason to assume that there was any fraud, dishonesty, misrepresentation, misconduct, mismanagement or other offence which may lead the NC to doubt Mr Wu's character or integrity and suitability to be appointed as a director of the Company;
2. For the remaining cases that were reflected as “*Not Clear*”, the NC has sought clarification from Mr Wu who has confirmed that these are commercial in nature and not due to dishonesty, fraud or other offence which may lead the NC to doubt Mr Wu's character or integrity and suitability to be appointed as a director of the Company and has given a statutory declaration to such effect to the Company;
3. While the cases indicate that the judgements have not been satisfied, Mr Wu has clarified that he genuinely believes he was not at fault and/or there existed commercial ambiguity as to whether he should assume full liability and/or part thereof. Accordingly, he explained that he has made contributions which in his view, are fair and equitable to satisfy some of these judgements. As such, no further action has been taken by the creditors and/or the courts against him; and
4. Notwithstanding Mr Wu's declaration, the NC has obtained a letter of undertaking from Mr Wu on 17 March 2022 in which Mr Wu undertook that (i) he has sufficient financial resources available to satisfy any outstanding judgements which may be enforced against him from time to time, (ii) forthwith take all necessary steps to pay or satisfy the outstanding judgements or come to a settlement with the relevant creditors should there be steps taken by the creditors of the

outstanding judgements to institute personal bankruptcy proceedings against him from time to time, (iii) to resign from the Board should he become the subject of a bankruptcy application validly initiated against him, or further developments on the outstanding judgements which may disqualify him or adversely affect his ability to continue as a director, and (iv) to resign from the Board should there be any new information arising and which if known to the NC and/or Board, whether in relation to the outstanding judgements or otherwise, which, in the reasonable opinion of the NC and/or the Board, may disqualify him or adversely affect his ability to continue to act as a director of the Company.

Based on the confirmations from the PRC lawyers, the clarifications with Mr Wu, the undertaking obtained on 17 March 2022 including Mr Wu's commitment to resign in the aforesaid scenarios, Mr Wu's willingness to cooperate with the Board's requests in connection with the declarations and undertakings sought and the information available to the NC as at the date of this response, the NC is of the view that there is no basis and/or reason to conclude that the Suits have deprived Mr Wu of his ability to fulfil the requirements under Listing Rule 720(1) read with Listing Rule 210(5) relating to character and integrity of directors and management of an issuer.

By Order of the Board

Chin Teck Oon
Chief Executive Officer
22 March 2022