

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

UPDATE ON NOTIFICATION OF DELISTING AND EXIT OFFER

The Board of Directors (the "**Board**") of KTL Global Limited ("**KTL**", or the "**Company**", and together with its subsidiary, the "**Group**") refers to its announcements dated 17 May 2024 and 15 May 2024 (the "**Delisting Announcements**").

1. Financial Accounts and Reporting:

The most recent management accounts available are for the nine-month period ended 31 March 2023, announced on 6 September 2023.

The Company is experiencing severe financial distress, which has adversely affected its ability to manage and report financials effectively.

2. Financial Challenges:

Due to the Company's dire financial situation, the Board has determined that:

- a) The Company is not suitable for voluntary liquidation as it lacks the necessary funds to engage professionals required for such a process.
- b) The Company does not have the funds to hire accounting professionals to provide the Exchange or shareholders with the latest unaudited financial results as of 30 June 2024.
- c) As per the announcement dated 06 September 2023, the Company's latest unaudited financial results for the 9 months ended 31 March 2023, the Group had approximately \$24,000 in cash and bank balances, and net liabilities of approximately \$2,212,000.
- d) As of 30 June 2024, the Group has only approximately \$650 in cash and bank balances, and neither the Company nor its subsidiaries have any ongoing operations. Consequently, the Company does not have the financial resources to make an exit offer or file for voluntary liquidation.

3. Exit Offer and Liquidation:

The Company has reached out to the controlling shareholder to inquire about the possibility of making an exit offer. The controlling shareholder has expressed no interest or intention to make such an offer.

In view of the financial situation of the Group stated in point 2 and the aforementioned, the Company does not have the financial resources to make an exit offer to its shareholders.

4. Disclaimer of Opinion from Auditors

The Board would also like to bring attention to the shareholders that under the previous management and previous Board, it was stated in the Company's Annual report 2020 for the financial year ended 31 December 2020, the auditors have provided a disclaimer of opinion as they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements based on the following:

- a) Trade receivables and corresponding revenue surrounding one of the Company's subsidiaries, Bluegas Private Ltd ("Bluegas") with its Branding, Operating and Procurement ("BOP") customers (the "Trade Debtors") in the People's Republic of China ("PRC"), where the contracts were signed by Mr. Liu XiaoQing ("LXQ"), the Chief Executive Officer of Shenzhen Green Leopard Medical Technology:
 - i. Financial irregularities in the accounts receivables where collections from the BOP customers were received through third-party remittance firms in multiple tranches without any written evidence of whom the payments were from or what the payments were for and determination of which debtor's accounts were to be credited was directed by LXQ to Bluegas which is not a common practice, unable to validate the basis of allocation of the receipt of funds to specific invoices or trade debtors;
 - ii. On 19 May 2021, Bluegas, together with Mr. Lu ChangSheng were served with an originating summons taken out by the solicitors of Lawrence Group Inc, a company incorporated in the United States of America, in relation to the supply of surgical gloves, and from the auditor's understanding, Bluegas was not involved in the production or sales of surgical gloves;
 - iii. Irregular accounting treatment of the receipts by Bluegas of an aggregate amount of US\$ 700,000 directly and indirectly from Lawrence Group Inc from September 2020 to November 2020, where the monies were used to offset against the Trade Debtors even though the remittances were clearly done by a non-PRC entity from the United States of America and were in United State Dollars; and
 - iv. Audit confirmation from the trade debtors of Bluegas was provided by the management of Bluegas and not directly from the Trade Debtors and attempts by the auditors to contact and verify directly with the Trade Debtors were unsuccessful.

- b) the existence rights and obligations; accuracy valuation and allocation; and classification of trade receivables of S\$3,959,000 and allowance for doubtful debt of S\$3,959,000 (Note 11 to the financial statements) and their related disclosures in the financial statements as at 31 December 2020;
- c) the occurrence of revenue of S\$1,961,000 (Note 19 to the financial statements) and its related disclosures in the financial statements for the financial year ended 31 December 2020.
- d) Allocation of dividends and profits/losses of Bluegas between the Company and the non-controlling interest (“NCI”) of Bluegas, where the allocation follows the same ratios as that for the performance of dividends (Note 18(c) to the financial statements), and the auditors were unable to understand the rationale for implementing the aforesaid special arrangements and whether it was done in the best interest of equity holders of the Company or otherwise.

5. Share Certificates and Winding Up Consideration

The Company will not be issuing any share certificates to shareholders due to the lack of funds. Shareholders who wish to obtain physical share certificates will bear the costs of printing and issuance themselves. Should the Company be wound up by any creditors or for any other reason, the Board will keep shareholders informed of the developments. The Board remains committed to ensuring transparency and will provide updates as more information becomes available.

6. Shareholder Inquiries

Shareholders interested in obtaining physical share certificates or who have queries regarding their shares post-delisting can contact the Company via email at KTLGlobal.contact@gmail.com. The Company has obtained the list of shareholders from its share register.

By Order of the Board
KTL GLOBAL LIMITED

Yong Wee Kit
Executive Director
20 September 2024