



KTL GLOBAL LIMITED

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

PROPOSED SUBSCRIPTION OF 7,000,000 SHARES IN THE CAPITAL OF THE COMPANY

Introduction

The Board of Directors of KTL Global Limited (the “**Company**”) wishes to announce that the Company has entered into a subscription agreement dated 10 March 2015 (the “**Agreement**”) with Infinity Global Consultancy Pte. Ltd. (the “**Subscriber**”), pursuant to which the Subscriber shall subscribe for, and the Company shall allot and issue, 7,000,000 new ordinary shares (the “**New Shares**”) at an issue price of S\$0.1334 for each New Share (the “**Share Subscription**”).

Share Subscription

The Company will allot and issue the New Shares pursuant to the general share issue mandate granted by shareholders of the Company at the annual general meeting held on 20 October 2014 (the “**Share Issue Mandate**”).

The Company has undertaken that it shall submit an additional listing application (“**ALA**”) to the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) for the New Shares to be listed and quoted on the Main Board of the SGX-ST, and it shall execute all such documents and do all acts and things as may be necessary or advisable for such purpose.

The Subscriber has warranted that it is not a director or substantial shareholder of the Company or any other person specified under Rule 812(1) of the Listing Manual of the SGX-ST. As far as the Directors are aware, the Subscriber is a company wishing to invest in the Company and was introduced to the Company by Mr Tan Kheng Yeow, the Chief Executive Officer of the Company. There will be no introducer fee or placement commission paid by the Company in connection with the Share Subscription.

Ranking and Subscription Price

The New Shares shall be issued free from all claims, mortgages, charges, liens and other encumbrances whatsoever and shall rank *pari passu* in all respects with and carry all rights similar to the then existing ordinary shares of the Company (“**Shares**”), except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the date of completion of the Share Subscription (the “**Completion Date**”).

The issue price of S\$0.1334 for each New Share represents a discount of approximately 9.92% to the volume weighted average price of S\$0.1481 for trades done on the Shares on the SGX-ST on 10 March 2015 (being the full market day on which the Agreement was signed).

Financial Effects of Share Subscription

Pursuant to the issue of the New Shares, the issued and paid share capital of the Company will increase from S\$35,028,091 divided into 226,075,228 Shares (including treasury shares) to S\$35,961,891 divided into 233,075,228 Shares (including treasury shares). The New Shares represents approximately 3.11% of the existing issued share capital of the Company (excluding treasury shares), and approximately 3.02% of the enlarged issued share capital of the Company (excluding treasury shares).

The basic earnings per Share (“**EPS**”) and the net asset value (“**NAV**”) per Share of the Company and its subsidiaries (the “**Group**”) based on the audited financial statements of the Group for the financial year ended 30 June 2014 (“**FY2014**”) were 1.28 cents and 20.4 cents respectively. The EPS and NAV per Share of the Group for FY2014, after adjusting for the Share Subscription, would be 1.24 cents and 20.1 cents respectively.

Conditions of Share Subscription

Completion of the Share Subscription is conditional upon, *inter alia*, the following:

- (a) the Share Issue Mandate being valid, subsisting and adequate for the purpose of the allotment and issue of the New Shares as at the Completion Date;
- (b) the in-principle approval in respect of the ALA being obtained from the SGX-ST and not having been revoked or amended and, where such approval is subject to conditions, such conditions being acceptable to the Company and to the extent that such conditions for the listing and quotation of the New Shares on the Main Board of the SGX-ST are required to be fulfilled on or before the Completion Date, they are so fulfilled; and
- (c) the allotment, issue and subscription of the New Shares not being prohibited by any statute, order, rule or regulation promulgated or issued after the date of the Agreement by any legislative, executive or regulatory body or authority of Singapore which is applicable to the Company or the Subscriber.

If any of the conditions for the Share Subscription is not satisfied on or before 9 June 2015 or such other date as the parties may agree, the Agreement shall *ipso facto* cease and determine thereafter and none of the parties shall have any claim against the other for costs, expenses, damages, losses, compensation or otherwise.

The completion of the Share Subscription is expected to take place five business days after all conditions set out in the Agreement have been satisfied.

Purpose and Use of Proceeds

The gross proceeds raised from the Share Subscription of S\$933,800 will, after deducting expenses relating thereto of approximately S\$45,000, be used for general working capital purposes.

Pending the deployment of the net proceeds for the purpose as set out above, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money market and/or debt instruments or used for any other purposes on a short-term basis as the Directors may deem fit.

The Company will make periodic announcements on the utilisation of the net proceeds from the Share Subscription when such proceeds are materially disbursed and will provide a status report on the use of such proceeds in the Company's annual report.

General

The Share Subscription is made pursuant to the exemption under Section 272B of the Securities and Futures Act (Chapter 289) of Singapore. As such, no prospectus or offer information statement will be issued by the Company in connection with the Share Subscription.

The Directors are of the opinion that, after taking into consideration the internal resources and present bank facilities of the Group and the net proceeds from the issue of the New Shares, the working capital available to the Group is sufficient to meet its present requirements.

None of the Directors, and as far as the Directors are aware, none of the substantial shareholders of the Company, has any interest, direct or indirect, in the Share Subscription, other than in their respective capacities as the Director or substantial shareholder of the Company.

The Share Subscription would not result in any transfer of controlling interest in the Company.

The Company will make the necessary announcement when it has received the in-principle approval of the SGX-ST for the listing and quotation of the New Shares on the SGX-ST.

The Directors (including any Director who may have delegated detailed supervision of the preparation of this announcement) have taken all reasonable care to ensure that the facts stated in this announcement are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly.

BY ORDER OF THE BOARD

Tan Kheng Yeow
Chief Executive Officer
10 March 2015