



KTL GLOBAL LIMITED

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

ADJUSTMENTS MADE TO UNAUDITED FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 31 DECEMBER 2020

The Board of Directors (the "**Board**") of KTL Global Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the announcement on 24 February 2021 on the unaudited financial statements of the Group for the financial year ended 31 December 2020 (the "**Unaudited Financial Statements**").

The audit of the financial statements of the Group has been completed after the release of the Unaudited Financial Statements. Pursuant to Rule 704(6) of the SGX-ST Listing Manual, the Company wishes to inform that there have been adjustments made to the Unaudited Financial Statements, as attached, following the audit.

BY ORDER OF THE BOARD

Chin Teck Oon
Executive Director & CEO
15 September 2021

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Financial Year from 1 January 2020 to 31 December 2020

	Group Full Year Ended		Change S\$'000	Note
	Audited 31.12.2020 S\$'000	Unaudited 31.12.2020 S\$'000		
Revenue	1,961	3,975	(2,014)	1
Cost of sales	(767)	(767)	-	
Gross profit	1,194	3,208	(2,014)	
Other operating income	20	20	-	
Sales and marketing expenses	(64)	(63)	(1)	
Administration expenses	(5,697)	(7,733)	2,036	2
Loss from operations	(4,547)	(4,568)	21	
Finance costs	(7)	(7)	-	
Loss before taxation	(4,554)	(4,575)	21	
Income tax credit	1,416	1,015	401	
Loss from continuing operation	(3,138)	(3,560)	422	
Discontinued operations				
Profit from discontinued operations, net of tax	21,525	-	21,525	3
Total profit/(loss)	18,387	(3,560)	21,947	
Other comprehensive income:				
Item that may be reclassified subsequently to profit or loss:				
- reclassification of reserve upon disposal of subsidiaries	(774)	-	(774)	
Other comprehensive loss, net of tax	(774)	-	(774)	
Total comprehensive income/(loss)	17,613	(3,560)	21,173	
Profit/(loss) attributable to:				
- Equity holders of the Company	20,182	(2,686)	22,868	
- Non-controlling interests	(1,795)	(875)	(920)	
	18,387	(3,561)	21,948	
Total comprehensive income/(loss) attributable to:				
- Equity holders of the Company	19,510	(2,686)	22,196	
- Non-controlling interests	(1,897)	(875)	(1,022)	
	17,613	(3,561)	21,174	

Statement of Financial Position
As at 31 December 2020

	Group As At				Company As At			
	31/12/2020 Audited S\$'000	31/12/2020 Unaudited S\$'000	Change S\$'000	Note	31/12/2020 Audited S\$'000	31/12/2020 Unaudited S\$'000	Change S\$'000	Note
ASSETS								
Non-current assets:								
Property, plant and equipment	46	46	-		-	-	-	
Subsidiaries	-	-	-		-	50	(50)	4
Total non-current assets	46	46	-		-	50	(50)	
Current assets:								
Trade receivables	-	-	-		-	-	-	
Other receivables, deposits and prepayments	32	48	(16)		23	39	(16)	
Due from subsidiaries	-	-	-		-	651	(651)	4
Cash and bank balances	986	986	-		6	6	-	
Total current assets	1,018	1,034	(16)		29	696	(667)	
Total assets	1,064	1,080	(16)		29	746	(717)	
EQUITY AND LIABILITIES								
Equity attributable to equity holders of the Company								
Share capital	36,776	36,776	-		36,776	36,776	-	
Reserves	(35,453)	(36,815)	1,362		(36,853)	(36,116)	(737)	4
Equity, attributable to equity holders of the Company	1,323	(39)	1,362		(77)	660	(737)	
Non-controlling interests	(929)	-	(929)		-	-	-	
Total equity	394	(39)	433		(77)	660	(737)	
Non-current liabilities:								
Interest-bearing loans and borrowings	19	19	-		-	-	-	
Total non-current liabilities	19	19	-		-	-	-	
Current liabilities:								
Trade payables	12	29	(17)		12	29	(17)	
Contract liability	-	-	-		-	-	-	
Other payables and accruals	156	187	(31)		94	57	37	
Interest-bearing loans and borrowings	31	31	-		-	-	-	
Income tax payable	452	853	(401)		-	-	-	
Total current liabilities	651	1,100	(449)		106	86	20	
Total liabilities	670	1,119	(449)		106	86	20	
Total equity and liabilities	1,064	1,080	(16)		29	746	(717)	

Consolidated Statement of Cash Flows for the Financial Year From 1 January 2020 to 31 December 2020

	Group		Change S\$'000	Note
	Year Ended Audited 31/12/2020 S\$'000	Year Ended Unaudited 31/12/2020 S\$'000		
<u>Cash Flows Generated From Operating Activities:</u>				
Total profit / (loss)	18,387	(3,561)	21,948	5
Adjustments for:				
Income tax credit	(1,416)	(1,015)	(401)	
Depreciation of property, plant and equipment	29	29	-	
Impairment loss on trade receivables	3,959	5,973	(2,014)	6
Gain on disposal of discontinued operation	(21,525)	-	(21,525)	5
Interest expenses	7	7	-	
Operating Cash Flows Before Working Capital Changes	(559)	1,433	(1,992)	
Trade and other receivables	4,296	2,593	1,703	
Trade and other payables	(1,378)	(1,330)	(48)	
Contract Liability	-	(327)	327	
Net Cash Flows Generated from Operations Before Interest and Tax	2,359	2,369	(10)	
Income tax paid	(162)	(163)	1	
Net Cash Flows Generated From Operating Activities	2,197	2,206	(9)	
<u>Cash Flows Generated From Investing Activities:</u>				
Net cash flow from disposal of discontinued operation	10	-	10	
Net Cash Flows Generated from Investing Activities	10	-	10	
<u>Cash Flows Used In Financing Activities:</u>				
Repayment of interest-bearing loans and borrowings	(37)	(36)	(1)	
Dividends paid to non-controlling interests	(1,320)	(1,320)	-	
Net Cash Flows Used In Financing Activities	(1,357)	(1,356)	(1)	
Net Increase in Cash and Cash Equivalents	850	850	-	
Cash and Cash Equivalents at the beginning of year	136	136	-	
Cash and Cash Equivalents at the end of year	986	986	-	

Explanatory Notes

Note 1 The revenue of approximately \$2 million from customer is not recognised because it did not meet the criteria in SFRS(I) 15. Based on SFRS(I) 15, the Group shall account for a contract with a customer only when it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

At the same time, as the revenue of approximately \$2 million mentioned above is not recognized, the corresponding impairment loss of trade receivables is also derecognized by approximately \$2 million. For details, please refer to note 2.

Note 2 The impairment loss of trade receivables of approximately \$2 million is not recognized due to derecognition of revenue from customer of about \$2 million. For details, please refer to note 1.

Note 3 The amount of approximately \$20 million originally recognized as change of reserves/ retained earnings due to disposal of discontinued operation in FY2020 is reclassified as gain on disposal of discontinued operation through profit and loss.

Note 4 As a subsidiary of the Company has negative net assets (net liabilities), the investments on the subsidiary from the Company (approximately \$50,000) and the amount receivable from the subsidiary by the Company (approximately \$700,000) have been fully provided for impairment. Therefore, the net profit of the Company is reduced by approximately \$0.7 million.

Note 5 As approximately \$20 million is reclassified as gain on disposal of discontinued operation through profit and loss, the total profit of the Group has increased by about \$20 million. This amount has been deducted in calculating the cash flow from operation because the gain on disposal of discontinued operation is non-cash in nature.

Note 6 The decrease of approximately \$2 million in impairment loss of trade receivables has been explained in note 2.