



KTL GLOBAL LIMITED

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

BUSINESS UPDATE AND IMPACT DUE TO RECENT COVID-19 OUTBREAK

The Board of Directors (the “**Board**”) of KTL Global Limited (the “**Company**”, together with the subsidiaries, the “**Group**”) refers to the announcements released by the Company on 2 May 2019, 16 July 2019, 15 August 2019, and 3 February 2020 (each an “**Announcement**” and collectively, the “**Announcements**”) in relation to its business of providing exclusive branding, technical, operational and procurement (“**BOP**”) services.

The Board wishes to update shareholders and potential investors of the Company of the impact on its BOP services and business in the People’s Republic of China (“**PRC**”) due to the recent COVID-19 outbreak. In view of the lockdown in PRC in response to the COVID-19 outbreak, Bluegas Private Limited (“**Bluegas**”), the 80%-owned subsidiary of the Group, has suspended its BOP services to its clients based in PRC since February 2020. The Covid-19 outbreak has resulted in a significant impact on Bluegas’ clients in PRC, and on Bluegas itself, as its clients have been hindered from performing their obligations under their BOP service agreements due to the COVID-19 outbreak. Consequently, Bluegas has therefore received requests from its clients to delay the billing and performance of BOP services until their businesses are ready to fully operate.

In this regard, Bluegas is still in discussions with its clients on the timeline for resumption of BOP services. This depends on, *inter alia*, when the social and commercial situation in PRC is fully restored, and also on the cash flow situation of Bluegas’ clients. Although the government in PRC has started to lift the business, transportation and movement restrictions in all major cities in PRC, return to normalcy may vary and depend on the location and specific industry. In addition, local workers who travel between provinces are still required to obtain negative COVID-19 certificates (being medical certificates evidencing that they tested negative for COVID-19) and may still be subject to a mandatory quarantine for up to 21 days.

As the Group values and practises long-term sustainable business practices, it will not hesitate to grant certain relief measures to help its clients in terms of business continuity in response to the unprecedented COVID-19 outbreak. Barring any unforeseen circumstance, the Group is of the view that the suspension of the BOP services is temporary in nature and will not affect the Group’s business sustainability in the long term.

The Group will keep shareholders updated as and when there are material developments to the above matters or/and any action plan that will be taken with the clients of Bluegas.

BY ORDER OF THE BOARD

Liu Changsheng
Chief Executive Officer
29 April 2020