



KTL GLOBAL LIMITED

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

CLARIFICATION IN RELATION TO ANNUAL REPORT

The Board of Directors of KTL Global Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to respond to the request by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for clarification on the annual report sent to the shareholders on 5 October 2015 (the “**Annual Report**”) as follows:

Question 1

Guideline 11.3 of the Code states that the Board should comment on the adequacy and effectiveness of the internal controls, including financial, operational, compliance and information technology controls, and risk management systems in the annual report.

We note that the Board, with concurrence of the AC, has commented on the adequacy of the internal controls in Para 4, page 25 of the annual report. However, the Company has not disclosed the Board's comment on the effectiveness of the internal controls. Please disclose the Board's comment on the effectiveness of the Group's internal controls, or provide an explanation for the deviation from the Guideline pursuant to Listing Rule 710.

Response

Based on the assurance from the CEO and Chief Financial Officer referred to in paragraph 4, page 25 of the Annual Report, the various internal controls put in place by the Group, the work performed and reports submitted by the external and internal auditors of the Group and the reviews carried out by the Board and the AC, the Board, with the concurrence of the AC, is of the opinion that the internal controls of the Group, addressing financial, operational, compliance and information technology risks, and risk management systems were adequate and effective as at 30 June 2015.

Question 2

Guideline 9.4 of the Code states that “the annual remuneration report should disclose the details of the remuneration of employees who are immediate family members of a director or the CEO, and whose remuneration exceeds S\$50,000 during the year. Disclosure of remuneration should be in incremental bands of S\$ 50,000”.

The Company has disclosed remuneration of immediate family members of a director or the CEO in incremental bands of S\$ 250,000 in Note (2) on page 23. Please disclose in incremental bands of S\$ 50,000 pursuant to Guideline 9.4 or otherwise provide an explanation for deviation.

Response

The level and mix of remuneration paid or payable to employees who are immediate family members of a director or the CEO for FY2015 are set out as follows:-

Remuneration bands	Salary & CPF %	Bonus & CPF %	Director's Fee ⁽¹⁾ %	Other Benefits %	Total %
\$300,000 to less than \$350,000					
Tan Kheng Kuan ⁽¹⁾	61.1	10.3	-	28.6	100.0
\$150,000 to less than \$200,000					
Tan Suan Suan ⁽¹⁾	88.1	11.9	-	-	100.0
Lim Kor Hin ⁽³⁾	84.6	15.4	-	-	100.0

Notes:-

- (1) Mr Tan Kheng Kuan and Ms Tan Suan Suan are the children of Mr Tan Tock Han (Executive Chairman of the Company) and siblings of Mr Tan Kheng Yeow (Chief Executive Officer of the Company).
- (2) Mdm Lim Kor Hin is the wife of Mr Tan Kheng Kuan.

Question 3

Please confirm to SGX if KTL offshore (Middle East) FZC is a significant subsidiary of the Company and if the Company has complied with Listing Rule 715(2).

Response

The Company confirms that KTL Offshore (Middle East) FZC is a significant subsidiary of the Company for the financial year ended 30 June 2015 because of its contribution to the Group's operating profits for the financial year.

The Company has engaged a suitable auditing firm for KTL Offshore (Middle East) FZC for the purpose of statutory audit and has complied with Listing Rule 715(2). However, the Company has engaged Ernst & Young Singapore to perform a full scope audit in accordance with Singapore Financial Reporting Standards and Singapore Standards on Auditing for the purpose of the consolidated financial statements of the Company for the financial year ended 30 June 2015.

BY ORDER OF THE BOARD

Tan Kheng Yeow
Chief Executive Officer
16 October 2015