



## KTL GLOBAL LIMITED

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

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### ACQUISITION OF SHARES IN FW COASTAL VENTURES PTE. LTD.

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#### Introduction

The Board of Directors of KTL Global Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company’s wholly-owned subsidiary, KTL Investment Pte. Ltd. (“**KTL Investment**”), has acquired 300 ordinary shares in FW Coastal Ventures Pte. Ltd. (“**FW Coastal**”) from Tan Kheng Yeow, the Chief Executive Officer of the Company (the “**Acquisition**”).

FW Coastal is a company registered in Singapore and has an issued and paid-up share capital of S\$1,000, comprising 1,000 ordinary shares. FW has two wholly-owned subsidiaries, Atlas Training Centre Sdn. Bhd. and Axis Weld Sdn. Bhd., which are registered in Malaysia.

#### Key Terms of the Acquisition

The purchase consideration for the shares in FW Coastal is a nominal sum of S\$1. As part of the terms of the Acquisition, the Group has granted FW Coastal a working capital loan facility of up to S\$1.5 million. The loan facility is for a period of three years and interest at the rate of 5.25% per annum is payable in respect of the outstanding loan amount, except that no interest shall be chargeable during the first six months from the date of first drawdown.

The terms of the Acquisition were arrived at pursuant to negotiations between the parties, taking into consideration that FW Coastal is a relatively new company which commenced business in 2012 and had net liabilities of S\$182,203 as at 31 October 2014.

Subsequent to the Acquisition, the shareholders of FW Coastal are KTL Investment (30%), Tan Kheng Yeow (19%) and an unrelated third party (51%).

#### Rationale for the Acquisition

FW Coastal and its subsidiaries are in the business of providing training and certification for skilled workers for the oil and gas industry, as well as the business of equipment rental. The Acquisition is intended to allow the Group to diversify its revenue streams.

#### Interested Person Transaction

The Acquisition is an interested person transaction as Tan Kheng Yeow is the Chief Executive Officer of the Company, and Tan Tock Han, the Executive Chairman of the Company, is the father of Tan Kheng Yeow. Tan Tock Han and Tan Kheng Yeow are deemed to have interests in the shares of the Company held by Kim Teck Leong Pte. Ltd., the controlling shareholder of the Company.

The consideration for the Acquisition, including the maximum loan amount and interest thereon, exceeds 3% but is less than 5% of the Group’s latest audited net tangible assets. Hence, the Company is required to make an announcement under the provisions of Rule 905 of the SGX Listing Manual but shareholders’ approval is not required.

Save for the Acquisition, there have been no transactions with Tan Kheng Yeow since the beginning of the current financial year ending 30 June 2015.

The Audit Committee of the Company is of the view that the Acquisition is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders.

### Discloseable Transaction

The relative figures computed on the bases set out in Rule 1006 of the SGX Listing Manual in relation to the Acquisition are as follows:

|              | Basis                                                                                                                                                     | Relative figure       |
|--------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| Rule 1006(a) | Net asset value of assets to be disposed of, compared with the Group's net asset value                                                                    | Not applicable        |
| Rule 1006(b) | Net profits attributable to assets acquired, compared with the Group's net profits                                                                        | (1.2)% <sup>(1)</sup> |
| Rule 1006(c) | Aggregate value of consideration given, compared with the Company's market capitalisation                                                                 | 6.3% <sup>(2)</sup>   |
| Rule 1006(d) | Number of equity securities issued by the Company as consideration for the acquisition, compared with the number of equity securities previously in issue | Not applicable        |

**Notes:**

- (1) For the period from 1 July 2013 to 30 June 2014, the unaudited consolidated net loss of FW Coastal was S\$35,587. Based on the audited financial statements of the Group for the financial year ended 30 June 2014, the Group's net profit was S\$2,874,000.
- (2) Based on the weighted average price of the Company's shares of S\$0.115 on 31 October 2014 and 225,159,544 issued shares (excluding treasury shares).

The Acquisition is a discloseable transaction pursuant to Rule 1010 of the SGX Listing Manual and must be announced but is not subject to shareholders' approval.

The consideration for the Acquisition will be funded by Group's internal resources.

Assuming that the Acquisition had been effected on 30 June 2014, there would be no material change in the audited net tangible assets per share of the Company as at 30 June 2014.

Assuming that the Acquisition had been effected on 1 July 2013, there would be no material change in the audited earnings per share of the Company for the financial year ended 30 June 2014.

### Interests of Directors or Controlling Shareholders

Save as disclosed above, none of the Directors or controlling shareholders of the Company has any interest, directly or indirectly, in the Acquisition, save through his shareholdings (if any) in the Company.

BY ORDER OF THE BOARD

Tan Kheng Yeow  
Chief Executive Officer  
3 November 2014