

SGX-Listed KTL Global Reports Q3FY15 NPAT Of S\$0.6M; Executes Strategic Shift To Position Group As Specialised Rope And Rigging Industry Leader

SINGAPORE, 8 May 2015 – Ropes and rigging specialist **KTL Global Limited** (“**KTL Global**” or the “**Group**”) announced today that its net profit after tax for the three months ended 31 March 2015 (“Q3FY15”) of S\$0.6 million as it continues to position itself as an industry leader.

Despite the recent fall in crude oil prices, the rope and rigging sub-sector – the Group’s core business – remains relatively stable. Specialised steel and synthetic ropes continue to be in demand for offshore and marine (“O&M”) operations in ultra-deep waters at a time of increasing emphasis on quality and safety, including certification of equipment.

SGX-Mainboard listed KTL Global, which produces steel and synthetic ropes and riggings for the O&M industry, said that its revenue declined to S\$16.5 million in Q3FY15 from S\$18.2 million in Q3FY14 due to lower contributions from its Singapore subsidiary offset by the Middle-East subsidiary.

Gross profit for Q3FY15 declined 8.2% to S\$6.1 million from S\$6.7 million in Q3FY14 due to lower revenue. However, gross profit margin improved to 37.0% from 36.6% due to higher contribution from equipment rental, which typically commands higher margins.

Earnings per share stood at 0.25 Singapore cent in Q3FY15 while net asset value per share stood at 20.4 Singapore cents as at 31 March 2015.

The Group has recently embarked on a strategic shift towards higher value products and services, geographical expansion and better internal efficiencies with a view to achieving leadership in the global rope and rigging industry.

In line with this, it has relocated some operations from Singapore to its yard in Johor, which is also Malaysia’s largest dedicated rigging facility. This will increase access to the Malaysian market and lower costs significantly in the financial year ending 30 June 2016 (“FY2016”), which are expected to further increase in the financial year ending 30 June 2017.

The Group had also recently formed a joint venture in China, KTL Offshore Technology (Nantong) Co., Ltd., which is expected to contribute to the Group’s revenue in FY2016, having secured S\$1.1 million in orders in the first three months of operations since December 2014.

Additionally, KTL Global also expects a 40% increase in revenue contribution from its Middle East operations due to sustained demand for rope and rigging in the region and from Europe.

Mr. Wilson Tan, Chief Executive Officer of KTL Global, said, “Despite the impact of low oil prices, the rope and rigging market continues to witness demand growth even as we continue to execute our strategy to lower costs and increase top-line growth.”

Mr. Tan Tock Han, Executive Chairman of KTL Global, said, “Building upon our core competencies even as we pursue our growth strategy, we are confident that these efforts will

position us as a world leader in this specialised industry. We will also consider possible mergers and acquisitions to enhance shareholder value.”

###End of Release###

Issued on behalf of the Company by WeR1 Consultants Pte Ltd:

Media & Investor Contact Information

WeR1 Consultants Pte Ltd
38A Circular Road Singapore 049394
Tel: (65) 6737 4844, Fax: (65) 6737 4944
Ian Lau, ianlau@wer1.net
Sheryl Sim, sheryl@wer1.net

About KTL Global Limited

Singapore-based KTL Global Limited (“KTL Global” or the “Group”) is a leading solutions provider for offshore, oil & gas (“O&G”) equipment in the region. Listed on the SGX Mainboard, the Group is one of Asia’s major suppliers of rigging equipment and related services to the offshore, oil and gas, marine and construction industries.

With a legacy of more than 100 years, the Group is one of the world’s largest wire rope and rigging suppliers of premium steel wire ropes and fittings for lifting and mooring through its wholly-owned subsidiary, KTL Offshore Pte Ltd. It also provides testing, certification and maintenance services.

The Group’s geographical presence includes rigging facilities – the largest of their kind – in the Hamriyah Free Zone, United Arab Emirates and Johor, Malaysia, and has offices across countries such as China, Indonesia, as well as strategic partners located in Mexico and Brazil.

For more information, please visit: www.ktlgroup.com