



KTL GLOBAL LIMITED

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

RESPONSE TO SGX-ST FURTHER QUERIES – CLARIFICATION IN RESPECT OF THE ANNOUNCEMENT DATED 6 SEPTEMBER 2019 ENTITLED “RESPONSE TO SGX-ST QUERIES” (THE “6 SEPTEMBER 2019 ANNOUNCEMENT”)

The Board of Directors (the “**Board**”) of KTL Global Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce the following in response to the further query raised by Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) to the Company in relation to Query 3 (and the Company’s response thereto) in the 6 September 2019 Announcement:

SGX-ST’s Query

We refer to our previous query, which states:

“It is stated on page 11 of the announced financial results:

“The current assets of S\$25.0 million as at 30 June 2019 was higher compared to that as at 31 December 2018 mainly due to increase in trade receivables of S\$2.4 million mainly from Bluegas...”

- a) Please provide an aging analysis of the “Trade receivables” financial statement line item.
- b) Please provide the Board of Directors’ assessment of the recoverability of the trade receivables.”

We note that the response by the Company in the 6 September 2019 Announcement only explains the increase in the trade receivables of approximately S\$2.4 million.

As such, please provide clarification addressing our previous query with respect to the trade receivables of the Group as at 30 June 2019 of approximately S\$9,280,000 as stated on page 2 of the announced financial results.

Company’s response

The aging analysis of the Group’s trade receivables is as follows:

	HY2019 (S\$’000)
Not past due	5,609
Past due	
- Past due 0 – 3 months	2,628
- Past due over 3 months	<u>1,043</u>
	<u>9,280</u>

In assessing the recoverability of the Group’s trade receivables, the Group considers the following factors to evaluate credit quality and the credit risk of each customer/debtor:

- (a) the financial condition of each customer/debtor;
- (b) payment history; and
- (c) any existing or expected adverse changes in the business, financial or economic conditions or environment of the customer/debtor that are expected to materially affect the customer’s/debtor’s ability to meet its debt obligations.

Included in the Group’s trade receivable balance are debtors with total carrying amount of approximately \$3.67 million which are past due but not impaired. The Management regularly monitors the above criteria and it is noted that there have not been any significant changes in the credit quality and credit risk of each customer/debtor.

Based on the above criteria, the Board is of the view that no impairment allowance is necessary in respect of trade receivables past due, and the amounts may be deemed recoverable.

BY ORDER OF THE BOARD

Tan Kheng Kuan
Chief Executive Officer
25 September 2019