KTL Global Limited
(Incorporated in the Republic of Singapore)
(Company Registration No. 200704519M)
(The "**Company**")

Condensed interim financial statements for the fifth quarter and fifteen months ended 31 March 2022

The Company is required, pursuant to the requirements of the Singapore Exchange Securities Trading Limited, to continue with quarterly reporting of its financial statements, in view of the disclaimer opinion and material uncertainty relating to going concern highlighted by the auditors in its audited financial statements for the financial year ended 31 December 2020.

Change of financial year end

On 10 January 2022, the Company announced a change of its financial year end from 31 December to 30 June. With this change, the Company's current financial year will cover a period of 18 months from 1 January 2021 to 30 June 2022.

Table of Contents **Page**

A.	Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income	1
B.	Condensed Interim Statements of Financial Position	3
C.	Condensed Interim Statemetns of Changes in Equity	4
D.	Condensed Interim Consolidated Statement of Cash Flows	6
E.	Notes to the Condensed Interim Consolidated Financial Statements	7
F.	Other Information Required by Listing Rule Appendix 7.2	14

A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Group			Group		
	3 months ended			15 months ended	12 months ended	
	31 March 2022	31 March 2021	Change	**31 March 2022**	31 December 2020	Change
	S$'000	S$'000	%	**S$'000**	S$'000	%
Continuing operations						
Revenue	**209**	-	NM	**915**	1,961	(53)
Cost of sales	**(161)**	-	NM	**(901)**	(767)	(17)
Gross profit	**48**	-	NM	**14**	1,194	(99)
Other income	**11**	-	NM	**158**	20	NM
Administrative expenses	**(325)**	(333)	(2)	**(2,365)**	(5,697)	(58)
Sales and marketing expenses	**-**	-	-	**-**	(64)	NM
Finance costs	**(22)**	-	NM	**(54)**	(7)	NM
Loss before tax	**(288)**	(333)	(14)	**(2,247)**	(4,554)	(51)
Income tax (expense)/credit	**-**	-	-	**(33)**	1,416	(102)
Loss from continuing operations	**(288)**	(333)	(14)	**(2,280)**	(3,138)	(27)
Discontinued operation						
Profit from discontinued operation, net of tax	**-**	-	-	**-**	21,525	NM
Total (loss)/profit	**(288)**	(333)	(14)	**(2,280)**	18,387	(112)
Other comprehensive loss						
Item that may be reclassified subsequently to profit or loss:						
- Reclassification of reserves upon disposal of subsidiaries	**-**	-	-	**-**	(774)	NM
Other comprehensive loss, net of tax	**-**	-	-	**-**	(774)	NM
Total comprehensive (loss)/income for the financial period	**(288)**	(333)	(14)	**(2,280)**	17,613	(113)
NM: Not Meaningful						

A. Condensed interim consolidated statement of profit or loss and other comprehensive income (cont'd)

	Group			Group		
	3 months ended			15 months ended	12 months ended	
	31 March 2022	31 March 2021	Change	31 March 2022	31 December 2020	Change
	S$'000	S$'000	%	S$'000	S$'000	%
(Loss)/profit attributable to:						
Equity holders of the Company	**(288)**	(333)	(14)	**(2,276)**	20,182	(111)
Non-controlling interests	**-**	-	-	**(4)**	(1,795)	(100)
	(288)	(333)	(14)	**(2,280)**	18,387	(112)
(Loss)/profit attributable to equity holder of the Company relates to:						
(Loss)/profit from continuing operations	**(288)**	(333)	(14)	**(2,276)**	(1,343)	(69)
Profit from discontinued operation	**-**	-	-	**-**	21,525	NM
	(288)	(333)	(14)	**(2,276)**	20,182	(111)
Total comprehensive (loss)/income attributable to:						
Equity holders of the Company	**(288)**	(333)	(14)	**(2,276)**	19,510	(112)
Non-controlling interests	**-**	-	-	**(4)**	(1,897)	(100)
	(288)	(333)	(14)	**(2,280)**	17,613	(113)
(Loss)/earnings per share for (loss)/profit for the period attributable to the equity holders of the Company:						
Basic (SGD in cent)						
From continuing operations	**(0.09)**	(0.11)	(18)	**(0.72)**	(0.43)	(67)
From discontinued operation	**-**	-	-	**-**	6.82	-
	(0.09)	(0.11)	(18)	**(0.72)**	6.39	(111)
Weighted average number of ordinary shares ('000)	**323,554**	315,669	2	**317,229**	315,669	1
Diluted (Loss)/earnings per share (SGD in cent)						
From continuing operations	**(0.09)**	(0.11)	(18)	**(0.72)**	(0.43)	(48)
From discontinued operation	**-**	-	-	**-**	6.82	-
	(0.09)	(0.11)	(18)	**(0.72)**	6.39	(111)
Weighted average number of ordinary shares ('000)	**323,554**	315,669	2	**317,229**	315,669	1

NM: Not Meaningful

B. Condensed interim statements of financial position – Group

	Group		Company	
	31 March 2022	31 December 2020	**31 March 2022**	31 December 2020
ASSETS	**S$'000**	S$'000	**S$'000**	S$'000
Non-current assets				
Plant and equipment	**74**	46	**-**	-
Goodwill from investments	**27**	-	**-**	-
Subsidiaries	**-**	-	**210**	-
Other receivables	**600**	-	**-**	-
Total non-current assets	**701**	46	**210**	-
Current assets				
Inventories	**720**	-	**-**	-
Trade receivables	**322**	-	**-**	-
Other receivables, deposits and prepayments	**848**	32	**-**	23
Amount due from subsidiaries	**-**	-	**1,964**	-
Cash and bank balances	**75**	986	**6**	6
Total current assets	**1,965**	1,018	**1,970**	29
Total assets	**2,666**	1,064	**2,180**	29
LIABILITIES				
Non-current liabilities				
Borrowings	**624**	19	**621**	-
Current liabilities				
Trade payables	**263**	12	**-**	12
Contract liabilities	**200**	-	**-**	-
Amount due to subsidiaries	**-**	-	**10**	-
Other payables and accruals	**846**	156	**790**	94
Borrowings	**334**	31	**-**	-
Income tax payable	**285**	452	**-**	-
Total current liabilities	**1,928**	651	**800**	106
Total liabilities	**2,552**	670	**1,421**	106
Net assets/(liabilities)	**114**	394	**759**	(77)
Equity				
Issued capital	**38,776**	36,776	**38,776**	36,776
Reserves	**(37,729)**	(35,453)	**(38,017)**	(36,853)
Equity attributable to equity holders of the Company	**1,047**	1,323	**759**	(77)
Non-controlling interests	**(933)**	(929)	**-**	-
Total equity	**114**	394	**759**	(77)

C. Condensed interim statements of changes in equity

Group	Attributable to equity holders of the Company							Non-controlling Interests	Total Equity
	Issued Capital	Treasury shares reserve	Premium paid on acquisition of non-controlling interest	Translation (deficit)/ surplus	Statutory reserve fund	Accumulated Losses	Total		
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Balance at 1 January 2021	36,776	(706)	-	-	-	(34,747)	1,323	(929)	394
Conversion of shares from convertible loans	2,000	-	-	-	-	-	2,000	-	2,000
Net loss and total comprehensive losses for the period	-	-	-	-	-	(2,276)	(2,276)	(4)	(2,280)
Balance at 31 March 2022	**38,776**	**(706)**	**-**	**-**	**-**	**(37,023)**	**1,047**	**(933)**	**114**
Balance at 1 January 2020	36,776	(706)	(60)	717	15	(54,929)	(18,187)	2,288	(15,899)
Net profit/(loss) for the period	-	-	-	-	-	20,182	20,182	(1,795)	18,387
Other comprehensive income									
Reclassification of reserves upon disposal of subsidiaries	-	-	60	(717)	(15)	-	(672)	(102)	(774)
Total comprehensive income/(losses) for the period	-	-	60	(717)	(15)	20,182	19,510	(1,897)	17,613
Dividend paid	-	-	-	-	-	-	-	(1,320)	(1,320)
Balance at 31 December 2020	36,776	(706)	-	-	-	(34,747)	1,323	(929)	394

C. Condensed interim statements of changes in equity (cont'd)

Company	Share Capital	Treasure Share Reserves	Accumulated Losses	Total Equity
	S$'000	S$'000	S$'000	S$'000
Balance at 1 January 2021	36,776	(706)	(36,147)	(77)
Conversion of shares from convertible loans	2,000	-	-	2,000
Loss and total comprehensive losses for the financial period	-	-	(1,164)	(1,164)
Balance at 31 March 2022	**38,776**	**(706)**	**(37,311)**	**759**
Balance at 1 January 2020	36,776	(706)	(35,573)	497
Loss and total comprehensive losses for the financial period	-	-	(574)	(574)
Balance at 31 December 2020	36,776	(706)	(36,147)	(77)

D. Condensed interim consolidated statement of cash flows

	Group	
	15 months ended	**12 months ended**
	31 March 2022	31 December 2020
	S$'000	S$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before income tax	**(2,247)**	16,971
Adjustments for:-		
Depreciation of plant and equipment	**54**	29
Impairment loss on trade receivables	**-**	3,959
Gain on disposal of discontinued operation	**-**	(21,525)
Gain on termination of ROU assets	**(4)**	-
Fair value adjustments on borrowings	**(147)**	-
Finance expense	**54**	7
Operating loss before working capital changes	**(2,290)**	(559)
Changes in operating assets and liabilities:-		
Inventories	**(720)**	-
Trade and other receivables	**(334)**	4,296
Trade and other payables	**920**	(1,378)
Contract liability	**200**	-
Cash (used in)/generated from operations	**(2,224)**	2,359
Taxation paid	**(200)**	(162)
Net cash (used in)/generated from operating activities	**(2,424)**	2,197
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cashflow from disposal of discontinued operation	**-**	10
Acquisition of a subsidiary, net of cash acquired	**(27)**	-
Purchase of plant and equipment	**(43)**	-
Deposit paid to renovation works	**(204)**	-
Deposit paid to purchase of a property	**(600)**	-
Advance to a third party	**(600)**	-
Net cash (used in)/generated from investing activities	**(1,474)**	10
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	**(12)**	-
Proceeds from convertible loans	**2,000**	-
Advance from a director related company	**300**	-
Proceeds from borrowings	**750**	-
Repayment of principal portion of lease liabilities	**(51)**	-
Repayment of borrowings	**-**	(37)
Dividend paid to non-controlling interest	**-**	(1,320)
Net cash generated from/(used in) financing activities	**2,987**	(1,357)
Net (decrease)/increase in cash and cash equivalents	**(911)**	850
Cash and cash equivalents at beginning of the financial period	**986**	136
Cash and cash equivalents at end of the financial period	**75**	986

List of significant non-cash transactions:

Conversion of shares from convertible loans (**Note 13**)	**2,000**	-

E. Notes to the condensed interim financial statements

1. General information

KTL Global Limited (the "**Company**") is a limited liability company domiciled and incorporated in Singapore and is listed on the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The address of the Company's registered office and its principal place of business is at 18 Boon Lay Way, #10-139 Tradehub 21, Singapore 609966.

These interim consolidated financial statements as at and for the three months ended 31 March 2022 ("**5Q2021**") and fifteen months ended 31 March 2022 ("**15M2021**") comprise the Company and its subsidiaries (collectively, the "**Group**").

The principal activity of the Company is investment holding and the principal activities of the Group are sale and distribution of fresh vegetable and fruit produce (including import and export of fruits and vegetables, and growing of leafy and fruit vegetables), provision of technical, operational, procurement management services and other related services.

Change of financial year end

On 10 January 2022, the Company announced a change of its financial year end from 31 December to 30 June. With this change, the Company's current financial year will cover a period of 18 months from 1 January 2021 to 30 June 2022.

Rationale for the Change of Financial Year End

The Group had suspended its BOP services business since January 2021. Following the completion of the Company's acquisition of the entire issued and paid-up share capital of Tianci Agritech Pte. Ltd. ("**TCA**") on 28 June 2021, the Group operates in one business segment involved in the sale and distribution of fresh vegetables and fruit produce. The Group will, as at 31 December 2021, record operations from TCA for only six (6) months. The Board is of the view that it would be more meaningful and reflective of the Group's performance if the financial year end of the Group was changed to 30 June which would then capture a full year of business activities of the Group. In addition, as announced on 17 August 2021, the Company had requested for voluntary suspension for trading of its shares on 17 August 2021 in view of the receipt by the Company of the auditor's report on discovery of potential fraud (the "**Report**"). The Audit Committee and the Board has engaged Deloitte & Touche Financial Advisory Services Pte Ltd ("**Deloitte**") to undertake an independent review of the concerns raised in the Report, including the provision of branding, operation and procurement (the "**BOP**") business segment of Bluegas Private Limited (the "**Review**"). The Review is currently still ongoing. The Board is of the view that the change would allow the Company additional time to strengthen and standardise its internal control processes thereby improving administrative and operational efficiencies. Please refer to the announcement dated 10 January 2022 for more details regarding the change of financial year end.

2. Going concern

The Company and the Group recorded a net loss of S$1.2 million and S$2.3 million respectively for the fifteen months ended 31 March 2022. These conditions indicate an existence of a material uncertainty that may cast significant doubt on the Company's and the Group's ability to continue as a going concern.

The Board has assessed that there is an urgent need to raise funds and look for opportunities to inject new revenue-generating businesses into the Group. The Group has recently taken the following actions to (i) operate as a going concern; and (ii) meet its short-term obligations as and when they fall due:

a) sourced for new customers and held discussions with the Group's major customers to seek higher sales volume and negotiate for better prices;
b) continuously seek improvements in the procurement and warehousing processes;
c) the Company has on 11 November 2021 entered into a loan agreement with Mr Chin Teck Oon, the Group CEO and shareholder of up to S$1.5 million to the Company ("**CEO Loan**"). The CEO Loan is unsecured, bears interest at 2% per annum and has a term of 3 years from the date of drawdown; and
d) the Company has on 1 March 2022 entered into a loan agreement with Mr Wu Yongqiang, the Non-Executive Non-Independent Director and Non-Executive Chairman of the Company and shareholder of up to S$10.0 million to the Company ("**Shareholder Loan**"). The Shareholder Loan is unsecured, bears interest at 5% per annum and has a term of 5 years from the date of drawdown. The Shareholder Loan will be subject to the approval of Shareholders pursuant to Rule 906(1)(a) of the SGX-ST Listing Rules, which will be obtained at an extraordinary general meeting to be convened.

The Company's and the Group's financial statements have been prepared on a going concern basis as the management is of the view that the Company and the Group will be able to continue as a going concern. If the Group is unable to continue in operational existence for the foreseeable future, the Group may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the condensed interim statement of financial position. In addition, the Group may have to reclassify non-current assets and liabilities as current assets and liabilities respectively, and to provide for further liabilities which may arise. No such adjustments have been made to these condensed financial statements.

3. Basis of preparation

The condensed interim financial statements for the fifteen months ended 31 March 2022 have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last audited financial statements for the year ended 31 December 2020. The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 3.1 below. The condensed interim financial statements are presented in Singapore Dollars ("S$") and rounded to nearest thousand ("S$'000") except when otherwise indicated.

3.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

3.2 Use of estimates and judgements

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. Except for net realisable value of inventories as disclosed in Note 15, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2020.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in Note 15.

4. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

5. Revenue and segment information

<u>Business segment</u>

Due to the change in the Company's financial year end from 31 December to 30 June, the revenue for the current financial year is from 1 January 2021 to 30 June 2022 (18-month period) ("**FY2021**").

Following the completion of the Company's acquisition of TCA on 28 June 2021, the Group operates in one business segment involved in the sales and distribution of fresh vegetable and fruit produce in FY2021.

The revenue for the fifteen months ended 31 March 2022 was generated from the sales and distribution of fresh vegetable and fruit produce by TCA.

The revenue for the twelve months ended 31 December 2020 ("**12M2020**") was generated by its 80% owned subsidiary, Bluegas Private Limited ("**Bluegas**") from the BOP services to our clients in the People's Republic of China ("**PRC**") that manufactures smart automatic vending kiosks for the sales and dispensation of medical consumables and supplements. The Group has suspended its BOP services business since January 2021.

<u>Geographical segment</u>

In FY2021, the Group's operations related to sales and distribution of fresh vegetables and fruit produce operations are located in Singapore. Revenue for the 12-month period ended 31 December 2020 represents income from BOP services generated entirely in the PRC.

6. Financial assets and liabilities

(i) Financial instruments by category

At the reporting date, the aggregate carrying amount of financial assets at amortised cost are as follows:

	Group		Company	
	31 March 2022	31 December 2020	**31 March 2022**	31 December 2020
	S$'000	S$'000	**S$'000**	S$'000
Financial assets measured at amortised costs				
Trade receivables	**322**	-	**-**	-
Other receivables and deposits	**-**	32	**-**	23
Amount due from subsidiaries	**-**	-	**1,964**	-
Cash and bank balances	**75**	986	**6**	6
Total financial assets measured at amortised cost	**397**	1,018	**1,970**	29

At the reporting date, the aggregate carrying amount of financial liabilities at amortised cost are as follows:

	Group		Company	
	31 March 2022	31 December 2020	**31 March 2022**	31 December 2020
	S$'000	S$'000	**S$'000**	S$'000
Financial liabilities measured at amortised costs				
Trade payables	**263**	12	**-**	12
Other payables and accruals	**846**	156	**790**	94
Borrowings	**958**	50	**621**	-
Amount due to subsidiaries	**-**	-	**10**	-
Total financial liabilities measured at amortised cost	**2,067**	218	**1,421**	106

(ii) Fair value measurements

Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of cash and bank balances, trade and other receivables, trade and other payables approximate their fair values, either due to their short-term period of maturity and/or where the effect of discounting is immaterial.

The carrying amounts of borrowings approximate their fair values at the end of the reporting period, as the market lending rate at the end of the reporting period was not significantly different from either the interest rates of borrowings or market lending rate at the initial measurement date of the borrowings.

7. Loss before tax

This determined after charging/(crediting) the following:

	Group			Group		
	3 months ended			15 months ended	12 months ended	
	31 March 2022	31 March 2021	Change	31 March 2022	31 December 2020	Change
	S$'000	S$'000	%	S$'000	S$'000	%
Depreciation of plant and equipment	9	7	29	54	29	86
Impairment loss on trade receivables	-	-	NM	-	3,959	NM
Fair value adjustments on borrowings	(5)	-	NM	(147)	-	NM
Gain on disposal of discontinued operations	-	-	NM	-	(21,525)	NM
Gain on termination of ROU assets	-	-	NM	(4)	-	NM

NM - not meaningful

8. Income tax expenses/(credit)

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected taxable income. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group		Group	
	3 months ended		15 months ended	12 months ended
	31 March 2022	31 March 2021	31 March 2022	31 December 2020
	S$'000	S$'000	S$'000	S$'000
Current tax expenses				
Current year	-	-	-	-
Under/(over) provision in prior year	-	-	33	(1,416)
Total income tax expenses/(credit)	-	-	33	(1,416)

9. Significant related party transactions

Other than disclosed elsewhere in the financial statements, transactions carried out with related parties in the normal course of business on terms agreed between the parties are as follows:

	Group		Group	
	3 months ended		15 months ended	12 months ended
	31 March 2022	31 March 2021	31 March 2022	31 December 2020
	S$'000	S$'000	S$'000	S$'000
Drawdown of CEO Loan	50	-	750	-
Corporation in which a director of the Group is a member of key management personnel				
- Advance received from	-	-	300	-
- Legal services rendered by	105	-	255	-

10. Net assets/ (liabilities) value

	Group		Company	
	31 March 2022	31 December 2020	**31 March 2022**	31 December 2020
Net assets/(liabilities) value per ordinary share based on issued share capital excluding treasury shares as at the end of the period/year (SGD in cent)	**0.30**	0.42	**0.22**	(0.02)
Number of ordinary shares issued at the end of the period ('000)	**347,927**	315,669	**347,927**	315,669

11. Plant and equipment

During the financial period ended 31 March 2022, the Group purchased plant and equipment amounting to S$0.04 million and Right-Of-Use ("**ROU**") assets of S$0.07 million and terminated ROU assets amounting to S$0.03 million. There was no acquisition and disposal of plant and equipment and ROU assets for the 12-month financial year ended 31 December 2020.

12.Trade receivables

	Group		Company	
	31 March 2022	31 December 2020	**31 March 2022**	31 December 2020
	S$'000	S$'000	**S$'000**	S$'000
Trade receivables	**322**	3,959	-	-
Less: allowance for doubtful debts	**-**	(3,959)	-	-
	322	-	-	-

13. Borrowings

	Group		Company	
	31 March 2022	31 December 2020	**31 March 2022**	31 December 2020
	S$'000	S$'000	**S$'000**	S$'000
Lease liabilities	**37**	50	-	-
Borrowings	**921**	-	**621**	-
	958	50	**621**	-
Represented by:				
Amount repayable in one year or less, or on demand, unsecured				
Lease liabilities	**34**	31	**-**	-
Borrowings – advance from a director related company	**300**	-	**-**	-
	334	31	**-**	-
Amount repayable after one year and not later than five years, unsecured				
Lease liabilities	**3**	19	**-**	-
Convertible Loans	**-**	**-**	**-**	**-**
Borrowings – CEO Loan	**621**	-	**621**	-
	624	19	**621**	-

13. Borrowings (cont'd)

Lease liabilities

During the financial period ended 31 March 2022, the Group purchased a ROU asset of S$0.07 million (31 December 2020: nil) from a third party with a lease term of 2 years. The lease liability was recognised in accordance with SFRS(I) 16. The Group has terminated a ROU asset with a carrying value of S$0.03 million in FY2021. The associated lease liabilities of S$0.03 million was derecognised upon termination of lease term in 15M2021. A difference between ROU assets and lease liabilities of S$40,000 was recorded in the other income.

Advance from a director related company

During the financial period ended 31 March 2022, the Group received advances from a director related company. The advances are unsecured, interest free and repayable on demand. There was no such advance for the financial year ended 31 December 2020.

Convertible Loans

The Company has on 3 June 2021 entered into convertible loan agreements with He Yi, Lin Miaoli and Ng Yu Shu Andy (collectively, the "**Lenders**"), pursuant to which the Lenders have agreed to extend up to S$2,000,000 in aggregate principal amount of convertible loans at 2% per annum (the "**Convertible Loans**") to the Company. The Convertible Loans were initially recognised at its amortised costs and subsequently remeasured at fair value.

In January 2022, the Lenders have opted to exercise their right to convert the entire Convertible Loans in the principal amount of S$2,000,000 in accordance with the terms and subject to the conditions of the Convertible Loan agreements. Pursuant to the conversion, the Company has on 10 March 2022 issued and allotted 32,258,063 Conversion Shares to the Lenders at a conversion price of S$0.062 per share.

Following the allotment and issue of the Conversion Shares, the issued and paid-up share capital of the Company has increased from S$36,775,995 comprising 315,669,019 Shares to S$38,775,995 comprising 347,927,082 Shares.

CEO Loan

During the financial period ended 31 March 2022, the CEO Loan totalling S$750,000 has been drawdown. The CEO Loan was initially recognised at its amortised costs and subsequently remeasured at fair value. A fair value gain on CEO Loan of S$5,000 and S$ S$147,000 were recorded in other income in 5Q2021 and 15M2021 respectively. An unwinding discount of CEO Loan of S$18,000 was recorded in finance costs in 5Q2021 and 15M2021.

14. Share Capital

The changes in the Company's share capital were as follows:

	Group and Company	
	No. of Shares	**Share Capital S$'000**
As at 1 January 2021	**315,669,019**	**36,776**
New shares issued on conversion of Convertible Loans of S$2.0 million at the conversion price of S$0.062 each on 10 March 2022	32,258,063	2,000
As at 31 March 2022	**347,927,082**	**38,776**

There are no treasury shares or subsidiary holdings as at the end of the current financial period and as at the end of the corresponding period of the immediately preceding financial year.

The Company has no outstanding options, convertible securities, treasury shares or subsidiary holdings as at 31 March 2022 and 31 December 2020.

There were no sales, transfers, cancellation and /or use of treasury shares or subsidiary holdings during the current financial period.

15. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(i) Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. For the fifteen months ended 31 March 2022, except for net realisable value of inventories as disclosed below, there were no significant updates to the estimates and assumptions applied since the audited financial statements as at 31 December 2020.

Information about assumption and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next interim period are included in the following notes:

(a) Impairment of non-financial assets

An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing the asset. The value in use calculation is based on a discounted cash flow model. In estimating the future cash flows, management has taken into account past performance, market expectation and the Group's marketing plan.

(b) Allowance for doubtful trade receivables

The Group uses an individual (debtor-by-debtor) basis to calculate expected credit losses ("**ECLs**") for trade receivables. There is critical judgement used in the measurement of expected credit losses and forward-looking assumptions. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

(c) Useful lives of plant and equipment

The cost of plant and equipment is depreciated on a straight-line basis over the plant and equipment's estimated economic useful lives. Management estimates the useful lives of these plant and equipment to be within 2 to 3 years. Changes in the expected level of usage and technological developments could impact the economic useful lives of these assets, therefore future depreciation charges could be revised.

(d) Estimated net realisable value of inventories

Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices. A change in any of these assumptions will alter the estimated net realisable value and may therefore impact the carrying value of inventories.

(ii) Critical judgements in applying the entity's accounting policies

Information about critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the condensed interim financial statements is included in the following notes:

(a) Determination of functional currency

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on management's assessment of the economic environment in which the entities operate and the entities' process of determining sales prices.

16. Subsequent events

There are no known subsequent events which have led to adjustments to this set of condensed interim financial statements.

F. Other Information Required by Listing Rule Appendix 7.2

1. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

These figures have not been audited or reviewed.

2. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:
a) Updates on the efforts taken to resolve each outstanding audit issue;
b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed. This is not required for any audit issue that is a material uncertainty relating to going concern

The disclaimer of opinion issued by the auditors were in relation to (i) trade receivables and corresponding revenue and (ii) allocation of dividends and profits/losses of a subsidiary of the Company, Bluegas, between the Company and the non-controlling interest of the Bluegas. For more details of the audit opinion, please refer to the Company's announcement dated 31 August 2021.

The independent reviewer, Deloitte was appointed on 14 August 2021. The review is still ongoing.

At the latest annual general meeting convened and held by electronic means on 24 September 2021, the ordinary resolution for the re-appointment of RT LLP as auditors of the Company was not approved by the Shareholders, thereby resulting in the vacancy in the office of the Company's auditors. The Company is taking necessary steps to appoint another firm of auditors to act as the independent auditors of the Company.

The Company will make necessary announcements as and when there are any material updates in respect of the foregoing.

Save as disclosed, the Board confirms that the impact of all outstanding audit issues on the financial statements has been adequately disclosed.

3. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Profit or Loss Review
5Q2021 & 15M2021

Revenue

Following the completion of the Company's acquisition of TCA on 28 June 2021, the revenue for 5Q2021 and 15M2021 was generated from the sales and distribution of fresh vegetable and fruit produce in 5Q2021 and 15M2021.

The revenue for 12M2020 was generated from the provision of BOP services to our clients in the PRC that manufactures smart automatic vending kiosks for the sales and dispensation of medical consumables and supplements. The Group has suspended its BOP services business since January 2021. Accordingly, there was no revenue for the comparative financial period from 1 January 2021 to 31 March 2021.

Cost of sales

In 5Q2021 and 15M2021, the cost of sales included cost of fresh vegetable and fruit produce and other costs such as shipping and handling expenses.

In 12M2020, costs of sales of S$0.8 million were related to the purchase of vending machines for BOP services.

Gross profit

The Group recorded a gross profit of S$48,000 and S$14,000 in sales of fresh vegetable and fruit produce in 5Q2021 and 15M2021. The thin gross profit was due mainly to relatively low selling price so as to promote the business and costs of sales was also adversely affected by a surge in shipping costs in FY2021 which could not be passed on to our customers.

The Group's gross profit from BOP services amounting to S$1.2 million in 12M2020 was derived from the revenue of $2.0 million offset against the cost of sales of S$0.8 million in 12M2020.

Profit or Loss Review (Cont'd)
5Q2021 & 15M2021 (Cont'd)

Other income

Other income in 5Q2021 included a fair value gain on CEO Loan of S$ S$5,000 (Note 13) and grants of S$6,000 pertaining to jobs support schemes received by the Group. There was no such income for the financial period from 1 January 2021 to 31 March 2021.

Other income in 15M2021 included a fair value gain on CEO Loan of S$ S$147,000 (Note 13), a gain of S$4,000 on termination of ROU assets (Note 13) and grants of S$7,000 pertaining to jobs support schemes received by the Group. Other income in 12M2020 comprised mainly the grants pertaining to jobs support schemes received by the Group.

Administrative expenses

Administration expenses for 12M2020 (12-month period) included allowance for doubtful trade debts amounting to S$4.0 million, in line with the Company's announcement on 2 February 2021 pertaining to collection of trade receivables. If the one-off allowance for doubtful trade debts was excluded, the administration expenses for 12M2020 would approximately amount to S$1.7 million accordingly.

There was a decrease of approximately S$3.3 million in administrative expenses in 15M2021 (15-month period) as compared to 12M2020 (12-month period). This was mainly due to the one-off allowance for doubtful trade debts of S$4.0 million being included in 4Q2020 as stated above offset against the increase in the legal and professional service fees related to the independent reviews on BOP services business and corporate exercises related to the acquisition of TCA, entry into the convertible loan agreement with the Lenders, entry into the agreements pertaining to the brand management services rendered to Guangdong X Diamond Technology Co., Ltd, proposed share placement exercise, and proposed acquisition of Ebuy Pte. Ltd. ("**Ebuy**") and litigation matters in 15M2021. There was no such expense in 4Q2020 (12-month period). In addition, there was a decrease of S$0.4 million in administrative expenses related to BOP service business such as staff costs, professional fees and business development expenses in 15M2021 (15-month period) as compared to 12M2020 (12-month period) as the Group has suspended its BOP services business since January 2021.

There were no significant changes in the administrative expenses for the 3 months ended 31 March 2022 compared to the comparative period.

Finance costs

The increase in finance costs in 5Q2021 and 15M2021 was mainly attributable to the interests charged on the outstanding Convertible Loans of S$2 million pursuant to the convertible loan agreements entered with the Lenders by the Company as announced on 3 June 2021, the interest expenses derived from the Group's leased office premises commenced in May 2021 which are recognised as ROU assets and lease liabilities in accordance with SFRS(I) 16 and the interest expenses and unwinding discount on CEO Loan. There were no such finance costs in the comparative period.

Income tax expenses/(credit)

The income tax credit in 12M2020 was due to overprovision of income tax related to BOP services business which was suspended in January 2021. There was no taxable income in 15M2021. The income tax expenses of S$33,000 in 15M2021 was due to underprovision of income tax in prior period related to BOP services business.

Statement of Financial Position Review
31 March 2022 vs 31 December 2020

Non-current assets

Non-current assets of the Group increased by approximately S$0.7 million from S$0.05 million as at 31 December 2020 to S$0.7 million as at 31 March 2022. The increase was mainly due to:

1) Increase of plan and equipment by S$28,000, which was attributed to purchase of plant and equipment of S$43,000; increase of ROU assets by S$70,000 related to newly leased office premises in Singapore which was recognised as ROU assets in accordance with SFRS (I) 16; terminated ROU assets amounting to S$30,000 and offset against depreciation of S$54,000 recorded in administrative expenses;
2) Goodwill of S$27,000 derived from acquisition of TCA in June 2021; and
3) An advance of S$0.6 million to Ebuy. The advance is unsecured and interest free; and will form part of the net investment in Ebuy upon completion of the acquisition of Ebuy.

Non-current assets of the Company increased by S$0.2 million from nil as at 31 December 2020 to S$0.2 million as at 31 March 2022. The increase was mainly due to acquisition of a wholly owned subsidiary, TCA and incorporation of a wholly owned subsidiary, Gold Heartland Pte. Ltd. in June 2021.

Statement of Financial Position Review (Cont'd)
31 March 2022 vs 31 December 2020 (Cont'd)

Current assets

Current assets of the Group increased by S$1.0 million from S$1.0 million as at 31 December 2020 to S$2.0 million as at 31 March 2022. The increase was mainly due to:

1) Increase of inventories by S$0.7 million from nil as at 31 December 2020 to S$0.7 million as at 31 March 2022;
2) Increase of trade receivables from nil as at 31 December 2020 to S$0.3 million as at 31 March 2022;
3) Increase of deposit of S$0.6 million related to deposit of S$0.6 million paid in connection with the purchase of property at 32 Quality Road, Singapore. For more details, please refer to the Company's announcement dated 27 July 2021;
4) Increase of deposit paid to renovation works of S$0.2 million; and
5) Decrease of cash and bank balances by approximately S$0.9 million from S$1.0 million as at 31 December 2020 to S$0.1 million as at 31 March 2022. The cash was utilised to pay income tax of S$0.2 million and the prompt payment of trade payables and other working capital.

Current assets of the Company increased by approximately S$2.0 million from S$0.03 million as at 31 December 2020 to S$2.0 million as at 31 March 2022. The increase was mainly due to increase in amount due from subsidiaries from nil as at 31 December 2020 to S$2.0 million as at 31 March 2022.

Current liabilities

Current liabilities of the Group increased by approximately S$1.3 million from S$0.7 million as at 31 December 2020 to S$1.9 million as at 31 March 2022. The increase was mainly due to:

1) Increase of trade payables by S$0.3 million from S$0.01 million as at 31 December 2020 to approximately S$0.3 million as at 31 March 2022;
2) Contract liability of S$0.2 million as at 31 March 2022 was due to receipt of brand management service payments from customers. Revenue would be recognised for the Group in future period when the service contract would be performed;
3) Increase of other payables and accruals of S$0.7 million from S$0.1 million as at 31 December 2020 to S$0.8 million as at 31 March 2022 because of accrued legal and professional service fees of S$0.4 million related to independent review on BOP services business, corporate exercises, litigation matters and accrued other operating expenses of S$0.4 million as at 31 March 2022;
4) Increase of borrowings of S$0.3 million as at 31 March 2022. This comprises advance received from a director related company which are unsecured, interest free and repayable on demand; and
5) Decrease of income tax payable by S$0.2 million from S$0.5 million as at 31 December 2020 to S$0.3 million as at 31 March 2022 due to payment of income tax in 15M2021.

Current liabilities of the Company increased by S$0.7 million from S$0.1 million as at 31 December 2020 to S$0.8 million as at 31 March 2022. The increase was mainly due to accrued legal and professional service fees of S$0.4 million related to the independent review on BOP service business, corporate exercises, litigation matters and accrued other operating expenses of S$0.4 million as at 31 March 2022.

Non-current liabilities

Non-current liabilities of the Group increased by S$0.6 million from S$0.02 million as at 31 December 2020 to approximately S$0.6 million as at 31 March 2022. The increase was mainly due to drawdown of CEO Loan amounting to S$750,000, offset against fair value adjustment of CEO Loan of S$147,000 recorded in other income and an unwinding discount of CEO Loan of S$18,000 recorded in finance costs (Note 13).

Non-current liabilities of the Company increased by S$0.6 million from nil as at 31 December 2020 to S$0.6 million as at 31 March 2022 for the reason stated above related to CEO Loan.

Total equity

Total equity of the Group decreased by S$0.3 million from S$0.4 million as at 31 December 2020 to S$0.1 million as at 31 March 2022. These were mainly attributed to the following:
1) The increase in share capital of S$2.0 million, attributed to the issuance of the conversion shares from convertible loans (Note 13); and
2) The increase in accumulated losses from S$34.7 million as at 31 December 2020 to S$37.0 million as at 31 March 2022, which reflected the Group's consolidated losses attributed to equity holders for the period.

Total equity of the Company increased by S$0.8 million from net deficit of S$0.08 million as at 31 December 2020 to S$0.8 million as at 31 March 2022. These were mainly attributed to the following:
1) The increase in share capital of S$2.0 million, attributed to the issuance of the conversion shares from convertible loans (Note 13); and offset with
2) The increase in accumulated losses from S$36.1 million as at 31 December 2020 to S$37.3 million as at 31 March 2022, which reflected the Company's net operating losses for the period.

Cash Flow Review
15M2021 vs 12M2020

Net cash used in operating activities in 15M2021 was S$2.4 million as compared to net cash generated in operating activities of S$2.2 million in 12M2020. The net operating cash outflow was mainly due to an operating cash flow before working capital changes of S$2.3 million, adjusted for working capital outflows of S$0.1 million. The working capital outflows in 15M2021 were attributed mainly to an increase in trade and other payables of S$0.9 million and an increase in contract liabilities of S$0.2 million, partially offset by an increase in trade and other receivables of S$0.3 million and inventories of S$0.7 million. The Group also paid income tax of S$0.2 million in 15M2021.

Net cash used in investing activities in 15M2021 was S$1.5 million as compared to S$0.01 million in 12M2020. The net cash used in 15M2021 was mainly attributed to the acquisition of a wholly owned subsidiary, TCA, net of cash acquired of S$0.03 million, purchase of plant and equipment of S$0.04 million, deposit paid to renovation works of S$0.2 million, deposit paid in connection with purchase of property of S$0.6 million and a quasi-equity advance to Ebuy of S$0.6 million. The net cash generated in 12M2020 was attributed from net cashflow from disposal of discontinued operation of S$0.01 million.

Net cash generated from financing activities in 15M2021 was S$3.0 million as compared to net cash used in financing activities in 12M2020 of S$1.4 million. The net cash generated from financing activities in 15M2021 was mainly attributed to the borrowings from a director related company of S$0.3 million, drawdown of CEO Loan of S$0.75 million, proceeds from convertible loans of S$2.0 million, partially offset by net repayment of lease liabilities of S$0.05 million and payment of finance costs of S$0.01 million. Comparatively, the net cash used in financing activities in 12M2020 was mainly attributed to dividend paid to non-controlling shareholders of S$1.32 million and repayment of borrowings of S$0.04 million.

4. Where a forecast, or a prospect statement, had been previously disclosed to shareholders, any variance between it and the actual results

There is no forecast or prospect statement which has been previously disclosed.

5. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The Group has suspended BOP service business since January 2021. In 15M2021, the Group registered a revenue of S$0.9 million upon completion of acquisition of TCA in June 2021. In addition, the Group has entered into a number of cooperation agreements with various business partners to explore new business opportunities and improve its financial performance.

As announced by the Company on 12 July 2021, the Company's wholly owned subsidiary, TCA has entered into a non-binding memorandum of understanding (the "**MOU**") with the sole shareholder of Ebuy to acquire a 51% equity stake in Ebuy for approximately S$1.5 million, which will be satisfied by the issuance of new ordinary shares of the Company, subject to any change and the finalised terms in the definitive agreement(s) to be entered into by parties in relation to the proposed acquisition (the "**Proposed Acquisition**"). On 21 April 2022, the Company announced that the parties had entered into a definitive sale and purchase agreement in respect of the Proposed Acquisition. Following completion of the Proposed Acquisition, TCA will hold 51% of the shareholding interests in the Ebuy, and Ebuy will become an indirect subsidiary of the Company. The Company will make further announcements to keep Shareholders informed as and when there are further material updates and developments in respect of the Proposed Acquisition.

As announced by the Company on 24 December 2021, TCA has entered into various Memorandum of Understandings ("**MOUs**") with strategic partners to collaborate and harness opportunities in the fresh produce, consumer products and logistics supply chain markets in Singapore and the region by levering on their respective resources, business strengths and networks.

The first MOU is with Scarlett Supermarket Pte. Ltd. ("**Scarlett**") to explore opportunities in the consumer products wholesale business within Southeast Asia, where the Group aims to provide a reliable supply source of good quality consumer products to Scarlett, while Scarlett will serve as one of the key distributors of the Group's products in the region and create new sales channels from both online and offline retail stores.

Established by Scarlett in October 2020, 思家客 Scarlett Supermarket is a Chinese specialty store providing a variety of products and within a short span of one year, it has expanded to more than 10 stores island wide across Singapore. In addition, 思家客 Scarlett Supermarket has built up a strong online retail presence via popular e-commerce platforms in Singapore. For more information on 思家客Scarlett Supermarket, please visit https://www.facebook.com/SiJiaKeisScarlett/.

5. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months (cont'd)

The second MOU is with Ebuy to develop new markets in consumer products together and strengthen warehousing and logistics management capabilities between both companies. Ebuy is an established e-commerce company in Singapore and a leading distributor of fresh produce in Singapore, which includes daily fresh vegetables and fruits, to food service providers, retailers, restaurants and hotels. With its fulfilment centre at the western region of Singapore, EBUY has built up its own logistics supply chain network with a fleet of delivery vehicles. In addition, EBuy has a mobile application that serves as an online supermarket for consumers, offering a wide range of groceries.

The third MOU is with Shen Zhen Est Supply Chain Management Co., Ltd. ("**SZ EST Supply Chain**") to provide marketing rights of SZ EST Supply Chain's products to the Group and create supply chain logistics support for the Group outside of China. The Group shall undertake marketing activities to promote SZ EST Supply Chain's products and develop new sales channels. SZ EST Supply Chain is an integrated supply chain solutions provider in China that specialises in supply chain management of the export and import of fresh produce, meat products and consumer products.

Since identifying the business opportunities that are driven by the rising food demand and consumption trends in Singapore and the region, the Group has made major strides in its business model to create new value propositions in this market segment. As we source our products primarily from Asian countries and regions, the global shortage of shipping containers caused by the Covid-19 pandemic has led to a drastic inflation in shipping and container prices. Our thin margin sales may not be able to fully absorb the increase cost of shipping and handling charges.

Notwithstanding the uncertainties and challenges faced by the Group, it remains vital to improve procurement and warehousing processes, strengthen the resilience of the supply chain and explore more business opportunities.

6. If a decision regarding dividend has been made:-

(a) Whether an interim (final) ordinary dividend has been declared (recommended)

None.

(b) (i) Amount per share

None.

(b)(ii) Previous corresponding period

None.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country whether the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

7. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

No dividend has been declared or recommended for the current financial period up to the date of this announcement as the Group currently still has retained losses.

8. Interested person transactions

The Group has not obtained any general Interested Person Transaction mandate from its shareholders for the 15-month financial period ended 31 March 2022. The aggregate value of interested person transactions during the current financial period was as follows:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial period under review **(excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)**	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 **(excluding transactions less than S$100,000)**
Wu Yongqiang (1)	Non-Executive Non-Independent Director and Non-Executive Chairman of the Company	2,500,000	-
Chong Eng Wee (resigned on 21 March 2022) (2)	Former Group Non-Executive Independent Directors	255,000	-

Note:

(1) As Company's announcement on 2 March 2022, as at the date of the announcement, Mr Wu is the spouse of substantial shareholder, Ms. Zhang Xuemei. Ms Zhang Xuemei has a direct interest in an aggregate of 40,250,000 ordinary shares in the capital of the Company representing approximately 12.75% of the entire issued share capital of the Company. Pursuant to Chapter 9 of the SGX-ST Listing Rules, Mr Wu is deemed as an interested person and the provision of the Loan to the Company constitutes an interested person transaction ("**IPT**"). The Shareholder Loan, up to S$10.0 million, is unsecured, bears interest at 5% per annum and has a term of 5 years from the date of drawdown. As the value of the transaction, being interest payable on the Loan, exceeds 5% of the Group's latest audited net tangible assets as at 31 December 2020, the Shareholder Loan will be subject to the approval of Shareholders pursuant to Rule 906(1)(a) of the SGX-ST Listing Rules, which will be obtained at an extraordinary general meeting to be convened. For more details about Shareholder Loan, please refer to the Company's announcement dated 2 March 2022.

(2) As Company's announcement on 22 March 2022, the Group had entered into several interested person transactions with Chevalier Law LLC ("**Chevalier Law**"), for the provision of legal services on various litigation, transactions and/or corporate actions involving and/or undertaken by the Company (the "**Legal IPTs**"). Mr. Chong Eng Wee is the managing director and a shareholder who holds more than 30% shareholding interest in Chevalier Law. The aggregate value of the Legal IPTs for the period under review exceeded 5% of the group's latest audited net tangible assets as at 31 December 2020. The Company is making necessary arrangements to seek shareholder's ratification of the Legal IPTs (the "**Proposed IPTs Ratification**"). For more details about Proposed IPTs Ratification, please refer to the Company's announcement dated 22 March 2022.

For completeness, as Company's announcement on 12 November 2021, the CEO Loan, extended by Mr Chin Teck Oon, the Group Chief Executive Officer and Executive Director of the Company, up to S$1.5 million, is unsecured, bear interest at 2% per annum and has a term of 3 years from the date of drawdown. As the value of the transaction, being interest payable on the CEO Loan, is less than S$100,000, the Company is not required to obtain the approval of its shareholder for the CEO Loan pursuant to Rule 905(3) of the SGX-ST Listing Rules.

9. Confirmation pursuant to Rule 720 (1) of the Listing Manual

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7.7 of the Listing Manual) under 720 (1) of the Listing Manual.

10. Confirmation pursuant to Rule 705(5) of the Listing Manual

We, Wu Yongqiang and Chin Teck Oon, being two Directors of the Company, do hereby confirm, on behalf of the Board of Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited financial statements for the fifth quarter ended 31 March 2022 to be false or misleading in any material aspect.

11. Use of proceeds

The Company has on 3 June 2021 entered into convertible loan agreements with the Lenders, pursuant to which the Lenders have agreed to extend up to S$2,000,000 in aggregate principal amount of Convertible Loans at 2% per annum.

At the date of this announcement, a total of S$2,000,000 of the Convertible Loans have been drawn down. The utilisation of the net proceeds of approximately S$2,000,000 arising from the drawdown of the Loans is as follows:

Use of net proceeds	**Amount allocated S$**	**Amount utilised S$**	**Balance as at the date of this announcement S$**
Investment in new businesses	1,500,000	1,500,000	-
General working capital: - purchase of inventories	500,000	500,000	-

The above utilisation of the proceeds from the drawdown of the Convertible Loans is consistent with the intended use as disclosed in the Company's announcement on 3 June 2021.

Pursuant to the conversion, the Company has on 10 March 2022 issued and allotted 32,258,063 Conversion Shares to the Lenders at a conversion price of S$0.062 per share. For more details, please refer to the Company's announcement dated 25 October 2021 and 10 March 2022.

For and on behalf of the Board of Directors
KTL Global Limited

Wu Yongqiang
Non-Executive Chairman
13 May 2022

Chin Teck Oon
Chief Executive Officer
13 May 2022