KTL GLOBAL LIMITED

ANNUAL REPORT 2009

ROPING IN GROWTH

KTL GLOBAL LIMITED
ANNUAL REPORT 2009

CONTENT

ROPING IN GROWTH

Over the past year, we have continued to enhance our capabilities and enrich our service offerings, laying a sturdy foundation for KTL Global's future growth.

Our move upstream into winch manufacturing allows us to better tailor our products to meet the most demanding client specifications and maintain our competitive edge. Our proficiency in this area will serve us well as we push ahead with our expansion plans – which have already seen us take our first steps into the Middle East.

Despite the competitive operating environment, we believe our established reputation in the O&G sector – together with our innovative approach to extracting greater value from our well-entrenched operations and our wide cache of experience – will enable KTL Global to continue Roping in Growth.

CORPORATE PROFILE

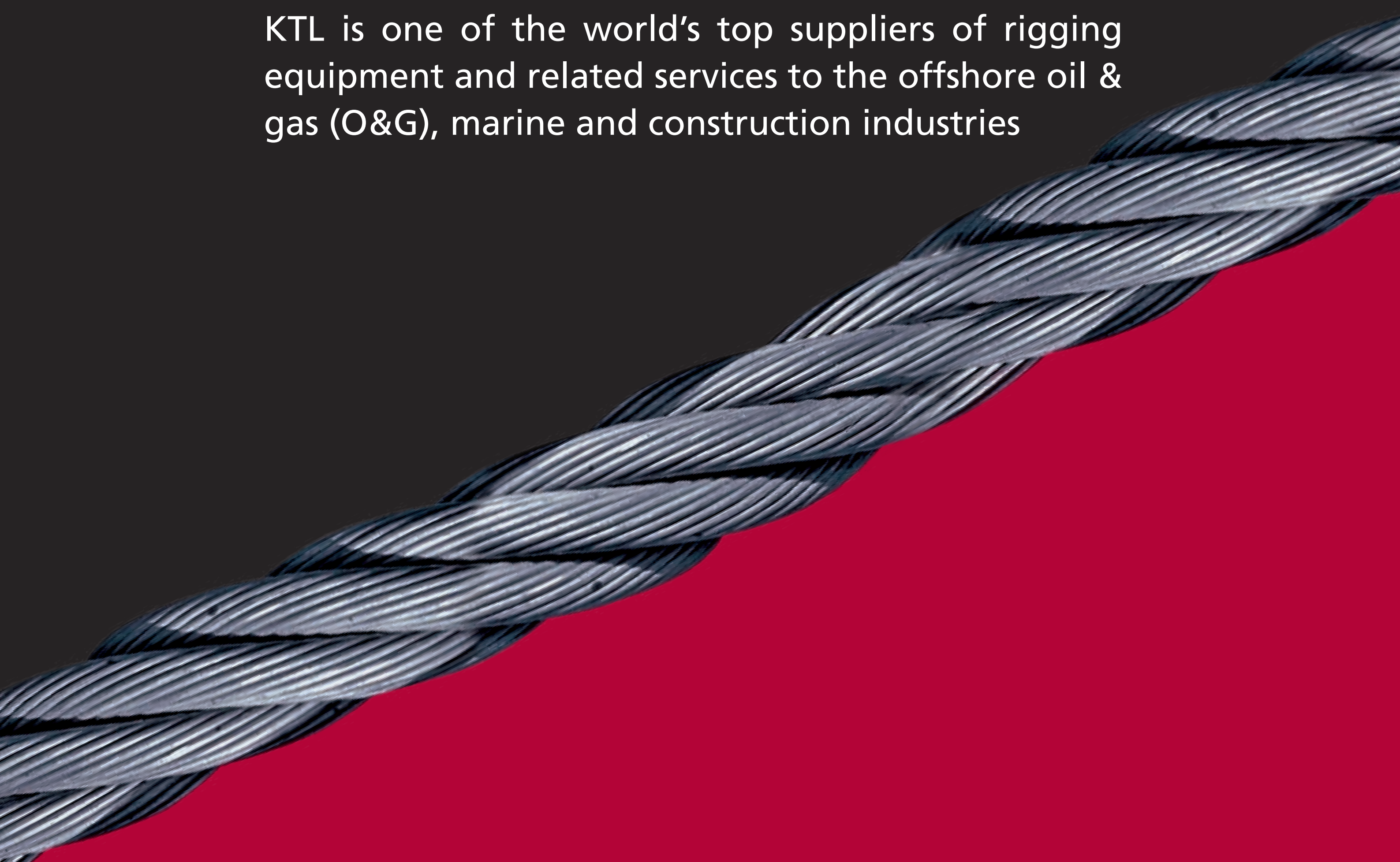
KTL is one of the world's top suppliers of rigging equipment and related services to the offshore oil and gas (O&G), marine and construction industries.

We assemble wire ropes and fittings for lifting and mooring. The steel ropes are precisely braided or twined together to form grommets or slings of much higher lifting capacity for offshore heavy lifting purposes. Wire rope used for mooring or towing purposes may have end fittings attached on offshore support vessels such as anchor handling tugs and construction barges and drilling rigs.

Apart from distributing grommets and slings under KTL's in-house KimFlex brand, we also stock Crosby fittings for lifting equipment. We are currently Crosby's largest stockist outside the US.

KTL also offers load testing services, using its proprietary KimTest 3000 proof-testing machine, as well as certification, rope lubrication and spooling services. Regular certification of lifting equipment is mandatory in the offshore O&G industry.

KTL is one of the world's top suppliers of rigging equipment and related services to the offshore oil & gas (O&G), marine and construction industries



CORE VALUES

- Committed to quality and integrity in all aspects of our business - the equipment we provide, the services we render and the relationships we forge.
- Provide total solutions to our customers by offering customised and value-added services through innovation and commitment.
- Invest in our employees, building their commitment to working as a cohesive team to achieve our corporate goals.
- Responsible to our shareholders, employees and the community in our actions and business decisions.

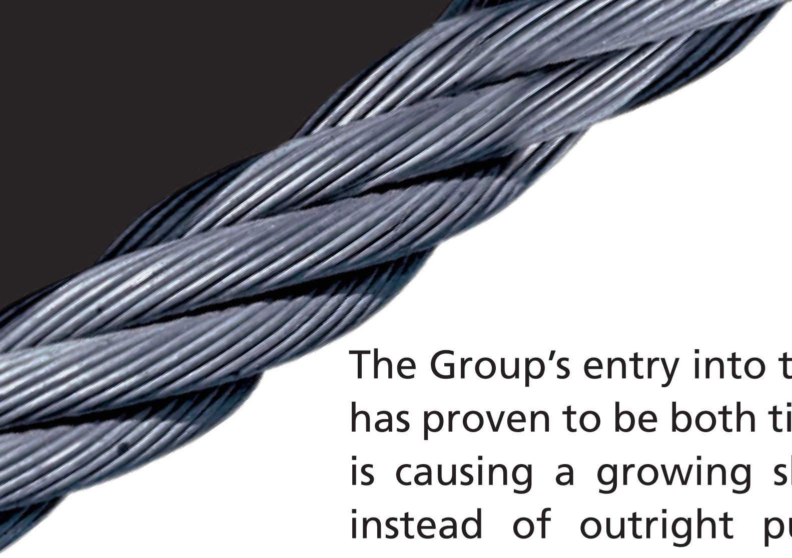
VISION

We aspire to be one of the world's top three suppliers to the offshore oil & gas and related industries for wire rope, rigging and heavy lift products and services.

We will implement comprehensive, focused and effective strategies to sustain our market leadership and realise our vision.

TAN TOCK HAN
Chairman

CHAIRMAN'S MESSAGE



The Group's entry into the rigging equipment rental business has proven to be both timely and foresighted as the recession is causing a growing shift in customer demand to renting instead of outright purchase of equipment. By offering inspection and maintenance packages along with the rentals, we put ourselves ahead of the competition.

Dear Valued Shareholders,

On behalf of the Board of Directors, I am pleased to present the Annual Report of KTL Global Limited (KTL or the Group) for the year ended 30 June 2009 (FY09).

Anchored firmly on the success of our public listing in December 2007, the Group remains fully committed to roping in growth and adding value for customers, shareholders and business partners.

Delivering on results

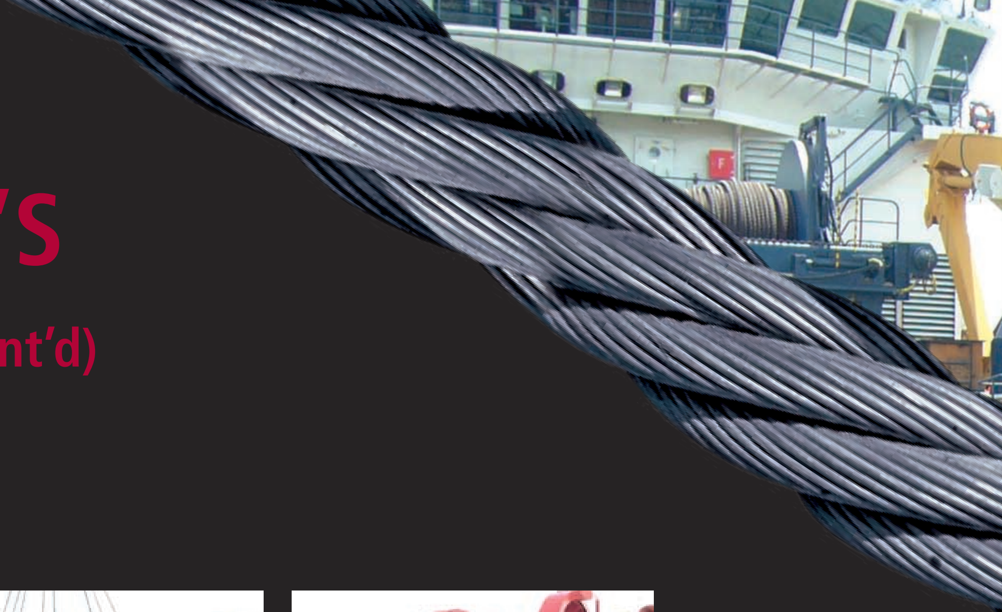
Despite challenging economic conditions in FY09, demand for KTL's products and specialised technical services held up relatively well, seeing a healthy growth of 12% in Group sales to S$71.2 million.

Our strategic focus on the offshore oil and gas (O&G) sector remains key in driving our growth to become Asia's leading rigging specialist. In spite of the constant fluctuations in crude oil prices, the demand for testing and maintenance services stayed resilient and our enhanced engineering capabilities, as well as our dedication to product and service quality, helped to maintain our competitive edge.

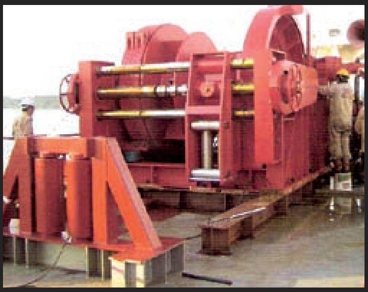
The tightening of credit in FY09 saw many customers switching to renting their rigging equipment. Seizing opportunities amidst a crisis, we executed our plans to grow the rental equipment as well as technical services businesses. These businesses have started contributing to Group earnings.

As part of our business development, we have beefed up our team with rigging specialists whose expertise has helped to propel KTL forward in expanding our capabilities. We also moved to Tuas, where the enlarged space allows us to broaden our product range and service offerings further.

The Group also reported healthy cashflow from operations of S$2.8 million for the financial year.



CHAIRMAN'S MESSAGE(Cont'd)



Roping in growth

Not content to rest on its laurels, the Group achieved significant new milestones in FY09.

Expanding its capabilities, KTL entered the winch fabrication business in October 2008 through its 65%-owned strategic design and manufacturing venture, KTL Logan, bringing the Group closer to becoming an integrated rigging equipment specialist. The Group aims to fill a market niche by offering competitively-priced quality winches through KTL Logan.

In March 2009, we moved into a new 18,000 sq m facility in Tuas. The enlarged capacity expands our capabilities to provide bigger and more technically demanding rigging equipment, thereby sharpening our competitive edge. Having one of the largest tensile testing machines in the industry, the ISO 9001:2000 accredited facility is also outfitted with swaging equipment for making large slings used in heavy-lifting and deepwater activities.

In line with our efforts to grow the service business, we set up a technical services centre in Batam, Indonesia in May 2009. This brings us closer to major customers based in Southeast Asia and opens up more business opportunities, anchoring KTL's position as the top choice for rigging equipment and services in the region.

The Group's entry into the rigging equipment rental business has proven to be both timely and foresighted as the recession is causing a growing shift in customer demand to renting instead of outright purchase of equipment. By offering inspection and maintenance packages along with the rentals, we put ourselves ahead of the competition.

Looking Ahead

In view of the economic uncertainties, we are cautiously optimistic about the future. Going forward, the Group will constantly seek opportunities to broaden its revenue streams while keeping its focus on the offshore O&G sector. We continue to see the long-term prospects of this sector as favourable, fueled by growth in major economies such as China and India.

Our plans to deepen KTL's presence in the Middle East and Southeast Asia markets remain on track and will continue to strengthen our position in the Middle East shallow-water O&G market.

NET OPERATING CASHFLOW

2.8m 2009 **1.3m** 2008

We will continue to pursue acquisitions and alliances with partners who can create synergies with our existing business or add to our range of capabilities. The Group is well placed to weather the downturn and our strengthened team as well as our investments in our new facility and equipment will give us a competitive edge as we prepare to rope in further growth.

Acknowledgment and Appreciation

On behalf of my fellow board members, I would like to thank our shareholders and business partners for their unwavering support and faith. We would specially like to express our appreciation to all our customers, to whom we remain committed to delivering our very best. To our management team and staff, we thank you for your dedication and innovative spirit that has kept KTL strong in the face of challenges. To our shareholders, we really appreciate your confidence and support as we lead the Group into the new financial year.

TAN TOCK HAN
Chairman

OPERATIONS REVIEW

With the onset of the financial and economic crisis, we sensed a shift in customer preference towards equipment leasing rather than outright purchase. The Group quickly seized the opportunities to expand our rigging equipment rental business which propelled us further ahead of our competitors.

The Year in Review

Remaining resilient amid challenging global economic conditions, KTL grew its revenue for the fiscal year ended 30 June 2009 (FY09) by 12% to S$71.2 million, from S$63.4 million in the previous year ended 30 June 2008 (FY08).

The Group's net attributable profit (PATMI), however, amounted to S$5.0 million, largely due to a slowdown in marine and offshore oil & gas (O&G) activities during the fourth quarter of FY09 (4Q FY09). It should be noted that the Group enjoyed a PATMI of S$4.7 million during the first nine months of FY09 (9M FY09), 27% higher than in the previous corresponding period.

Nevertheless, the expanding revenue from equipment rental, as well as the testing, maintenance and repair of rigging equipment, lifted our overall gross profit margin for the year to 38%, against 35% in FY08.

The Group's ongoing focus on effective working capital management helped improve our net operating cashflow to S$2.8 million, up from S$1.3 million in FY08. Encouraged by this progress, the Group will continue to step up its efforts to further improve the cashflow.

Growing Asian Presence

Sales from Asia continued to grow during FY09, accounting for 26% of Group revenue, up from 22% in the previous financial year. While an increase in the number of supply contracts with some Malaysian customers boosted regional sales, Singapore remained our major market segment, adding S$35.8 million to Group receipts.

The Group continued to enjoy solid demand for its products and services for the greater part of FY09. The offshore O&G segment maintained its contribution to overall sales at around 76% with revenue of S$54.0 million.

OPERATIONS REVIEW (Cont'd)

Our Edge – Meeting Market Demand, Maintaining Quality

Our proven ability to respond quickly to our clients' needs has helped us to establish a reputation for high precision, quality and reliability in the rigging equipment industry. With the onset of the financial and economic crisis, we sensed a shift in customer preference towards equipment leasing rather than outright purchase. The Group quickly seized the opportunities to expand our rigging equipment rental business which propelled us further ahead of our competitors.

Investing in the Future

We also took the opportunity during the downturn in FY09 to invest in and expand our capabilities so as to prepare ourselves for the upturn in activity levels in the offshore O&G and marine sectors.

In line with our vision of becoming one of Asia's leading integrated rigging equipment specialists, we entered the winch fabrication business in October 2008 through a 65%-owned joint venture, KTL Logan Pte Ltd. The venture allows the Group to assemble cost-effective and high-quality lifting systems that are attractively priced and allow us to serve a niche market. With this upstream venture, the Group can now customise our products more effectively as we strive to meet the diverse needs of our wide-ranging customers.

In FY09, we also clinched a US$5.2 million contract to customise and design two anchor-handling, double-drum winches for a major offshore O&G support service provider. The winches can each tow loads of up to 300 tonnes, or about one Airbus A380 aircraft, and are expected to be delivered by the financial year ending 30 June 2010.

At the services end, the Group has developed a new value-added rigging services package that caters to the offshore heavy-lift industry. Under the KimLift programme, customers will benefit from the flexibility and convenience of the innovative rigging packages and turnkey solutions designed by our experienced engineers to meet their specific specifications and needs.

In March 2009, we completed the move to our new 18,000 sq m Tuas facility, which is nearly twice as large as our previous facility at Changi. The move not only brings us closer to our customers in Singapore, but also allows us

to provide them with even more technically demanding equipment. Apart from having one of the largest tensile testing machines in the industry, the ISO 9001:2000 accredited facility is also fitted with advanced swaging equipment used for making large slings employed in offshore heavy-lifting and deepwater activities.

In May 2009, we set up a technical services centre in Batam, Indonesia, that brings us closer to our major South-east Asian customers. This facility improves our efficiency and response times, sharpening our competitive edge in the time-sensitive and fast-paced offshore O&G sector. In line with our efforts to grow our services business, we expect this new centre to anchor KTL's position as the top choice in the region for rigging equipment and services. Furthermore, the facility frees up resources at the Singapore yard so it can focus on higher value-added services.

Roping in Growth

Looking forward, the Group will focus on integration and reaping in returns from the Group's recent investments, as well as preparing ourselves to rope in growth once the global economy recovers. The Group will continue to capitalise on our strength and pursue investment opportunities that can expand our range of capabilities across the O&G support services value chain.

FINANCIAL HIGHLIGHTS

REVENUE

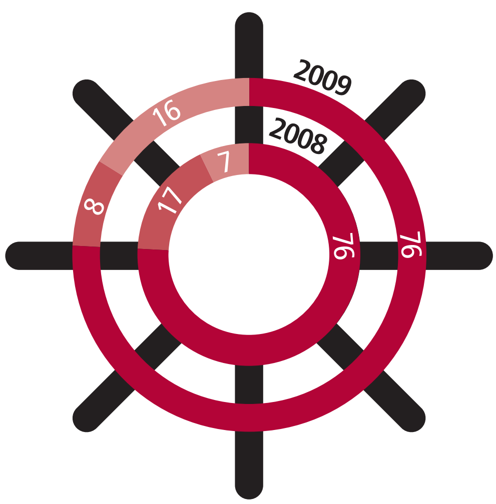
71.2m 2009 **63.4m** 2008

PATMI

5.0m 2009 **6.3m** 2008

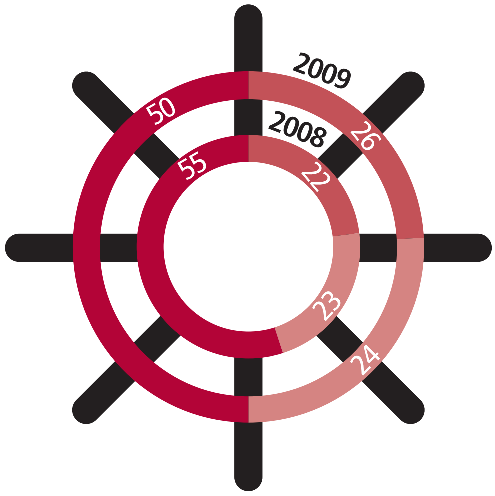
GROSS PROFIT MARGIN

38% 2009 **35%** 2008



FY09 Revenue by Business Segments

- OFFSHORE O&G
- MARINE
- OTHERS



FY09 Revenue by Geographical Segments

- SINGAPORE
- ASIA
- REST OF THE WORLD

BOARD OF DIRECTORS

LIM YEOW HUA, 47, was appointed as the Lead Independent Director of our Group on 31 October 2007. He is the founder and a director of Asia Pacific Business Consultants Pte. Ltd., a company engaged in the provision of corporate and individual tax consultancy and advisory services. He joined Ernst & Whinney (now known as Ernst & Young) as an auditor in 1986. Thereafter, he joined the Inland Revenue Authority of Singapore and subsequently rose to the position of Deputy Director before leaving to join the private sector. Since then, he has held several senior management positions in organisations such as Pricewaterhouse Coopers, KPMG, Macquarie Investment Pte. Ltd. and UOB Asia Ltd. Prior to founding Asia Pacific Business Consultants Pte. Ltd. in 2006, he was a Senior Regional Tax Manager with British Petroleum, where he was responsible for overseeing the British Petroleum Group's tax function in a number of countries in the Asia-Pacific region. Mr Lim has more than 20 years of experience in the tax, financial services and investment banking industries. Mr Lim holds a Bachelor of Accountancy degree and a Master of Business Administration degree from the National University of Singapore. He is a fellow of the Institute of Certified Public Accountants of Singapore.

MARK BERETTA, 43, is our Sales and Marketing Director. His responsibilities include overseeing our strategic marketing and business development as well as growing the offshore O&G business. He oversees the sales and marketing team to develop the existing clientele base and new regional markets. Mr Beretta has 20 years of experience in the wire rope and rigging industry, with 10 years in the offshore O&G industry. He began his career in 1987 as a Trainee Metallurgist in Haggie Rand Ltd in South Africa. During his term at Haggie Rand Ltd, he held various positions, namely, Process/Project Metallurgist (1990), Project Manager (1994), Business Manager (1995) and Technical Sales and Services Manager (1999). He joined KTL Offshore in 1999 as a Marketing Director and was subsequently promoted to Business Development Director. In July 2007, he was promoted to Sales and Marketing Director. He obtained his National Higher Diploma Metallurgical Engineering from Technicon Witwatersrand (Polytech), Johannesburg, South Africa in 1991 and a Master of Business Administration degree from Herriot-Watt University, UK in 2001.

CHEONG HOOI KHENG, 56, was appointed as a Non-Executive Director of our Group on 31 October 2007. Since March 1989, she has been an executive director of Hong Fok Corporation Limited, an investment holding company listed on SGX-ST with businesses in property development. In addition, she is also the financial adviser of Winfoong Investment Limited, an investment holding company with businesses in property investment and development. She has over 26 years of experience in the real estate industry. Ms Cheong obtained a Bachelor of Science degree from the California State University, Hayward, USA and a Master of Business Administration from the Chaminade University of Honolulu, USA.

WILSON TAN, 37, is our Chief Executive Officer. He is currently responsible for executing our Group's strategies and budgets to ensure the profitability of our Group. He oversees the day-to-day operations and administrative matters of our Group, including the sales, marketing and business development in Singapore. Mr Tan has about 10 years of experience in the offshore O&G and marine industries. He began his career in KTL Offshore in 1997. Over the years, he diversified our business from the marine industry to the offshore O&G industry and helped develop strong relationships with our customers. He graduated from Santa Monica College, USA with a diploma in marketing in 1996.

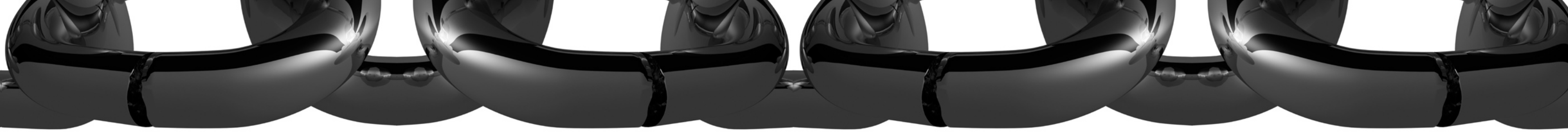
TAN TOCK HAN, 63, is our Executive Chairman and one of the founders of our Group. He is involved in the formulation of our Group's strategic direction and expansion plans, and managing our Group's overall business development. As one of the founders, he has played a pivotal role in the growth and development of our Group. Mr Tan has more than 40 years of experience in the offshore O&G and marine industries. He joined Kim Teck Leong (the sole proprietorship) after completing his secondary education in 1967. In 1973, he took over the business when KTL Offshore was incorporated and continued to expand our Group's business. Mr Tan is also the Chairman of the Social Service Committee of the Singapore Hokkien Huay Kuan, and a council member of Singapore Chinese Chamber of Commerce and Singapore Federation of Chinese Clan Association.

HARRY NG, 53, was appointed as an Independent Director of our Group on 31 October 2007. Currently, he is the Chief Financial Officer and Executive Director of Achieva Limited, a company listed on the SGX-ST. From August 2004 to July 2008, he was the Chief Financial Officer of Sunmoon Food Company Limited, a company listed on the SGX-ST which is mainly engaged in fresh fruit processing and trading, dehydrated produce processing and distribution, and fruit plantation. Prior to joining Sunmoon Food Company Limited in August 2004, he was the Chief Financial Officer of Eltech Electronics Limited (now known as GES Investment Pte. Ltd.) and the Head of Group Internal Audit of GES International Limited, both being companies previously listed on the SGX-ST, from September 1999 to July 2004. From October 1996 to August 1999, he was the Group Financial Controller of Luxasia Pte. Ltd. Mr Ng has more than 25 years of experience in accountancy, audit and finance. He holds a Master of Business Administration (General Business Administration) degree from the University of Hull, UK, and a Diploma in Marketing from the Chartered Institute of Marketing, UK. He is a member of the Institute of Certified Public Accountants of Singapore and a Fellow of the Chartered Association of Certified Accountants, UK.

EXECUTIVE OFFICERS

LAW SAI LEUNG, 44, is our Chief Financial Officer and is responsible for the overall financial accounting, financial reporting, as well as matters relating to corporate finance of our Group. He joined our Group in January 2007 bringing with him about 18 years of experience in accountancy, audit and finance. Before joining the Group, Mr Law had served in financial management positions of various multinational companies and SMEs. He was also previously the Group Financial Controller of a company listed on the main board of the SGX-ST. Mr Law obtained his Bachelor of Commerce degree from the Australian National University in 1991. He is a member of the Institute of Certified Public Accountants of Singapore and a member of CPA Australia.

JONATHAN TAN, 29, is our Director of Administration. His current responsibilities include overseeing our administration, IT and HR departments. He also assists the Chief Executive Officer to manage the Group's day-to-day operations. He joined KTL Offshore in 2003 after obtaining a Graduate Diploma in Finance Management from Singapore Institute of Management. He graduated with a Bachelor of Business degree (with Double Major in Marketing and Economics) from Edith Cowan University, Perth, Western Australia in 2001.



FINANCIAL CONTENT

CORPORATE GOVERNANCE REPORT

KTL Global Limited (the "Company", and together with its subsidiaries, the "Group") is committed to maintaining a high standard of corporate governance. The Company understands that good corporate governance is an integral element of a sound corporation, and enables it to be more transparent and forward-looking. In addition, sound corporate governance is an effective safeguard against fraud and dubious financial engineering, and hence helps to protect shareholders' interests. This also helps the Company to create long-term value and returns for its shareholders.

The Listing Manual of the Singapore Exchange Securities Trading Limited (the "SGX-ST") requires all listed companies to describe in their Annual Reports, their corporate governance practices, with specific reference to the principles of the Code of Corporate Governance 2005 (the "Code") issued by the Ministry of Finance in July 2005.

The Company is pleased to report on its corporate governance processes and activities as required by the Code. For easy reference, sections of the Code under discussion in this Report are specifically identified. However, this Report should be read as a whole as other sections of this Report may also have an impact on the specific disclosures.

Statement of Compliance

The Board of Directors of the Company (the "Board") confirms that for the financial year ended 30 June 2009, the Company has generally adhered to the principles and guidelines as set out in the Code, save as otherwise explained below.

1. THE BOARD'S CONDUCT OF ITS AFFAIRS

Principle 1: Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the success of the company. The Board works with the Management to achieve this and the Management remains accountable to the Board.

The Board comprises the following members, all of whom have the appropriate core competencies and diversity of experience needed to enable them to effectively contribute to the Group.

Tan Tock Han	Executive Chairman
Tan Kheng Yeow ("Wilson Tan")	Chief Executive Officer
Mark Gareth Joseph Beretta ("Mark Beretta")	Executive Director
Cheong Hooi Kheng	Non-Executive Director
Lim Yeow Hua @ Lim You Qin ("Lim Yeow Hua")	Lead Independent Director
Ng Weng Sui, Harry ("Harry Ng")	Independent Director

The principal functions of the Board, in addition to carrying out its statutory responsibilities, are as follows:

- Overseeing and approving the formulation of the Group's overall long-term strategic objectives and directions; and

- Overseeing and reviewing the management of the Group's business affairs and financial controls, performance and resource allocation.

The approval of the Board is required for matters such as corporate restructuring, mergers and acquisitions, major investments and divestments, material acquisitions and disposals of assets, major corporate policies on key areas of operations, the release of the Group's quarterly and full-year results and interested person transactions of a material nature.

Prior to their respective appointments to the Board, all directors were taken through an orientation to acquaint them with the Group's business strategies and operations. Directors also have the opportunity to visit the Group's operational facilities and meet with the Group's management (the "Management") to gain a better understanding of the Group's business operations. The Board as a whole is updated on changing commercial risks, and key changes in the relevant legal and regulatory requirements, as well as accounting standards.

CORPORATE GOVERNANCE REPORT

To assist in the execution of its responsibilities, the Board has established three Board Committees, comprising an Audit Committee (the "AC"), a Nominating Committee (the "NC") and a Remuneration Committee (the "RC"). These committees function within clearly defined written terms of reference and operating procedures, which are reviewed on a regular basis. The effectiveness of each committee is also constantly monitored.

The Board meets regularly on a quarterly basis, and ad hoc Board meetings are convened when they are deemed necessary. The number of Board and Board Committee meetings held in the financial year ended 30 June 2009 ("FY2009") is set out below:

		Board Committees		
	Board	**Audit**	**Nominating**	**Remuneration**
Number of meetings held	3	3	1	1
	Number of meetings attended			
Tan Tock Han	3	-	-	-
Wilson Tan	3	-	-	-
Mark Beretta	3	-	-	-
Cheong Hooi Kheng	3	3	1	1
Lim Yeow Hua	3	3	1	1
Harry Ng	2	2	1	1

The Articles of Association of the Company provide for meetings of the Board to be held by way of telephonic conference.

2. BOARD COMPOSITION AND GUIDANCE

Principle 2: There should be a strong and independent element on the Board, which is able to exercise objective judgment on corporate affairs independently, in particular, from Management. No individual or small group of individuals should be allowed to dominate the Board's decision-making.

The Board comprises six directors, of whom two (constituting one-third of the Board) are independent, namely, Mr Lim Yeow Hua and Mr Harry Ng, and one is non-executive, namely, Ms Cheong Hooi Kheng. The criteria of independence is based on the definition set out in the Code. The Board considers an "independent" director to be one who has no relationship with the Company, its related companies or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgment with a view to the best interests of the Company. With two independent directors, the Board is able to exercise independent judgment on corporate affairs, and provide the Management with a diverse and objective perspective on issues. There is therefore no individual or small group of individuals who dominate the Board's decision-making. The independence of each director is reviewed annually.

The Board has examined its size and is of the view that it is an appropriate size for effective decision-making, taking into account the scope and nature of the operations of the Company.

The composition of the Board is reviewed on an annual basis by the NC to ensure that the Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competencies for effective functioning and informed decision-making. The Board as a group comprises members with core competencies in accounting and finance, business and management experience, industry knowledge, strategic planning and customer-based experience and knowledge.

Where necessary or appropriate, the non-executive directors on the Board will meet without the presence of the Management.

The profiles of our directors are set out on pages 14 and 15 of this Annual Report.

3. CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There should be a clear division of responsibilities at the top of the company – the working of the Board and the executive responsibility of the company's business – which will ensure a balance of power and authority, such that no one individual represents a considerable concentration of power.

Mr Tan Tock Han currently holds the position of Executive Chairman of the Company while Mr Wilson Tan holds the position of Chief Executive Officer of the Company. Mr Tan Tock Han is the father of Mr Wilson Tan. As all major decisions are made in consultation with the Board, and with the establishment of three Board committees, the Board is of the view that there are sufficient safeguards in place to ensure accountability and independent decision-making.

The Board collectively ensures the following:

- In consultation with the Management, the scheduling of meetings to enable the Board to perform its duties responsibly, while not interfering with the flow of the Company's operations;

- In consultation with the Management, the preparation of the agenda for Board meetings;

- In consultation with the Management, the exercise of control over the quality, quantity and timeliness of information between the Management and the Board; and

- Compliance with corporate governance best practices.

Mr Lim Yeow Hua has been appointed as the Lead Independent Director. As such, he is the contact person for shareholders in situations where there are concerns or issues that communication with the Executive Chairman, Chief Executive Officer or Chief Financial Officer has failed to resolve or where such communication is inappropriate.

4. BOARD MEMBERSHIP

Principle 4: There should be a formal and transparent process for the appointment of new directors to the Board.

The NC is responsible for making recommendations on all Board appointments and re-nominations, having regard to the contribution and performance of the director seeking re-election.

The NC comprises Mr Harry Ng, Ms Cheong Hooi Kheng and Mr Lim Yeow Hua. The chairman of the NC is Mr Harry Ng. A majority of the NC, including the chairman, is independent. The chairman of the NC is not, and is not directly associated with, a substantial shareholder of the Company.

The written terms of reference of the NC have been approved and adopted, and they include the following:-

1) Ensuring that all directors submit themselves for re-nomination and re-election at regular intervals and at least once every three years.

2) Determining the independence of each director in accordance with Guideline 2.1 of the Code on an annual basis.

3) Evaluating whether a director is able to and has adequately carried out his duties as a director of the Company, in particular, where the director concerned has multiple board representations.

4) Assessing the effectiveness of the Board as a whole and the contribution of each director to the effectiveness of the Board.

CORPORATE GOVERNANCE REPORT

Having made its review, the NC is of the view that Mr Lim Yeow Hua and Mr Harry Ng have satisfied the criteria for independence.

The Company does not have a formal process for the selection and appointment of new directors to the Board. However, if required, the Company will and is able to procure search services, contacts and recommendations for the purposes of identifying suitably qualified and experienced persons for appointment to the Board.

Board appointments are made by way of a Board resolution after the NC has, upon reviewing the resume of the proposed director and conducting appropriate interviews, recommended the appointment to the Board. Pursuant to the Articles of Association of the Company, each director is required to retire at least once every three years by rotation, and all newly appointed directors who are appointed by the Board are required to retire at the next annual general meeting following their appointment. The retiring directors are eligible to offer themselves for re-election.

The dates of initial appointment and last re-election of the directors, together with their directorships in other listed companies, are set out below:-

Director	**Position**	**Date of initial appointment**	**Date of last re-election**	**Current directorships in listed companies**	**Past directorships in listed companies**
Tan Tock Han	Executive Chairman	19 March 2007	3 December 2007	Hong Fok Corporation Limited	-
Wilson Tan	Chief Executive Officer	19 March 2007	23 October 2008	-	-
Mark Beretta	Executive Director	31 October 2007	23 October 2008	-	-
Cheong Hooi Kheng	Non-Executive Director	31 October 2007	3 December 2007	Hong Fok Corporation Limited Winfoong International Limited	-
Lim Yeow Hua	Lead Independent Director	31 October 2007	3 December 2007	Advanced Integrated Manufacturing Corp. Ltd. KSH Holdings Limited China Eratat Sports Fashion Limited Great Group Holdings Limited	-
Harry Ng	Independent Director	31 October 2007	3 December 2007	Artivision Technologies Ltd Achieva Limited	-

The NC, in determining whether to recommend a director for re-appointment, will have regard to the director's performance and contribution to the Group, and whether the director has adequately carried out his or her duties as a director.

The NC has nominated Mr Tan Tock Han and Mr Lim Yeow Hua, who will be retiring as directors at the forthcoming annual general meeting, to the Board for re-election as directors at the forthcoming annual general meeting.

CORPORATE GOVERNANCE REPORT

Key information regarding the directors, including their shareholdings in the Company, is set out on pages 14-15 and 29 of this Annual Report. None of the directors hold shares in the subsidiaries of the Company.

5. BOARD PERFORMANCE

Principle 5: There should be a formal assessment of the effectiveness of the Board as a whole and the contribution by each director to the effectiveness of the Board.

Board performance is linked to the overall performance of the Group. The Board complies with the applicable laws, and members of our Board are required to act in good faith, with due diligence and care, and in the best interests of the Company and its shareholders.

The NC is responsible for assessing the effectiveness of the Board as a whole and for assessing the contribution of each individual director. The NC decides how the Board's performance may be evaluated and proposes objective performance criteria that are approved by the Board.

The criteria for the evaluation of the performance of individual directors include qualitative and quantitative factors such as performance of principal functions and fiduciary duties, level of participation at meetings, guidance provided to the Management and attendance record.

The Board and the NC have endeavoured to ensure that directors appointed to the Board possess the background, experience, business knowledge, finance and management skills critical to the Group's business. They have also ensured that each director, with his special contributions, brings to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made.

6. ACCESS TO INFORMATION

Principle 6: In order to fulfil their responsibilities, Board members should be provided with complete, adequate and timely information prior to Board meetings and on an ongoing basis.

Directors are from time to time furnished with detailed information concerning the Group to support their decision-making process.

Prior to each Board meeting, the members of the Board are each provided with the relevant documents and information necessary for them to comprehensively understand the issues to be deliberated upon and make informed decisions thereon.

As a general rule, notices are sent to the directors one week in advance of Board meetings, followed by the Board papers, in order for the directors to be adequately prepared for the meetings.

The Board (whether individually or as whole) has separate and independent access to the Management and the Company Secretary at all times, and may seek independent professional advice, if necessary, at the expense of the Company. The Company Secretary attends all Board meetings and ensures that all Board procedures are followed. Where the Company Secretary is unable to attend any Board meeting, he ensures that a suitable replacement is in attendance and that proper minutes of the same are taken and kept. The Company Secretary also ensures that the Company complies with the requirements of the Companies Act, Cap. 50, and the SGX-ST.

7. REMUNERATION MATTERS

Principle 7: There should be a formal and transparent procedure for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

The RC makes recommendations to the Board on the framework of remuneration, and the specific remuneration packages for each director.

The RC comprises Mr Harry Ng, Ms Cheong Hooi Kheng and Mr Lim Yeow Hua, all of whom are non-executive directors. The chairman of the RC is Mr Harry Ng. A majority of the NC, including the chairman, is independent.

The terms of reference of the RC have been approved and adopted. The duties and powers of the RC include the following:-

1) Recommending to the Board a framework of remuneration for the directors and senior Management that covers all aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, options and benefits-in-kind.

2) Determining specific remuneration packages for each executive director.

3) Recommending to the Board the remuneration of non-executive directors, which should be appropriate to the level of their respective contributions, taking into account factors such as effort and time spent, and the responsibilities of the non-executive directors.

4) Reviewing and recommending to the Board the terms of renewal of the service contracts of directors.

The members of the RC are familiar with executive compensation matters as they manage their own businesses and/or are holding other directorships. The RC has access to advice regarding executive compensation matters, if required.

The RC's recommendations will be submitted for endorsement by the Board. No director is involved in deciding his own remuneration.

8. LEVEL AND MIX OF REMUNERATION

Principle 8: The level of remuneration should be appropriate to attract, retain and motivate the directors needed to the run the company successfully but companies should avoid paying more than is necessary for this purpose. A significant proportion of executive directors' remuneration should be structured so as to link rewards to corporate and individual performance.

In setting remuneration packages, the Company takes into account pay and employment conditions within the same industry and in comparable companies, as well as the Group's relative performance and the performance of individual directors.

The non-executive directors receive directors' fees for their effort and time spent, responsibilities and contribution to the Board, subject to shareholders' approval at annual general meetings.

Remuneration for the executive directors comprises a basic salary component and a variable component that is the incentive bonus, based on the performance of the Group as a whole. The Company entered into service agreements with the executive directors, namely Mr Tan Tock Han, Mr Wilson Tan and Mr Mark Beretta, on 2 November 2007, for an initial period of three years with effect from the date of admission of the Company to the Official List of the SGX-ST. Upon the expiry of the initial period of three years, their employment shall be automatically renewed on a year-to-year basis on such terms and conditions as the parties may agree to. During the initial period of three years, either party may terminate the service agreements at any time by giving the other party not less than six months' notice in writing, or in lieu of notice, payment of an amount equivalent to six months' salary based on the director's last drawn monthly salary.

9. DISCLOSURE ON REMUNERATION

Principle 9: Each company should provide clear disclosure of its remuneration policy, level and mix of remuneration, and the procedure for setting remuneration, in the company's annual report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key executives, and performance.

The level and mix of remuneration paid or payable to the directors, executive officers and employees who are related to the directors for FY2009 are set out as follows:-

Remuneration bands	Salary & CPF %	Bonus & CPF %	Director's fee[1] %	Other benefits %	Total %
Directors					
$500,000 to less than $750,000					
Tan Tock Han[2]	46	41	7	6	100
Wilson Tan[2]	48	38	8	6	100
Mark Beretta	53	33	9	5	100
$250,000 to less than $500,000					
-	-	-	-	-	-
Less than $250,000					
Cheong Hooi Kheng	-	-	100	-	100
Lim Yeow Hua	-	-	100	-	100
Harry Ng	-	-	100	-	100
Executive officers and employees related to directors					
Less than $250,000					
Tan Kheng Kuan[2]	54	38	-	8	100
Tan Suan Suan[2]	78	22	-	-	100
Law Sai Leung	79	21	-	-	100
Cheong Gim Kheng[2]	79	21	-	-	100
Lim Kor Hin[2]	77	23	-	-	100

Notes:-

(1) Directors' fees are subject to approval by the shareholders of the Company at the forthcoming annual general meeting.

(2) Mr Tan Kheng Kuan and Ms Tan Suan Suan are the children of Mr Tan Tock Han and siblings of Mr Wilson Tan. Mdm Cheong Gim Kheng is the wife of Mr Tan Tock Han and mother of Mr Wilson Tan. Mdm Lim Kor Hin is the wife of Mr Tan Kheng Kuan.

The Company has no share option plans. Accordingly, no share option has been granted to the above directors and executive officers.

Save as disclosed in Note (2) above, there were no employees of the Company or its subsidiaries who were immediate family members of any director or the Chief Executive Officer.

10. ACCOUNTABILITY

Principle 10: The Board should present a balanced and understandable assessment of the company's performance, position and prospects.

In presenting the quarterly and full-year financial statements to shareholders, the Board aims to provide shareholders with a detailed and balanced analysis and explanation of the Group's financial position and prospects.

The Management provides the Board with relevant information on the performance of the Group on a timely and ongoing basis in order that the Board may effectively discharge its duties.

11. AUDIT COMMITTEE

Principle 11: The Board should establish an Audit Committee with written terms of reference, which clearly set out its authority and duties.

The AC comprises Mr Lim Yeow Hua, as the chairman, and Mr Harry Ng and Ms Cheong Hooi Kheng, as members, all of whom are non-executive directors. A majority of the AC, including the chairman, are independent directors. The members of the AC have sufficient financial management expertise, as interpreted by the Board in its business judgment, to discharge the AC's functions.

The written terms of reference of the AC have been approved and adopted. The main duties and powers of the AC include:-

1) Reviewing the audit plans of the external auditors and the internal auditors, including the results of the internal auditors' review and evaluation of the system of internal controls.

2) Reviewing the annual consolidated financial statements and the external auditors' report on those financial statements, and discussing any significant adjustments, major risk areas, changes in accounting policies, compliance with Singapore financial reporting standards, and concerns and issues arising from their audits, including any matters that the external auditors may wish to discuss in the absence of the Management, where necessary.

3) Reviewing the periodic consolidated financial statements comprising the income statements and the balance sheets and any other information required by the SGX-ST Listing Manual, before submission to the Board for approval.

4) Reviewing and discussing with external auditors any suspected fraud, irregularity or infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position and the Management's response.

5) Considering the independence and the appointment and re-appointment of the external auditors.

6) Reviewing, approving and/or ratifying any interested person transactions.

7) Undertaking such other reviews and projects as may be requested by the Board, and reporting to the Board its findings from time to time on matters that require the attention of the AC.

8) Generally undertaking such other functions and duties as may be required by the relevant laws or the SGX-ST Listing Manual, and by such amendments made thereto from time to time.

The AC has full authority to investigate any matter within its terms of reference, full access to and cooperation from the Management, and full discretion to invite any director, executive officer or other employee of the Group to attend its meetings, and is given reasonable resources to enable it to discharge its functions properly and effectively.

The AC meets with the external auditors without the presence of the Management, at least annually.

The AC undertakes such further functions as may be agreed to by the AC and the Board from time to time.

The total non-audit fees paid to the external auditors for FY2009 amounted to approximately $13,000. The AC, having undertaken a review of all non-audit services provided by the external auditors, is of the opinion that such services would not affect the independence of the external auditors.

The AC has reviewed arrangements under which the staff of the Company may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters, with the objective of ensuring that arrangements are in place for the independent investigation of such matters for appropriate follow-up action.

12. INTERNAL CONTROLS

Principle 12: The Board should ensure that the Management maintains a sound system of internal controls to safeguard the shareholders' investment and the company's assets.

The Group's internal controls and systems are designed to provide reasonable assurance as to the integrity and reliability of the financial information, and to safeguard and maintain accountability of assets. Procedures are in place to identify major business risks and evaluate potential financial implications, as well as for the authorisation of capital expenditure and investments.

The Board believes that, in the absence of any evidence to the contrary, the system of internal controls maintained by the Management provides reasonable assurance against material financial misstatements or loss, and ensures the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with legislation, regulations and best practices, and the identification and management of business risks. The Board is therefore of the view that the system of internal controls and risk management maintained by the Group is adequate for safeguarding shareholders' investments and the Group's assets.

The Board notes that no system of internal control can provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, fraud or other irregularities.

13. INTERNAL AUDIT

Principle 13: The company should establish an internal audit function that is independent of the activities it audits.

The Company has outsourced the internal audit function to an external professional firm to perform the review and test of controls of the Group's processes. The internal auditors have commenced their audit for FY2009. The internal auditors report directly to the chairman of the AC. The AC reviews and approves the annual internal audit plans, and reviews the scope and results of the internal audit performed by the internal auditors. The AC will ensure the adequacy of the internal audit function at least annually.

14. COMMUNICATION WITH SHAREHOLDERS

Principle 14: Companies should engage in regular and fair communication with shareholders.

The Company recognises that effective communication leads to transparency and enhances accountability. The Company regularly conveys pertinent information, gathers views or input, and addresses shareholders' concerns. In this regard, the Company provides timely information to its shareholders via SGXNET announcements and news releases, and ensures that price-sensitive information is publicly released and is announced within the mandatory period. The Company does not practise selective disclosure.

Principle 15: Companies should encourage greater shareholder participation at AGMs, and allow shareholders the opportunity to communicate their views on various matters affecting the company.

All shareholders of the Company receive the Annual Report and the notice of the annual general meeting. The notice will also be advertised in a local newspaper and made available on SGXNET. The Company encourages shareholders' participation at annual general meetings, and all shareholders are given the opportunity to voice their views and to direct queries regarding the Group to directors, including the chairperson of each of the Board committees. The Company's external auditors are also present to assist the Board in addressing any relevant queries from shareholders. The Company also ensures that there are separate resolutions at general meetings on each distinct issue.

The Board supports the Code's principle of encouraging shareholder participation. The Articles of Association of the Company currently allow a member of the Company to appoint up to two proxies to attend and vote at general meetings.

15. DEALINGS IN SECURITIES

In compliance with the best practices set out in the SGX-ST Listing Manual on dealings in securities, directors and employees of the Company are advised not to deal in the Company's shares on short-term considerations or when they are in possession of unpublished price-sensitive information. The Company prohibits dealings in its shares by its officers and employees during the period commencing two weeks before the announcement of the Company's quarterly financial statements and one month before the announcement of the Company's full-year financial statements, and ending on the date of the announcement of the results.

16. RISK MANAGEMENT

The Company does not have a Risk Management Committee. However, the Management regularly reviews the Group's business and operational activities to identify areas of significant business risks, as well as appropriate measures through which to control and mitigate these risks. The Management reviews all significant control policies and procedures, and highlights all significant matters to the Board and the AC.

17. INTERESTED PERSON TRANSACTIONS

The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC, and that the transactions are carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders.

For FY2009, the Group has carried out the following interested person transactions:-

Name of interested person	Aggregate value of all interested person transactions during FY2009 (excluding transactions of less than $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 of less than $100,000)
Wiljohn Investment Pte. Ltd.[(1)]		
- Lease of premises at 61 Tuas Bay Drive, Singapore 637428	$1,716,000	-
- Lease of premises at 71 Tuas Bay Drive, Singapore 637430	$832,500	-
- Reimbursement of construction costs for test bay and costs of renovation works at the above premises	$486,000	-

Note:-

(1) Wiljohn Investment Pte. Ltd. is a company that is wholly owned by Mr Tan Tock Han and Mr Wilson Tan, the executive directors of the Company, and their associates.

Save as disclosed above, there were no material contracts of the Group involving the interests of the Chief Executive Officer, each director or controlling shareholder, either still subsisting at the end of FY2009 or if not then subsisting, entered into since the end of the previous financial year.

DIRECTORS' REPORT

The directors are pleased to present their report to the members together with the audited consolidated financial statements of KTL Global Limited (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 30 June 2009.

Directors

The directors of the Company in office at the date of this report are:

Tan Tock Han
Tan Kheng Yeow
Mark Gareth Joseph Beretta
Lim Yeow Hua @ Lim You Qin
Ng Weng Sui, Harry
Cheong Hooi Kheng

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

Directors' interests in shares and debentures

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act, Cap. 50 (the "Act"), an interest in shares of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

	Direct interest		Deemed interest	
Name of director	**At the beginning of financial year**	**At the end of financial year**	**At the beginning of financial year**	**At the end of financial year**
Ordinary shares of the Company				
Tan Tock Han	–	–	88,000,000	88,500,000
Tan Kheng Yeow	–	–	88,000,000	88,000,000
Mark Gareth Joseph Beretta	80,000	240,000	–	–
Ordinary shares of the holding company				
Tan Tock Han	30	30	–	–
Tan Kheng Yeow	20	20	–	–

There was no change in any of the above-mentioned interest between the end of the financial year and 21 July 2009.

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or at the end of the financial year.

By virtue of Section 7 of the Act, Mr Tan Tock Han and Mr Tan Kheng Yeow are deemed to have interests in the shares of the subsidiaries of the Company.

DIRECTORS' REPORT

Directors' contractual benefits

Except as disclosed in the financial statements, since the end of the previous financial year, no director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

Options

No options were issued by the Company or any of its subsidiaries during the financial year. As at 30 June 2009, there were no options on the unissued shares of the Company or any of its subsidiaries which were outstanding.

Audit Committee

The Audit Committee has performed the functions specified in the Act. The functions performed are detailed in the Corporate Governance Report.

Auditors

Ernst & Young LLP have expressed their willingness to accept reappointment as auditors.

On behalf of the board of directors:

Tan Tock Han
Director

Tan Kheng Yeow
Director

Singapore
2 October 2009

STATEMENT BY DIRECTORS

We, Tan Tock Han and Tan Kheng Yeow, being two of the directors of KTL Global Limited, do hereby state that, in the opinion of the directors,

(i) the accompanying balance sheets, consolidated income statement, statements of changes in equity, and consolidated cash flow statement together with notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 30 June 2009 and the results of the business, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date, and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the board of directors:

Tan Tock Han
Director

Tan Kheng Yeow
Director

Singapore
2 October 2009

INDEPENDENT AUDITORS' REPORT

For the year ended 30 June 2009 to the Members of KTL Global Limited

We have audited the accompanying financial statements of KTL Global Limited (the "Company") and its subsidiaries (collectively, the "Group") set out on pages 33 to 70, which comprise the balance sheets of the Group and the Company as at 30 June 2009, the statements of changes in equity of the Group and the Company, the income statement and cash flow statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards. This responsibility includes devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss account and balance sheet and to maintain accountability of assets; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion,

(i) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 30 June 2009 and the results, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date; and

(ii) the accounting and other records required by the Act to be kept by the Company and by the subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Ernst & Young LLP
Public Accountants and
Certified Public Accountants

Singapore
2 October 2009

CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2009

	Note	2009	2008
		$'000	$'000
Revenue	4	71,182	63,392
Cost of sales		(44,336)	(41,402)
Gross profit		26,846	21,990
Other operating income	5	1,204	1,881
Administration expenses		(15,417)	(11,205)
Sales and marketing expenses		(4,229)	(4,131)
Other operating expenses		(1,625)	(196)
Profit from operations	7	6,779	8,339
Finance expenses, net	8	(939)	(865)
Profit before taxation and minority interests		5,840	7,474
Income tax expense	9	(820)	(1,162)
Profit for the year		5,020	6,312
Attributable to :			
Shareholders of the Company		4,998	6,312
Minority interests		22	–
		5,020	6,312
		Cents	**Cents**
Basic and diluted earnings per share	10	3.1	4.8

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

BALANCE SHEETS

As at 30 June 2009

	Note	Group		Company	
		2009	2008	2009	2008
		$'000	$'000	$'000	$'000
Non-current assets					
Property, plant and equipment	11	11,276	5,688	–	–
Long term deposit	15	707	429	–	–
Investment in subsidiaries	12	–	–	13,161	13,160
		11,983	6,117	13,161	13,160
Current assets					
Inventories	13	32,435	30,352	–	–
Trade receivables	14	16,122	17,582	–	–
Other receivables and prepayments	15	2,228	1,460	–	4
Amount due from a subsidiary	15	–	–	14,775	6,904
Advances to a related party	16	584	–	–	–
Cash and bank balances	17	5,101	14,840	393	8,149
		56,470	64,234	15,168	15,057
TOTAL ASSETS		68,453	70,351	28,329	28,217
EQUITY AND LIABILITIES					
Current liabilities					
Net amount due to a customer for contract work-in-progress	18	1,632	–	–	
Trade payables	19	7,543	11,436	–	–
Bills payables	20	10,599	14,795	–	–
Other payables	21	4,401	4,013	912	952
Interest-bearing loans and borrowings	22	2,281	4,197	–	–
Tax payable		679	1,279	12	–
		27,135	35,720	924	952
NET CURRENT ASSETS		29,335	28,514	14,244	14,105
Non-current liabilities					
Interest-bearing loans and borrowings	22	3,455	583	–	–
Deferred tax liabilities	23	738	348	–	–
		4,193	931	–	–
TOTAL LIABILITIES		31,328	36,651	924	952
NET ASSETS		37,125	33,700	27,405	27,265
Equity attributable to equity holders of the Company					
Share capital	24	27,388	27,388	27,388	27,388
Reserves		9,709	6,312	17	(123)
		37,097	33,700	27,405	27,265
Minority Interests		28	–	–	–
TOTAL EQUITY		37,125	33,700	27,405	27,265
TOTAL EQUITY AND LIABILITIES		68,453	70,351	28,329	28,217

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the year ended 30 June 2009

	Note	Share capital	Merger reserve	Translation reserve	Accumulated profits/ (losses)	Total reserves	Minority Interest	Total equity
		$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group								
At 1 July 2008		27,388	(7,660)	–	13,972	6,312	–	33,700
Foreign currency translation		–	–	(1)	–	(1)	–	(1)
Net profit for the year		–	–	–	4,998	4,998	22	5,020
Total recognised income and expense for the year		–	–	(1)	4,998	4,997	22	5,019
Dividend paid	25	–	–	–	(1,600)	(1,600)	–	(1,600)
Contribution of capital by minority interests		–	–	–	–	–	6	6
At 30 June 2009		27,388	(7,660)	(1)	17,370	9,709	28	37,125
At 1 July 2007		–*	–	–	–	–	–	–*
Adjustment arising from restructuring exercise		–	(5,042)	–	7,660	2,618	–	2,618
Issue of shares for acquisition of subsidiary		13,160	(2,618)	–	–	(2,618)	–	10,542
Issue of shares pursuant to pre-initial public offering		4,694	–	–	–	–	–	4,694
Initial public offering								
- Issue of shares		11,200	–	–	–	–	–	11,200
- Share issue expenses		(1,666)	–	–	–	–	–	(1,666)
Net profit for the year		–	–	–	6,312	6,312	–	6,312
Total recognised income and expense for the year		–	–	–	6,312	6,312	–	6,312
At 30 June 2008		27,388	(7,660)	–	13,972	6,312	–	33,700

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the year ended 30 June 2009

	Note	Share capital	Accumulated profits/ (losses)	Total equity
		$'000	$'000	$'000
Company				
At 1 July 2008		27,388	(123)	27,265
Net profit for the year		–	1,740	1,740
Total recognised income and expense for the year		–	1,740	1,740
Dividends paid	25	–	(1,600)	(1,600)
At 30 June 2009		27,388	17	27,405
At 1 July 2007		– *	(5)	(5)
Issue of shares for acquisition of subsidiary		13,160	–	13,160
Issue of shares pursuant to pre-initial public offering		4,694	–	4,694
Initial public offering				
- Issue of shares		11,200	–	11,200
- Share issue expenses		(1,666)	–	(1,666)
Net loss for the year		–	(118)	(118)
Total recognised income and expense for the year		–	(118)	(118)
At 30 June 2008		27,388	(123)	27,265

* Denotes amount less than $1,000

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 June 2009

	Note	2009	2008
		$'000	$'000
Cash flows from operating activities			
Profit before tax		5,840	7,474
Adjustments for:			
Depreciation of property, plant and equipment		1,127	424
(Gain)/loss on disposal of property, plant and equipment		(9)	81
Interest expense, net		939	865
Loss on write-off of plant and equipment		14	–
Currency realignment		(1)	–
		2,070	1,370
Operating profit before working capital changes		7,910	8,844
Increase in inventories		(2,083)	(9,074)
Increase in net amounts due to a customer for contract work-in-progress		1,632	–
Decrease/(increase) in trade receivables		1,460	(2,393)
(Increase)/decrease in other receivables and prepayments		(1,046)	497
Increase in advances given to a related party		(584)	–
(Decrease)/increase in trade payables		(3,893)	2,144
Increase in other payables		388	2,610
Cash generated from operating activities		3,784	2,628
Income taxes paid		(1,030)	(1,342)
Net cash flows generated from operating activities		2,754	1,286
Cash flows from investing activities			
Purchase of property, plant and equipment		(6,524)	(4,094)
Proceeds from disposal of property, plant and equipment		9	259
Net cash flows used in investing activities		(6,515)	(3,835)
Cash flows from financing activities			
Decrease in amount due to directors		–	(897)
Repayment of interest bearing loans and borrowings		(3,478)	4,436
Dividends paid		(1,600)	–
Interest expense, net		(939)	(865)
Contribution of capital by minority interests		6	–
Proceeds from:			
Issuance of ordinary shares pursuant to initial public offering		–	15,894
Share issue expense		–	(1,666)
Net cash flows (used in)/from financing activities		(6,011)	16,902
Net (decrease)/increase in cash and cash equivalents		(9,772)	14,353
Cash and cash equivalents at beginning of year		14,840	487
Cash and cash equivalents at end of year	17	5,068	14,840

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2009

1. Corporate information

1.1 *The Company*

KTL Global Limited (the "Company") is a company incorporated in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST).The ultimate holding company is Kim Teck Leong Pte. Ltd. which is incorporated in Singapore.

The registered office and the principal place of business of the Company is located at 71 Tuas Bay Drive, Singapore 637430.

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are set out in Note 12 to the financial statements.

2. Summary of significant accounting policies

2.1 *Basis of preparation*

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards ("FRS").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (SGD or $), the functional currency of the Company.

2.2 *Future changes in accounting policies*

The Group and the Company have not adopted the following FRS and INT FRS that have been issued but not yet effective:

Reference	Description	Effective for annual periods beginning on or after
FRS 1	Presentation of Financial Statements – Revised Presentation	1 January 2009
FRS 1	Presentation of Financial Statements – Amendments regarding Puttable Financial Instruments and Obligations Arising on Liquidation	1 January 2009
FRS 23	Amendment to FRS 23, Borrowing Costs	1 January 2009
FRS 27	Consolidated and Separate Financial Statements – Amendments relating to Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2009
FRS 27	Amendments to FRS 27 – Consolidated and separate financial statements	1 July 2009
FRS 32	Financial Instruments: Presentation – Amendments regarding puttable financial instruments and obligations arising on liquidation	1 January 2009
FRS 39	Financial Instruments: Recognition and Measurement – Amendments relating to eligible hedged items	1 July 2009

2. Summary of significant accounting policies (cont'd)

2.2 *Future changes in accounting policies (cont'd)*

Reference	Description	Effective for annual periods beginning on or after
FRS 101	First-time Adoption of Financial Reporting Standards – Amendments relating to Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2009
FRS 102	Share-based Payments – Amendments relating to vesting conditions and cancellations	1 January 2009
FRS 103	Business Combinations	1 July 2009
FRS 107	Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments	1 January 2009
FRS 108	Operating Segments	1 January 2009
FRS 39 and INT FRS 109	Amendments to INT FRS 109 Reassessment of Embedded Derivatives and FRS 39 Financial Instruments: Recognition and Measurement – Embedded Derivatives	30 June 2009
INT FRS 116	Hedges of a Net Investment in a Foreign Operation	1 October 2008
INT FRS 117	Distributions of Non-cash Assets to Owners	1 July 2009
INT FRS 118	Transfers of Assets from Customers	1 July 2009
Improvements to FRS		1 January 2009, unless otherwise stated.
Improvements to FRSs 2009		1 January 2010, unless otherwise stated.

The directors expect that the adoption of the above pronouncements will have no material impact to the financial statements in the period of initial application, except for FRS 1 and FRS 108 as indicated below.

FRS 1 Presentation of Financial Statements – Revised Presentation

The revised FRS 1 – Presentation of Financial Statements requires the separation of owner and non-owner changes in equity. The statement of changes in equity will include only details of transactions with owners, with all non-owner changes in equity presented as a single line. In addition, the Standard introduces the statement of comprehensive income: it presents all items of income and expense, either in one single statement, or in two linked statements. The Group is still evaluating whether it will have one or two statements. The Group will apply the revised FRS 1 from financial period beginning 1 July 2009.

FRS 108 Operating Segments

FRS 108 requires entities to disclose segment information based on the information reviewed by the entity's chief operating decision maker. The impact of this standard on the other segment disclosures is still to be determined. As this is a disclosure standard, it will have no impact on the financial position or financial performance of the Group when implemented in the financial period beginning 1 July 2009.

2. Summary of significant accounting policies (cont'd)

2.3 *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the balance sheet date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Acquisitions of subsidiaries are accounted for by applying the purchase method. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Adjustments to those fair values relating to previously held interests are treated as a revaluation and recognised in equity. Any excess of the cost of business combination over the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities is recorded as goodwill on the balance sheet. Any excess of the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities over the cost of business combination is recognised as income in the income statement on the date of acquisition.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

2.4 *Transactions with minority interests*

Minority interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet, separately from parent shareholders' equity. Transactions with minority interests are accounted for using the entity concept method, whereby, transactions with minority interests are accounted for as transactions with equity holders. On acquisition of minority interests, the difference between the consideration and book value of the share of the net assets acquired is reflected as being a transaction between owners and recognised directly in equity. Gain or loss on disposal to minority interests is recognised directly in equity.

2.5 *Foreign currency*

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the balance sheet date are recognised in the income statement.

The assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the balance sheet date and their income statements are translated at the weighted average exchange rates for the year. The exchange differences arising on the translation are taken directly to a separate component of equity as foreign currency translation reserve. On disposal of a foreign operation, the cumulative amount recognised in foreign currency translation reserve relating to that particular foreign operation is recognised in the income statement.

2. Summary of significant accounting policies (cont'd)

2.6 *Property, plant and equipment*

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Plant and machinery	–	5 to 10 years
Furniture and fittings	–	5 years
Motor vehicles	–	5 to 10 years
Office equipment	–	5 years
Renovation	–	5 years
Computers	–	5 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the income statement in the year the asset is derecognised.

2.7 *Impairment of non-financial assets*

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount.

Impairment losses are recognised in the income statement except for assets that are previously revalued where the revaluation was taken to equity. In this case the impairment is also recognised in equity up to the amount of any previous revaluation.

2. Summary of significant accounting policies (cont'd)

2.7 *Impairment of non-financial assets (cont'd)*

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in the income statement unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.8 *Subsidiaries*

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

In the Company's separate financial statements, investment in subsidiaries is accounted for at cost less impairment losses.

2.9 *Financial assets*

Financial assets are recognised on the balance sheet when and only when, the Group becomes a party to the contractual provisions of the financial instruments.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised directly in equity is recognised in the income statement.

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e. the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, and through the amortisation process.

2.10 *Impairment of financial assets*

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

2. Summary of significant accounting policies (cont'd)

2.10 *Impairment of financial assets (cont'd)*

(a) *Assets carried at amortised cost*

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the income statement.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in the income statement.

(b) *Assets carried at cost*

If there is objective evidence that an impairment loss on a financial asset carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

2.11 *Contracts for design and manufacturing of winches*

Contract revenue and contract costs are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the balance sheet date, when the outcome of a project can be estimated reliably. When the outcome of a project cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that are likely to be recoverable and contract costs are recognised as expense in the period in which they are incurred. An expected loss on the winch contract is recognised as an expense immediately when it is probable that total contract costs will exceed total contract revenue.

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

The stage of completion is determined by reference to the proportion that contract costs incurred for work performed to date bear to the estimated total budgeted contract costs.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2009

2. Summary of significant accounting policies (cont'd)

2.12 *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand and demand deposits. These also include bank overdrafts that form an integral part of the Group's cash management.

2.13 *Inventories*

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their location and conditions are accounted for on a weighted average cost basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.14 *Government grants*

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

Government grants related to an asset may be presented in the balance sheet by deducting the grant in arriving at the carrying amount of the asset.

When the grant relates to an expense item, it is recognised in the income statement over the period necessary to match them on a systematic basis to the costs that it is intended to compensate. Grants related to income may be presented as a credit in the income statement, either separately or under a general heading such as "Other income". Alternatively, they are deducted in reporting the related expenses.

2.15 *Trade and other receivables*

Trade and other receivables are classified and accounted for as loans and receivables under FRS 39. The accounting policy for this category of financial assets is stated in Note 2.9.

An allowance is made for uncollectible amounts when there is objective evidence that the Group will not be able to collect the debt. Bad debts are written off when identified. Further details on the accounting policy for impairment of financial assets are stated in Note 2.10.

2.16 *Provisions*

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each balance date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.17 *Trade and other payables*

Liabilities for trade and other amounts payable, which are normally settled on 60-90 day terms, and amount due to director are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

2. Summary of significant accounting policies (cont'd)

2.17 *Trade and other payables (cont'd)*

Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

2.18 *Financial liabilities*

Financial liabilities are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

Financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities other than derivatives, directly attributable transaction costs.

Subsequent to initial recognition, all financial liabilities are measured at amortised cost using the effective interest method, except for derivatives, which are measured at fair value.

A financial liability is derecognised when the obligation under the liability is extinguished. For financial liabilities other than derivatives, gains and losses are recognised in the income statement when the liabilities are derecognised and through the amortisation process. Any gains or losses arising from changes in fair value of derivatives are recognised in the income statement. Net gains or losses on derivatives include exchange differences.

2.19 *Financial guarantee*

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantees are recognised initially at fair value. Subsequent to initial recognition, financial guarantees are recognised as income in the income statement over the period of the guarantee. If it is probable that the liability will be higher than the amount initially recognised less amortisation, the liability is recorded at the higher amount with the difference charged to the income statement.

2.20 *Borrowing costs*

Borrowing costs are recognised in the income statement as incurred except to the extent that they are capitalised. Borrowing costs are capitalised if they are directly attributable to the acquisition, construction or production of a qualifying asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are ready for their intended use or sale.

2.21 *Employee benefits*

Defined contribution plans

The Group makes contributions to the Central Provident Fund ("CPF") scheme in Singapore, a defined contribution pension scheme. Contributions to the CPF scheme are recognised as an expense in the period in which the related service is performed.

Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to balance sheet date.

2. Summary of significant accounting policies (cont'd)

2.22 *Leases*

Hire purchases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and the reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the income statement. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

2.23 *Revenue*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

(a) *Sale of goods*

Revenue from sale of goods is recognised upon the transfer of significant risks and rewards of ownership of the goods to the customer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(b) *Revenue from design and manufacturing of winches*

Revenue from design and manufacturing of winches is recognised based on the stage of completion of the contract activities. The accounting policy is stated in Note 2.11.

(c) *Interest income*

Interest income is recognised using the effective interest method.

(d) *Rental income*

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

2. Summary of significant accounting policies (cont'd)

2.24 *Income taxes*

(a) *Current tax*

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Current taxes are recognised in the income statement except that tax relating to items recognised directly in equity is recognised directly in equity.

(b) *Deferred tax*

Deferred income tax is provided using the liability method on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are recognised for all temporary differences, except:

- Where the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction affects neither the accounting profit nor taxable profit or loss;
- In respect of temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future; and
- In respect of deductible temporary differences and carry-forward of unused tax credits and unused tax losses, if it is not probable that taxable profit will be available against which the deductible temporary differences and carry-forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Deferred taxes are recognised in the income statement except that deferred tax relating to items recognised directly in equity is recognised directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2. Summary of significant accounting policies (cont'd)

2.24 *Income taxes* (cont'd)

(c) *Sales tax*

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.25 *Segment reporting*

A business segment is a distinguishable component of the Group that is engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is a distinguishable component of the Group that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

2.26 *Contingencies*

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group.

2.27 *Share capital and share issue expenses*

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

3. Significant accounting judgements and estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which has the most significant effect on the amounts recognised in the financial statements:

3. Significant accounting judgements and estimates (cont'd)

(i) *Income taxes*

The Group has exposure to income taxes in numerous jurisdictions. Significant judgement is involved in determining the Group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amount of the Group's income tax payables and deferred tax liabilities at 30 June 2009 was $679,000 (2008: $1,279,000) and $738,000 (2008: $348,000) respectively.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, 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:

(i) *Useful life of plant and equipment*

The cost of property, 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 5 to 10 years. The carrying amount of the Group's property, plant and equipment at 30 June 2009 was $11,276,000 (2008: $5,688,000). Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(ii) *Allowances for inventory obsolescence*

Allowance for inventory obsolescence is estimated based on the best available facts and circumstances, including but not limited to, the inventories' own physical conditions, their market selling prices, and estimated costs to be incurred for their sales. The allowances are re-evaluated and adjusted as additional information received affects the amount estimated. The carrying amount of the Group's inventories at 30 June 2009 was $32,435,000 (2008: $30,352,000).

(iii) *Allowance for doubtful debts*

The Group evaluates specific accounts where it has information that certain customers are unable to meet their financial obligations and makes allowance for doubtful debts accordingly. In these cases, the Group uses judgement, based on the best available facts and circumstances, including but not limited to, the length of its relationship with the customer and the customer's current credit status and known market factors. These specific allowances are re-evaluated and adjusted as additional information received affects the amount of allowance for doubtful debts. The carrying amount of the Group's trade receivables at 30 June 2009 was $16,122,000 (2008: $17,582,000).

(iv) *Impairment of non-financial assets*

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

3. Significant accounting judgements and estimates (cont'd)

(v) *Contracts for design and manufacturing of winches*

The Group recognises contract revenue by reference to the stage of completion of the project activity at the balance sheet date, when the outcome of a contract can be estimated reliably. The stage of completion is measured by reference to the proportion that project costs incurred for work performed to date bear to the estimated budgeted project costs. Significant assumptions are required to estimate the total project costs and the recoverable variation works that will affect the stage of completion. The estimates are made based on past experience and knowledge of the project engineers. The carrying amounts of assets and liabilities arising from project contracts at the balance sheet date are disclosed in Note 18 to the financial statements.

4. Revenue

Revenue of the Group represents revenue from sale of goods net of discounts and Goods and Services Tax ("GST") and after eliminating intercompany transactions.

	Group	
	2009	**2008**
	$'000	**$'000**
Sale of goods	70,555	63,692
Contract revenue	627	–
	71,182	63,392

5. Other operating income

	Group	
	2009	**2008**
	$'000	**$'000**
Bad debt recovered	16	6
Foreign exchange gain, net	–	1,202
Operating lease income	1,010	519
Gain on disposal of property, plant and equipment	9	–
Sundry income	103	154
Grant income	66	–
	1,204	1,881

6. Salaries and related expenses

	Group	
	2009	**2008**
	$'000	**$'000**
Employee benefits expense (including directors) :		
- Salaries and bonus	7,208	7,129
- CPF contributions	431	403
- Other short-term benefits	131	155
	7,770	7,687

7. Profit from operations

	Group 2009	Group 2008
	$'000	$'000
Profit from operations is stated after charging:		
Bad debts written off	–	10
Allowance for doubtful debts	230	106
Depreciation of property, plant and equipment	1,127	424
Operating lease expenses	4,786	2,417
Loss on disposal/write-off of property, plant and equipment	14	81
Non-audit fees paid to auditors of the Company	13	15*
Foreign exchange loss, net	1,395	–

* In addition to the fees disclosed, the Group and Company paid $185,000 relating to the Initial Public Offering exercise undertaken during the financial year ended 30 June 2008. These amounts were included in share issue expenses which were deducted from share capital account.

8. Finance expense, net

	Group 2009	Group 2008
	$'000	$'000
Interest received and receivable from :		
- banks	34	51
Interest paid and payable to :		
- banks	943	851
- hire purchase creditors	30	65
	973	916
Finance expense, net	939	865

9. Income tax

Major components of income tax expense for the years ended 30 June are:

	Group 2009	Group 2008
	$'000	$'000
Current tax expense		
Current taxation		
- current year	584	1,136
- overprovision in prior year	(154)	(121)
	430	1,015
Deferred tax expense		
Movement in temporary differences	409	233
Effect of reduction in tax rate	(19)	–
Overprovision in prior year	–	(86)
	390	147
Income tax expense	820	1,162

9. Income tax (cont'd)

Reconciliation of effective tax rate

A reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years then ended 30 June is as follows:

	Group	
	2009	**2008**
	$'000	**$'000**
Profit from continuing operations and before taxation	5,840	7,474
Income tax using Singapore tax rate at 17% (2008: 18%)	993	1,345
Expenses not deductible for tax purposes	46	91
Overprovision in prior year	(154)	(207)
Effect of reduction in tax rate	(19)	–
Partial tax exemption	(46)	(27)
Others	-	(40)
Income tax expense recognised in the income statement	820	1,162

The corporate income tax rate applicable to Singapore companies of the Group was reduced to 17% for the Year of Assessment 2010 onwards.

10. Earnings per share

Basic earnings per share is calculated by dividing the profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing profit for the year from continuing operations attributable to ordinary equity holders of the parent (after deducting dividends and amortisation of discount on convertible redeemable preference shares) by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the profit and loss and share data used in the computation of basic and diluted earnings per share for the years ended 30 June:

	Group	
	2009	**2008**
	$'000	**$'000**
Profit attributable to ordinary equity holders of the Company used in computation of basic earnings per share	4,998	6,312
	Number of shares '000	**Number of shares '000**
Weighted average number of ordinary shares for basic and diluted earnings per share computation	160,000	130,915
Basic and fully diluted earnings per share (cents)	3.1	4.8

As there are no dilutive potential ordinary shares, the basic and fully diluted earnings per share are the same.

11. Property, plant and equipment

	Plant and machinery	Motor vehicles	Furniture and fittings	Office equipment	Renovation	Computers	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group							
At cost							
At 1 July 2007	2,669	1,361	141	62	80	210	4,523
Additions	2,289	575	700	180	39	311	4,094
Disposals	(200)	(444)	–	–	–	–	(644)
At 30 June 2008	4,758	1,492	841	242	119	521	7,973
Additions	4,978	282	413	107	806	143	6,729
Disposals/write-offs	(15)	(75)	–	–	–	(1)	(91)
At 30 June 2009	9,721	1,699	1,254	349	925	663	14,611
Accumulated depreciation and impairment							
At 1 July 2007	1,530	394	82	30	35	94	2,165
Depreciation charge	202	125	24	14	13	46	424
Disposals	(166)	(138)	–	–	–	–	(304)
At 30 June 2008	1,566	381	106	44	48	140	2,285
Depreciation charge	607	148	161	48	61	102	1,127
Disposals/write-offs	(1)	(75)	–	–	–	(1)	(77)
At 30 June 2009	2,172	454	267	92	109	241	3,335
Net carrying amount							
At 30 June 2008	3,192	1,111	735	198	71	381	5,688
At 30 June 2009	7,549	1,245	987	257	816	422	11,276

Included in the property, plant and equipment of the Group are motor vehicles with a net book value of $1,112,000 (2008: $959,000) acquired under hire purchase agreements.

The Group's machinery with a carrying amount $168,000 (2008 : $190,500) are mortgaged to secure the Group's bank loans (Note 22).

12. Investment in subsidiaries

	Company 2009	Company 2008
	$'000	$'000
Unquoted equity shares, at cost		
- KTL Offshore Pte. Ltd.	13,160	13,160
- KTL Logan Pte. Ltd.	1	–
	13,161	13,160

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12. Investment in subsidiaries (cont'd)

	Name	Country of incorporation	Principal activities	Proportion (%) of ownership interest	
				2009	**2008**
	Held by the Company				
#	KTL Offshore Pte. Ltd.	Singapore	Trading of rigging equipment and related services	100	100
#	KTL Logan Pte. Ltd.	Singapore	Design and manufacturing of winches	65	–
	Held through KTL Offshore Pte Ltd				
*	PT. KTL Offshore Indonesia	Indonesia	Inspection and certification of lifting equipment and certification of wire ropes	95	–

Audited by Ernst & Young LLP, Singapore.
* Not required to be audited by laws of country of incorporation.

13. Inventories

	Group	
	2009	**2008**
	$'000	**$'000**
Balance sheet:		
Trading goods and supplies	32,435	30,352
Income statement:		
Inventories recognised as an expense in cost of sales	41,866	40,442
Inclusive of the following charge:		
- Inventories written down	56	29

14. Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 90 day terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Trade receivables denominated in foreign currencies as at 30 June are as follows:

	Group	
	2009	**2008**
	$'000	**$'000**
United States dollars	3,253	2,901
Euro	125	435

14. Trade receivables (cont'd)

Receivables that are past due but not impaired

The Group has trade receivables amounting to $8,584,000 (2008: $4,188,000) that are past due at the balance sheet date but not impaired. These receivables are unsecured and the analysis of their aging at the balance sheet date is as follows:

	Group	
	2009	**2008**
	$'000	**$'000**
Trade receivables past due		
Lesser than 30 days	1,750	1,650
30 to 60 days	2,162	1,017
61-90 days	1,585	541
More than 90 days	3,087	980
	8,584	4,188

Receivables that are impaired

The Group's trade receivables that are impaired at the balance sheet date and the movement of the allowance accounts used to record the impairment are as follows:

	Group Individually impaired	
	2009	**2008**
	$'000	**$'000**
Trade receivables – nominal amounts	302	202
Less: Allowance for impairment	(302)	(202)
	–	–
Movement in allowance accounts :		
At 1 July	202	99
Charge for the year	230	106
Bad debts recovered	(16)	–
Written off	(114)	(3)
At 30 June	302	202

Trade receivables that are individually determined to be impaired at the balance sheet date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

15. Other receivables and prepayments

	Group		Company	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
Non-current				
Long-term deposit	707	429	–	–
	707	429	–	–
Current				
Deposits	860	484	–	–
Prepayments	215	393	–	–
Amount due from outside parties	1,122	563	–	4
Staff advances	24	14	–	–
Others	7	6	–	–
Amount due from subsidiaries	–	–	14,775	6,904
	2,228	1,460	14,775	6,908

Amount due from subsidiaries is non-trade related, interest-free and repayable on demand.

Amount due from outside parties denominated in foreign currency at 30 June is as follows:

	Group		Company	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
United States dollars	–	559	–	–

16. Advances to a related party

Advances denominated in United States dollar, amounting to $584,000, was paid to Logan Industries Inc, a shareholder of KTL Logan Pte. Ltd. as an advance to meet suppliers' requests for payments, for design and manufacturing of winches. As at 30 June 2009, the amount has not been distributed to the suppliers.

17. Cash and cash equivalents

	Group		Company	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
Cash on hand and at bank	2,991	8,066	393	2,149
Short term deposits	2,110	6,774	–	6,000
	5,101	14,840	393	8,149
Less: Bank overdraft (Note 22)	(33)	–	–	–
	5,068	14,840	393	8,149

Cash and cash equivalents denominated in foreign currencies at 30 June are as follows:

United States dollars	1,330	2,932	9	9
United Arab dirham	76	(19)	–	–

17. Cash and cash equivalents (cont'd)

Cash at bank earns interest at floating rates based on daily bank deposit rates from 0% to 0.11% per annum (2008: 0% to 0.76%). Short-term deposits are made for varying periods of between seven days and one month depending on the immediate cash requirements of the Group, and earn interests at the respective short-term deposit rates from 0.137% to 1.40% per annum (2008: 0.50% to 0.88%).

The Group's fixed deposit of $410,000 (2008 : $760,000) is pledged to secure the Group's banker's guarantee for the rental deposit of the premises at Changi South Ave 2.

18. Net amount due to a customer for contract work-in-progress

	Group	
	2009	2008
	$'000	$'000
Aggregate amount of costs incurred and recognised profits to date	622	–
Less: Progress billings	(2,254)	–
	(1,632)	–

19. Trade payables

Trade payables are non-interest bearing and normally settled on 60-90 day terms.

Trade payables denominated in foreign currencies at 30 June are as follows:

	Group	
	2009	2008
	$'000	$'000
United States dollars	5,508	9,189
Euro	891	582
Pound Sterling	39	–

20. Bills payables

Bills payables are repayable within 1-6 months at effective interest rate of 4.75% to 7% per annum in 2009 (2008: 4.75% to 7% per annum). They are guaranteed by a corporate guarantee issued by KTL Global Limited to the banks.

Bill payables denominated in foreign currencies at 30 June are as follows:

	Group	
	2009	2008
	$'000	$'000
United States dollars	2,719	12,956
Euro	546	–

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21. Other payables

	Group		Company	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
Deposits and advances received	1,640	1,389	–	–
Accrued operating expenses	1,123	1,243	912	952
Sundry creditors	1,638	1,381	–	–
	4,401	4,013	912	952

22. Interest-bearing loans and borrowings

	Weighted average effective interest rate (per annum)	Maturity	Group As at 30 June 2009	2008
			$'000	$'000
Non-current liabilities				
Secured borrowing				
• Obligations under finance lease (Note 26(c))	4.5% - 6.9%	2010-2015	534	522
• UOB term loan	5.0%	2010	17	61
Unsecured borrowings				
• UOB bridging loan	5.0%	2013	2,904	–
			3,455	583
Current liabilities				
Secured borrowings				
• Obligations under finance lease (Note 26(c))	4.5% - 6.9%	2009	171	164
• UOB term loan - current portion	5.0%	2010	49	51
Unsecured borrowings				
• UOB bridging loan	5.0%	2013	961	–
• Bank overdrafts (Note 17)	5.25% - 6.75%		33	–
• DBS invoice financing	4.75%	2009	1,067	3,982
			2,281	4,197

UOB term loan (current and non-current)

The loan denominated in SGD, is repayable in 36 monthly instalments and is required to be fully repaid by 2010. The facility is secured by a fixed charge over 1 unit of 120 ton constant tension reeling machine.

DBS invoice financing

The invoice financing of up to $4,500,000 is guaranteed by a corporate guarantee issued by KTL Global Limited to the bank. This facility accepts 90% of the total value of invoices assigned and has a repayment period of 150 days.

22. Interest-bearing loans and borrowings (cont'd)

UOB bridging loan

The four-year SGD bridging loan under SPRING Singapore's Local Enterprise Finance Scheme is secured by a corporate guarantee issued by KTL Global Limited to the bank. This loan has an interest rate of 5% per annum and is repayable in 48 monthly instalments from the day of first drawdown.

Bank overdrafts

Bank overdrafts are denominated in SGD and bear interest rates ranging from 5.25% to 6.75% per annum.

Obligations under finance lease

These obligations are secured by a charge over the leased assets (Note 11) and have terms of renewal but no purchase options and escalation clauses. There are no restrictions placed upon the Group by entering into these leases. The effective interest rate ranges from 4.5% to 6.9% per annum in 2009 (2008: 4.8% to 6.9% per annum).

23. Deferred income tax

	Group		Company	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
Deferred tax liabilities				
Differences in depreciation	738	348	–	–

24. Share capital

	Group and Company			
	2009		2008	
	No. of shares		No. of shares	
	$'000	$'000	$'000	$'000
At 1 July	160,000	27,388	* –	* –
Issued for acquisition of a subsidiary	–	–	88,000	13,160
Issued pursuant to pre-initial public offering	–	–	32,000	4,694
Issued pursuant to initial public offering (net of expenses)	–	–	40,000	9,534
At 30 June	160,000	27,388	160,000	27,388

* Denotes less than 1,000

In financial year 2008, the Company issued 40,000,000 ordinary shares at $0.28 per share in connection with its initial public offering. The proceeds, net of share issue expenses of $1,666,000, amounted to $9,534,000.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

25. Dividends

	Group		Company	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
Declared and paid during the year:				
Dividends on ordinary shares:				
• Final exempt (one-tier) dividend for year ended 30 June 2008: $0.01 per share	1,600	–	1,600	–

26. Commitments

(a) *Operating lease commitments – as lessee*

The Group has entered into commercial leases on certain motor vehicles, office equipment, dormitories, warehouse, and office premises. These leases have an average tenure of between 1 and 5 years, with options to renew the lease after that date. None of the leases include contingent rentals. Future minimum rental payable under non-cancellable operating leases at 30 June are as follows:

	Group		Company	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
Not later than one year	4,542	3,801	–	–
Later than one year but not later than five years	3,339	4,879	–	–
	7,881	8,680	–	–

(b) *Operating lease commitments – as lessor*

The Group has entered into commercial property leases on its office premises. These non-cancellable leases have remaining lease terms of between 9 to 20 months. Future minimum rentals receivable under non-cancellable lease rentals as at 30 June are as follows:

	Group		Company	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
Not later than one year	1,539	478	–	–
Later than one year but not later than five years	492	200	–	–
	2,031	678	–	–

26. Commitments (cont'd)

(c) *Finance lease commitments*

The Group has finance leases for certain items of plant and equipment and motor vehicles. Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows:

	Group			
	Minimum lease payments 2009	**Present value of payments 2009**	**Minimum lease payments 2008**	**Present value of payments 2008**
	$'000	**$'000**	**$'000**	**$'000**
Not later than one year	199	171	190	164
Later than one year but not later than five years	592	507	494	421
Later than five years	32	27	120	101
Total minimum lease payments	823	705	804	686
Less: Amounts representing finance charges	(118)	–	(118)	–
Present value of minimum lease payments	705	705	686	686

(d) *Capital commitments*

Capital expenditure contracted for as at the balance sheet date but not recognised in the financial statements are as follows:

	Group	
	2009	**2008**
	$'000	**$'000**
Capital commitments in respect of property, plant and equipment	1,100	1,509
Commitments in respect of contract costs	1,106	–

27. Corporate guarantee

The Company has provided corporate guarantees to certain banks for invoice financing and a bridging loan taken by a subsidiary.

28. Related party disclosures

(a) *Sale and purchase of goods and services*

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties who are not members of the Group took place during the year at terms agreed between the parties:

	Group		Company	
	2009	**2008**	**2009**	**2008**
	$'000	**$'000**	**$'000**	**$'000**
Dividend income from a subsidiary	–	–	1,600	–
Rental paid to a company related to the directors (Note 28(c))	2,271	286	–	–
Purchase of training services from a company related to a director (Note 28(c))	–	4	–	–
Purchase of goods from a related party	188	–	–	–
Management fee charged to a subsidiary	–	–	2,587	1,793

(b) *Compensation of key management personnel*

	Group	
	2009	**2008**
	$'000	**$'000**
Short-term employee benefits	2,645	2,756
Central Provident Fund contributions	74	90
Other short-term benefits	131	155
Total compensation paid to key management personnel	2,850	3,001
Comprise amounts paid to:		
Directors of the Company	2,025	2,157
Other key management personnel	825	844
	2,850	3,001

(c) *Company related to a director*

Lease agreements

The Group has entered into lease agreements on 5 May 2008 and 2 January 2009 with Wiljohn Investment Pte Ltd for the provision of warehouse and office space with a monthly rental of S$143,000 and S$92,500 per month respectively (Note 28(a)). These amounts have been determined on an arms length basis, with reference to independent valuations by a firm of professional valuers.

Wiljohn Investment Pte Ltd is jointly owned by Mr Tan Tock Han, the Executive Chairman, Mr Tan Kheng Yeow, Chief Executive Officer, Mr Tan Kheng Kuan, the Director of Administration, Ms Tan Suan Suan, the Executive Assistant to Chairman and Ms Tan Khim Khim, the daughter of the Executive Chairman and Mdm Cheong Gim Kheng, the wife of the Executive Chairman (Note 28(a)).

29. Fair value of financial instruments

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

Financial instruments whose carrying amount approximate fair value

Management has determined that the carrying amounts of cash and short term deposits, current trade and other receivables, bank overdrafts, current trade and other payables, current bank loans and non-current bank loans, based on their notional amounts, reasonably approximate their fair values because these are mostly short term in nature or are repriced frequently.

Set below is a comparison by category of carrying amounts and fair values of the Group's financial instruments that are carried in the financial statements at other than fair value.

	Group			
	Carrying amount		Fair value	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
Financial liabilities:				
Obligations under finance lease	705	686	742	710
Bridging loan	3,865	–	3,847	–

Determination of fair value

Fair value has been determined using discounted estimated cash flows. Where repayment terms are not fixed, future cash flows are projected based on management's best estimates. The discount rates used are the current market incremental lending rates for similar types of lending and borrowing arrangements.

Classification of financial instruments

The table below is an analysis of the carrying amounts of financial instruments by categories as defined in FRS 39 as at 30 June :

	Group		Company	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
Loans and receivables				
Long term deposit	707	429	–	–
Trade receivables	16,122	17,582	–	–
Other receivables	2,013	1,067	13,175	6,908
Advances given to related party	584	–	–	–
Cash and bank balances	5,101	14,840	393	8,149
Total	24,527	33,918	13,568	15,057
Financial liabilities measured at amortised cost				
Trade payables	7,543	11,436	–	–
Other payables	4,401	4,013	912	952
Bills payables	10,599	14,795	–	–
Interest-bearing loans and borrowings	5,736	4,780	–	–
Total	28,279	35,024	912	952

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30. Financial risk management objectives and policies

The Group is exposed to interest rate, foreign currency, credit and liquidity risks. The Group's risk management approach seeks to minimise the potential material adverse impact of these exposures.

(a) *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rate. The Group's exposure to interest rate risk arises primarily from the Group's bank overdrafts. As the Group uses mainly fixed rate debts, its exposure to interest rate risk is minimal.

(b) *Foreign currency risk*

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of the entities, primarily USD and SGD. The foreign currencies in which these transactions are denominated are mainly United States dollars and Euro. Approximately 30.5% (2008: 29.1%) of the Group's sales are denominated in foreign currencies whilst approximately 91.9% (2008: 95.4%) of the Group's purchases are denominated in foreign currencies.

There is no formal hedging policy with respect to the foreign exchange exposure. Exposure to exchange risk is monitored on an ongoing basis.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the USD exchange rates (against SGD), with all other variables held constant, of the Group's profit net of tax and equity.

		2009		2008	
		Profit net of tax	**Equity**	**Profit net of tax**	**Equity**
		$'000	**$'000**	**$'000**	**$'000**
USD	- strengthened 3% (2008: 3%)	(107)	(107)	(388)	(388)
	- weakened 3% (2008: 3%)	107	107	388	388
EUR	- strengthened 3% (2008: 3%)	(33)	(33)	(4)	(4)
	- weakened 3% (2008: 3%)	33	33	4	4

(c) *Credit risk*

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets such as cash and cash equivalents, the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

30. Financial risk management objectives and policies (cont'd)

(c) *Credit risk*

Exposure to credit risk

At the balance sheet date, the Group's and the Company's maximum exposure to credit risk is represented by:

- the carrying amount of each class of financial assets recognised in the balance sheets; and

- a corporate guarantee provided by the Company to a bank on the subsidiary's invoice financing facility.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its debtors on an on-going basis. The credit risk concentration profile of the Group's trade receivables at the balance sheet date is as follows:

	Group			
	2009		**2008**	
	$'000	**% of total**	**$'000**	**% of total**
By country:				
Singapore	9,087	57%	10,924	62%
Asia	3,927	24%	4,454	25%
Rest of the world	3,108	19%	2,204	13%
	16,122	100%	17,582	100%
By industry sectors:				
Offshore Oil and Gas	8,607	53%	12,910	74%
Marine	4,677	29%	3,244	18%
Others	2,838	18%	1,428	8%
	16,122	100%	17,582	100%

At the balance sheet date, approximately:

21.4% (2008: 37.0%) of the Group's trade receivables were due from 5 major customers who are multi-industry conglomerates located in Singapore and overseas.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are due from creditworthy debtors with good payment record with the Group. Cash and cash equivalents that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 14 (Trade receivables).

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30. Financial risk management objectives and policies (cont'd)

(d) *Liquidity risk*

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group's cash and short term deposits, operating cash flows, availability of banking facilities and debt maturity profile are actively managed to ensure adequate working capital requirements and that repayment and funding needs are met.

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the balance sheet date based on contractual undiscounted payments.

	1 year or less	1 to 5 years	Over 5 years	Total
	$'000	$'000	$'000	$'000
Group				
2009				
Trade payables	7,543	–	–	7,543
Other payables	4,401	–	–	4,401
Bills payables	10,599	–	–	10,599
Loans and borrowings	2,281	3,428	27	5,736
Interest on liabilities	474	296	5	775
	25,298	3,724	32	29,054
2008				
Trade payables	11,436	–	–	11,436
Other payables	4,013	–	–	4,013
Bills payables	14,795	–	–	14,795
Loans and borrowings	4,197	481	102	4,780
Interest on liabilities	450	81	18	549
	34,891	562	120	35,573
Company				
2009				
Other payables	912	–	–	912
2008				
Other payables	952	–	–	952

31. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 30 June 2009 and 30 June 2008.

31. Capital management (cont'd)

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, loans and borrowings, trade and other payables, other liabilities, less cash and cash equivalents. Capital includes equity attributable to the equity holders.

	Group	
	2009	2008
	$'000	$'000
Loans and borrowings (Note 22)	5,736	4,780
Bills payable (Note 20)	10,599	14,795
Trade payables (Note 19)	7,543	11,436
Other payables (Note 21)	4,401	4,013
Less: Cash and cash equivalents (Note 17)	(5,068)	(14,840)
Net debt	23,211	20,184
Equity attributable to the equity holders of the parent	37,097	33,700
Total capital	37,097	33,700
Capital and net debt	60,308	53,884
Gearing ratio	38%	37%

32. Segment information

Reporting format

The primary reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the offshore oil and gas industry, marine industry and other industries. Secondary information is reported geographically. The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

Business segments

The Group's operating businesses are organised and managed separately according to the offshore oil and gas industry, marine industry and others.

Geographical segments

Sales to the external customers in the geographical segments disclosed are based on the geographical location of its customers. Assets are based on the location of the assets.

Allocation basis and transfer pricing

Segment results, assets and liabilities include items directly attributable to a segment as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, income tax and deferred tax assets and liabilities.

Transfer prices between business segments are set at terms agreed between the segments. Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

32. Segment information (cont'd)

(a) *Business segments*

The following table presents revenue and results information regarding the Group's business segments for the years ended 30 June 2009 and 2008:

	Offshore oil and gas	Marine	Others	Elimination	Total
	$'000	$'000	$'000	$'000	$'000
Year ended 30 June 2009					
Revenue	54,015	5,544	11,623		71,182
Other income	1,077	41	86		1,204
Segment revenue	55,092	5,585	11,709		72,386
Segment results	6,090	160	529		6,779
Finance income					34
Finance expenses					(973)
Profit before tax					5,840
Income tax expense					(820)
Profit after tax					5,020
As at 30 June 2009					
Segment assets	52,101	5,281	11,071		68,453
Total assets					68,453
Segment liabilities	22,768	2,308	4,835		29,911
Tax payables and deferred tax liabilities					1,417
Total liabilities					31,328
Other segment information:					
Depreciation	858	87	182		1,127
Capital expenditure	5,121	519	1,089		6,729

32. Segment information (cont'd)

(a) *Business segments (cont'd)*

	Offshore oil and gas	Marine	Others	Elimination	Total
	$'000	$'000	$'000	$'000	$'000
Year ended 30 June 2008					
Revenue	48,121	10,874	4,397	–	63,392
Other income	1,428	323	130	–	1,881
Segment revenue	49,549	11,197	4,527	–	65,273
Segment results	8,043	50	246		8,339
Finance income					51
Finance expenses					(916)
Profit before tax					7,474
Income tax expense					(1,162)
Profit after tax					6,312
As at 30 June 2008					
Segment assets	53,403	12,068	4,880		70,351
Total assets					70,351
Segment liabilities	26,586	6,008	2,430		35,024
Tax payables and deferred tax liabilities					1,627
Total liabilities					36,651
Other segment information:					
Depreciation	322	73	29		424
Capital expenditure	3,108	702	284		4,094

(b) *Geographical segments*

The turnover by geographical segments is based on the delivery order address of the customers.

The following table provides an analysis of the Group revenue by geographical market :

	Group Revenue 2009	2008
	$'000	$'000
Singapore	35,825	34,928
Asia	18,738	13,859
Rest of the world	16,619	14,605
	71,182	63,392

NOTES TO THE FINANCIAL STATEMENTS

30 June 2009

32. Segment information (cont'd)

(b) *Geographical segments (cont'd)*

	Assets		Capital expenditure	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
Singapore	67,427	70,351	6,729	4,094
Rest of the world	1,026	–	–	–
	68,453	70,351	6,729	4,094

Asia includes Brunei, Hong Kong, India, Indonesia, Japan, Malaysia, Philippines, People's Republic Of China, South Korea, Taiwan, Thailand and Vietnam.

Rest of the world include Africa, Australia, North and South America, Europe, The Middle East and New Zealand

33. Authorisation of financial statements for issue

The financial statements for the year ended 30 June 2009 were authorised for issue in accordance with a resolution of directors on 2 October 2009.

SHAREHOLDING STATISTICS

Issued and paid-up capital	:	$29,053,922
Number of shares	:	160,000,000
Class of shares	:	Ordinary shares
Voting rights	:	One vote per share

The Company does not hold any treasury shares.

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS
(As at 11 September 2009)

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	% OF SHAREHOLDERS	NO. OF SHARES	% OF SHAREHOLDINGS
1 - 999	0	0.00	0	0.00
1,000 - 10,000	787	48.05	5,298,000	3.31
10,001 - 1,000,000	840	51.28	42,106,000	26.32
1,000,001 - and above	11	0.67	112,596,000	70.37
Grand Total	1,638	100.00	160,000,000	100.00

SUBSTANTIAL SHAREHOLDERS
(As recorded in the Register of Substantial Shareholders as at 11 September 2009)

	DIRECT INTEREST		DEEMED INTEREST	
NAME OF SHAREHOLDERS	NO. OF SHARES	%	NO. OF SHARES	%
Tan Tock Han(1)	-	-	89,000,000	55.63
Tan Kheng Yeow(2)	-	-	88,000,000	55.00
Kim Teck Leong Pte. Ltd.	88,000,000	55.00	-	-

Notes:

(1) Mr Tan Tock Han is deemed to have an interest in the 88,000,000 shares held by Kim Teck Leong Pte. Ltd. by virtue of Section 7 of the Companies Act, Chapter 50 (the "Act") and the 1,000,000 shares held by his wife, Mdm Cheong Gim Kheng, by virtue of Section 164(15) of the Act.

(2) Mr Tan Kheng Yeow is deemed to have an interest in the 88,000,000 shares held by Kim Teck Leong Pte. Ltd. by virtue of Section 7 of the Act.

TWENTY LARGEST SHAREHOLDERS
(As at 11 September 2009)

	NAME OF SHAREHOLDER	NO. OF SHARES	% OF SHAREHOLDINGS
1	KIM TECK LEONG PTE. LTD.	88,000,000	55.00
2	CITIBANK NOMINEES SINGAPORE PTE LTD	7,700,000	4.81
3	OCBC SECURITIES PRIVATE LTD	3,582,000	2.24
4	EASTERN NAVIGATION PTE LTD	2,615,000	1.63
5	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	2,550,000	1.59
6	TAN SEK KHOON	2,341,000	1.46
7	TAURUS CAPITAL PARTNERS PTE LTD	1,350,000	0.84
8	LEE BENG CHEE	1,143,000	0.71
9	UNITED OVERSEAS BANK NOMINEES PTE LTD	1,138,000	0.71
10	DBS NOMINEES PTE LTD	1,127,000	0.70
11	HSBC (SINGAPORE) NOMINEES PTE LTD	1,050,000	0.66
12	PHILLIP SECURITIES PTE LTD	781,000	0.49
13	TAN KHENG KUAN (CHEN QINGQUAN)	650,000	0.41
14	HON CHUNG LIP	500,000	0.31
15	KIM ENG SECURITIES PTE. LTD.	460,000	0.29
16	KOH KOK KENG OR SEAH MEOW LUAN	450,000	0.28
17	CHIANG SOK YANG	410,000	0.26
18	CHEONG SWEE KHENG	360,000	0.23
19	MAYBAN NOMINEES (SINGAPORE) PTE LTD	350,000	0.22
20	LIM SOO TONG	330,000	0.21
	TOTAL	**116,887,000**	**73.05**

FREE FLOAT

Based on the information provided to the Company as at 11 September 2009, approximately 43.63% of the issued ordinary shares of the Company was held by the public. Accordingly, Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited has been complied with.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Third Annual General Meeting of KTL Global Limited (the "Company") will be held at 71 Tuas Bay Drive, Singapore 637430 on Friday, 23 October 2009 at 10.00 am for the following purposes:-

AS ORDINARY BUSINESS

Resolution 1

1. To receive and adopt the Directors' Report and the Audited Accounts for the financial year ended 30 June 2009, together with the Auditors' Report thereon.

Resolution 2

2. To re-elect Mr Tan Tock Han, who is retiring by rotation pursuant to Article 104 of the Company's Articles of Association (the "Articles") and who, being eligible, is offering himself for re-election as a Director.

Resolution 3

3. To re-elect Mr Lim Yeow Hua @ Lim You Qin, who is retiring by rotation pursuant to Article 104 of the Articles and who, being eligible, is offering himself for re-election as a Director.

   [Mr Lim will, upon re-election as a Director, remain as the chairman of the Audit Committee and member of the Nominating Committee and the Remuneration Committee, and will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.]

Resolution 4

4. To approve the payment of Directors' fees of S$280,000 for the financial year ended 30 June 2009.

Resolution 5

5. To re-appoint Ernst & Young LLP as Auditors of the Company and to authorise the Directors to set their remuneration.

6. To transact any other ordinary business that may be properly transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

Resolution 6

7. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

   "That pursuant to Section 161 of the Companies Act, Cap. 50 and the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), authority be and is hereby given to the Directors of the Company to:-

   (A) (i) allot and issue shares in the capital of the Company, whether by way of rights, bonus or otherwise; and/or

   (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

   at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

   (B) (notwithstanding that this authority may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this authority was in force,

NOTICE OF ANNUAL GENERAL MEETING

provided that:-

(1) the aggregate number of shares to be issued pursuant to this authority (including shares to be issued in pursuance of Instruments made or granted pursuant to this authority) does not:

  (i) in the case of a pro-rata renounceable rights issue, exceed 100% of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below) ("Issued Shares"); and

  (ii) in all other cases, exceed 50% of the total number of Issued Shares, provided that the aggregate number of shares to be issued other than on pro-rata basis to the existing shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this authority) does not exceed 20% of the total number of Issued Shares;

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of Issued Shares shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this authority is given, after adjusting for:-

  (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this authority is given; and

  (ii) any subsequent bonus issue, consolidation or sub-division of shares;

(3) in exercising the authority conferred by this Resolution, the Directors shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and

(4) (unless revoked or varied by the Company in general meeting) this authority shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.

[See Explanatory Note]

BY ORDER OF THE BOARD

Law Sai Leung
Company Secretary
Singapore
7 October 2009

Explanatory Note

Ordinary Resolution 6 is to empower the Directors to issue shares in the capital of the Company and to make or grant instruments (such as warrants) convertible into shares, and to issue shares in pursuance of such instruments, up to a number not exceeding (i) in the case of a renounceable rights issue, 100% of the total number of issued shares (excluding treasury shares) in the capital of the Company, and (ii) in all other cases, 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company, with a sub-limit of 20% for issues other than on a pro-rata basis to shareholders. For the purpose of determining the aggregate number of shares that may be issued, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time Ordinary Resolution 6 is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards that are outstanding or subsisting at the time Ordinary Resolution 6 is passed, and (b) any subsequent bonus issue, consolidation or sub-division of shares. Such authority will, unless previously revoked or varied at a general meeting, expire at the next annual general meeting of the Company.

NOTICE OF ANNUAL GENERAL MEETING

Notes

(i) A member of the Company entitled to attend and vote at the abovementioned Meeting may appoint not more than two proxies to attend and vote in his stead.

(ii) Where a member appoints two proxies, he shall specify the proportion of his shareholding to be represented by each proxy, in the proxy form. A proxy need not be a member of the Company.

(iii) If the member is a corporation, the proxy form must be executed under seal or the hand of an officer or attorney duly authorised.

(iv) The proxy form must be deposited at the Registered Office of the Company at 71 Tuas Bay Drive, Singapore 637430 not less than 48 hours before the time appointed for holding the abovementioned Meeting.

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KTL GLOBAL LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 200704519M)

ANNUAL GENERAL MEETING
PROXY FORM

IMPORTANT
1. This Annual Report is also forwarded to investors who have used their CPF monies to buy shares in the Company at the request of their CPF Approved Nominees, and is sent solely for their information only.
2. This Proxy Form is therefore not valid for use by such CPF investors, and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We ____ (Name)

of ____ (Address)

being a member/members of KTL GLOBAL LIMITED (the "Company") hereby appoint:

Name	Address	NRIC / Passport Number	Proportion of Shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC / Passport Number	Proportion of Shareholdings (%)

as my/our proxy/proxies to attend and to vote for me/us on my/our behalf, at the Annual General Meeting of the Company to be held at 71 Tuas Bay Drive, Singapore 637430 on Friday, 23 October 2009 at 10.00 am and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they will on any other matter arising at the Meeting and at any adjournment thereof.

No.	Resolutions relating to:	For	Against
	Ordinary Business		
1.	Directors' Report and Audited Accounts for financial year ended 30 June 2009, together with Auditors' Report thereon		
2.	Re-election of Mr Tan Tock Han as a Director		
3.	Re-election of Mr Lim Yeow Hua @ Lim You Qin as a Director		
4.	Payment of Directors' fees of S$280,000		
5.	Re-appointment of Ernst & Young LLP as Auditors		
	Special Business		
6.	Authority to allot and issue new shares		

(Please indicate with a cross [X] in the space provided whether you wish your vote to be cast for or against the Resolution as set out in the Notice of the Meeting.)

Dated this ________________ day of ___________________________ 2009

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

____
Signature(s) of Member(s) or Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:-

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, this proxy form shall be deemed to relate to all the shares held by you.

2. A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on his behalf. A proxy need not be a member of the Company.

3. Where a member appoints two proxies, the proportion of the shareholding to be represented by each proxy shall be specified in this proxy form. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire shareholding and any second named proxy as an alternate to the first named, or at the Company's option, to treat this proxy form as invalid.

4. This proxy form must be deposited at the registered office of the Company at 71 Tuas Bay Drive, Singapore 637430 not less than 48 hours before the time set for the Annual General Meeting.

5. This proxy form must be under the hand of the appointor or of his attorney duly authorised in writing. Where this proxy form is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.

6. Where this proxy form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with this proxy form, failing which this proxy form shall be treated as invalid.

7. The Company shall be entitled to reject a proxy form that is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the proxy form. In addition, in the case of shares entered in the Depository Register, the Company may reject a proxy form if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Tan Tock Han
(Executive Chairman)
Tan Kheng Yeow (Wilson Tan)
(Chief Executive Officer)
Mark Gareth Joseph Beretta (Mark Beretta)
(Sales and Marketing Director)
Lim Yeow Hua @ Lim You Qin (Lim Yeow Hua)
(Lead Independent Director)
Cheong Hooi Kheng
(Non-Executive Director)
Ng Weng Sui, Harry (Harry Ng)
(Independent Director)

EXECUTIVE OFFICERS

Law Sai Leung
(Chief Financial Officer)
Tan Kheng Kuan (Jonathan Tan)
(Director of Administration)

AUDIT COMMITTEE

Lim Yeow Hua
(Chairman)
Cheong Hooi Kheng
Harry Ng

REMUNERATION COMMITTEE

Harry Ng
(Chairman)
Cheong Hooi Kheng
Lim Yeow Hua

NOMINATING COMMITTEE

Harry Ng
(Chairman)
Cheong Hooi Kheng
Lim Yeow Hua

COMPANY SECRETARIES

Law Sai Leung
Vincent Lim Bock Hui

REGISTERED OFFICE

71, Tuas Bay Drive
Singapore 637430
Telephone: (65) 6543 8888
Facsimile: (65) 6545 2323
Website: www.ktlgroup.com

SHARE REGISTRAR

Tricor Barbinder Share Registration Services
(A division of Tricor Singapore Pte Ltd)
8 Cross Street
#11-00 PWC Building
Singapore 048424

AUDITORS

Ernst & Young LLP
One Raffles Quay
North Tower, Level 18
Singapore 048583
Partner-in-charge: Ho Shyan Yan
(since financial year ended 30 June 2008)

PRINCIPAL BANKERS

United Overseas Bank Limited
DBS Bank Ltd

KTL GLOBAL LIMITED ANNUAL REPORT 2009

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