

MEDIA RELEASE

KOP RECORDS HALF YEAR PROFIT AFTER TAX OF S\$0.55 MILLION - Turnaround from a Loss After Tax of S\$2.08 Million Over Last Year

Financial Highlights For the second quarter ended 30 September 2019

	2QFY2020 S\$'000	2QFY2019 S\$'000	Growth %	6MFY2020 S\$'000	6MFY2019 S\$'000	Growth %
Revenue	5,265	4,302	22	10,611	9,201	15
Gross Profit	2,600	2,158	20	6,503	5,373	21
Administrative and general expenses	(2,664)	(3,710)	(28)	(5,882)	(7,971)	(26)
Profit/ (loss) before tax	85	(712)	N.M.	507	(2,083)	N.M.
Profit/ (loss) after tax	123	(708)	N.M.	549	(2,079)	N.M.

Singapore, 14 November 2019 – Catalyst-listed KOP Limited (“KOP” or “the Group”) today announced a profit after tax of S\$0.55 million for the half year ended 30 September 2019 (“6MFY2020”), compared to a loss S\$2.08 million for the corresponding period last year (“6MFY2019”). Profit after tax for the second quarter (“2QFY2020”) was S\$0.12 million against a loss after tax of S\$0.71 million for the corresponding period last year (“2QFY2019”).

The Group generated a gross profit of S\$6.50 million in 6MFY2020, up by 21 per cent as compared to S\$5.37 million in 6MFY2019. This was due mainly to consultancy income received during the period. No such fee was recorded last year. Gross profit for 2QFY2020 was S\$2.60 million as compared to S\$2.16 million in 2QFY2019.

6MFY2020 Group revenue was S\$10.61 million, an increase of 15 per cent over 6MFY2019. The increase was largely due to an increase in revenue from the hospitality segment, partially offset by the decrease in revenue from the real estate origination and management services segment. 2QFY2020 revenue increased by 22 per cent to reach S\$5.27 million as compared to S\$4.30 million for 2QFY2019.

KOP LIMITED

Co. Registration No.: 200415164G

Ms Ong Chih Ching, Executive Chairman and Executive Director of KOP Limited, said: “The half year results were commendable as the Group has turned around to profitability. The better performance of the Group was largely achieved through the hospitality segment namely, Montigo Resorts, Nongsa and Montigo Resorts, Seminyak. We also managed to lower the administrative expenses for the Group by 26 per cent from S\$7.97 million last half year to S\$5.88 million.”

On a fully diluted basis, the Group’s earnings per ordinary share improved from loss of 0.18 cents in 6MFY2019 to a profit of 0.07 cents in 6MFY2020. This is based on the issued share capital of 1,107,962,214 ordinary shares.

No interim dividend has been declared for 6MFY2020.

Business Prospects

The Group has business operations in Singapore, China and Indonesia. In view of macro volatilities and the challenging business environment, the Group will expand prudently and will only do so under opportunistic and strategic circumstances. In view of this, the Group will focus on the growth of existing businesses and execution of current projects. Management will also focus on cost management and improving operational efficiency to optimize the utilization of the Group’s resources.

The Group’s hospitality segment comprising Montigo Resorts, Nongsa and Montigo Resorts, Seminyak, continues to record positive growth in occupancy and performance. This segment is expected to continue to contribute healthy recurring income to the Group as the two resorts have a strong brand name and a niche market for multi-generational vacations.

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About KOP Limited

Listed on the Catalist board of the SGX-ST, KOP Limited (“KOPL” or the “Group”) is a Singapore-based real estate development and entertainment company with a diversified and robust portfolio of developments and investments in Singapore as well as the region.

With origins leading back to KOP Properties Pte. Ltd., the Group has quickly built a reputation as a developer of niche, iconic and award-winning projects such as The Ritz-Carlton Residences and Montigo Resorts, Nongsa and Seminyak in Indonesia, and the upcoming Wintastar in Shanghai. Wintastar, Shanghai is the highly-anticipated integrated sports-entertainment-tourism resort that will house the world’s largest indoor Ski & Snow Park. KOPL’s property business covers areas of real estate development, investment and management services and is built on an integrated business model. Through a broad range of distinctive and award-winning real estate and hospitality projects crafted with quality design and workmanship, KOPL provides unique living and leisure experiences to its clients.

Leveraging on the strategic synergies between its subsidiaries, KOPL is empowered to expand its core business of property development and incorporate entertainment elements into various ventures, adding flavour and character to real estate. Through spearheading high-quality and innovative projects, with the objective to strengthen its market leadership, KOPL aims to generate growing returns for its shareholders and investors.

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This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, RHT Capital Pte. Ltd. (the “Sponsor”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “SGX-ST”). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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