

# KOP LIMITED

(Company Registration Number: 200415164G)  
(Incorporated in the Republic of Singapore)  
(the "Company", and together with its subsidiaries, the "Group")

## FIRST QUARTER FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2017

### PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		
	1QFY2018 3 months ended 30-Jun-17 (Unaudited) S\$'000	1QFY2017 3 months ended 30-Jun-16 (Unaudited) S\$'000	% change + / (-)
Revenue	3,331	2,632	27
Cost of sales	(1,788)	(1,692)	6
Gross profit	1,543	940	64
Other operating income	1,289	9,945	(87)
	2,832	10,885	(74)
Distribution costs	(107)	(229)	(53)
Administrative expenses	(4,291)	(4,205)	2
Share of results from investments in associated companies	(311)	1,410	n.m.
Finance costs	(216)	(241)	(10)
<b>(Loss)/ Profit before tax</b>	<b>(2,093)</b>	<b>7,620</b>	<b>n.m.</b>
Income tax expense	-	(1,775)	n.m.
<b>(Loss)/ Profit after tax</b>	<b>(2,093)</b>	<b>5,845</b>	<b>n.m.</b>
<b>Other comprehensive income/ (loss) for the period, after tax:</b>			
<i>Item that may be subsequently reclassified to profit or loss:</i>			
Exchange difference on translation of foreign operations	180	(369)	n.m.
<b>Total comprehensive (loss)/ income for the period</b>	<b>(1,913)</b>	<b>5,476</b>	<b>n.m.</b>
<b>(Loss)/ Profit attributable to:</b>			
Owners of the Company	(2,000)	4,944	n.m.
Non-controlling interests	(93)	901	n.m.
	<b>(2,093)</b>	<b>5,845</b>	<b>n.m.</b>
<b>Total comprehensive (loss)/ income attributable to:</b>			
Owners of the Company	(1,877)	4,635	n.m.
Non-controlling interests	(36)	841	n.m.
	<b>(1,913)</b>	<b>5,476</b>	<b>n.m.</b>

1(a)(ii) (Loss)/ Profit before tax is determined after charging/ (crediting):

	Group		
	1QFY2018 3 months ended 30-Jun-17 (Unaudited) S\$'000	1QFY2017 3 months ended 30-Jun-16 (Unaudited) S\$'000	% change + / (-)
Depreciation of property, plant and equipment (Note a)	766	876	(13)
Amortisation of intangible assets (Note b)	7	25	(72)
Interest income (Note c)	(293)	(472)	(38)
Net foreign exchange loss/ (gain) (Note d)	473	(306)	n.m.
Interest expense (Note e)	216	241	(10)
Property, plant and equipment written off (Note f)	-	117	n.m.
Loss/ (Gain) on disposal of property, plant and equipment (Note g)	19	(8,933)	n.m.
Bad debts recovered (Note h)	(635)	(100)	535

n.m. - not meaningful

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## FIRST QUARTER FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2017

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### PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

**Notes:**

- a. 1QFY2018 vs 1QFY2017  
Decrease in depreciation mainly due to some of the property, plant and equipment were fully depreciated.
- b. 1QFY2018 vs 1QFY2017  
Amortisation of intangible assets relates to the amortisation of free TV/ paid TV/ video rights.
- c. 1QFY2018 vs 1QFY2017  
Decrease in interest income was mainly due to the repayment of shareholders' loan from associated company during the period.
- d. 1QFY2018 vs 1QFY2017  
Net foreign exchange loss mainly due to the translation of advances from non-controlling interests from United States Dollars to Singapore Dollars during the period.
- e. 1QFY2018 vs 1QFY2017  
Decrease in interest expense was mainly due to the partial settlement of advances from non-controlling interests in April 2017.
- f. 1QFY2018 vs 1QFY2017  
This mainly represents property, plant and equipment written off from the real estate origination and management services segment in 1QFY2017.
- g. 1QFY2018 vs 1QFY2017  
Significant gain in 1QFY2017 was mainly due to the gain from the sale of Cranley Hotel during the period.
- h. 1QFY2018 vs 1QFY2017  
This mainly represents bad debts recovered from the receivables from the Entertainment segment.

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### PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	30-Jun-17 (Unaudited)* S\$'000	31-Mar-17 (Unaudited)* S\$'000	30-Jun-17 (Unaudited)* S\$'000	31-Mar-17 (Unaudited)* S\$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and bank balances	13,925	815	43	5
Trade and other receivables	9,874	36,485	25,960	27,833
Other current assets	786	755	15	22
Development properties	24,845	24,448	-	-
Inventories	537	518	-	-
<b>Total current assets</b>	<b>49,967</b>	<b>63,021</b>	<b>26,018</b>	<b>27,860</b>
<b>Non-current assets</b>				
Intangible assets	-	7	-	-
Investments in subsidiaries	-	-	152,500	152,500
Investments in associated companies	8,424	8,735	-	-
Long-term notes receivable	17,133	16,894	-	-
Property, plant and equipment	59,166	59,427	-	-
Investment property	11,306	11,306	-	-
Deferred tax assets	244	242	-	-
<b>Total non-current assets</b>	<b>96,273</b>	<b>96,611</b>	<b>152,500</b>	<b>152,500</b>
<b>Total assets</b>	<b>146,240</b>	<b>159,632</b>	<b>178,518</b>	<b>180,360</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities</b>				
Trade and other payables	16,651	24,231	2,926	5,015
Bank overdrafts and borrowings (secured)	12,368	14,075	-	-
Finance leases	20	20	-	-
Sales proceeds received in advance	829	2,445	-	-
Income tax payables	1,009	1,131	4	4
<b>Total current liabilities</b>	<b>30,877</b>	<b>41,902</b>	<b>2,930</b>	<b>5,019</b>
<b>Non-current liabilities</b>				
Bank borrowings (secured)	19,108	19,822	-	-
Finance leases	260	37	-	-
Deferred tax liabilities	2,663	2,626	-	-
<b>Total non-current liabilities</b>	<b>22,031</b>	<b>22,485</b>	<b>-</b>	<b>-</b>
<b>Capital, reserves and non-controlling interests</b>				
Share capital	67,861	67,861	283,427	283,427
Foreign currency translation reserves	537	414	-	-
Other reserve	1,520	1,520	-	-
Retained earnings/ (Accumulated losses)	23,944	25,944	(107,839)	(108,086)
<b>Equity attributable to owners of the Company</b>	<b>93,862</b>	<b>95,739</b>	<b>175,588</b>	<b>175,341</b>
Non-controlling interests	(530)	(494)	-	-
<b>Total equity</b>	<b>93,332</b>	<b>95,245</b>	<b>175,588</b>	<b>175,341</b>
<b>Total liabilities and equity</b>	<b>146,240</b>	<b>159,632</b>	<b>178,518</b>	<b>180,360</b>

\* The unaudited figures will be subjected to finalisation of the audited figures for FY2017. Any material variances will be announced in due course.

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### PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS

#### 1(b)(ii) Aggregate amount of group's borrowings and debt securities

	Group			
	30-Jun-17		31-Mar-17	
	(Unaudited)* S\$'000	(Unaudited)* S\$'000	(Unaudited)* S\$'000	(Unaudited)* S\$'000
	Secured	Unsecured	Secured	Unsecured
Amount repayable in one year or less, or on demand	12,388	-	14,095	-
Amount repayable after one year	19,368	-	19,859	-
	<u>31,756</u>	<u>-</u>	<u>33,954</u>	<u>-</u>

#### Details of any collaterals:

The Group's borrowings are secured by the Group's properties, corporate guarantees issued by KOP Limited and its subsidiary, KOP Properties Pte. Ltd., personal guarantees from certain directors and assets under fixed term lease financing.

#### 1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group	
	1QFY2018	1QFY2017
	3 months ended 30-Jun-17 (Unaudited) S\$'000	3 months ended 30-Jun-16 (Unaudited) S\$'000
<b>Operating activities</b>		
(Loss)/ Profit before tax	(2,093)	7,620
Adjustments for:		
Depreciation of property, plant and equipment	766	876
Loss/ (Gain) on disposal of property, plant and equipment	19	(8,933)
Property, plant and equipment written off	-	117
Amortisation of intangible assets	7	25
Unrealised foreign exchange differences	548	(415)
Interest income	(293)	(472)
Finance costs	216	241
Allowance for doubtful receivables written back	-	(100)
Share of results from investments in associated companies	311	(1,410)
<b>Operating cash flows before movements in working capital</b>	<u>(519)</u>	<u>(2,451)</u>
Trade and other receivables	26,640	(555)
Other current assets	(31)	69
Development properties	(502)	(488)
Inventories	(19)	75
Prepaid film rights	-	(219)
Trade and other payables	(4,063)	(9,744)
Sales proceeds received in advance	(1,616)	40
<b>Cash generated from/ (used in) operations</b>	<u>19,890</u>	<u>(13,273)</u>
Interest paid	(427)	(342)
Interest received	13	3
Income tax paid	(51)	(277)
<b>Net cash flows from/ (used in) operating activities</b>	<u>19,425</u>	<u>(13,889)</u>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(806)	(1,196)
Disposal of property, plant and equipment	29	33,851
Loan to an associated company	-	(230)
<b>Net cash flows (used in)/ from investing activities</b>	<u>(777)</u>	<u>32,425</u>

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## FIRST QUARTER FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2017

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### PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

	Group	
	1QFY2018 3 months ended 30-Jun-17 (Unaudited) S\$'000	1QFY2017 3 months ended 30-Jun-16 (Unaudited) S\$'000
<b>Financing activities</b>		
Repayment of borrowings	(1,215)	(18,222)
Increase in restricted funds placed in escrow accounts	(636)	(447)
Increase in restricted funds placed in fixed deposit account	(11,287)	-
Drawdown of finance leases	233	-
Repayment of finance leases	(10)	(14)
Repayment from non-controlling interest	(3,513)	-
<b>Net cash used in financing activities</b>	<u>(16,428)</u>	<u>(18,683)</u>
<b>Net decrease in cash and cash equivalents</b>	2,220	(147)
Cash and cash equivalents at the beginning of financial period	(6,800)	(3,933)
Effect of foreign currency translation in cash and cash equivalents	(12)	(11)
<b>Cash and cash equivalents at the end of financial period</b>	<u>(4,592)</u>	<u>(4,091)</u>

*Explanatory Notes:*

Cash and cash equivalents in the cash flow statement comprise of the following:-

	30-Jun-17 (Unaudited)* S\$'000	30-Jun-16 (Unaudited) S\$'000	31-Mar-17 (Unaudited)* S\$'000	31-Mar-16 (Audited) S\$'000
Cash and bank balances	13,925	3,365	815	3,244
Less: Bank overdrafts	(6,308)	(6,258)	(7,329)	(6,425)
Less: Restricted funds placed in escrow accounts	(922)	(1,198)	(286)	(752)
Less: Restricted funds placed in fixed deposit account	(11,287)	-	-	-
<b>Cash and cash equivalents</b>	<u>(4,592)</u>	<u>(4,091)</u>	<u>(6,800)</u>	<u>(3,933)</u>

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## FIRST QUARTER FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2017

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### PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

#### Unaudited Statement of Changes in Equity for the period ended 30 June 2017

The Group	Share capital S\$'000	Foreign currency translation reserves S\$'000	Other reserve S\$'000	Retained earnings S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance at 1 April 2017	67,861	414	1,520	25,944	95,739	(494)	95,245
<u>Total comprehensive income/ (loss) for the period</u>							
Loss for the period	-	-	-	(2,000)	(2,000)	(93)	(2,093)
Other comprehensive income for the period	-	123	-	-	123	57	180
Total	-	123	-	(2,000)	(1,877)	(36)	(1,913)
Balance at 30 June 2017	67,861	537	1,520	23,944	93,862	(530)	93,332
Balance at 1 April 2016	67,861	436	1,258	25,012	94,567	(1,420)	93,147
<u>Total comprehensive income/ (loss) for the period</u>							
Profit for the period	-	-	-	4,944	4,944	901	5,845
Other comprehensive loss for the period	-	(309)	-	-	(309)	(60)	(369)
Total	-	(309)	-	4,944	4,635	841	5,476
Balance at 30 June 2016	67,861	127	1,258	29,956	99,202	(579)	98,623

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## FIRST QUARTER FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2017

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### PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

#### Unaudited Statement of Changes in Equity for the period ended 30 June 2017

<b>The Company</b>	<b>Share capital S\$'000</b>	<b>Accumulated losses S\$'000</b>	<b>Total equity S\$'000</b>
Balance at 1 April 2017	283,427	(108,086)	175,341
Profit for the period, representing total comprehensive income for the period	-	247	247
Balance at 30 June 2017	<u>283,427</u>	<u>(107,839)</u>	<u>175,588</u>
Balance at 1 April 2016	283,427	(109,860)	173,567
Profit for the period, representing total comprehensive income for the period	-	147	147
Balance at 30 June 2016	<u>283,427</u>	<u>(109,713)</u>	<u>173,714</u>

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### PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

#### Details of any changes in the Company's issued share capital

Issued and Paid-Up Capital	No. of Shares	Share Capital S\$'000
As at 31 March 2017 (unaudited) and 30 June 2017 (unaudited)	886,369,771	283,427

The Company does not have treasury shares or any outstanding convertibles or subsidiary holdings as at 30 June 2017 and 31 March 2017.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	30-Jun-17 (Unaudited)*	31-Mar-17 (Unaudited)*
Total number of issued shares (excluding treasury shares)	886,369,771	886,369,771

**1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

There are no sale, transfer, cancellation and/or use of treasury shares as at 30 June 2017.

**1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

There are no sale, transfer, cancellation and/or use of subsidiary holdings as at 30 June 2017.

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

The figures have not been audited or reviewed by the Company's auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in paragraph 5, the Group has applied consistent accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with those of the audited financial statements for the financial year ended 31 March 2016.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group and the Company have adopted the applicable new and revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 April 2017.

The adoption of these new and revised FRS and INT FRS has no material financial impact on the financial statements of the Group.

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### PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	3 months ended 30-Jun-17 (Unaudited)	3 months ended 30-Jun-16 (Unaudited)
Net profit attributable to Owners of the Company (S\$'000)	(2,000)	4,944
Weighted average number of ordinary shares	886,369,771	886,369,771
Earnings per share ("EPS") (in SGD cents per share)		
(a) based on weighted average number of ordinary shares	(0.23)	0.56
(b) on a fully diluted basis	(0.23)	0.56

Notes:

(1) Fully diluted EPS is the same as basic as there is no issuance of dilutive instruments.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:- (a) current financial period reported on; and (b) immediately preceding financial year.

	Group		Company	
	30-Jun-17 (Unaudited)*	31-Mar-17 (Unaudited)*	30-Jun-17 (Unaudited)*	31-Mar-17 (Unaudited)*
Net asset value ("NAV") (S\$'000)	93,332	95,245	175,588	175,341
Number of shares	886,369,771	886,369,771	886,369,771	886,369,771
NAV per ordinary share based on issued share capital as at end of the period reported on (in SGD cents per share)	10.53	10.75	19.81	19.78

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

#### (a) INCOME STATEMENTS

Revenue	1QFY2018 S\$'000	1QFY2017 S\$'000	Change	
			S\$'000	%
Real estate development and investment	-	-	-	-
Real estate origination and management services	50	50	-	-
Hospitality	3,152	2,523	629	25
Entertainment	129	59	70	119
	<u>3,331</u>	<u>2,632</u>	<u>699</u>	<u>27</u>

Revenue for the financial period from 1 April 2017 to 30 June 2017 ("1QFY2018") increased by S\$0.7 million or 27% as compared to period from 1 April 2016 to 30 June 2016 ("1QFY2017"). The increase was mainly due to an increase in revenue from the hospitality and entertainment segments.

The increase in revenue from the hospitality segment was mainly due higher occupancy rate in relation to Montigo Resorts, Seminyak and Montigo Resorts, Nongsa. The increase in revenue from the entertainment segment was mainly due to an increase in rental income from higher occupancy for KOP Building.

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8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

#### (a) INCOME STATEMENTS (CONT'D)

##### Gross profit/ Gross profit margin

Gross profit increased by S\$0.6 million or 64% from S\$0.9 million in 1QFY2017 to S\$1.5 million in 1QFY2018 mainly due to the increased in occupancy rate for both Montigo Resorts, Seminyak and Montigo Resorts, Nongsa, as well as the increase in rental income due to higher occupancy for KOP Building.

##### Other operating income

Other operating income decreased by S\$8.6 million from S\$9.9 million in 1QFY2017 to S\$1.3 million in 1QFY2018 mainly due to a gain on the sale of Cranley Hotel in 1QFY2017.

##### Distribution costs

Distribution costs decreased by S\$0.1 million or 53% from S\$0.2 million in 1QFY2017 to S\$0.1 million in 1QFY2018 mainly due to a decrease in marketing expenses and agency commission during the period.

##### Share of results from investments in associated companies

This represents the Group's share of results from investments in an associated company, Epic Land Pte. Ltd. during the period.

##### Finance Costs

Finance costs decreased by S\$25,000 or 10% from S\$241,000 in 1QFY2017 to S\$216,000 in 1QFY2018 mainly due to the repayment of loan during the period.

##### (Loss)/ Profit after tax

As a result of the above, the Group recorded a loss after tax of S\$2.1 million in 1QFY2018 and a profit after tax of S\$5.8 million in 1QFY2017.

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## FIRST QUARTER FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2017

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### PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**

**(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**

**(b) any material factors that affected cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

#### **(b) STATEMENT OF FINANCIAL POSITION**

Trade and other receivables decreased by S\$26.6 million from S\$36.5 million to S\$9.9 million mainly due to the repayment of shareholders' loan by associated company during the period.

Trade and other payables decreased by S\$7.6 million from S\$24.2 million to S\$16.7 million mainly due to the repayment of advances from non-controlling interests.

Decrease in bank overdrafts and borrowings of S\$2.4 million was mainly due to repayment of borrowings during the period.

Increase in finance leases of S\$223,000 was mainly due to a drawdown of new finance lease during the period.

Decrease in sales proceeds received in advance of S\$1.6 million was mainly due to a refund of sales proceeds received in advance for an uncompleted unit during the period.

Decrease in income tax payables of S\$122,000 was mainly due to payments made during the period.

#### **(c) STATEMENT OF CASH FLOWS**

The net cash inflow from operating activities for the period ended 30 June 2017 arose mainly due to repayment of shareholders' loan by associated company during the period.

The net cash outflow from investing activities for the period ended 30 June 2017 arose mainly due to the purchase of property, plant and equipment during the period.

The net cash outflow from financing activities for the period ended 30 June 2017 arose mainly due to repayment of borrowings and advances to non-controlling interest as well as increase in restricted funds placed in escrow accounts during the period.

# KOP LIMITED

(Company Registration Number: 200415164G)  
(Incorporated in the Republic of Singapore)  
(the "Company", and together with its subsidiaries, the "Group")

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**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, and variance between it and the actual results.**

No forecast or prospect statement has been previously disclosed.

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

The Group has business operations in Singapore, China and Indonesia. In view of macro uncertainties and downturn of the global economy, the Group will focus on the growth of existing businesses and will only expand cautiously under opportunistic and strategic circumstances.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

None.

**(b) Corresponding Period of the Immediately Preceding Financial year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

**(c) Date Payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**12. If no dividend has been declared (recommended), a statement to that effect.**

No dividend has been declared or recommended.

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**PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS**

13. If the group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate for recurring interested person transactions.

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) S\$'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transaction less than S\$100,000) S\$'000
<b>Royce Properties Pte. Ltd.</b> Interest income	239	-
<b>Scotts Spazio Pte. Ltd.</b> Management fee income	50	-

**14. Confirmation by the Board pursuant to Rule 705(5)**

The Board of Directors confirms that, to the best of their knowledge, nothing has come to their attention which may render the first quarter financial results of the Company and of the Group for the period ended 30 June 2017 to be false or misleading in any material aspect.

**15. Confirmation pursuant to Rule 720(1)**

The Company confirms that undertakings under Rule 720(1) have been obtained from all its directors and executive officers in the format set out in form Appendix 7H.

**BY ORDER OF THE BOARD**

Ong Chih Ching  
Executive Chairman and Executive Director  
14 August 2017

*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.*

*The contact person for the Sponsor is Mr. Khong Choun Mun, Registered Professional, RHT Capital Pte. Ltd., Six Battery Road, #10-01, Singapore 049909, Telephone (65) 6381 6757.*