



(Company Registration Number: 200415164G)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 31 DECEMBER 2021

Pursuant to Rule 705(2C) of the Listing Manual Section B: Rules of Catalist, the Singapore Exchange Regulation requires the Company to continue to announce its quarterly financial statements with effect from 7 February 2020.

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. ("Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("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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KOP LIMITED

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

	Note	Group					
		3 months ended	3 months ended	% of	9 months ended	9 months ended	% of
		31-Dec-21	31-Dec-20	change	31-Dec-21	31-Dec-20	change
		S\$'000	S\$'000	+ / (-)	S\$'000	S\$'000	+ / (-)
Revenue	E4	4,265	1,888	126	11,101	5,342	108
Cost of sales		(2,943)	(1,530)	92	(7,769)	(4,585)	69
Gross profit		1,322	358	269	3,332	757	340
Other operating income		103	110	(6)	347	393	(12)
Distribution costs		(70)	(9)	678	(188)	(90)	109
Administrative and general expenses		(1,847)	(1,910)	(3)	(5,858)	(5,336)	10
Share of results from investments in associates		7	81	(91)	7	115	(94)
Share of results from investments in joint ventures		(605)	(2)	30,150	(621)	(33)	1,782
Finance costs		(1,242)	(1,211)	3	(4,057)	(3,781)	7
Loss before tax		(2,332)	(2,583)	(10)	(7,038)	(7,975)	(12)
Income tax credit/(expenses)	E7	5	(7)	N.M	(39)	(243)	(84)
Loss after tax		(2,327)	(2,590)	(10)	(7,077)	(8,218)	(14)
Other comprehensive income for the period, after tax:							
<i>Item that may be subsequently reclassified to profit or loss:</i>							
Exchange difference on translation of foreign operations		913	2,489	(63)	4,802	4,896	(2)
Total comprehensive income for the period		(1,414)	(101)	1,300	(2,275)	(3,322)	(32)
Loss attributable to:							
Owners of the Company		(2,334)	(2,350)	(1)	(6,895)	(7,399)	(7)
Non-controlling interests		7	(240)	N.M	(182)	(819)	(78)
		(2,327)	(2,590)	(10)	(7,077)	(8,218)	(14)
Total comprehensive income attributable to:							
Owners of the Company		(1,431)	(96)	1,391	(2,178)	(3,033)	(28)
Non-controlling interests		17	(5)	N.M	(97)	(289)	(66)
		(1,414)	(101)	1,300	(2,275)	(3,322)	(32)
Loss per share for the period attributable to the owners of the Company:							
Basic and diluted (SGD in cent)					(0.62)	(0.67)	

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B. Condensed interim balance sheets

	Note	Group		Company	
		31-Dec-21 S\$'000	31-Mar-21 S\$'000	31-Dec-21 S\$'000	31-Mar-21 S\$'000
ASSETS					
Non-current assets					
Property, plant and equipment	E9	41,302	40,775	-	2
Investments in subsidiaries		-	-	144,919	143,743
Investments in associates		313	306	-	-
Investments in joint ventures		106,234	103,167	-	-
Deferred tax assets		-	52	-	-
Total non-current assets		147,849	144,300	144,919	143,745
Current assets					
Development properties		126,378	126,718	-	-
Inventories		300	329	-	-
Trade and other receivables		2,015	1,719	4,500	2,003
Other current assets		472	633	14	29
Contract costs		419	636	-	-
Cash and bank balances		5,378	1,783	9	89
Total current assets		134,962	131,818	4,523	2,121
Total assets		282,811	276,118	149,442	145,866
LIABILITIES					
Current liabilities					
Bank borrowings (secured)	E10	2,425	3,694	-	-
Finance leases		36	35	-	-
Lease liabilities		30	139	-	-
Contract liabilities		578	1,996	-	-
Tax payable		1,653	1,656	-	-
Trade and other payables		18,697	16,386	7,598	4,661
Loans from shareholders	E11	46,318	41,301	46,318	41,301
Total current liabilities		69,737	65,207	53,916	45,962
Non-current liabilities					
Deferred tax liabilities		2,589	2,583	-	-
Bank borrowings (secured)	E10	81,431	77,408	-	-
Finance leases		51	78	-	-
Lease liabilities		100	107	-	-
Loan from a non-controlling interest		11,735	11,292	-	-
Total non-current liabilities		95,906	91,468	-	-
Total liabilities		165,643	156,675	53,916	45,962
NET ASSETS		117,168	119,443	95,526	99,904
EQUITY					
Equity attributable to equity holders of the Company					
Share capital	E12	78,940	78,940	294,506	294,506
Foreign currency translation reserves		2,479	(2,238)	-	-
Revaluation reserve		37,768	37,768	-	-
Other reserves		1,681	1,681	-	-
(Accumulated losses)/ Retained earning		(6,004)	891	(198,980)	(194,602)
		114,864	117,042	95,526	99,904
Non-controlling interests		2,304	2,401	-	-
Total equity		117,168	119,443	95,526	99,904

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C. Condensed interim statements of changes in equity

Group	Share capital S\$'000	Foreign currency translation reserves S\$'000	Revaluation reserve S\$'000	Other reserves S\$'000	(Accumulated losses)/ Retained earning S\$'000	Equity attributable to equity holders of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
As at 1 April 2021	78,940	(2,238)	37,768	1,681	891	117,042	2,401	119,443
<u>Total comprehensive income for the period</u>								
Loss for the period	-	-	-	-	(6,895)	(6,895)	(182)	(7,077)
Other comprehensive income for the period								
Exchange difference on translation of foreign operations	-	4,717	-	-	-	4,717	85	4,802
Total comprehensive income for the financial period	-	4,717	-	-	(6,895)	(2,178)	(97)	(2,275)
As at 31 December 2021	78,940	2,479	37,768	1,681	(6,004)	114,864	2,304	117,168
As at 1 April 2020	78,940	(6,895)	37,768	1,681	10,606	122,100	3,586	125,686
<u>Total comprehensive income for the period</u>								
Loss for the period	-	-	-	-	(7,399)	(7,399)	(819)	(8,218)
Other comprehensive income for the period								
Exchange difference on translation of foreign operations	-	4,366	-	-	-	4,366	530	4,896
Total comprehensive income for the financial period	-	4,366	-	-	(7,399)	(3,033)	(289)	(3,322)
Dividend paid	-	-	-	-	-	-	(638)	(638)
As at 31 December 2020	78,940	(2,529)	37,768	1,681	3,207	119,067	2,659	121,726

Company	Share capital S\$'000	Accumulated losses S\$'000	Total equity S\$'000
As at 1 April 2021	294,506	(194,602)	99,904
Loss for the period, representing total comprehensive income for the period	-	(4,378)	(4,378)
As at 31 December 2021	294,506	(198,980)	95,526
As at 1 April 2020	294,506	(182,901)	111,605
Loss for the period, representing total comprehensive income for the period	-	(3,545)	(3,545)
As at 31 December 2020	294,506	(186,446)	108,060

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D. Condensed interim consolidated statement of cash flows

	Note	Group	
		9 months ended 31-Dec-21 S\$'000	9 months ended 31-Dec-20 S\$'000
Operating activities			
Loss before tax		(7,038)	(7,975)
Adjustments for:			
Depreciation of property, plant and equipment		1,423	1,976
Gain on strike-off of subsidiary		(3)	-
Property, plant and equipment written-off		5	-
Interest income		(2)	(4)
Finance costs		4,057	3,781
Unrealised foreign exchange differences		253	252
Share of results from investments in associates		(7)	(115)
Share of results from investments in joint ventures		621	33
Operating cash flows before changes in working capital		(691)	(2,052)
Changes in working capital			
Trade and other receivables		(324)	472
Other current assets		161	4
Development properties		340	(1,977)
Contract assets		-	-
Contract costs		217	-
Inventories		29	(64)
Trade and other payables		21	3,312
Contract liabilities		(1,418)	543
Cash flows (used in)/generated from operations		(1,665)	238
Interest paid		(1,425)	(1,591)
Interest received		-	1
Tax paid		(52)	-
Net cash flows used in operating activities		(3,142)	(1,352)
Investing activity			
Purchase of property, plant and equipment	E9	(973)	(523)
Net cash flows used in investing activity		(973)	(523)
Financing activities			
Repayment of bank borrowings		(129)	(180)
Decrease in restricted funds placed in escrow accounts		(8)	196
Repayment of finance leases		(26)	(25)
Repayment of lease liabilities		(123)	(84)
Proceeds from loan from a non-controlling interest		172	-
Proceeds from bank borrowings		2,797	2,121
Proceeds from loan from a shareholder		5,017	-
Net cash flows generated from financing activities		7,700	2,028
Net changes in cash and cash equivalents		3,585	153
Cash and cash equivalents at the beginning of financial period		1,500	2,757
Effect of foreign currency translation in cash and cash equivalents		2	(21)
Cash and cash equivalents at the end of financial period		5,087	2,889

Cash and cash equivalents in the condensed interim consolidated statement of cash flows comprise the following:

	31-Dec-21 S\$'000	31-Dec-20 S\$'000
Cash and bank balances	5,378	3,075
Less: Restricted funds placed in escrow accounts	(291)	(186)
Cash and cash equivalents	5,087	2,889

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E. Notes to condensed interim consolidated financial statements

1. Corporate information

KOP Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore with its principal place of business and registered office at 316 Tanglin Road #01-01, Singapore 247978. The Company is listed on the Catalist of Singapore Exchange Securities Trading Limited (SGX-ST). These condensed interim consolidated financial statements as at and for the 9 months ended 31 December 2021 comprise the Company and its subsidiaries (collectively, the "Group").

The principal activity of the Company is to carry on the business of an investment holding company. The principal activities of the Group are:

- (a) Investment holding;
- (b) Business management and consultancy services;
- (c) Development and provision of resort services;
- (d) Real estate developers

2. Basis of preparation

The condensed interim financial statements for the 9 months ended 31 December 2021 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 March 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

Going concern assumption

The Group incurred a net loss of \$7,077,000 (31 December 2020: \$8,218,000) for the financial period ended 31 December 2021. The Group's current assets of \$134,962,000 (31 March 2021: \$131,818,000) mainly comprised development properties which amounted to \$126,378,000 (31 March 2021: \$126,718,000) as at 31 December 2021. The Company incurred a net loss of \$4,378,000 (31 December 2020: \$3,545,000) for the financial period ended 31 December 2021, and as at 31 December 2021, the Company is in a net current liabilities position of \$49,393,000 (31 March 2021: \$43,841,000). Included in the Group and Company's current liabilities as at 31 December 2021 is an amount of \$9,318,000 (31 March 2021: \$4,301,000) due to its ultimate holding company.

The performance of the Group's hospitality segment was adversely impacted by the COVID-19 pandemic. There is significant uncertainty as to the duration and impact of the COVID-19 pandemic as well as the timing of the expected recovery.

The Group has implemented a series of cost control measures. These measures include closure of facilities and all food and beverage outlets in the resorts since March 2020, temporary closure of the resorts from the month of June 2020 and reopened in the last quarter of year 2020 for limited domestic business. In addition, the Group also implemented cost cutting measures such as requiring employees to take unpaid leave and/or annual leave, reducing the minimum consumption of energy and temporary suspension of services that are not required during this period.

Notwithstanding the above, the directors are of the view that it is appropriate to prepare these financial statements on a going concern basis due to the following factors:

- The directors are confident that the Group and the Company will be able to generate sufficient cash flows from operating activities in the next 12 months from the date of authorisation of the financial statements.
- The Group's controlling shareholders, Ms. Ong Chih Ching and Ms. Leny Suparman have undertaken that in the event that the Group is unable to meet its financial obligations, the controlling shareholders will jointly and severally subscribe for new shares of the Company for up to \$10 million.
- The loan from a shareholder of \$37 million has been extended for another 12 months and will be due for repayment on 9 November 2022.
- The repayment of the loan from ultimate holding company has been extended until cashflows of the Company improves.

Accordingly, the management considers it appropriate that these condensed interim consolidated financial statements are prepared on a going concern basis.

E. Notes to condensed interim consolidated financial statements

2. Basis of preparation (cont'd)

2.1 New and amended standards adopted by the Group

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

2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2021.

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

3. Seasonal operations

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

4. Segment and revenue information

The Group is organised into business units based on their products and services, and has five reportable segments as follows:

(i) Real estate development and investment

The development, construction and sale of development properties.

(ii) Real estate origination and management services

The provision of business and management services for projects, including acquisition of properties and undertaking the development conceptualisation, construction management, marketing and branding strategising and retail sales of such projects.

(iii) Hospitality

Management and operation of hotel and resort, including restaurants and spas.

(iii) Entertainment

Sales of goods, sales of tickets and sponsorship income.

(iv) Corporate office

Management fee income from subsidiaries, Group-level corporate services and treasury function.

These operating segments are reported in a manner consistent with internal reporting provided to Executive Chairman and Group Chief Executive Officer who are responsible for allocating resources and assessing performance of the operating segments.

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E. Notes to condensed interim consolidated financial statements

4. Segment and revenue information (cont'd)

4.1 Reportable segment

	Real estate development and investment S\$'000	Real estate origination and management services S\$'000	Hospitality S\$'000	Entertainment S\$'000	Corporate office S\$'000	Inter-segment elimination S\$'000	Total S\$'000
1 April 2021 to 31 December 2021							
Revenue							
Revenue from external customers	8,975	752	1,374	-	-	-	11,101
Inter-segment revenue	-	-	-	-	-	-	-
Total revenue	8,975	752	1,374	-	-	-	11,101
Results							
Segment results	1,565	(1,083)	(1,209)	-	(1,640)	-	(2,367)
Finance costs	(1,235)	(29)	(55)	-	(2,738)	-	(4,057)
Share of results from investments in associates	7	-	-	-	-	-	7
Share of results from investments in joint ventures	-	(621)	-	-	-	-	(621)
Reportable loss	337	(1,733)	(1,264)	-	(4,378)	-	(7,038)
Income tax expenses	(29)	-	(10)	-	-	-	(39)
Loss for the period	308	(1,733)	(1,274)	-	(4,378)	-	(7,077)
Other information							
Interest income	-	2	-	-	-	-	2
Depreciation of property, plant and equipment	(107)	(228)	(1,088)	-	-	-	(1,423)
As at 31 December 2021							
Reportable segment assets	140,573	107,231	34,981	-	26	-	282,811
Reportable segment assets included:							
Investments in associates	313	-	-	-	-	-	313
Investments in joint ventures	-	106,234	-	-	-	-	106,234
Additions to non-current assets	867	73	33	-	-	-	973
Reportable segment liabilities	90,325	6,813	14,589	-	53,916	-	165,643

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E. Notes to condensed interim consolidated financial statements

4. Segment and revenue information (cont'd)

4.1 Reportable segment (cont'd)

	Real estate development and investment S\$'000	Real estate origination and management services S\$'000	Hospitality S\$'000	Entertainment S\$'000	Corporate office S\$'000	Inter-segment elimination S\$'000	Total S\$'000
1 April 2020 to 31 December 2020							
Revenue							
Revenue from external customers	3,634	786	922	-	-	-	5,342
Inter-segment revenue	-	-	-	-	-	-	-
Total revenue	3,634	786	922	-	-	-	5,342
Results							
Segment results	(541)	(1,437)	(404)	-	(1,894)	-	(4,276)
Finance costs	(1,256)	(27)	(446)	-	(2,052)	-	(3,781)
Share of results from investments in associates	115	-	-	-	-	-	115
Share of results from investments in joint ventures	-	(33)	-	-	-	-	(33)
Reportable (loss)/profit	(1,682)	(1,497)	(850)	-	(3,946)	-	(7,975)
Income tax credit	(235)	-	(8)	-	-	-	(243)
(Loss)/Profit for the period	(1,917)	(1,497)	(858)	-	(3,946)	-	(8,218)
Other information							
Interest income	-	4	-	-	-	-	4
Depreciation of property, plant and equipment	(404)	(430)	(1,142)	-	-	-	(1,976)
As at 31 March 2021							
Reportable segment assets	136,989	104,291	34,710	-	128	-	276,118
Reportable segment assets included:							
Investments in associates	306	-	-	-	-	-	306
Investments in joint ventures	-	103,167	-	-	-	-	103,167
Additions to non-current assets	519	246	41	-	2	-	808
Reportable segment liabilities	88,094	7,239	15,381	-	45,961	-	156,675

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E. Notes to condensed interim consolidated financial statements

4. Segment and revenue information (cont'd)

4.2 Geographical information

The operations of the Group are principally located in Singapore, Indonesia and People's Republic of China.

The Group's revenue from external customers and information about its segment assets (non-current assets excluding deferred tax assets) by geographical locations are detailed below:

	Revenue		Non-current assets	
	9 months ended 31-Dec-21 S\$'000	9 months ended 31-Dec-20 S\$'000	31-Dec-21 S\$'000	31-Mar-21 S\$'000
Singapore	9,758	1,960	1,920	1,189
Indonesia	1,229	3,288	39,628	39,816
People's Republic of China	114	94	106,301	103,243
	<u>11,101</u>	<u>5,342</u>	<u>147,849</u>	<u>144,248</u>

4.3 Disaggregation of revenue

	Real estate development and investment		Real estate origination and management services		Hospitality		Total	
	31-Dec-21 S\$'000	31-Dec-20 S\$'000	31-Dec-21 S\$'000	31-Dec-20 S\$'000	31-Dec-21 S\$'000	31-Dec-20 S\$'000	31-Dec-21 S\$'000	31-Dec-20 S\$'000
Primary geographical markets								
Singapore	8,975	1,268	638	692	145	-	9,758	1,960
Indonesia	-	2,366	-	-	1,229	922	1,229	3,288
People's Republic of China	-	-	114	94	-	-	114	94
	<u>8,975</u>	<u>3,634</u>	<u>752</u>	<u>786</u>	<u>1,374</u>	<u>922</u>	<u>11,101</u>	<u>5,342</u>
Major product or service lines								
Management, coordination, consultancy and establishment fee	-	-	752	786	145	-	897	786
Room revenue	-	-	-	-	518	336	518	336
Food & beverage, Spa and other retail revenue	-	-	-	-	314	204	314	204
Sale of development properties	8,975	3,634	-	-	-	-	8,975	3,634
Others	-	-	-	-	397	382	397	382
	<u>8,975</u>	<u>3,634</u>	<u>752</u>	<u>786</u>	<u>1,374</u>	<u>922</u>	<u>11,101</u>	<u>5,342</u>
Timing of transfer of goods or services								
At a point in time	8,975	3,634	-	-	711	586	9,686	4,220
Over time	-	-	752	786	663	336	1,415	1,122
	<u>8,975</u>	<u>3,634</u>	<u>752</u>	<u>786</u>	<u>1,374</u>	<u>922</u>	<u>11,101</u>	<u>5,342</u>

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E. Notes to condensed interim consolidated financial statements

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2021 and 31 March 2021:

	Group		Company	
	31-Dec-21 S\$'000	31-Mar-21 S\$'000	31-Dec-21 S\$'000	31-Mar-21 S\$'000
Financial assets				
Trade and other receivables	2,015	1,719	4,500	2,003
Other current assets, excluding prepayment	267	359	-	-
Cash and bank balances	5,378	1,783	9	89
Total undiscounted financial assets	7,660	3,861	4,509	2,092
Financial liabilities				
Trade and other payables, excluding non-refundable deposits	18,050	15,737	7,598	4,661
Bank borrowings (secured)	86,426	84,224	-	-
Finance leases	92	121	-	-
Loans from shareholders	48,539	42,883	48,539	42,883
Loan from a non-controlling interest	12,200	12,028	-	-
Total undiscounted financial liabilities	165,307	154,993	56,137	47,544
Total net undiscounted financial liabilities	(157,647)	(151,132)	(51,628)	(45,452)

6. Profit before taxation

6.1 Significant items

	Group	
	6 months ended 31-Dec-21 S\$'000	6 months ended 31-Dec-20 S\$'000
Income		
Interest income	(2)	(4)
Expenses		
Depreciation of property, plant and equipment	1,423	1,976
Net foreign exchange gain	(417)	(720)
Interest expense	4,057	3,781
Gain on strike-off of subsidiary	(3)	-
Property, plant and equipment written-off	5	-

6.2 Related party transactions

During the financial period, the Group entered into the following significant transactions with related parties at terms agreed between the parties, other than those disclosed elsewhere in the condensed interim consolidated financial statements:

	Group	
	9 months ended 31-Dec-21 S\$'000	9 months ended 31-Dec-20 S\$'000
Ultimate holding company		
Loan	5,017	-
License fee	1	1
Interest expense	370	101
Related companies		
Management fee income	63	63
Joint venture		
Consultancy fee income	146	-

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E. Notes to condensed interim consolidated financial statements

6. Profit before taxation (cont'd)

6.2 Related party transactions (cont'd)

During the financial period, the Group entered into the following significant transactions with related parties at terms agreed between the parties, other than those disclosed elsewhere in the condensed interim consolidated financial statements: (cont'd)

	Group	
	9 months ended 31-Dec-21 S\$'000	9 months ended 31-Dec-20 S\$'000
<i>Entity which the directors of the Company have interest in</i>		
Management fee income	150	150
<i>Transactions with directors of the Company</i>		
Management fee income from development properties sold	5	6
Shared return from development properties	(4)	(3)
Guarantors fee	208	207
<i>Transactions with shareholders of the Company</i>		
Interest expense	2,367	1,952

7. Taxation

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

	Group	
	9 months ended 31-Dec-21 S\$'000	9 months ended 31-Dec-20 S\$'000
Income taxes		
- Current income taxation	12	243
- Under provision in prior years	27	-
Income tax expenses recognised in profit or loss	39	243

8. Net asset value

	Group		Company	
	31-Dec-21 S\$ in cent	31-Mar-21 S\$ in cent	31-Dec-21 S\$ in cent	31-Mar-21 S\$ in cent
Net asset value per ordinary share	10.37	10.56	8.62	9.02

9. Property, plant and equipment

During the 9 months ended 31 December 2021, the Group acquired assets amounting to \$973,000 (31 December 2020: \$523,000).

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E. Notes to condensed interim consolidated financial statements

10. Bank borrowings (secured)

	Group	
	31-Dec-21 S\$'000	31-Mar-21 S\$'000
Current		
Fixed rate bank loans		
- 7-year USD loan	2,110	3,477
- 5-year SGD loan	315	217
	2,425	3,694
Non-current		
Fixed rate bank loans		
- 7-year USD loan	6,769	5,371
- 5-year SGD loan	856	1,083
Variable rate bank loan		
- SGD land loan and construction loan	73,806	70,954
	81,431	77,408
Total bank borrowings (secured)	83,856	81,102

The Group's bank borrowings comprise the followings:

(a) 7-year fixed rate bank loan

The 7-year USD term loan bears interest at 5.50% (31 March 2021: 5.50%) per annum and matures in June 2025. The loan is secured by a legal mortgage of the leasehold land and building of subsidiaries, personal guarantee from directors of the Company and corporate guarantee from a subsidiary.

(b) 5-year fixed rate bank loan

The 5-year SGD term loan bears interest at 2.75% (31 March 2021: 2.75%) per annum and matures in July 2025. The loan is secured by a corporate guarantee from the Company.

(c) Variable rate bank loan

The variable rate bank loans comprise a SGD land loan of \$69,750,000 and a SGD construction loan of up to \$15,000,000 that was drawdown to \$4,133,000 (31 March 2021: \$1,336,000) as at the reporting date. The loans bear interest at 1.40% (31 March 2021: 1.40%) per annum over and above the prevailing SIBOR rate and are repayable 48 months from the date of drawdown of the land loan or 6 months from date of issuance of Temporary Occupation Permit (TOP) for the proposed development, whichever is earlier.

The loans are secured by a legal mortgage of the development property of the Group's subsidiary and proportionate guarantee from the Company.

11. Loans from shareholders

The Group's loans from shareholders comprise the followings:

(a) Shareholder: \$37,000,000 fixed rate loan (31 March 2021: \$37,000,000)

The loan from shareholder is denominated in SGD and bears interest at 7% per annum. The loan which was originally matured in November 2018 was extended for repayment to November 2022.

The loan is convertible into fully paid-up ordinary shares in the capital of the Company, at the option of the shareholder, in the event that the Company is unable to repay the loan on maturity date. The loan is secured by personal guarantees from certain directors of the Company.

(b) Ultimate holding company: \$9,318,000 fixed rate loan (31 March 2021: \$4,301,000)

The loan from ultimate holding company is denominated in SGD, bears interest at 7% per annum and repayable in 3 months or such other date as the parties shall agree in writing. The loan has been extended until cashflows of the Company improves.

The loan is convertible into fully paid-up ordinary shares in the capital of the Company, at the option of the shareholder, in the event that the Company is unable to repay the loan on maturity date.

KOP LIMITED

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E. Notes to condensed interim consolidated financial statements

12. Share capital

	Group and Company		Company	
	31-Dec-21	31-Mar-21	31-Dec-21	31-Mar-21
	Number of ordinary shares *		S\$'000	
Issued and fully paid-up capital:				
At beginning and end of the interim period	1,107,962,214	1,107,962,214	294,506	294,506

* The equity structure (i.e. the number and types of equity instruments issued) reflect the equity structure of the Company, being the legal parent, including the equity instruments issued by the Company to effect the reverse acquisition on 4 May 2014.

	Group	
	31-Dec-21	31-Mar-21
	S\$'000	
Issued and fully paid-up capital: ^		
At beginning and end of the interim period	78,940	78,940

^ The amount recognised as issued equity instruments in the consolidated financial statements is determined by adding to the issued equity of Scorpio East Holdings Ltd. and its subsidiaries immediately before the reverse acquisition to the costs of the reverse acquisition and proceeds from issuance of shares by the Company subsequent to the completion of the reverse acquisition.

The Company did not hold any treasury shares as at 31 December 2021.

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2021 and 31 March 2021.

13. Subsequent events

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

KOP LIMITED

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F. Other information required by Listing Rule Appendix 7C

Other information

1. Review

The condensed consolidated balance sheets of KOP Limited and its subsidiaries as at 31 December 2021 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the 9-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

2a. Income statement

Revenue

	3 months ended		3 months ended	
	31-Dec-21	31-Dec-20	Change	
	S\$'000	S\$'000	S\$'000	%
Real estate development and investment	3,453	1,048	2,405	229.7
Real estate origination and management services	203	323	(120)	(37.1)
Hospitality	609	517	92	18.0
Entertainment	-	-	-	N.M.
	<u>4,265</u>	<u>1,888</u>	<u>2,377</u>	<u>125.9</u>

	9 months ended		9 months ended	
	31-Dec-21	31-Dec-20	Change	
	S\$'000	S\$'000	S\$'000	%
Real estate development and investment	8,975	3,634	5,341	147.0
Real estate origination and management services	752	786	(34)	(4.3)
Hospitality	1,374	922	452	49.1
Entertainment	-	-	-	N.M.
	<u>11,101</u>	<u>5,342</u>	<u>5,759</u>	<u>107.8</u>

Revenue increased by S\$2.4 million or 125.9% from S\$1.9 million in 3 months ended 31 December 2020 ("3QFY2021") to S\$4.3 million in 3 months ended 31 December 2021 ("3QFY2022") and increased by S\$5.8 million or 107.8% from S\$5.3 million in 9 months ended 31 December 2020 ("9MFY2021") to S\$11.1 million in 9 months ended 31 December 2021 ("9MFY2022"). The increase was mainly due to increase in revenue from the real estate development and investment segment and hospitality segment. The increase was partially offset by the decrease in revenue from the real estate origination and management services segment.

The increase in revenue from real estate development and investment segment was mainly due to the revenue recognised based on work progress for Dalvey Haus Project during the period.

The increase in revenue from the hospitality segment was mainly due to the reopening of the resorts in October 2020 with limited domestic business.

The decrease in revenue from the real estate origination and management services segment was mainly due to the one-time management fee income received in the prior period.

Cost of sales

Cost of sales increased by \$1.4 million or 92% from S\$1.5 million in 3QFY2021 to S\$2.9 million in 3QFY2022 and increased by S\$3.2 million or 69% from S\$4.6 million in 9MFY2021 to S\$7.8 million in 9MFY2022 which is in line with the increase in revenue during the period.

Gross profit

Gross profit increased by S\$0.9 million or 269% from S\$0.4 million in 3QFY2021 to S\$1.3 million in 3QFY2022 and increased by S\$2.5 million or 340% from S\$0.8 million in 9MFY2021 to S\$3.3 million in 9MFY2022 which is in line with the increase in revenue during the period.

Other operating income

Other operating income decreased by \$46,000 or 12% from S\$393,000 in 9MFY2021 to S\$347,000 in 9MFY2022 mainly due to the reduction in government grants received during the period.

F. Other information required by Listing Rule Appendix 7C

Other information

2. Review of performance of the Group (cont'd)

2a. Income statement (cont'd)

Distribution costs

Distribution costs increased by S\$61,000 or 678% from S\$9,000 in 3QFY2021 to S\$70,000 in 3QFY2022 and increased by S\$98,000 or 109% from S\$90,000 in 9MFY2021 to S\$188,000 in 9MFY2022 mainly due to the increase in sales and marketing expenses incurred during the period.

Share of results from investments in associates

This represents the Group's share of results from investment in associate, Epic Land Pte. Ltd., during the period.

Share of results from investments in joint ventures

This mainly represents the Group's share of results from investment in joint venture company, Shanghai Snow Star Properties Co., Ltd. during the period.

Loss after tax

As a result of the above, the Group recorded a loss after tax of S\$2.3 million in 3QFY2022 and a loss after tax of S\$7.1 million in 9MFY2022 compared to a loss after tax of S\$2.6 million in 3QFY2021 and a loss after tax of S\$8.2 million in 9MFY2021.

Exchange difference on translation of foreign operations

The significant change in the exchange difference on translation of foreign operations was mainly due to the translation of IDR from the share of foreign currency translation reserves from investment in subsidiaries, P.T. Montigo Seminyak and P.T. Teguh Cipta Pratama during the period.

2b. Balance sheets

Trade and other receivables increased by S\$0.3 million from S\$1.7 million as at 31 March 2021 to S\$2.0 million as at 31 December 2021 mainly due to the proceeds receivable from the sale of unit in Dalvey Haus.

Other current assets decreased by S\$0.1 million from S\$0.6 million as at 31 March 2021 to S\$0.5 million as at 31 December 2021 mainly due to prepaid sales and marketing expenses expensed off during the period.

Contract costs decreased by S\$0.2 million from S\$0.6 million as at 31 March 2021 to S\$0.4 million as at 31 December 2021 mainly due to amortisation of the cost to obtain sales contracts over the period of construction of Dalvey Haus project.

Decrease in finance leases and lease liabilities was mainly due to repayments during the period.

Decrease in contract liabilities was mainly due to recognition of revenue as the Group satisfies its performance obligations under sales contracts.

2c. Cash flows statement

The net cash outflow from operating activities for 3QFY2022 arose mainly due to operation loss and interest paid during the period.

The net cash outflow from investing activities for 3QFY2022 arose from the purchase of property, plant and equipment during the period.

The net cash inflow from financing activities for 3QFY2022 arose mainly from the proceeds from bank borrowings and loan from a shareholder.

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

No forecast or prospect statement has been previously disclosed.

F. Other information required by Listing Rule Appendix 7C

Other information

4. 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 operating period and the next 12 months

With the continuation of the unprecedented health crisis, the global travel and tourism industries were among the industries adversely affected by the pandemic, resulting from the movement control. Travel ban and closure of the countries' borders have been imposed in many countries to curb the spread of the virus.

Consequently, our Montigo Resorts, Nongsa and Montigo Resorts, Seminyak (collectively, "Resorts") have both experienced a decrease in demand, resulting in a decrease in revenue and performance. A series of cost control measures have been implemented during this period. On the other hand, we have also rolled-out a series of sales and marketing campaigns domestically to generate additional sales during this period. Meanwhile, we will continue to deploy our own resources to refurbish and maintain the Resorts so we are geared up for re-opening once the travel restrictions are lifted.

While safeguarding the viability of the business, our utmost priority has been the safety and well-being of all our staff, guests, and associates. The Group have put in place stringent health and precautionary measures, inclusive but not limited to deep cleaning and sanitising the Resorts regularly, to ensure the cleanliness of the properties as well as the well-being of our staff and guests.

As for the operations in China, business remains as usual and have been progressing well. Closer to home, approximately 34% of the Dalvey Haus development project has been completed to date.

While global economic conditions are expected to recover by the progressive roll-out of the vaccination programmes by various countries, the outlook of the global economy continues to be fraught with uncertainties. The Company will remain cautious on future prospects during this period as we remain prudent in cost management and continue to focus on improving our operational efficiency to optimise the utilisation of our resources.

The Group's indirect subsidiary, KOP Northern Lights Pte. Ltd., received a notice of arbitration on 18 January 2021. Please refer to the Company's announcements dated 18 January 2021, 20 January 2021, 1 February 2021, 11 February 2021, 5 March 2021 and 3 June 2021 for more details.

5. Dividend information

5a. Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

No.

5b. Corresponding Period of the Immediately Preceding Financial year

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

No.

5c. Date Payable

Not applicable.

5d. Books closure date

Not applicable.

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

No dividend has been declared or recommended as the Company has deemed it more appropriate to retain the cash in the Group for its future growth.

F. Other information required by Listing Rule Appendix 7C

Other information

7. Interested person transactions

The Group has not obtained a general mandate from shareholders of the Company for 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
<u>Scotts Spazio Pte. Ltd.</u> Management fee income	150	-
<u>KOP Group Pte. Ltd.</u> Interest expense	370	-
<u>Mr. Sam Goi Seng Hui</u> Interest expense	2,367	-
<u>Ms. Ong Chih Ching</u> Guarantors fee	104	-
<u>Ms. Leny Suparman</u> Guarantors fee	104	-

8. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7H under Rule 720(1) of the Listing Manual of the SGX-ST.

Confirmation by the Board

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the 9-month period ended 31 December 2021 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Ong Chih Ching
Executive Chairman and Executive Director

Leny Suparman
Executive Director and Group Chief Executive Officer

10 February 2022