(Incorporated in the Republic of Singapore)
(Company Registration Number: 200415164G)

PROPOSED CHANGE OF AUDITORS

The Board of Directors (the "**Board**") of KOP Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce the Company's intention to change its auditors from Messrs Ernst & Young LLP ("**EY**") to Messrs UHY Lee Seng Chan & Co. ("**UHY**") (the "**Proposed Change of Auditors**").

At the last annual general meeting of the Company held on 28 October 2020, EY was re-appointed as the auditors of the Company to hold office until the close of the next annual general meeting of the Company. EY has been the auditors of the Group since the financial year ended 31 March 2018.

Amidst an environment of rising costs and increasing uncertainty in the economy, the Group is conducting an ongoing review of its business and the Group's operating costs, including the remuneration of the Auditors. As part of the Group's ongoing management of its overall business costs and expenses given the Group's current level of activities as well as good corporate governance, the Board, in consultation with the Audit and Risk Committee of the Company, having considered the needs of the Group, is of the view that the Proposed Change of Auditors would enhance operating cost efficiencies.

The Board had considered the fee proposals from the various audit firms and noted that the audit fees proposed by UHY are competitive and would provide cost savings to the Company. The Audit and Risk Committee, having considered, amongst others, the Audit Quality Indicators Disclosure Framework issued by the Accounting and Corporate Regulatory Authority of Singapore ("**ACRA**"), the number and experience of staff in the audit engagement team, the seniority of the audit team members and the involvement of the incoming auditors, are of the opinion that UHY is well suited to meet the existing needs and audit requirements of the Group. The audit services will be performed in accordance with the Singapore Standards on Auditing, with the scope of the audit determined based on materiality levels. The Audit and Risk Committee is of the view that the quality and scope of the audit services to be provided by UHY will be at least similar to that provided by EY.

In connection with the above, EY had on 6 January 2021 applied to ACRA to seek ACRA's consent to resign as auditors of the Group. On 8 March 2021, EY received ACRA's consent to resign as auditors of the Group and subsequently on 12 March 2021 provided the Company with its notice of resignation dated 8 March 2021.

By way of a letter dated 22 January 2021, UHY had given its consent to act as auditors of the Group, subject to approval from ACRA, which was granted on 8 March 2021, and approval from the shareholders of the Company (the "**Shareholders**") being obtained at an extraordinary general meeting of the Company ("**EGM**") for the Proposed Change of Auditors to be convened in due course.

Pursuant to Rule 712(3) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "**Catalist Rules**") and Section 205AF of the Companies Act, the appointment of UHY as auditors of the Company must be specifically approved by Shareholders in a general meeting. The appointment of UHY as the new auditors of the Company will therefore take effect upon the approval of the same by Shareholders at the EGM, and if appointed, UHY will hold office until the conclusion of the next AGM of the Company.

In accordance with Rule 712(3) of the Catalist Rules:

(a) EY had confirmed by way of their letter issued to UHY dated 12 January 2021 that, subject to its receipt of ACRA's consent to resign as auditors of the Company, which was obtained on 8 March 2021, it is not aware of any professional reasons why UHY should not accept the appointment as auditors of the Company;

(b) the Company confirms that there were no disagreements with EY on accounting treatments within the last twelve (12) months up to the date of their resignation, being 8 March 2021;

(c) the Company confirms that it is not aware of any circumstances in relation to the Proposed Change of Auditors that should be brought to the attention of the Shareholders which has not been disclosed in this announcement;

(d) the Company confirms that the Proposed Change of Auditors is neither due to the dismissal of EY nor EY declining to stand for election; and

(e) the Company confirms that it is in compliance with Rules 712 and 715 of the Catalist Rules in relation to the appointment of UHY as its new auditors.

The Board wishes to express their appreciation for the past services rendered by EY.

Pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 issued by the Minister of Law on 13 April 2020, as amended on 14 April 2020, 24 April 2020 and 29 September 2020 and from time to time ("**Alternative Arrangements Order**"), a circular containing further details on the Proposed Change of Auditors, together with the notice of EGM, will be made available on (i) SGX-ST's website (https://www.sgx.com/securities/company-announcements), (ii) the Company's website (http://www.koplimited.com) and (iii) the Company's website set up for the purposes of the EGM (http://agm.conveneagm.com/koplimited) in due course. In line with the Alternative Arrangements Order, **printed copies of the circular will NOT be despatched to the Shareholders**.

Yours faithfully
For and on behalf of the Board
KOP LIMITED

Ong Chih Ching
Executive Chairman and Executive Director
12 March 2021

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*This announcement has been prepared by the Company with assistance from RHTLaw Asia LLP. The contents of this announcement 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 and RHTLaw Asia LLP have not independently verified the contents of this announcement including the accuracy or completeness of any of the figures used, statements, opinions or other information made or disclosed.*

This announcement has not been examined or approved by the SGX-ST. The SGX-ST, the Sponsor and RHTLaw Asia LLP 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, 6 Raffles Quay, #24-02, Singapore 048580, sponsor@rhtgoc.com.