



(Company Registration Number: 200415164G)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 JUNE 2023

Pursuant to Rule 705(2C) of the Listing Manual Section B: Rules of Catalist ("Catalist Rules"), 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").

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		% of change + / (-)
		3 months ended 30-Jun-23 S\$'000	3 months ended 30-Jun-22 S\$'000	
Revenue	E4	38,138	4,150	819
Cost of sales		(28,698)	(2,595)	1,006
Gross profit		9,440	1,555	507
Other operating income		274	468	(41)
Distribution costs		(1,024)	(62)	1,552
Administrative and general expenses		(3,723)	(2,462)	51
Share of results from investment in associate		(2)	6	N.M
Finance costs		(1,197)	(1,726)	(31)
Impairment loss on subsequent write-down of non-current asset held for sale to fair value less costs to sell		-	(25,798)	N.M
Profit/(Loss) before tax	E6.1	3,768	(28,019)	N.M
Income tax expenses	E7	(16)	(10)	60
Profit/(Loss) after tax		3,752	(28,029)	N.M
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		727	(578)	N.M
Total comprehensive income for the period		4,479	(28,607)	N.M
Profit/(Loss) attributable to:				
Owners of the Company		1,995	(27,915)	N.M
Non-controlling interests		1,757	(114)	N.M
		3,752	(28,029)	N.M
Total comprehensive income attributable to:				
Owners of the Company		2,703	(28,394)	N.M
Non-controlling interests		1,776	(213)	N.M
		4,479	(28,607)	N.M
Earnings/(Loss) per share for the period attributable to the owners of the Company:				
Basic and diluted (SGD in cent)		0.18	(2.52)	

N.M - not meaningful

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B. Condensed interim balance sheets

	Note	Group		Company	
		30-Jun-23 S\$'000	31-Mar-23 S\$'000	30-Jun-23 S\$'000	31-Mar-23 S\$'000
ASSETS					
Non-current assets					
Property, plant and equipment	E9	69,909	69,229	2	4
Investments in subsidiaries		-	-	105,717	105,305
Investment in associate		151	153	-	-
Total non-current assets		70,060	69,382	105,719	105,309
Current assets					
Development properties		64,612	87,429	-	-
Inventories		288	276	-	-
Trade and other receivables		2,034	1,538	6,114	6,043
Other current assets		563	417	22	33
Contract assets		29,730	18,039	-	-
Contract costs		60	131	-	-
Cash and bank balances		28,982	14,376	454	1,590
Total current assets		126,269	122,206	6,590	7,666
Total assets		196,329	191,588	112,309	112,975
LIABILITIES					
Current liabilities					
Bank borrowings (secured)	E10	83,518	83,375	-	-
Finance leases		32	38	-	-
Lease liabilities		58	86	-	-
Contract liabilities		105	103	-	-
Tax payable		1,691	1,610	-	-
Trade and other payables		12,445	11,655	11,489	11,538
Loan from a non-controlling interest		12,408	12,408	-	-
Total current liabilities		110,257	109,275	11,489	11,538
Non-current liabilities					
Deferred tax liabilities		317	312	-	-
Bank borrowings (secured)	E10	4,532	5,281	-	-
Finance leases		-	3	-	-
Lease liabilities		27	-	-	-
Retention sum payable		1,177	1,177	-	-
Total non-current liabilities		6,053	6,773	-	-
Total liabilities		116,310	116,048	11,489	11,538
NET ASSETS		80,019	75,540	100,820	101,437
EQUITY					
Equity attributable to equity holders of the Company					
Share capital	E11	78,940	78,940	294,506	294,506
Foreign currency translation reserves		(3,178)	(3,886)	-	-
Other reserves		1,681	1,681	-	-
Accumulated losses		(850)	(2,845)	(193,686)	(193,069)
		76,593	73,890	100,820	101,437
Non-controlling interests		3,426	1,650	-	-
Total equity		80,019	75,540	100,820	101,437

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C. Condensed interim statements of changes in equity

Group	Share capital S\$'000	Foreign currency translation reserves S\$'000	Other reserves S\$'000	Retained earnings/(Accu- mulated losses) 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 2023	78,940	(3,886)	1,681	(2,845)	73,890	1,650	75,540
<u>Total comprehensive income for the period</u>							
Profit for the period	-	-	-	1,995	1,995	1,757	3,752
Other comprehensive income for the period							
Exchange difference on translation of foreign operations	-	708	-	-	708	19	727
Total comprehensive income for the period	-	708	-	1,995	2,703	1,776	4,479
As at 30 June 2023	78,940	(3,178)	1,681	(850)	76,593	3,426	80,019
As at 1 April 2022	78,940	3,738	1,681	27,670	112,029	1,687	113,716
<u>Total comprehensive income for the period</u>							
Loss for the period	-	-	-	(27,915)	(27,915)	(114)	(28,029)
Other comprehensive income for the period							
Exchange difference on translation of foreign operations	-	(479)	-	-	(479)	(99)	(578)
Total comprehensive income for the period	-	(479)	-	(27,915)	(28,394)	(213)	(28,607)
As at 30 June 2022	78,940	3,259	1,681	(245)	83,635	1,474	85,109
Company					Share capital S\$'000	Accumulated losses S\$'000	Total equity S\$'000
As at 1 April 2023					294,506	(193,069)	101,437
Loss for the period, representing total comprehensive income for the period					-	(617)	(617)
As at 30 June 2023					294,506	(193,686)	100,820
As at 1 April 2022					294,506	(200,687)	93,819
Loss for the period, representing total comprehensive income for the period					-	(1,627)	(1,627)
As at 30 June 2022					294,506	(202,314)	92,192

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D. Condensed interim consolidated statement of cash flows

	Note	Group	
		3 months ended 30-Jun-23 S\$'000	3 months ended 30-Jun-22 S\$'000
Operating activities			
Profit/(Loss) before tax		3,768	(28,019)
Adjustments for:			
Depreciation of property, plant and equipment	E6.1	1,135	529
Gain on disposal of property, plant and equipment	E6.1	(10)	(3)
Impairment loss on subsequent write-down of non-current asset held for sale to fair value less costs to sell		-	25,798
Interest income	E6.1	(1)	-
Finance costs		1,197	1,726
Unrealised foreign exchange differences		(325)	(46)
Share of results from investment in associate		2	(6)
Operating cash flows before changes in working capital		5,766	(21)
Changes in working capital			
Trade and other receivables		(524)	1,940
Other current assets		(146)	(66)
Development properties		22,817	147
Contract assets		(11,691)	(1,194)
Contract costs		71	51
Inventories		(12)	14
Trade and other payables		206	(1,853)
Contract liabilities		2	(1,071)
Retention sum payable		-	98
Cash flows from/(used in) operations		16,489	(1,955)
Interest paid		(650)	(376)
Tax paid		-	(8)
Net cash flows from/(used in) operating activities		15,839	(2,339)
Investing activities			
Purchase of property, plant and equipment	E9	(475)	(80)
Proceeds from disposal of property, plant and equipment		11	3
Net cash flows used in investing activities		(464)	(77)
Financing activities			
Proceeds from bank borrowings		-	949
Proceeds from loan from a shareholder		-	3,030
Repayment of bank borrowings		(755)	(272)
Decrease/(Increase) in restricted funds placed in escrow accounts		10	(103)
Repayment of finance leases		(9)	(8)
Repayment of lease liabilities		(34)	(30)
Net cash flows (used in)/from financing activities		(788)	3,566
Net changes in cash and cash equivalents		14,587	1,150
Cash and cash equivalents at the beginning of financial period		14,142	5,113
Effect of foreign currency translation in cash and cash equivalents		29	2
Cash and cash equivalents at the end of financial period		28,758	6,265

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

	30-Jun-23 S\$'000	30-Jun-22 S\$'000
Cash and bank balances	28,982	6,560
Less: Restricted funds placed in escrow accounts	(224)	(295)
Cash and cash equivalents	28,758	6,265

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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 30 June 2023 and for the 3 months ended 30 June 2023 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/hotel businesses; and
- (d) Real estate developers.

2. Basis of preparation

The condensed interim financial statements for the 3 months ended 30 June 2023 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 2023.

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's current liabilities of \$110,257,000 (31 March 2023: \$109,275,000) comprise mainly bank borrowings which amounted to \$83,518,000 (31 March 2023: \$83,375,000) as at 30 June 2023 which will be due for repayment within the next 12 months. The Group's current assets of \$126,269,000 (31 March 2023: \$122,206,000) mainly comprise development properties amounted to \$64,612,000 (31 March 2023: \$87,429,000) which may not be realisable within the next 12 months. In addition, the Company is in a net current liability position of \$4,899,000 (31 March 2023: \$3,872,000) as at 30 June 2023. Included in the Company's current liabilities is an amount of \$11,028,000 due to a subsidiary.

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 Group expects to be able to refinance a significant portion of up to \$80,322,000 of the variable secured bank loans drawdown to-date [Note 10(c)], that are included in the aforementioned bank borrowings of \$83,518,000, upon obtaining temporary occupation permit ("TOP") of its development properties. The TOP has been obtained subsequent to the financial period.
- Through a series of sales and marketing activities to promote the sale of its development properties, the Group is confident of selling the remaining unsold units.
- Since the lifting of travel restrictions and the re-opening of borders in the previous financial year, performance of the Group's hospitality segment has returned to pre-Covid level and the hospitality segment has been generating healthy income. Accordingly, the directors are confident that the Group will be able to generate sufficient cash flows from its operating activities in the next 12 months from the date of these condensed interim consolidated financial statements to fund its day to day operations.
- The Company'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 to new ordinary shares of the Company for up to \$10 million.
- The Company has obtained an undertaking from its subsidiary not to seek for immediate repayment of the aforementioned amount due by the Company of \$11,028,000 until the Company's cash flows permit.

Accordingly, the directors consider 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 2023.

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 four 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.

(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	Corporate office S\$'000	Inter-segment elimination S\$'000	Total S\$'000
1 April 2023 to 30 June 2023						
Revenue						
Revenue from external customers	32,894	58	5,186	-	-	38,138
Inter-segment revenue	-	-	149	-	(149)	-
Total revenue	32,894	58	5,335	-	(149)	38,138
Results						
Segment results	4,948	(182)	818	(617)	-	4,967
Finance costs	(1,088)	(5)	(104)	-	-	(1,197)
Share of results from investment in associate	(2)	-	-	-	-	(2)
Reportable profit/(loss)	3,858	(187)	714	(617)	-	3,768
Income tax expenses	-	(15)	(1)	-	-	(16)
Profit/(Loss) for the period	3,858	(202)	713	(617)	-	3,752
Other information						
Interest income	-	-	1	-	-	1
Depreciation of property, plant and equipment	(666)	(29)	(438)	(2)	-	(1,135)
As at 30 June 2023						
Reportable segment assets	153,532	691	41,559	547	-	196,329
Reportable segment assets included:						
Investment in associate	151	-	-	-	-	151
Additions to non-current assets	54	54	367	-	-	475
Reportable segment liabilities	99,482	3,107	13,260	461	-	116,310

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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	Corporate office S\$'000	Inter-segment elimination S\$'000	Total S\$'000
1 April 2022 to 30 June 2022						
Revenue						
Revenue from external customers	2,265	58	1,827	-	-	4,150
Inter-segment revenue	-	-	-	-	-	-
Total revenue	2,265	58	1,827	-	-	4,150
Results						
Segment results	597	(107)	(392)	(599)	-	(501)
Finance costs	(529)	(8)	(160)	(1,029)	-	(1,726)
Share of results from investment in associate	6	-	-	-	-	6
Impairment loss on subsequent write-down of non-current asset held for sale to fair value less costs to sell	-	(25,798)	-	-	-	(25,798)
Reportable profit/(loss)	74	(25,913)	(552)	(1,628)	-	(28,019)
Income tax expenses	(2)	-	(8)	-	-	(10)
Profit/(Loss) for the period	72	(25,913)	(560)	(1,628)	-	(28,029)
Other information						
Depreciation of property, plant and equipment	(132)	(50)	(347)	-	-	(529)
As at 31 March 2023						
Reportable segment assets	149,071	713	40,147	1,657	-	191,588
Reportable segment assets included:						
Investment in associate	153	-	-	-	-	153
Additions to non-current assets	1,572	108	8,358	7	-	10,045
Reportable segment liabilities	99,604	3,143	12,791	510	-	116,048

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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 United Kingdom.

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	
	3 months ended 30-Jun-23 S\$'000	3 months ended 30-Jun-22 S\$'000	30-Jun-23 S\$'000	31-Mar-23 S\$'000
Singapore	32,952	2,323	311	538
Indonesia	4,143	1,827	63,461	63,015
United Kingdom	1,043	-	6,258	5,791
People's Republic of China	-	-	30	38
	<u>38,138</u>	<u>4,150</u>	<u>70,060</u>	<u>69,382</u>

4.3 Disaggregation of revenue

	Real estate development and investment		Real estate origination and management services		Hospitality		Total	
	30-Jun-23 S\$'000	30-Jun-22 S\$'000	30-Jun-23 S\$'000	30-Jun-22 S\$'000	30-Jun-23 S\$'000	30-Jun-22 S\$'000	30-Jun-23 S\$'000	30-Jun-22 S\$'000
Primary geographical markets								
Singapore	32,894	2,265	58	58	-	-	32,952	2,323
Indonesia	-	-	-	-	4,143	1,827	4,143	1,827
United Kingdom	-	-	-	-	1,043	-	1,043	-
	<u>32,894</u>	<u>2,265</u>	<u>58</u>	<u>58</u>	<u>5,186</u>	<u>1,827</u>	<u>38,138</u>	<u>4,150</u>
Major product or service lines								
Management, coordination, consultancy and establishment fee	-	-	58	58	-	-	58	58
Room revenue	-	-	-	-	2,843	984	2,843	984
Food & beverage, Spa operations and other retail revenue	-	-	-	-	1,962	606	1,962	606
Sale of development properties	32,894	2,265	-	-	-	-	32,894	2,265
Others	-	-	-	-	381	237	381	237
	<u>32,894</u>	<u>2,265</u>	<u>58</u>	<u>58</u>	<u>5,186</u>	<u>1,827</u>	<u>38,138</u>	<u>4,150</u>
Timing of transfer of goods or services								
At a point in time	-	-	-	-	2,343	843	2,343	843
Over time	32,894	2,265	58	58	2,843	984	35,795	3,307
	<u>32,894</u>	<u>2,265</u>	<u>58</u>	<u>58</u>	<u>5,186</u>	<u>1,827</u>	<u>38,138</u>	<u>4,150</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 undiscounted financial assets and financial liabilities of the Group as at 30 June 2023 and 31 March 2023:

	Group		Company	
	30-Jun-23 S\$'000	31-Mar-23 S\$'000	30-Jun-23 S\$'000	31-Mar-23 S\$'000
Financial assets				
Trade and other receivables	2,034	1,538	6,114	6,043
Other current assets, excluding prepayment	179	190	-	-
Cash and bank balances	28,982	14,376	454	1,590
Total undiscounted financial assets	31,195	16,104	6,568	7,633
Financial liabilities				
Trade and other payables, excluding non-refundable deposits	12,300	11,426	11,489	11,538
Bank borrowings (secured)	90,906	92,470	-	-
Finance leases	33	42	-	-
Loan from a non-controlling interest	12,408	12,408	-	-
Total undiscounted financial liabilities	115,647	116,346	11,489	11,538
Total net undiscounted financial liabilities	(84,452)	(100,242)	(4,921)	(3,905)

6. Profit/(Loss) before tax

6.1 Significant items

	Group	
	3 months ended 30-Jun-23 S\$'000	3 months ended 30-Jun-22 S\$'000
Income		
Interest income	(1)	-
Gain on disposal of property, plant and equipment	(10)	(3)
Expenses		
Depreciation of property, plant and equipment	1,135	529
Net foreign exchange (gain)/loss	(264)	38
Interest expenses	1,197	1,726
Impairment loss on subsequent write-down of non-current asset held for sale to fair value less costs to sell	-	25,798

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	
	3 months ended 30-Jun-23 S\$'000	3 months ended 30-Jun-22 S\$'000
Ultimate holding company		
Loan	-	3,030
Interest expense	-	226
Related companies		
Management fee income	(8)	(8)
Recharge of expenses	(5)	(39)
Reimbursement of expenses	43	27

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E. Notes to condensed interim consolidated financial statements

6. Profit/(Loss) before tax (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	
	3 months ended 30-Jun-23 S\$'000	3 months ended 30-Jun-22 S\$'000
<i>Entity which the directors of the Company have interest in</i>		
Management fee income	(50)	(50)
<i>Transactions with directors of the Company</i>		
Management fee income from development properties sold	(2)	(2)
Shared return from development properties	2	(2)
Guarantors fee	22	69
<i>Transaction with shareholder of the Company</i>		
Interest expense	-	802

7. Taxation

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

	Group	
	3 months ended 30-Jun-23 S\$'000	3 months ended 30-Jun-22 S\$'000
Income taxes		
- Current income taxation	1	10
- Over provision in prior years	15	-
Income tax expenses recognised in profit or loss	16	10

8. Net asset value

	Group		Company	
	30-Jun-23 S\$ in cent	31-Mar-23 S\$ in cent	30-Jun-23 S\$ in cent	31-Mar-23 S\$ in cent
Net asset value per ordinary share	6.91	6.67	9.10	9.16

9. Property, plant and equipment

During the 3 months ended 30 June 2023, the Group acquired property, plant and equipment amounting to \$475,000 (30 June 2022: \$80,000).

E. Notes to condensed interim consolidated financial statements

10. Bank borrowings (secured)

	Group	
	30-Jun-23 S\$'000	31-Mar-23 S\$'000
Current		
Fixed rate bank loans		
- 7-year USD loan	2,877	2,742
- 5-year SGD loan	329	326
Variable rate bank loans		
- SGD land loan and construction loan	80,312	80,307
	83,518	83,375
Non-current		
Fixed rate bank loans		
- 7-year USD loan	4,166	4,831
- 5-year SGD loan	366	450
	4,532	5,281
Total bank borrowings (secured)	88,050	88,656

The Group's bank borrowings comprise the following:

(a) 7-year fixed rate bank loan

The 7-year USD term loan bears interest at 5.50% (31 March 2023: 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 the Company.

The terms of the loan include a financial covenant which requires the subsidiary to maintain a maximum adjusted gearing ratio of 0.7 throughout the tenure of the loan.

(b) 5-year fixed rate bank loan

The 5-year SGD term loan bears interest at 2.75% (31 March 2023: 2.75%) per annum and matures in July 2025. The loan is secured by a corporate guarantee from the Company.

(c) Variable rate bank loans

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 \$10,572,000 (31 March 2023: \$10,572,000) as at the reporting date. The loans bear interest at 2.00% (31 March 2023: 2.00%) per annum above the 1 month or 3 months compounded SORA rate. The loans are repayable on 6 January 2024 or 6 months from the date of issuance of Temporary Occupation Permit ("TOP") for the development properties, whichever is earlier.

The loans are secured by a legal mortgage of the development properties of the subsidiary and proportionate guarantee from the Company.

11. Share capital

	Group and Company		Company	
	30-Jun-23	31-Mar-23	30-Jun-23	31-Mar-23
Issued and fully paid-up capital:				
At beginning and end of the 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	
	30-Jun-23 S\$'000	31-Mar-23 S\$'000
Issued and fully paid-up capital: ^		
At beginning and end of the 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 30 June 2023.

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2023 and 31 March 2023.

12. Subsequent events

Other than those disclosed elsewhere in the condensed interim financial statement and below, there are no known subsequent events which have led to adjustments to this set of condensed interim financial statements.

KOP LIMITED

(Company Registration Number: 200415164G)

F. Other information required by Appendix 7C of the Catalyst Rules

1. Review

The condensed consolidated balance sheets of KOP Limited and its subsidiaries as at 30 June 2023 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 3 months period then ended and certain explanatory notes have not been audited or reviewed by the Company's auditors.

2. Review of performance of the Group

2a. Income statement

Revenue

	3 months ended 30-Jun-23 S\$'000	3 months ended 30-Jun-22 S\$'000	Change S\$'000	%
Real estate development and investment	32,894	2,265	30,629	1,352
Real estate origination and management services	58	58	-	-
Hospitality	5,186	1,827	3,359	184
	<u>38,138</u>	<u>4,150</u>	<u>33,988</u>	<u>819</u>

Revenue increased by S\$33.9 million or 819% from S\$4.2 million in 3 months ended 30 June 2022 ("1QFY2023") to S\$38.1 million in 3 months ended 30 June 2023 ("1QFY2024"). The increase was mainly due to increase in revenue from the real estate development, investment segment and hospitality segment.

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

The increase in revenue from the hospitality segment was mainly due to Montigo Resorts, Nongsa and Montigo Resorts, Seminyak being fully opened following the lifting of the travel restrictions by various countries in the previous financial year as well as the performance contributed from the newly acquired Montigo Resorts, Somerset in United Kingdom.

Cost of sales

Cost of sales increased by S\$26.1 million or 1,006% from S\$2.6 million in 1QFY2023 to S\$28.7 million in 1QFY2024 is in line with the increase in revenue during the period.

Gross profit

Gross profit increased by S\$7.8 million or 507% from S\$1.6 million in 1QFY2023 to S\$9.4 million in 1QFY2024 is in line with the increase in revenue during the period.

Other operating income

Other operating income decreased by S\$0.2 million or 41% from S\$0.5 million in 1QFY2023 to S\$0.3 million in 1QFY2024 mainly due to the one-off deposit received in relation to the Dalvey Haus project which was forfeited in the prior period.

Distribution costs

Distribution costs increased by S\$0.9 million or 1,552% from S\$0.1 million in 1QFY2023 to S\$1.0 million in 1QFY2024 mainly due to the increase in sales and marketing expenses incurred during the period.

Administrative and general expenses

Administrative and general expenses increased by S\$1.2 million or 51% from S\$2.5 million in 1QFY2023 to \$3.7 million in 1QFY2024 mainly due to improvement in the performance of the Group during the period.

Share of results from investment in associate

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

Finance costs

Finance costs decrease by S\$0.5 million or 31% from S\$1.7 million in 1QFY2023 to S\$1.2 million in 1QFY2024 mainly due to the repayment of shareholders' loans in the 3 months ended 31 March 2023.

Profit/(Loss) after tax

As a result of the above, the Group recorded a profit after tax of S\$3.8 million in 1QFY2024 compared to a loss after tax of S\$28.0 million 1QFY2023.

F. Other information required by Appendix 7C of the Catalyst Rules

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

2a. Income statement (cont'd)

Exchange difference on translation of foreign operations

The 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 investments in subsidiaries, P.T. Montigo Seminyak and P.T. Teguh Cipta Pratama during the period.

2b. Balance sheets

Development properties decreased by S\$22.8 million from S\$87.4 million as at 31 March 2023 to S\$64.6 million as at 30 June 2023 mainly due to the cost recognised in progress in relation to the units sold in Dalvey Haus project.

Trade and other receivables increased by S\$0.5 million from S\$1.5 million as at 31 March 2023 to S\$2.0 million as at 30 June 2023 mainly due to the increase in cash advances and amount due from a related party during the period.

Contract assets relates to the right to recognise revenue for percentage of work completed but not billed in Dalvey Haus project during the period.

Contract costs decreased by S\$71,000 from S\$131,000 as at 31 March 2023 to S\$60,000 as at 30 June 2023 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 were mainly due to repayments made during the period.

2c. Cash flows statement

The net cash inflow from operating activities for 1QFY2024 arose mainly due to the improvement in performance of the Group during the period.

The net cash outflow from investing activities for 1QFY2024 arose mainly from the purchase of property, plant and equipment during the period.

The net cash outflow from financing activities for 1QFY2024 arose mainly from the repayments of bank borrowings during the period.

F. Other information required by Appendix 7C of the Catalyst Rules

3. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

3a. Updates on the efforts taken to resolve each outstanding audit issue.

The Company's independent auditors had issued a qualified opinion on the Group's audited consolidated financial statements for the financial year ended 31 March 2023 ("FY2023"). For details, please refer to the Independent Auditors Report for FY2023 announced on 14 July 2023.

1. Opening balances

The opening balances relate to the basis for qualified opinion for FY2022 that was not resolved arising from the possible effects of these matters on the comparability of the current years' figures and the corresponding figures.

2. Inability to ascertain the accuracy of the loss on disposal of non-current asset held for sale

There will be no similar issues in the coming year following the completion of the disposal of non-current asset held for sale.

3b. Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

The Board confirms that the impact of all outstanding audit issues on the financial statements have been adequately disclosed to date.

4. 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.

5. 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 travel returning to normalcy, Montigo Resorts, Nongsa and Montigo Resorts, Seminyak are in full operations. Together with the newly acquired Montigo Resorts, Somerset in United Kingdom, the Group's hospitality segment records positive growth in occupancy and performance. Going forward, the Group will be focusing on growing its home brand, Montigo Resorts by taking on more hotel management contracts as well as expansion through acquiring potential hotels. The Group is cautiously optimistic and anticipates this segment will continue contributing healthy recurring income and sustainable profits for the Group.

For the real estate development segment, the Dalvey Haus project had recently obtained the TOP. With the completion of the Dalvey Haus project, the Group will cautiously look into other development projects.

The Group will remain prudent in cost management and will continue to focus on improving its operational efficiency to optimise the utilisation of resources.

6. Dividend information

6a. Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

No.

6b. Corresponding Period of the Immediately Preceding Financial year

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

No.

6c. Date Payable

Not applicable.

6d. Books closure date

Not applicable.

KOP LIMITED

(Company Registration Number: 200415164G)

F. Other information required by Appendix 7C of the Catalist Rules

7. 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.

8. Interested person transactions

The Group has not obtained a general mandate from shareholders of the Company for interested person transactions.

There are no interested person transactions greater than S\$100,000 or more for 1QFY2024.

9. 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 Catalist Rules 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 3 months period ended 30 June 2023 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

14 August 2023