

IMMEDIATE RELEASE MEDIA RELEASE

KOP Northern Lights Pte. Ltd. Received Final Payment, Marking its Withdrawal from the Shanghai Wintastar Project

Singapore, 14 December 2022 – Catalyst-listed KOP Limited (“**KOPL**” or the “**Company**”, together with its subsidiaries, the “**Group**”) announced that on 12 December 2022, its indirect, wholly-owned subsidiary company, KOPNL, has received the payment of RMB158,366,178 (amounting to S\$30,596,326) from Shanghai Hong Bin Properties Co., Ltd (“**SHBP**”) in relation to the net proceeds from the disposal of its investment, marking the closure of its arbitration case involving the world’s largest indoor ski resort in China. KOPNL had received RMB235,154,854 (amounting to S\$44,891,042) from Shanghai LuJiaZui Zhi Mao Investment Co., Ltd. (“**SLJZZM**”) on 25 November 2022.

The Final Arbitration Judgement issued on 29 September 2022 constitutes the complete award of the dispute in arbitration relating to the JVC. The net proceeds from the disposal of the JVC received by KOPNL after deducting all the expenses and taxes are approximately RMB392,194,967. KOPL had injected RMB300,000,000 as the registered capital in the JVC.

Ms Leny Suparman, Group CEO of KOP Limited, said: “We are happy and relieved on the final closure of the case. The monies received will generate a healthy cash inflow for KOPL, reducing its liabilities as we repay all shareholders’ loans and save on interest costs, it is a great way to end the year.”

Background of the Award from the Final Arbitration Judgement

On 10 November 2016, the Company announced that KOPNL had entered into a joint venture framework agreement in relation to a joint venture with Shanghai LuJiaZui Zhi Mao Investment Co., Ltd (上海陆家嘴至茂投资有限公司) (“**SLJZZM**”), a wholly-owned subsidiary of Shanghai LuJiaZui (Group) Co., Ltd (上海陆家嘴(集团)有限公司) (“**SLJZ**”) and Shanghai Harbour City Development (Group) Co., Ltd (上海港城开发(集团)有限公司) (“**SHCD**”) for the development of Wintastar Shanghai (冰雪之星) located in Shanghai’s Lingang City (临港主城区) (“**Project Wintastar**”) (the “**Framework Agreement**”).

On 12 June 2017, KOPNL entered into an investment agreement in relation to the incorporation of Shanghai Snow Star Properties Co., Ltd. (上海耀雪置业有限公司) (“**JVC**”), with SLJZZM and Shanghai Hong Bin Properties Co., Ltd. (上海鸿滨置业有限公司) (“**SHBP**”), a wholly-owned subsidiary of SHCD (the “**Investment Agreement**”) (SLJZZM and SHBP collectively known as the “**Purchasers**”).

Subsequently, on 13 November 2017, the Company announced that KOPNL had fully contributed its 30% registered capital of RMB300 million in the JVC.

The Company announced the ground-breaking of Project Wintastar on 30 August 2018.

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On or around 2020, as a result of differing views and disagreements between the parties in the JVC, the Purchasers had brought the case to the Shanghai International Arbitration Centre (“SHIAC”) on 28 December 2020.

KOPNL on 18 January 2021 received a notice of arbitration dated 4 January 2021. Subsequently, the Company had appointed its legal adviser on 11 February 2021 and was advised on 5 March 2021 that, in accordance with Article 40 of the (中华人民共和国 仲裁法) and Article 41 of the (中国 (上海) 自由贸易试验区仲裁规则), further disclosure of the status of the arbitration case would cause the Company to be in breach of these laws and regulations. On 3 June 2021, the Company announced that the counterparties had, on 26 May 2021, rejected the Group’s request to disclose more details on the arbitration.

Following a hearing on 25 June 2021, the SHIAC issued a Partial Judgement on 29 November 2021 as follows: (i) the Framework Agreement and the Investment Agreement shall be terminated as of 20 December 2020, and (ii) the Purchasers will acquire KOPNL’s 30% equity interest in the JVC at a fair market value, based on the average of the valuation provided by two China-qualified valuers appointed by the Purchasers and KOPNL respectively. The partial judgement dated 29 November 2021 had retrospectively terminated the Framework Agreement and Investment Agreement on 20 December 2020. Subsequently, KOPNL and the Purchasers have submitted their respective valuation reports to the SHIAC.

On 4 October 2022, the Company announced the receipt of the Final Arbitration Judgement which was issued on 29 September 2022.

Ms Leny Suparman added: “With the closure of the case and moving forward in 2023, we are positioning the Group to consolidate its existing projects as well as explore other ventures in new markets.”

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About KOP Limited

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

With origins leading back to KOP Properties Pte. Ltd., the Group has quickly built a reputation as a developer of niche, iconic and award-winning projects such as The Ritz-Carlton Residences and Montigo Resorts, Nongsa and Seminyak in Indonesia. KOPL’s property business covers areas of real estate development, investment and management services and is built on an integrated business model. Through a broad range of distinctive and award-winning real estate and hospitality projects crafted with quality design and workmanship, KOPL provides unique living and leisure experiences to its clients.

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Leveraging on the strategic synergies between its subsidiaries, KOPL is empowered to expand its core business of property development and incorporate entertainment elements into various ventures, adding flavour and character to real estate.

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

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