

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 2016

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		
	1QFY2017 3 months ended 30-Jun-16 (Unaudited) S\$'000	1QFY2016 3 months ended 30-Jun-15 (Unaudited) S\$'000	% change + / (-)
Revenue	2,632	5,676	(54)
Cost of sales	(1,692)	(3,044)	(44)
Gross profit	940	2,632	(64)
Other operating income	9,945	2,088	376
	10,885	4,720	131
Distribution costs	(229)	(334)	(31)
Administrative expenses	(4,205)	(3,880)	8
Share of results from investments in associated companies	1,410	2,127	(34)
Finance costs	(241)	(289)	(17)
Profit before tax	7,620	2,344	225
Income tax expense	(1,775)	(595)	198
Profit after tax	5,845	1,749	234
Other comprehensive loss for the period, after tax:			
<i>Item that may be subsequently reclassified to profit or loss:</i>			
Exchange difference on translation of foreign operations	(369)	(361)	2
Total comprehensive income for the period	5,476	1,388	295
Profit/ (Loss) attributable to:			
Owners of the Company	4,944	1,828	170
Non-controlling interests	901	(79)	n.m.
	5,845	1,749	234
Total comprehensive income/ (loss) attributable to:			
Owners of the Company	4,635	1,453	219
Non-controlling interests	841	(65)	n.m.
	5,476	1,388	295

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

	Group		
	1QFY2017 3 months ended 30-Jun-16 (Unaudited) S\$'000	1QFY2016 3 months ended 30-Jun-15 (Unaudited) S\$'000	% change + / (-)
Depreciation of property, plant and equipment (Note a)	876	503	74
Amortisation of intangible assets (Note b)	25	19	32
Interest income (Note c)	(472)	(1,019)	(54)
Net foreign exchange gains (Note d)	(306)	(970)	(68)
Interest expense (Note e)	241	289	(17)
Property, plant and equipment written off (Note f)	117	-	100
Gain on disposal of property, plant and equipment (Note g)	(8,933)	-	100
Allowance for doubtful receivables written back (Note h)	(100)	-	100

n.m. - not meaningful

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Notes:

a. 1QFY2017 vs 1QFY2016

Increase in depreciation was mainly due to depreciation charged for the leasehold land and building for Montigo Resorts, Seminyak, which commenced operations in October 2015.

b. 1QFY2017 vs 1QFY2016

Amortisation of intangible assets relates to the amortisation of free TV/ paid TV/ video rights.

c. 1QFY2017 vs 1QFY2016

Decrease in interest income was mainly due to the partial redemption of the long-term notes receivable of S\$21 million on 1 April 2016.

d. 1QFY2017 vs 1QFY2016

Decrease in net foreign exchange gains was mainly due to the translation of Singapore Dollars' borrowings to Great British Pound by the subsidiary, Cranley Hotel Limited in 1QFY2016.

e. 1QFY2017 vs 1QFY2016

Decrease in interest expense was mainly due to the full settlement of bank borrowings relating to the subsidiary, Cranley Hotel Limited during the period.

f. 1QFY2017 vs 1QFY2016

This mainly represents property, plant and equipment written off from the real estate origination and management services segment.

g. 1QFY2017 vs 1QFY2016

This mainly represents gain from the sale of Cranley Hotel during the period.

h. 1QFY2017 vs 1QFY2016

This mainly represents doubtful debts recovered from the receivables from the Entertainment segment.

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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-16 (Unaudited) S\$'000	31-Mar-16 (Audited) S\$'000	30-Jun-16 (Unaudited) S\$'000	31-Mar-16 (Audited) S\$'000
ASSETS				
Current assets				
Cash and bank balances	3,365	3,244	85	13
Trade and other receivables	36,152	34,957	25,412	26,017
Other current assets	635	704	43	47
Development properties	25,074	24,485	-	-
Inventories	507	575	-	-
Prepaid film rights	315	96	-	-
	66,048	64,061	25,540	26,077
Non-current asset held for sale	-	24,922	-	-
Total current assets	66,048	88,983	25,540	26,077
Non-current assets				
Intangible assets	101	126	-	-
Investments in subsidiaries	-	-	152,632	152,715
Investments in associated companies	8,249	6,839	-	-
Long-term notes receivable	16,173	36,934	-	-
Property, plant and equipment	60,438	60,286	1	2
Investment property	9,699	9,699	-	-
Deferred tax assets	524	568	-	-
Total non-current assets	95,184	114,452	152,633	152,717
Total assets	161,232	203,435	178,173	178,794
LIABILITIES AND EQUITY				
Current liabilities				
Trade and other payables	18,604	49,402	4,455	5,223
Bank overdrafts and borrowings (secured)	16,091	17,971	-	-
Finance leases	53	53	-	-
Income tax payables	1,043	1,219	4	4
	35,791	68,645	4,459	5,227
Liabilities directly associated with asset classified as held for sale	-	15,825	-	-
Total current liabilities	35,791	84,470	4,459	5,227
Non-current liabilities				
Bank borrowings (secured)	18,574	19,230	-	-
Finance leases	159	173	-	-
Sales proceeds received in advance	5,225	5,185	-	-
Deferred tax liabilities	2,860	1,230	-	-
Total non-current liabilities	26,818	25,818	-	-
Capital, reserves and non-controlling interests				
Share capital	67,861	67,861	283,427	283,427
Foreign currency translation reserves	127	436	-	-
Other reserve	1,258	1,258	-	-
Retained earnings/ (Accumulated losses)	29,956	25,012	(109,713)	(109,860)
Equity attributable to owners of the Company	99,202	94,567	173,714	173,567
Non-controlling interests	(579)	(1,420)	-	-
Total equity	98,623	93,147	173,714	173,567
Total liabilities and equity	161,232	203,435	178,173	178,794

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

	Group			
	30-Jun-16		31-Mar-16	
	(Unaudited) S\$'000	(Unaudited) S\$'000	(Audited) S\$'000	(Audited) S\$'000
	Secured	Unsecured	Secured	Unsecured
Amount repayable in one year or less, or on demand	16,144	-	18,024	-
Amount repayable after one year	18,733	-	19,403	-
	<u>34,877</u>	<u>-</u>	<u>37,427</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	
	1QFY2017 3 months ended 30-Jun-16 (Unaudited) S\$'000	1QFY2016 3 months ended 30-Jun-15 (Unaudited) S\$'000
Operating activities		
Profit before tax	7,620	2,344
Adjustments for:		
Depreciation of property, plant and equipment	876	503
Gain on disposal of property, plant and equipment	(8,933)	-
Property, plant and equipment written off	117	-
Amortisation of intangible assets	25	19
Unrealised foreign exchange differences	(415)	(1,409)
Interest income	(472)	(1,019)
Finance costs	241	289
Allowance for doubtful receivables written back	(100)	-
Share of results from investments in associated companies	(1,410)	(2,127)
Operating cash flows before movements in working capital	<u>(2,451)</u>	<u>(1,400)</u>
Trade and other receivables	(555)	510
Other current assets	69	(42)
Development properties	(488)	(413)
Inventories	75	8
Prepaid film rights	(219)	(145)
Trade and other payables	(9,744)	6,084
Sales proceeds received in advance	40	(2,217)
Cash (used in)/ generated from operations	<u>(13,273)</u>	<u>2,385</u>
Interest paid	(342)	(636)
Interest received	3	5
Income tax (paid)/ refund	(277)	83
Net cash flows (used in)/ from operating activities	<u>(13,889)</u>	<u>1,837</u>
Investing activities		
Purchase of property, plant and equipment	(1,196)	(192)
Disposal of property, plant and equipment	33,851	-
Loan to an associated company	(230)	(223)
Net cash flows from/ (used in) investing activities	<u>32,425</u>	<u>(415)</u>

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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	
	1QFY2017 3 months ended 30-Jun-16 (Unaudited) S\$'000	1QFY2016 3 months ended 30-Jun-15 (Unaudited) S\$'000
Financing activities		
Repayment of borrowings	(18,222)	(2,286)
Increase in restricted funds placed in escrow accounts	(447)	(287)
Repayment of finance leases	(14)	(758)
Net cash used in financing activities	<u>(18,683)</u>	<u>(3,331)</u>
Net decrease in cash and cash equivalents	(147)	(1,909)
Cash and cash equivalents at the beginning of financial period	(3,933)	3,912
Effect of foreign currency translation in cash and cash equivalents	(11)	(43)
Cash and cash equivalents at the end of financial period	<u>(4,091)</u>	<u>1,960</u>

Explanatory Notes:

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

	30-Jun-16 (Unaudited) S\$'000	30-Jun-15 (Unaudited) S\$'000	31-Mar-16 (Audited) S\$'000	31-Mar-15 (Audited) S\$'000
Cash and bank balances	3,365	5,114	3,244	5,309
Less: Bank overdrafts	(6,258)	(1,655)	(6,426)	(185)
Less: Restricted funds placed in escrow accounts	(1,198)	(1,499)	(751)	(1,212)
Cash and cash equivalents	<u>(4,091)</u>	<u>1,960</u>	<u>(3,933)</u>	<u>3,912</u>

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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 2016

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 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
Balance at 1 April 2015	67,861	714	1,258	24,666	94,499	(1,134)	93,365
<u>Total comprehensive income/ (loss) for the period</u>							
Profit/ (Loss) for the period	-	-	-	1,828	1,828	(79)	1,749
Other comprehensive (loss)/ income for the period	-	(375)	-	-	(375)	14	(361)
Total	-	(375)	-	1,828	1,453	(65)	1,388
Balance at 30 June 2015	67,861	339	1,258	26,494	95,952	(1,199)	94,753

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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 2016

	Share capital S\$'000	Accumulated losses S\$'000	Total equity S\$'000
The Company			
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>
Balance at 1 April 2015	283,427	(110,958)	172,469
Profit for the period, representing total comprehensive income for the period	-	113	113
Balance at 30 June 2015	<u>283,427</u>	<u>(110,845)</u>	<u>172,582</u>

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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 also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.

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 2016 (audited) and 30 June 2016 (Unaudited)	886,369,771	283,427

The Company does not have treasury shares or any outstanding convertibles as at 30 June 2016 and 31 March 2016.

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-16 (Unaudited)	31-Mar-16 (Audited)
Total number of issued shares (excluding treasury shares)	886,369,771	886,369,771

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

There are no sale, transfer, disposal, cancellation and/or use of treasury shares as at 30 June 2016.

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 2016.

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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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-16 (Unaudited)	3 months ended 30-Jun-15 (Unaudited)
Net profit attributable to Owners of the Company (S\$'000)	4,944	1,828
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	0.56	0.21
(b) on a fully diluted basis	0.56	0.21

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-16 (Unaudited)	31-Mar-16 (Unaudited)	30-Jun-16 (Unaudited)	31-Mar-16 (Unaudited)
Net asset value ("NAV") (S\$'000)	98,623	93,147	173,714	173,567
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)	11.13	10.51	19.60	19.58

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	1QFY2017	1QFY2016	Change	
	S\$'000	S\$'000	S\$'000	%
Real estate development and investment	-	2,254	(2,254)	(100)
Real estate origination and management services	50	171	(121)	(71)
Hospitality	2,523	3,055	(532)	(17)
Entertainment	59	196	(137)	(70)
	2,632	5,676	(3,044)	(54)

Revenue for the financial period from 1 April 2016 to 30 June 2016 ("1QFY2017") decreased by S\$3.0 million or 54% as compared to period from 1 April 2015 to 30 June 2015 ("1QFY2016"). The decrease was mainly due to decrease in revenue from real estate development and investment segment and hospitality segment.

The decrease in revenue from real estate development and investment segment was mainly due to sale arising from the handover of completed properties of Montigo Resorts, Nongsa in 1QFY2016. The decrease in revenue from hospitality segment was mainly due to the sale of Cranley Hotel in 1QFY2017.

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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 decreased by S\$1.7 million or 64% from S\$2.6 million in 1QFY2016 to S\$0.9 million in 1QFY2017 mainly due to no handover of properties of Montigo Resorts, Nongsa during the period and the sale of Cranley Hotel in early April 2016.

Other operating income

Other operating income increased by S\$7.9 million from S\$2.1 million in 1QFY2016 to S\$9.9 million in 1QFY2017 mainly due to gain from the sale of Cranley Hotel during the period, offset by the decrease in net foreign exchange gain and decrease in interest income.

Distribution costs

Distribution costs decreased by S\$0.1 million or 31% from S\$0.3 million in 1QFY2016 to S\$0.2 million in 1QFY2017 mainly due to decrease in marketing expenses and agency commission during the period.

Administrative expenses

Administrative expenses increased by S\$0.3 million or 8% from S\$3.9 million in 1QFY2016 to S\$4.2 million in 1QFY2017 mainly due to increase in depreciation of property, plant and equipment during the period.

Share of results from investments in associated companies

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

As a result of the above, the Group recorded a net profit after tax of S\$5.8 million in 1QFY2017 (1QFY2016: S\$1.7 million).

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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.

(b) STATEMENT OF FINANCIAL POSITION

Trade and other receivables increased by S\$1.2 million from S\$35.0 million to S\$36.2 million mainly due to the retention sum receivable from buyer from the sale of Cranley Hotel.

Other current assets decreased by S\$69,000 from S\$704,000 to S\$635,000 mainly due to decrease in prepaid expenditure during the period.

Development properties increased by S\$0.6 million from S\$24.5 million to S\$25.1 million mainly due to capitalisation of construction cost and interest expense for the borrowings.

Inventories decreased by S\$68,000 from S\$575,000 to S\$507,000 mainly due to decrease in inventories for both Montigo Resorts, Nongsa and Seminyak.

Intangible assets decreased by S\$25,000 from S\$126,000 to S\$101,000 mainly due to amortisation during the period.

Investments in associated companies represent investment of 20% interest in Art Heritage Singapore Pte. Ltd. and 25% interest in Epic Land Pte. Ltd.. Increase in investments in associated companies was mainly due to share of results from investments in associated companies during the period.

Long-term notes receivable represents subscription of Royce Properties Pte. Ltd.'s 2014 Junior Notes and interest accrued on the 2014 Junior Notes. Decrease in long-term notes receivable was due to partial redemption of S\$21 million via offsetting against payable to the ultimate holding company, KOP Group Pte. Ltd. ("KOPG") during the period.

Increase in property, plant and equipment by S\$0.1 million was mainly due to purchase of plant and equipment of S\$1.2 million offset with the depreciation charge of S\$0.9 million, disposal of S\$0.1 million and write-off of S\$0.1 million during the period.

Non-current asset held for sale and liabilities directly associated with asset classified as held for sale in FY2016 relate to the asset and liabilities associated with the Cranley Hotel located at Bina Gardens in London. The sale of Cranley Hotel was completed during the period.

Trade and other payables decreased by S\$30.8 million mainly due to partial redemption of S\$21 million via offsetting against payable to the ultimate holding company, KOPG and repayment made to ultimate holding company, KOPG during the period.

Decrease in bank overdrafts and borrowings of S\$2.5 million was mainly due to repayment of borrowings during the period.

Decrease in income tax payables of S\$176,000 was mainly due to payment made during the period.

Increase in sales proceeds received in advance amounting to S\$40,000 was mainly due to the receipts from buyer for the property of Montigo Resorts, Nongsa.

Increase in deferred tax liabilities was mainly due to the tax provision for the sale of Cranley Hotel during the period.

(c) STATEMENT OF CASH FLOWS

The net cash outflow from operating activities for the period ended 30 June 2016 arose mainly due to repayment made to ultimate holding company, KOPG during the period.

The net cash inflow from investing activities for the period ended 30 June 2016 arose mainly due to the proceeds from the sale of Cranley Hotel during the period.

The net cash outflow from financing activities for the period ended 30 June 2016 arose mainly due to repayment of borrowings and finance leases as well as increase in restricted funds placed in escrow accounts during the period.

KOP LIMITED

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(Incorporated in the Republic of Singapore)
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FIRST QUARTER FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2016

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

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 places such as Singapore, China and Indonesia. In view of the uncertainty and downturn of the global economy, the Group will focus on the 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
<u>Royce Properties Pte. Ltd.</u>		
Commission income	132	-
Interest income	239	-
<u>Scotts Spazio Pte. Ltd.</u>		
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 2016 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
12 August 2016

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Hong Leong Finance Limited ("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.

The contact person for the Sponsor is Mr. Tang Yeng Yuen, Vice President, Head of Corporate Finance, at 16 Raffles Quay, #40-01A Hong Leong Building, Singapore 048581, Telephone: (65) 6415 9886.