

ICP LTD

(Company Registration No. 196200234E)

Unaudited Financial Statements
For the Six Months and Full Year Ended 30 June 2021

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A. Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Six Months and Full Year Ended 30 June 2021

	Note	Group					
		Unaudited 6 Months Ended 30/06/2021 S\$'000	Unaudited 6 Months Ended 30/06/2020 S\$'000	Change %	Unaudited 12 Months Ended 30/06/2021 S\$'000	Audited 12 Months Ended 30/06/2020 S\$'000	Change %
Revenue	4	2,062	2,348	(12.2)	4,370	6,437	(32.1)
Cost of sales		(812)	(925)	(12.2)	(1,636)	(2,187)	(25.2)
Gross profit		1,250	1,423	(12.2)	2,734	4,250	(35.7)
Other income		186	105	77.1	240	131	83.2
Administrative expenses		(1,350)	(2,347)	(42.5)	(3,007)	(4,852)	(38.0)
Results from operating activities		86	(819)	N.M.	(33)	(471)	N.M.
Finance income		6	11	(45.5)	15	38	(60.5)
Finance costs		(474)	(431)	10.0	(905)	(665)	36.1
Net finance costs		(468)	(420)	11.4	(890)	(627)	41.9
Other losses		(132)	(227)	(41.9)	(138)	(227)	(39.2)
Share of results of equity-accounted investees, net of tax		(2)	13	N.M.	20	50	(60.0)
Loss before tax	5	(516)	(1,453)	(64.5)	(1,041)	(1,275)	(18.4)
Tax expenses		(78)	(49)	59.2	(78)	(49)	(59.2)
Loss for the year		(594)	(1,502)	(60.5)	(1,119)	(1,324)	(15.5)
Loss for the year attributable to:							
Owners of the Company		(500)	(1,253)	(60.1)	(920)	(1,088)	(15.4)
Non-controlling interests		(94)	(249)	(62.2)	(199)	(236)	(15.7)
Loss for the year		(594)	(1,502)	(60.5)	(1,119)	(1,324)	(15.5)
Other comprehensive income:							
Foreign currency translation differences		(159)	(163)	(2.5)	(82)	(78)	5.1
Other comprehensive loss, net of tax		(159)	(163)	(2.5)	(82)	(78)	5.1
Total comprehensive loss for the year		(753)	(1,665)	(54.8)	(1,201)	(1,402)	(14.3)
Total comprehensive loss attributable to:							
Owners of the Company		(600)	(1,505)	(60.1)	(939)	(1,140)	(17.6)
Non-controlling interests		(153)	(160)	(4.4)	(262)	(262)	-
		(753)	(1,665)	(54.8)	(1,201)	(1,402)	(14.3)

N.M. – Not Meaningful

B. Statements of Financial Position as at 30 June 2021

	Note	Group		Company	
		Unaudited 30/06/21 S\$'000	Audited 30/06/20 S\$'000	Unaudited 30/06/21 S\$'000	Audited 30/06/20 S\$'000
Non-current assets					
Property, plant and equipment	8	45,329	46,621	4	-
Intangible assets	9	6,558	6,266	-	-
Investment in subsidiaries		-	-	8,300	8,300
Associate and joint venture		25	13	-	-
Other investments		639	745	639	745
Other receivables		1,653	1,716	18,323	18,073
Right-of-use assets		128	300	-	-
		54,332	55,661	27,266	27,118
Current assets					
Trade and other receivables		1,648	2,014	7,702	8,292
Inventories		75	74	-	-
Cash and cash equivalents		8,269	4,050	5,138	1,106
		9,992	6,138	12,840	9,398
Total assets		64,324	61,799	40,106	36,516
Non-current liabilities					
Loans and borrowings	11	23,180	18,903	4,265	-
Amount due to non-controlling interests		800	6,005	-	-
Deferred tax liability		1,269	1,192	-	-
Lease liabilities		-	139	-	-
		25,249	26,239	4,265	-
Current liabilities					
Loans and borrowings	11	1,096	363	735	-
Amount due to non-controlling interests		1,152	1,540	700	715
Trade and other payables		1,768	1,968	907	1,175
Lease liabilities		139	173	-	-
		4,155	4,044	2,342	1,890
Total liabilities		29,404	30,283	6,607	1,890
Net assets		34,920	31,516	33,499	34,626
Equity					
Share capital	10	34,626	87,434	34,626	87,434
Reserves		(8,226)	(60,095)	(1,127)	(52,808)
Equity attributable to equity holders of the Company		26,400	27,339	33,499	34,626
Non-controlling interests		8,520	4,177	-	-
Total equity		34,920	31,516	33,499	34,626

C. Consolidated Statement of Cash Flows for the Full Year Ended 30 June 2021

	Period from 01/07/20 to 30/06/21 S\$'000	Period from 01/07/19 to 30/06/20 S\$'000
Cash Flows From Operating Activities		
Loss before tax	(1,041)	(1,275)
Adjustments for:-		
Depreciation of property, plant and equipment	2,038	2,304
Depreciation of Right-of-use assets	170	170
Amortisation of intangible assets	14	20
Net loss arising on financial asset designated as at FVTPL	-	227
Interest expenses	905	738
Interest income	(15)	(38)
Share of results of equity-accounted investees, net of tax	(20)	(50)
Unrealised foreign exchange loss / (gain)	133	(64)
Operating cash flows before working capital changes	2,184	2,032
Change in working capital: -		
Inventories	(1)	22
Trade and other receivables	191	971
Trade and other payables	(42)	(402)
Cash generated from operations	2,332	2,623
Interest paid	(885)	(704)
Net cash from operating activities	1,447	1,919
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	(798)	(1,530)
Acquisition of intangible assets	(306)	(394)
Dividend income received	-	63
Interest received	15	38
Non-trade amount due from an associate	-	(24)
Withdrawal of fixed deposits pledged	-	151
Return of capital from other investments	106	39
Placement of fixed deposits with tenor of more than 3 months placed with financial institutions	(40)	(126)
Net cash used in investing activities	(1,023)	(1,783)
Cash Flows From Financing Activities		
Proceeds from loans and borrowings	5,000	-
Advance from non-controlling interests, net	(988)	885
Repayment of loans and borrowings	-	(130)
Repayment of lease liabilities	(193)	(192)
Net cash from financing activities	3,819	563
Net increase in cash and cash equivalents	4,243	699
Cash and cash equivalents at beginning of the financial year	3,593	2,894
Effect of exchange rate fluctuations on cash held	(64)	-
Cash and cash equivalents at end of the financial year	7,772	3,593
Represented by:		
Cash and cash equivalents at 30 June		
Fixed deposits	497	457
Cash and bank balances	7,772	3,593
	8,269	4,050
Less: Fixed deposits with tenor of more than 3 months placed with financial institutions	(497)	(457)
	7,772	3,593

D. Consolidated Statement of Changes in Equity

The Group - For the Full Year Ended 30 June 2021

Group	Share Capital	Foreign Currency Translation Reserve	Other Reserve	Accumulated Losses	Total attributable to the equity holders of the Company	Non-controlling Interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 July 2020	87,434	(374)	(1,338)	(58,383)	27,339	4,177	31,516
Capital reduction	(52,808)	-	-	52,808	-	-	-
Capital contribution by non-controlling interests	-	-	-	-	-	4,605	4,605
Loss for the year	-	-	-	(920)	(920)	(199)	(1,119)
Other comprehensive loss for the year	-	(19)	-	-	(19)	(63)	(82)
Total comprehensive loss for the year	-	(19)	-	(920)	(939)	(262)	(1,201)
Balance as at 30 June 2021	34,626	(393)	(1,338)	(6,495)	26,400	8,520	34,920

The Group - For the Full Year Ended 30 June 2020

Group	Share Capital	Foreign Currency Translation Reserve	Other Reserve	Accumulated Losses	Total attributable to the equity holders of the Company	Non-controlling Interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 July 2019	87,434	(322)	(2,059)	(56,574)	28,479	4,439	32,918
Effects of strike-off of subsidiaries	-	-	721	(721)	-	-	-
Loss for the year	-	-	-	(1,088)	(1,088)	(236)	(1,324)
Other comprehensive loss for the year	-	(52)	-	-	(52)	(26)	(78)
Total comprehensive loss for the year	-	(52)	-	(1,088)	(1,140)	(262)	(1,402)
Balance as at 30 June 2020	87,434	(374)	(1,338)	(58,383)	27,339	4,177	31,516

The Company – For the Full Year Ended 30 June 2021

Company	Share Capital	Accumulated Losses	Total
	S\$'000	S\$'000	S\$'000
Balance as at 1 July 2020	87,434	(52,808)	34,626
Capital reduction	(52,808)	52,808	-
Loss for the year	-	(1,127)	(1,127)
Total comprehensive loss for the year	-	(1,127)	(1,127)
Balance as at 30 June 2021	34,626	(1,127)	33,499

The Company – For the Full Year Ended 30 June 2020

Company	Share Capital	Accumulated Losses	Total
	S\$'000	S\$'000	S\$'000
Balance as at 1 July 2019	87,434	(51,612)	35,822
Loss for the year	-	(1,196)	(1,196)
Total comprehensive loss for the year	-	(1,196)	(1,196)
Balance as at 30 June 2020	87,434	(52,808)	34,626

E. Notes to the Financial Statements

1. Corporate Information

ICP Ltd (the "Company") (Registration Number 196200234E) is incorporated in the Republic of Singapore with its principal place of business and registered office at 10 Anson Road, #28-16 International Plaza, Singapore 079903. The Company is listed on Catalist of Singapore Exchange. The financial statements are expressed in Singapore dollars.

The principal activity of the Company and its subsidiaries (collectively, the "Group") are that of investment holding, provision of hotel management services, hotel investment and chartering of vessels.

These condensed financial statements for the financial year ended 30 June 2021 comprise the Group.

2. Basis of Preparation

The condensed interim financial statements for the six months ended 30 June 2021 have been prepared in accordance with Singapore Financial Reporting Standard (International) ("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 audited financial statements for the financial year ended 30 June 2020.

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.

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 estimates and judgements

The preparation of financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. 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.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amount of the assets within the next financial period are included in the following notes:

Note 9 – Impairment test of intangible assets and goodwill: key assumptions underlying recoverable amounts

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and financial liabilities.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

2. Basis of Preparation (continued)

2.2 Use of estimates and judgements (continued)

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

3 Seasonal operations

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

4 Segment information

The Group has three reportable segments, as described below, which are the Group's strategic business units. These units are managed separately because they require different operational expertise, industry knowledge and separate financial requirements on a standalone basis. For each of the strategic business units, the Executive Directors of the respective strategic business units (the chief operating decision maker) reviews internal management reports on a monthly basis to make strategic decisions including resource allocation and performance assessments.

- (a) Hospitality - Hotel management, franchise and investment
- (b) Vessels chartering - Chartering of vessels (oil tankers)
- (c) Investment holding – Investment and management activities

Performance is measured based on segment profit or loss, as included in the internal management reports that are reviewed by the Executive Director of the respective strategic business units. Segment profit or loss is used to measure performance as the Executive Director of the respective strategic business units believe that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

4.1 Reportable segments

	Hospitality ⁽ⁱ⁾ S\$'000	Vessels chartering S\$'000	Investment holding S\$'000	Inter-segment adjustments S\$'000	Total S\$'000
<i>Financial year ended 30 June 2021</i>					
Segment revenue					
Revenue from external customers	2,548	1,822	-	-	4,370
Inter-segment revenue	112	-	-	(112)	-
Total revenue	<u>2,660</u>	<u>1,822</u>	<u>-</u>	<u>(112)</u>	<u>4,370</u>
Finance income	14	-	1	-	15
Finance costs	(844)	(61)	-	-	(905)
Share of results of equity-accounted investees, net of tax	20	-	-	-	20
Tax expenses	1	(79)	-	-	(78)
Reportable segment (loss)/profit for the year	<u>(314)</u>	<u>311</u>	<u>(1,134)</u>	<u>18</u>	<u>(1,119)</u>
Other material items:					
Depreciation and amortisation charges for the year	907	1,332	1	(18)	2,222
Other segment items:					
Capital expenditure	332	769	3	-	1,104

4.1 Reportable segments (continued)

Six months ended 30 June 2021

	Hospitality ⁽ⁱ⁾ S\$'000	Vessels chartering S\$'000	Investment holding S\$'000	Inter-segment adjustments S\$'000	Total S\$'000
Segment revenue					
Revenue from external customers	1,113	949	-	-	2,062
Inter-segment revenue	53	-	-	(53)	-
Total revenue	1,166	949	-	(53)	2,062
Finance income	6	-	-	-	6
Finance costs	(413)	-	(61)	-	(474)
Share of results of equity-accounted investees, net of tax	(2)	-	-	-	(2)
Tax expenses	1	(79)	-	-	(78)
Reportable segment (loss)/profit for the year	(20)	131	(712)	7	(594)
Other material items:					
Depreciation and amortisation charges for the year	401	682	1	(9)	1,075
Other segment items:					
Capital expenditure	5	18	-	-	23
<i>As at 30 June 2021</i>					
Reportable segment assets	47,903	14,121	40,415	(38,115)	64,324
Reportable segment liabilities	44,343	7,389	12,952	(35,280)	29,404

4.1 Reportable segments (continued)

	Hospitality ⁽ⁱ⁾	Vessels chartering	Investment holding	Inter-segment adjustments	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<i>Financial year ended 30 June 2020</i>					
Segment revenue					
Revenue from external customers	4,640	1,797	-	-	6,437
Inter-segment revenue	181	-	-	(181)	-
Total revenue	4,821	1,797	-	(181)	6,437
Finance income	28	-	10	-	38
Finance costs	(738)	-	73	-	(665)
Share of results of equity-accounted investees, net of tax	50	-	-	-	50
Tax expenses	13	(62)	-	-	(49)
Reportable segment (loss)/profit for the year	(359)	178	(1,202)	59	(1,324)
Other material items:					
Depreciation and amortisation charges for the year	1,031	1,478	3	(18)	2,494
Other segment information:					
Capital expenditure	1,172	752	-	-	1,924

4.1 Reportable segments (continued)

	Hospitality ⁽ⁱ⁾ S\$'000	Vessels chartering S\$'000	Investment holding S\$'000	Inter-segment adjustments S\$'000	Total S\$'000
<i>Six months ended 30 June 2020</i>					
Segment revenue					
Revenue from external customers	1,474	874	-	-	2,348
Inter-segment revenue	119	-	-	(119)	-
Total revenue	1,593	874	-	(119)	2,348
Finance income	8	-	3	-	11
Finance costs	(504)	-	73	-	(431)
Share of results of equity-accounted investees, net of tax	13	-	-	-	13
Tax expenses	13	(62)	-	-	(49)
Reportable segment (loss)/profit for the year	(926)	41	(666)	49	(1,502)
Other material items:					
Depreciation and amortisation charges for the year	556	719	1	(8)	1,268
Other segment information:					
Capital expenditure	368	752	-	-	1,120
<i>As at 30 June 2020</i>					
Reportable segment assets	47,731	14,846	36,815	(37,593)	61,799
Reportable segment liabilities	48,373	8,426	8,230	(34,746)	30,283

Note:

- (i) Despite a decline in revenue of S\$2.1 million from S\$4.6 million in FY2020 to S\$2.5 million in FY2021, the loss from hospitality segment reduced from S\$0.4 million to S\$0.3 million. Compared to 2H2020, the result of hospitality segment reduced from loss of S\$0.9 million to loss of S\$20,000 in 2H2021, due to various cost-containment measures the Group has adopted and various grant support received.

4.2 Disaggregation of Revenue

The Group's revenue is attributable to the geographical location of customers and assets as follows:

	6 months ended		12 months ended	
	30 Jun 2021	30 Jun 2020	30 Jun 2021	30 Jun 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Singapore	1,256	1,356	2,655	3,261
Malaysia	476	522	1,034	1,942
Korea	238	373	495	971
Hong Kong	60	51	129	109
Others	32	46	57	154
	<u>2,062</u>	<u>2,348</u>	<u>4,370</u>	<u>6,437</u>

5 Loss before tax

5.1 Significant items

Other than as disclosed elsewhere in the condensed interim financial statements, loss before tax of the Group has been arrived at after charging (crediting) the following:

	6 months ended		12 months ended	
	30 Jun 2021	30 Jun 2020	30 Jun 2021	30 Jun 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Depreciation of property, plant and equipment	983	1,093	2,038	2,304
Depreciation of right-of-use assets	85	85	170	170
Amortisation of intangible assets	7	7	14	20
Net loss arising on financial assets mandatorily measured at FVTPL	-	-	-	227
Dividend income	-	-	-	(63)

5.2 Related party transactions

Other than disclosed elsewhere in the financial statements, significant related party transactions carried out based on terms agreed between the parties are as follows:

	6 months ended		12 months ended	
	30 Jun 2021	30 Jun 2020	30 Jun 2021	30 Jun 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Non-controlling interests				
Vessels chartering income	949	874	1,822	1,797
Administrative fee charged by a corporate shareholder	20	20	39	39
Related corporations				
Hotel fees income from associate	56	48	122	158

6 Earnings per share (cents)

Basic earnings per share is calculated by dividing the net profit for the financial period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial period:

	6 months ended		12 months ended	
	30 Jun 2021	30 Jun 2020	30 Jun 2021	30 Jun 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Net loss attributable to owners of the Company	(500)	(1,253)	(920)	(1,088)
Weighted average number of ordinary shares	3,111,689	3,111,689	3,111,689	3,111,689
Basic earnings per share (cents)	<u>(0.02)</u>	<u>(0.04)</u>	<u>(0.03)</u>	<u>(0.03)</u>

7 Net asset value per share

	Group		Company	
	30 Jun 2021	30 Jun 2020	30 Jun 2021	30 Jun 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Net asset value attributable to owners of the Company	26,400	27,339	33,499	34,626
Weighted average number of ordinary shares	3,111,689	3,111,689	3,111,689	3,111,689
Net asset value per share (cents)	<u>0.85</u>	<u>0.88</u>	<u>1.08</u>	<u>1.11</u>

There were no treasury shares at the end of each respective financial year.

8 Property, plant and equipment

During financial year ended 30 June 2021, the Group acquired assets amounting to S\$798,000 (30 June 2020: S\$1,530,000).

9 Intangible assets

	Software S\$'000	Goodwill S\$'000	Trademark S\$'000	Total S\$'000
Group				
Cost				
At 1 July 2019	281	1,167	4,689	6,137
Additions	5	-	389	394
At 30 June 2020	286	1,167	5,078	6,531
Additions	-	-	306	306
At 30 June 2021	286	1,167	5,384	6,837
Accumulated amortisation				
At 1 July 2019	245	-	-	245
Amortisation for the year	20	-	-	20
At 30 June 2020	265	-	-	265
Amortisation for the year	14	-	-	14
At 30 June 2021	279	-	-	279
Carrying amounts				
At 30 June 2020	21	1,167	5,078	6,266
At 30 June 2021	7	1,167	5,384	6,558

	Software S\$'000
Company	
Cost	
At 1 July 2019	3
Additions	1
At 30 June 2020 and 30 June 2021	4
Accumulated amortisation	
At 1 July 2019	2
Amortisation for the year	2
At 30 June 2020	4
Amortisation for the year	-*
At 30 June 2021	4
Carrying amounts	
At 30 June 2020	-*
At 30 June 2021	-

* Amount less than S\$1,000.

9 Intangible assets (continued)

(i) **Goodwill**

Impairment assessment

GMT Bravo Pte. Ltd. and GMT Charlie Pte. Ltd. individually owns a vessel and leases the vessel to their non-controlling interests' subsidiary on a short-term bareboat charter arrangement.

Goodwill acquired in a business combination is allocated to the cash generating units (CGUs) that are expected to benefit from the business combination. The carrying amount of goodwill allocated to each CGU are as follows:

	Group	
	2021	2020
	S\$'000	S\$'000
Cash-generating units		
GMT Bravo Pte. Ltd.	613	613
GMT Charlie Pte. Ltd.	554	554
	1,167	1,167

The recoverable amounts of the CGUs are determined from value-in-use calculations, using future cash-flow projections derived from the cash flow projection approved by management. The key assumptions used in the calculation of recoverable amounts are as follows:

	Growth rates		Pre-tax discount rate	
	2021	2020	2021	2020
	%	%	%	%
GMT Bravo Pte. Ltd.	2.5	2.5	8.5	9.5
GMT Charlie Pte. Ltd.	2.5	2.5	8.5	9.3

The value-in-use calculation uses cash flow projections over the remaining life of the vessels and the projected residual value of the vessels at the end of their useful life respectively.

A pre-tax discount rate was adopted for the calculation of value-in-use. The pre-tax discount rate was determined based on the risk-free rate adjusted for a market risk premium to reflect market risks specific to the respective CGU.

Sensitivity to change in assumptions

Management has identified that a change in the following assumptions would cause the carrying amount of the CGUs to exceed the recoverable amount:

	Increase in pre-tax discount rate	
	2021	2020
	%	%
GMT Bravo Pte. Ltd.	2.4	0.5
GMT Charlie Pte. Ltd.	2.4	0.5

In addition, a decrease in growth rate by 2.5% (2020: decrease in growth rate by 2.5%) would cause the carrying amount of the CGUs to exceed the recoverable amount of GMT Bravo Pte. Ltd. and GMT Charlie Pte. Ltd., respectively as at 30 June 2021.

9 Intangible assets (continued)

(ii) Trademark rights

In 2015, the Group acquired the registered trademark rights to the hotel brand name “Travelodge” in the Asia Pacific region, excluding Australia and New Zealand, for services relating to the management of hotels and serviced apartments, operation of hotels and serviced apartments and associated sales, marketing, reservations and booking services and the provision of conference rooms.

The Group assessed and concluded that these trademark rights are indefinite life intangible assets as there is no foreseeable limit to the Group’s ability to use the trademark right to generate cash inflows for the Group.

Impairment assessment

The trademark rights are part of the hospitality segment (“Hotel Development CGU”). The recoverable amount of the Hotel Development CGU is determined based on value-in-use calculation, using future cash-flow projections derived from the cash flow projection approved by management for the next 5 years (FY2020: 5 years).

The key assumptions used in value-in-use calculations are:

	2021	2020
	%	%
Average growth in number of rooms	19	26
Average room occupancy rate	22 to 90	38 to 65
Pre-tax discount rates	8 to 10	7 to 15
Terminal growth rate	3	3

The cash flow projections are based on the cash flows expected to be derived from the contractual hotel management, franchise and license agreements established with local partners in Hong Kong, Thailand, Indonesia, Malaysia, Korea and Singapore.

A pre-tax discount rate was adopted for the calculation of value-in-use. The pre-tax discount rate is determined based on a risk-free rate adjusted for a market risk premium to reflect market risks and the risks specific to the trademark rights. The long-term terminal growth rates have been determined based on the average real GDP rates for the countries in which the trademark rights are expected to be utilised.

The Group believes that any reasonably possible change to the key assumptions above is unlikely to cause the recoverable amount of trademark rights to be materially lower than its carrying amount.

10 Share capital

	Group and Company			
	2021	2020	2021	2020
	Number of ordinary shares ('000)		S\$'000	S\$'000
<i>Issued and fully paid ordinary shares, with no par value</i>				
At the beginning of the financial year	3,111,689	3,111,689	87,434	87,434
Capital reduction	-	-	(52,808)	-
At the end of the financial year	3,111,689	3,111,689	34,626	87,434

All issued shares are fully paid, with no par value.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company’s residual assets.

11 Loans and borrowings

	Group		Company	
	2021	2020	2021	2020
	S\$'000	S\$'000	S\$'000	S\$'000
Secured bank loans:				
- Current	1,096	363	735	-
- Non-current	23,180	18,903	4,265	-
	<u>24,276</u>	<u>19,266</u>	<u>5,000</u>	<u>-</u>

Total bank borrowings of S\$24,276,000 comprise of (i) S\$5,000,000 temporary bridging loan held by the Company; and (ii) S\$19,276,000 million secured bank loan held by a subsidiary.

Details of any collaterals

The temporary bridging loan under Enterprise Singapore is interest-bearing with a tenure of 5 years. It is secured by an unconditional and irrevocable corporate guarantee from a subsidiary of the Company, Travelodge Hotels (Asia) Pte Ltd.

The bank loan held by a subsidiary is secured by a hotel property and its freehold land with net carrying amount of S\$34.5 million as at 30 June 2021 (30 June 2020: S\$35.2 million). The bank has granted a waiver from the compliance of the financial covenant for the borrowings before 30 June 2021.

12 Subsequent events

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

F. Other Information required pursuant to Appendix 7C of the Catalyst Rules

1. Review

The condensed consolidated statements of financial position of ICP Limited and its subsidiaries as at 30 June 2021 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statements of changes in equity and condensed consolidated statement of cash flows for the six-month period and full year then ended and certain explanatory notes have not been audited or reviewed.

2. A statement showing all sales, transfer, cancellation and/or use of treasury shares as at the end of the current financial period reported on

Not applicable.

3. A statement showing all sales, transfer, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on

Not applicable.

4. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

- a) Updates on the efforts taken to resolve each outstanding audit issue.
- b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable.

5. 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 the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Review of Performance

The Group reported revenue of S\$4.4 million in the financial year ended 30 June 2021 ("FY2021") as compared to S\$6.4 million in the financial year ended 30 June 2020 ("FY2020"), a decrease of 32.1% or S\$2.0 million, attributable to the hospitality segment. The Group's revenue for the 6 months ended 30 June 2021 ("2H2021") was S\$2.1 million as compared to S\$2.3 million for the 6 months ended 30 June 2020 ("2H2020"). The decline in revenue in FY2021 was a result of various city lockdowns and implementation of tight cross borders restrictions arising from COVID-19 in many countries, where (i) room occupancy in Travelodge City Centre ("TLCC") declined compared to FY2020; and (ii) hotel management and franchise fee income also reduced as businesses were affected by the overall downturn of global tourism.

Revenue from the vessel chartering segment in FY2021 increased slightly by S\$25,000 due to increase in chartering rate.

Cost of sales dropped by 25.2% from S\$2.2 million in FY2020 to S\$1.6 million in FY2021 in line with the decline in revenue.

Following the decline in revenue and cost of sales mentioned above, the group's gross profit decreased by 35.7% or S\$1.5 million in FY2021.

Administrative expenses dropped by 38% from S\$4.9 million in FY2020 to S\$3.0 million in FY2021. This was mainly due to (i) reduction of employees' payroll and directors' fees up to 30%; and (ii) government jobs support scheme payout.

Other losses of S\$0.2 million in FY2020 related to net loss arising on financial asset designated as at FVTPL. Other losses of S\$0.1 million in FY2021 is mainly attributable to net foreign exchange loss.

As a result of the above, the Group reported a loss before tax of S\$1.0 million in FY2021 as compared to a loss before tax of S\$1.3 million in FY2020.

Review on balance sheet

Non-current assets

Non-current assets decreased by S\$1.4 million, mainly due to decrease in property, plant and equipment and right-of-use assets of S\$1.5 million, decrease in other investments of S\$0.1 million and decrease in other receivables of S\$0.1 million, partially offset by the increase in intangible assets of S\$0.3 million attributable to additional costs incurred on trademark.

The decrease in property, plant and equipment comprises of additions to plant and equipment of S\$0.8 million, offset by depreciation of S\$2.0 million charged during the year.

Current assets

Current assets increased by S\$3.8 million, mainly due to increase in cash and cash equivalents of S\$4.2 million contributed by the temporary bridging loan mentioned in Note 11, partially offset by the decrease in trade and other receivables by S\$0.4 million.

Non-current liabilities

Non-current liabilities decreased slightly by S\$1.0 million. The Company drew down S\$5.0 million temporary bridging loan, where S\$4.3 million is classified under non-current liabilities. Amount due to non-controlling interests decreased by S\$5.2 million, attributable to capitalization of shareholder loan in a Malaysia subsidiary of the Group and partial repayment of amount due to non-controlling interests.

Current liabilities

Current liabilities increased by S\$0.1 million from S\$4.1 million to S\$4.0 million. Loans and borrowings increased by S\$0.7 million as a result of temporary bridging loan drawdown mentioned in Note 11. Current amount due to non-controlling interest decreased by \$0.4 million.

Equity

Total equity attributable to equity holders of the company decreased by S\$0.9 million mainly arising from net loss for the year. The increase in non-controlling interests is a result of capitalization of shareholder loan in a Malaysia subsidiary of the Group.

Review of Cash Flows

The Group reported a net increase in cash and cash equivalents of S\$4.2 million, mainly arising from positive operating cash flows of S\$1.4 million, and cash generated from financing activities of S\$3.8 million, offset by cash used in investing activities of S\$1.0 million.

6. A breakdown of revenue and loss after tax before non-controlling interests

	Group	30 Jun 2021 S\$'000	30 Jun 2020 S\$'000	Change %
(a)	Revenue reported for first half year	2,308	4,089	(43.6)
(b)	(Loss) / profit after tax before non-controlling interests for the first half year	(525)	178	N.M.
(c)	Revenue reported for second half year	2,062	2,348	(12.2)
(d)	Loss after tax before non-controlling interests for the second half year	(594)	(1,502)	60.5

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

Not applicable.

8. 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 resurgence of COVID-19, in particular the Delta variant, has put a dampener on the recovery of the hospitality industry in many parts of the world. During this time, the business at the hotels managed by the Group has been supported to an extent by domestic travel where relevant, long stays akin to serviced apartments and some hotels selectively operating as government-designated quarantine related facilities. However, with international borders remaining closed or severely restricted in most markets, the Group's hospitality business continues to be adversely affected.

For a period during FY2021, Travelodge City Centre was designated by the relevant Malaysian authorities as a quarantine facility for travellers returning to Kuala Lumpur from abroad who are required to undergo mandatory quarantine. The hotel was also recently designated as a private low risk COVID-19 quarantine and treatment centre. This source of business has provided, and will continue to provide, the hotel with a reasonable source of income to mitigate losses associated with the hotel being shut or running at minimal levels of occupancy. In tandem with this, the team continues to manage the hotel costs tightly.

A return to the Group's pre-pandemic revenue level will depend on the removal of barriers to international travel, particularly in Asia, or the establishment of travel corridors between countries. The speed of the inoculation programme globally will play an integral role in this respect, and there are signs that many countries have made relatively good progress in administering vaccines to their population. This bodes well for some recovery in the Group's hospitality business.

As vaccination rates continue to rise globally, the Group remains positive about the prospects of the resumption of international travel materialising in the year ahead. Meanwhile, the Group will continue to exercise prudence in managing its resources while positioning itself for the eventual recovery.

9. If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No.

(b) (i) Amount per share cents

Not applicable.

(ii) Previous corresponding period cents

Not applicable.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

10. 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 in view of the fact that the Company is in a loss-making position for the current financial year.

11. Aggregate value of interested person transactions conducted pursuant to shareholders' mandate for the full year ended 30 June 2021.

To date, there is no general mandate from shareholders for interested person transactions.

The aggregate values of all interested person transactions for the full year ended 30 June 2021 did not exceed S\$100,000.

12. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (10)

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Aw Ming-Yao, Marcus	35	Son of Mr. Aw Cheok Huat, a substantial shareholder of the Company	Executive Director of the Company since November 2018	Nil

13. Use of Proceeds pursuant to Rule 704(30)

Pursuant to announcements on 5 March 2019, 20 March 2019, 10 May 2019, 29 August 2019, 13 February 2020, 25 August 2020 and 9 February 2021, the Company has fully utilised the remaining proceeds from the Placement of Shares in 2019.

	Amount utilised S\$ Million	Amount unutilised S\$ Million
2019 Share Placement	3.91*	-

*Working capital utilization includes professional fees, payroll related expenses, administrative overheads and listing related fees.

14. Confirmation by the Board of Directors pursuant to Rule 720(1) of the Catalist Rules

Pursuant to Rule 720(1) of the SGX Catalist Rules, the Company has procured undertakings from all its directors and executive officers.

BY ORDER OF THE BOARD

Ong Min'er
Financial Controller

27 August 2021

This announcement has been prepared by the Company and its contents 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 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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