ICP LTD (Co. No. 196200234E)

Unaudited Full Year Financial Statement and Dividend Announcement for the Year Ended 30 June 2020

PART I- INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL YEAR RESULTS

1(a) (i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

Unaudited Statement of Comprehensive Income for the Financial Year Ended 30 June 2020

	Group		
	12 Months Ended 30/06/2020 S$'000	**12 Months Ended 30/06/2019 S$'000**	**Increase/ (Decrease) %**
Revenue	6,437	4,506	42.9
Cost of sales	(2,187)	(1,787)	22.4
Gross profit	**4,250**	**2,719**	56.3
Other income	131	59	N.M.
Administrative expenses	(4,852)	(4,289)	13.1
Results from operating activities	**(471)**	**(1,511)**	(68.8)
Finance income	38	14	N.M.
Finance costs	(665)	(461)	44.3
Net finance costs	(627)	(447)	40.2
Other losses	(227)	(95)	N.M.
Share of results of equity-accounted investees, net of tax	50	33	51.5
Loss before tax	**(1,275)**	**(2,020)**	(36.9)
Tax expenses	(49)	(104)	(52.9)
Loss for the year	**(1,324)**	**(2,124)**	(37.7)
Loss for the year attributable to:			
Owners of the Company	(1,088)	(2,219)	(51.0)
Non-controlling interests	(236)	95	N.M.
	(1,324)	**(2,124)**	(37.7)

N.M.- Not Meaningful

1(a) (ii) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group		
	12 Months Ended 30/06/2020 S$'000	**12 Months Ended 30/06/2019 S$'000**	**Increase/ (Decrease) %**
Loss for the year	**(1,324)**	**(2,124)**	(37.7)
Other comprehensive income:			
Items that will be reclassified subsequently to profit or loss:-			
Foreign currency translation differences	(78)	(445)	(82.5)
Other comprehensive loss, net of tax	**(78)**	**(445)**	(82.5)
Total comprehensive loss for the year	**(1,402)**	**(2,569)**	(45.4)
Total comprehensive loss attributable to:			
Owners of the Company	(1,140)	(2,541)	(55.1)
Non-controlling interests	(262)	(28)	N.M.
	(1,402)	**(2,569)**	(45.4)

1(a) (iii) Notes to the Statement of Comprehensive Income

		Group		
		12 Months Ended 30/06/2020 S$'000	**12 Months Ended 30/06/2019 S$'000**	**Increase/ (Decrease) %**
Operating loss is stated after charging/(crediting):				
(a)	Foreign exchange (gain)/loss	(73)	8	N.M.
(b)	Interest income	(38)	(14)	N.M.
(c)	Interest expense	738	453	62.9
(d)	Depreciation of property, plant and equipment	2,304	1,540	49.6
	- included in cost of sales	1,478	1,225	20.7
	- included in administrative expenses	826	315	N.M.
(e)	Depreciation of Right-of-use assets	170	-	100.0
(f)	Amortisation of intangible assets	20	31	(35.5)
(g)	Property, plant and equipment written off	-	13	(100.0)
(h)	Net loss arising on financial asset designated as at fair value through profit or loss ("FVTPL")	227	95	N.M.

N.M.- Not Meaningful

1(b) (i) A statements of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

Unaudited Statements of Financial Position as at 30 June 2020

	Group		Company	
	30/06/20 S$'000	**30/06/19 S$'000**	**30/06/20 S$'000**	**30/06/19 S$'000**
Non-current assets				
Property, plant and equipment	46,621	47,610	-	1
Intangible assets	6,266	5,892	-	2
Right-of-use assets	300	-	-	-
Investment in subsidiaries	-	-	8,300	17,792
Associate and joint venture	13	26	-	-
Financial asset at fair value through profit or loss	745	1,011	745	1,011
Other receivables	1,716	1,628	18,073	13,107
	55,661	**56,167**	**27,118**	**31,913**
Current assets				
Trade and other receivables	2,014	2,840	8,292	12,386
Inventories	74	96	-	-
Cash and cash equivalents	4,050	3,380	1,106	1,946
	6,138	**6,316**	**9,398**	**14,332**
Total assets	**61,799**	**62,483**	**36,516**	**46,245**
Non-current liabilities				
Loans and borrowings	18,903	-	-	-
Amount due to non-controlling interests	6,005	6,160	-	-
Lease liabilities	139	-		
Deferred tax liability	1,192	1,141	-	-
	26,239	**7,301**	**-**	**-**
Current liabilities				
Loans and borrowings	363	19,511	-	-
Amount due to non-controlling interests	1,540	500	715	-
Lease liabilities	173	-	-	-
Other liabilities	116	-	11	-
Trade and other payables	1,852	2,253	1,164	10,423
	4,044	**22,264**	**1,890**	**10,423**
Total liabilities	**30,283**	**29,565**	**1,890**	**10,423**
Net assets	**31,516**	**32,918**	**34,626**	**35,822**
Equity				
Share capital	87,434	87,434	87,434	87,434
Reserves	(60,095)	(58,955)	(52,808)	(51,612)
Equity attributable to equity holders of the Company	**27,339**	**28,479**	**34,626**	**35,822**
Non-controlling interests	4,177	4,439	-	-
Total equity	**31,516**	**32,918**	**34,626**	**35,822**

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

Amount repayable in one year or less, or on demand

As at 30/06/20		As at 30/06/19	
Secured S$'000	Unsecured S$'000	Secured S$'000	Unsecured S$'000
363	-	19,511*	-

Amount repayable after one year

As at 30/06/20		As at 30/06/19	
Secured S$'000	Unsecured S$'000	Secured S$'000	Unsecured S$'000
18,903	-	-	-

*As at 30 June 2019, a subsidiary of the Group did not meet one of the bank financial covenants in relation to the loan secured against the Travelodge City Centre. The bank granted a waiver from the compliance of the financial covenant for these borrowings subsequent to 30 June 2019. As a result of the above, these borrowings were reclassified from non-current liabilities to current liabilities as at 30 June 2019 in accordance with requirements of Singapore Financial Reporting Standards (International) 1-1.

The bank has granted a waiver from the compliance of the financial covenant for the borrowings before 30 June 2020. Consequently, as at 30 June 2020, the Group's borrowings amounting to S$18.9 million have been classified as non-current liabilities.

Details of any collaterals

The Group's secured borrowings and debt securities are secured by a hotel property of a subsidiary with net carrying amount of S$35.2 million (FY2019: S$35.1 million).

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial period

Consolidated Statement of Cash Flows for the Full Year Ended 30 June 2020

	Period from 01/07/19 to 30/06/20 S$'000	Period from 01/07/18 to 30/06/19 S$'000
Cash Flows From Operating Activities		
Loss before tax	(1,275)	(2,020)
Adjustments for:-		
Depreciation of property, plant and equipment	2,304	1,540
Depreciation of Right-of-use assets	170	-
Amortisation of intangible assets	20	31
Net loss arising on financial asset designated as at FVTPL	227	95
Property, plant and equipment written off	-	13
Interest expenses	738	453
Interest income	(38)	(14)
Share of results of equity-accounted investees, net of tax	(50)	(33)
Unrealised foreign exchange (gain)/loss	(64)	6
Operating cash flows before working capital changes	2,032	71
Change in working capital: -		
Inventories	22	(8)
Trade and other receivables	971	(260)
Trade and other payables	(402)	(158)
Cash used in operations	**2,623**	**(355)**
Interest paid	(704)	(453)
Net cash from/(used in) operating activities	**1,919**	**(808)**
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	(1,530)	(5,299)
Acquisition of intangible assets	(394)	(343)
Dividend income received	63	35
Interest received	38	14
Non-trade amount due from an associate	(24)	-
Withdrawal of fixed deposits pledged	151	-
Return of capital from other investments	39	-
Placement of fixed deposits with tenor of more than 3 months placed with financial institutions	(126)	-
Net cash used in investing activities	**(1,783)**	**(5,593)**
Cash Flows From Financing Activities		
Proceeds from issuance of new ordinary shares	-	3,910
Proceeds from loans and borrowings	-	3,270
Net advance from non-controlling interests	885	655
Repayment of loans and borrowings	(130)	(2,580)
Repayment of lease liabilities	(192)	-
Net cash from financing activities	**563**	**5,255**
Net increase/(decrease) in cash and cash equivalents	**699**	**(1,146)**
Cash and cash equivalents at 1 July	**2,894**	**4,047**
Effect of exchange rate fluctuations on cash held	**-**	**(7)**
Cash and cash equivalents at 30 June	**3,593**	**2,894**
Represented by:		
Cash and cash equivalents at 30 June		
Fixed deposits	457	486
Cash and bank balances	3,593	2,894
	4,050	**3,380**
Less: Fixed deposits with tenor of more than 3 months placed with financial institutions	(457)	(335)
Less: Fixed deposits pledged	-	(151)
	3,593	**2,894**

1 (d) (i) A statement (for the issuer and group) showing either (i) all changes in equity of (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

Consolidated Statement of Changes in Equity 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**

Consolidated Statement of Changes in Equity for the Full Year Ended 30 June 2019

Group	Share Capital	Fair Value Reserve	Foreign Currency Translation Reserve	Other Reserve	Accumula-ted 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$'000	S$'000
Balance as at 1 July 2018 as previously stated	83,524	(60)	-	(2,059)	(54,295)	27,110	4,467	31,577
Adjustment on initial application of SFRS (I) 9, net of tax	-	60	-	-	(60)	-	-	-
Balance at 1 July 2018, as adjusted	83,524	-	-	(2,059)	(54,355)	27,110	4,467	31,577
Issue of share capital	3,910	-	-	-	-	3,910	-	3,910
(Loss)/Profit for the year	-	-	-	-	(2,219)	(2,219)	95	(2,124)
Other comprehensive loss for the year	-	-	(322)	-	-	(322)	(123)	(445)
Total comprehensive loss for the year	-	-	(322)	-	(2,219)	(2,541)	(28)	(2,569)
Balance as at 30 June 2019	**87,434**	**-**	**(322)**	**(2,059)**	**(56,574)**	**28,479**	**4,439**	**32,918**

Company - Statement of Changes in Equity 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

Company - Statement of Changes in Equity for the Full Year Ended 30 June 2019

Company	Share Capital	Fair Value Reserve	Accumulated Losses	Total
	S$'000	S$'000	S$'000	S$'000
Balance as at 1 July 2018, as previously stated	83,524	(60)	(50,668)	32,796
Adjustment on initial application of SFRS (I) 9, net of tax	-	60	(60)	-
Balance at 1 July 2018, as adjusted	83,524	-	(50,728)	32,796
Issue of share capital	3,910	-	-	3,910
Loss for the year	-	-	(884)	(884)
Total comprehensive loss for the year	-	-	(884)	(884)
Balance as at 30 June 2019	87,434	-	(51,612)	35,822

1(d)(ii) **Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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 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 and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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**

Group and Company

Issued and fully-paid

	Number of Shares	Share Capital S$'000
Balance as at 1 July 2019	3,111,689,122	87,434
Issuance of shares	-	-
Balance as at 30 June 2020	3,111,689,122	87,434

The Company did not have any outstanding convertibles or treasury shares or subsidiary holdings as at 30 June 2020 and 30 June 2019.

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**

	30/06/2020	30/06/2019
Total number of issued shares	3,111,689,122	3,111,689,122

The Company did not hold any treasury shares as at 30 June 2020 and 30 June 2019.

1(d) (iv) **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.

1(d) (v) **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.

2. **Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice**

The figures have not been audited nor reviewed by the Company's auditors.

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

Not applicable.

3A. 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.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Save as disclosed in note 5, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those applied for the audited annual financial statements as at 30 June 2019.

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 has adopted all the new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)") and SFRS(I) Interpretation ("SFRS(I) INT") that are mandatory for application for the financial period.

The Group has also currently applied new accounting standards SFRS(I) 16 Leases for the current reporting period, using the modified retrospective approach. The Group has applied the practical expedient available on transition to SFRS(I) 16 not to reassess whether a contract is or contains a lease. This means that SFRS(I) 16 is applied to all contracts entered into on before 1 July 2019 and identified as leases in accordance with SFRS(I) 1-17 and SFRS(I) INT 4.

Under SFRS(I) 16, the Group recognised depreciation of the right-of-use assets of S$0.2 million, and interest expense on lease liabilities of S$0.01 million. The net impact to the Group's results in the current reporting period is not material.

As at 30 June 2020, the Group has right-of-use assets of S$0.3 million with corresponding lease liabilities of S$0.3 million.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	12 months ended	
	30/06/2020	**30/06/2019**
Basic and diluted		
Weighted average ordinary shares	3,111,689,122	2,805,022,455
Loss per share (cents):	0.04	0.08

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

Net asset value per ordinary share based on issued share capital	As at 30/06/20	As at 30/06/19
For the Group (cents)	0.88	0.92
For the Company (cents)	1.11	1.15

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 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$6.4 million in the financial year ended 30 June 2020 ("FY2020") as compared to S$4.5 million in the financial year ended 30 June 2019 ("FY2019"), an increase of 42.9% or S$1.9 million. The increase was mainly attributable to growth in the Group's hospitality segment. The Group's revenue in half year ended 31 December 2019 ("H1 2020") alone was S$4.1 million compared to S$2.3 million in half year ended 30 June 2020 ("H2 2020"), just shy of the full year FY2019 revenue of S$4.5 million. However, the revenue in H2 2020 decreased by almost 50% compared to H1 2020 due to the impact of COVID-19, where (i) room revenue in Travelodge City Centre ("TLCC") declined significantly as a result of the implementation of a series of movement control orders ("MCOs") imposed by the Malaysian government that resulted in the closure of TLCC from mid-March onwards; and (ii) hotel management and franchise fee income also reduced significantly as businesses in the other Travelodge hotels across Singapore, Hong Kong, South Korea, Malaysia, Thailand and Indonesia were affected by city lockdowns and tighter cross border travel restrictions.

Revenue from the vessel chartering segment in FY2020 remains consistent with the revenue earned in FY2019 at S$1.8 million.

Cost of sales increased by 22.4% from S$1.8 million in FY2019 to S$2.2 million in FY2020 mainly due to the incremental operation expenses incurred in Travelodge City Centre (formerly known as Geo Hotel), in line with the growth in hotel property income.

Following the higher revenue and cost of sales mentioned above, the group's gross profit increased by 56.3% or S$1.6 million in FY2020.

Administrative expenses increased by 13.1% from S$4.3 million in FY2019 to S$4.9 million in FY2020. This was mainly due to the increased depreciation incurred in Travelodge City Centre on its completion of refurbishment.

Finance costs increased slightly from S$0.5 million to S$0.7 million, mainly attributable to Travelodge City Centre.

Other losses relate to net loss arising on financial asset designated as at FVTPL. The loss increased from S$0.1 million to S$0.2 million as a result of a higher fair value loss in the financial asset as at 30 June 2020 compared to 30 June 2019.

As a result of the above, the Group reported a loss before tax of S$1.3 million in FY2020 as compared to loss before tax of S$2.0 million in FY2019.

Review on working capital, assets and liabilities

Non-current assets
Non-current assets decreased by S$0.5 million, mainly due to decrease in property, plant and equipment of S$1.0 million and decrease in financial assets through profit or loss of S$0.3 million as the net asset values of the underlying unquoted fund investments decreased, offset by increase in right-of-use assets of $0.3 million, increase in intangible assets of S$0.4 million attributable to additional expenditure on trademark and increase in other receivables of S$0.1 million.

During the year, there were additions of property, plant and equipment of S$1.5 million, offset by effects of movements in foreign exchange rates of S$0.2 million and depreciation of S$2.3 million charged during the year.

Current assets
Current assets decreased by S$0.2 million, mainly due to decrease in trade and other receivables of S$0.8 million, offset against the increase in cash and cash equivalents of S$0.6 million.

Non-current liabilities
As mentioned in note 1(b)(ii), as at 30 June 2019, a subsidiary of the Group did not meet one of the bank financial covenants in relation to the loan secured against the Travelodge City Centre. The bank granted a waiver from the compliance of the financial covenant for these borrowings subsequent to 30 June 2019. As a result of the above, these borrowings were reclassified from non-current liabilities to current liabilities as at 30 June 2019 in accordance with requirements of Singapore Financial Reporting Standards (International) 1-1.

Following the waiver from the bank in relation to the Group's compliance of the financial covenant for borrowings before 30 June 2020, as at 30 June 2020, the Group's borrowings amounting to S$18.9 million have been classified to non-current liabilities. Non-current lease liabilities relate to the corporate office rental payments which are payable in more than 12 months.

Current liabilities
Current liabilities decreased by S$18.2 million mainly due to the reclassification of bank borrowings of S$18.9 million as mentioned above, principal repayment of $0.2 million and decrease in trade and other payables of S$0.4 million. Current amount due to non-controlling interests increased by S$1.0 million, current lease liabilities of S$0.2 million was recognized in accordance with SFRS (I) 16, and other liabilities of S$0.1 million was recognized in relation to the deferred grant income.

Equity
Overall, the Group's total equity decreased by S$1.4 million arising from net loss for the year of S$1.3 million and movement in foreign currency translation reserve of S$0.1 million during the year.

Review of Cash Flows

The Group reported a net increase in cash and cash equivalents of S$0.7 million, mainly arising from positive operating cash flows of S$1.9 million, and cash generated from financing activities of S$0.6 million, offset by cash used in investing activities of S$1.8 million.

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

Not applicable

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 rapid spread of the COVID-19 globally has resulted in the implementation of tighter cross border travel restrictions and local social distancing in various countries. This has significantly curtailed international inbound and domestic inter-city travel, and consequently the hospitality industry has been directly impacted in an adverse manner. The Group operates in multiple jurisdictions which have been at different stages of the curve relating to the spread of COVID-19 during different time periods since the onset of the virus in early 2020.

COVID-19 has resulted in a global economic slowdown of unprecedented scale. The outlook for businesses in the medium to long term remains clouded in uncertainty, because of question marks around when a vaccine for COVID-19 can be created, how it will be manufactured and distributed en masse, how the global economy will recover thereafter, and the long term repercussions that COVID-19 will have on the travel and hospitality industry.

In the short term, before a vaccine is found and widely accessible, businesses will be left to navigate an unpredictable and volatile environment dependent on the ability of nations and governments to contain the transmission of the virus. As is evident from the experiences of the United States, Hong Kong, Japan, Australia and New Zealand among others, the situation can change very quickly. Efforts to reopen the economy could often be stymied by increased transmission of the virus resulting in swift lockdowns and reversals of any attempted easing of the social distancing measures. To date, the success of green lanes, many of which have only recently been implemented, has also yet to be validated in a sustainable manner over an extended period of time. In light of this potential “start-stop” situation, the Group expects revenue in its hospitality segment to be volatile and consequently, there is an added emphasis to manage costs effectively to withstand sudden and significant reductions in revenue. To this end, the Group has implemented comprehensive cost-containment measures to manage payroll cost and overheads, including but not limited to a reduction in Directors’ fees for the financial year ended 30 June 2020 and base salaries for all staff based at the corporate office of up to 30%.

The hotels managed by the Group have also put in place plans to mitigate the impact of COVID-19. There has been concerted efforts to ensure adequate health and safety measures are implemented to protect employees and provide assurances to guests. Cost management measures are also being reviewed actively at the hotels.

Management has also exercised discretion and taken on a conservative approach in performing impairment tests on its assets including property plant and equipment, goodwill and other intangible assets. In determining the recoverable amounts of the assets, management has ensured that various key assumptions have been properly adjusted to reflect the current business environment and outlook.

The Group has also sought to ensure that it has adequate liquidity to manage uncertainty in future cash flows by obtaining a banking facility under the temporary bridging loan programme announced at Solidarity Budget 2020. Furthermore, in spite of the COVID-19 situation, the Group is cautiously optimistic in being able to grow its hospitality segment by expanding the Travelodge footprint in Asia. Hotel owners faced with significant declines in their hotels’ performances will better appreciate the need for: (i) leveraging the sales and marketing and distribution capability that an established hotel operator can offer; (ii) cost efficiencies associated with the economies of scale that an operator with a regional network of hotels can bring; and (iii) an international brand such as Travelodge which gives consumers confidence and assurance of health and safety standards being implemented consistently. The Group will continue to pursue growth opportunities in key markets where it already has a presence, namely Singapore, South Korea, Hong Kong, Malaysia, Thailand and Indonesia, while also looking into expanding in new markets such as Japan where domestic and business travel is more rampant and hence hotels are less reliant on international foreign inbound travellers.

11. 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.

12. 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.

13. Aggregate value of interested person transactions conducted pursuant to shareholders' mandate for the full year ended 30 June 2020.

Not applicable.

PART II- ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

The Group has identified its operating segments and prepared segment information based on the regular internal financial information reported to the Group's directors for their decision about resources allocation to the Group's business components and review of these components' performance. There are three business components in the internal reporting to the Group's directors as below:

(i) Vessel chartering – represents investment in and chartering of ships.

(ii) Hospitality – represents the management of hotels, hotel ownership and the licensing of the Travelodge hotel brand.

(iii) Investment holding – represents investment and management activities.

(a) Business segments

30 June 2020

	Vessel Chartering	Investment Holding	Hospitality	Inter-Segment Adjustments	Total Operating Segment
	S$'000	S$'000	S$'000	S$'000	S$'000
Revenue					
External revenue	**1,797**	**-**	**4,821**	**(181)**	**6,437**
Segment results	240	(1,285)	288	59	(698)
Finance income	-	10	28	-	38
Finance costs	-	73	(738)	-	(665)
Share of results of equity-accounted investees, net of tax	-	-	50	-	50
Tax expenses	(62)	-	13	-	(49)
Profit/(loss) for the year	**178**	**(1,202)**	**(359)**	**59**	**(1,324)**
Other material items: Depreciation and amortization charges for the year	1,478	3	1,031	(18)	2,494
Reportable Segment Assets	**14,846**	**36,815**	**47,731**	**(37,593)**	**61,799**
Reportable Segment liabilities	**8,426**	**8,230**	**48,373**	**(34,746)**	**30,283**
Capital expenditure	**752**	**-**	**1,172**	**-**	**1,924**

30 June 2019

	Vessel Chartering	Investment Holding	Hospitality	Inter-Segment Adjustments	Total Operating Segment
	S$'000	S$'000	S$'000	S$'000	S$'000
Revenue					
External revenue	**1,811**	**-**	**2,895**	**(200)**	**4,506**
Segment results	475	(733)	(1,168)	(180)	(1,606)
Finance income	4	10	20	(20)	14
Finance costs	(70)	(7)	(384)	-	(461)
Share of results of equity-accounted investees, net of tax	-	-	33	-	33
Tax expenses	(91)	-	(13)	-	(104)
Profit/(loss) for the year	**318**	**(730)**	**(1,512)**	**(200)**	**(2,124)**
Other material items:					
Depreciation and amortization charges for the year	1,225	5	341	-	1,571
Reportable Segment Assets	**14,614**	**43,290**	**45,660**	**(41,081)**	**62,483**
Reportable Segment liabilities	**8,371**	**44,783**	**7,626**	**(31,215)**	**29,565**
Capital expenditure	**606**	**-**	**6,064**	-	**6,670**

(b) Geographical Information

The Group's revenue is attributable to the geographical location of customers while non-current assets (excluding fair value through profit and loss investments and intangible assets) are attributable to Singapore, which is also the Group's principal place of business and operation, and Malaysia.

Segment revenue	**Group**	
Principal place of business and operation	**2020 S$'000**	**2019 S$'000**
Singapore	3,261	1,905
Malaysia	1,942	1,682
Korea	971	142
Hong Kong	109	597
Others	154	180
Total	**6,437**	**4,506**

Segment non-current assets	Group	
Principal place of business and operation	**2020 S$'000**	**2019 S$'000**
Singapore	21,299	21,585
Malaysia	34,362	34,582
Total	**55,661**	**56,167**

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

The earnings from the vessel chartering segment decreased by 44.0% or S$0.1 million, mainly due to higher dry docking costs being amortised during the financial year compared to FY2019.

Loss from the investment holding segment increased by 34.9% or S$0.3 million, mainly due to fair value loss through profit and loss investment amounting to $0.2 million.

Loss from the hospitality segment decreased by 77.2% or S$1.2 million, due to increase in revenue by S$2.0 million with new hotels opened during the financial year.

The increase in revenue from the Singapore segment is mainly contributed by management fees from new hotel openings.

Revenue in Korea increased from S$0.1 million to S$1.0 million, making Korea the biggest segment after Singapore and Malaysia. The increase in revenue was due to new hotel openings.

Hong Kong segment revenue dropped by 81.7% or S$0.5 million, due to the negative impact on tourism brought about by the political unrest since June 2019 and subsequent cross border travel restrictions imposed during the COVID-19 outbreak.

The increase in the revenue from the Malaysia segment is mainly contributed by Travelodge City Centre.

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

	Group	30/06/20 S$'000	30/06/19 S$'000	Increase %
(a)	Revenue reported for first half year	4,089	2,168	88.6
(b)	Profit/(loss) after tax before non-controlling interests for the first half year	178	(1,361)	N.M.
(c)	Revenue reported for second half year	2,348	2,338	0.4
(d)	Loss after tax before non-controlling interests for the second half year	(1,502)	(763)	96.8

17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

Not applicable.

18. 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 office 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 Cheok Huat	70	Father of Aw Ming-Yao Marcus, Executive Director of the Company	Nil	Retired as a Director and Non-Executive Chairman of the Company with effect from 29 October 2019
Aw Ming-Yao, Marcus	34	Son of Mr. Aw Cheok Huat, a substantial shareholder of the Company	Executive Director of the Company	Nil

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

Pursuant to announcements on 5 March 2019, 20 March 2019, 10 May 2019, 29 August 2019 and 13 February 2020, the Company has no further update on the use of proceeds following the completion of the placement of 460,000,000 new ordinary shares in the capital of the Company with CMIA Premier Advantage I Limited on 5 March 2019 ("2019 Share Placement").

	Amount utilised S$ Million	Amount unutilised S$ Million
2019 Share Placement	3.11*	0.80

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

20. Confirmation by the Board of Directors pursuant to Rule 720(1) of the Listing Manual

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

BY ORDER OF THE BOARD

Ong Min'er
Financial Controller

25 August 2020

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 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 options made, or reports contained in this announcement.

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