

ICP LTD.

(Company Registration No. 196200234E)

Condensed Interim Consolidated Financial Statements For the Six Months Ended 31 December 2023

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ICP LTD. (Co. No. 196200234E)

A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income For The Six Months Ended 31 December 2023

	Note	Group		
		Unaudited 6 Months Ended 31/12/2023 S\$'000	Unaudited 6 Months Ended 31/12/2022 S\$'000	Change %
Revenue	4	6,071	4,810	26.2
Cost of sales		(890)	(742)	19.9
Gross profit		5,181	4,068	27.4
Other income		4	26	(84.6)
Administrative expenses		(3,016)	(2,224)	35.6
Results from operating activities		2,169	1,870	16.0
Finance income		81	21	285.7
Finance costs		(480)	(482)	(0.4)
Net finance costs		(399)	(461)	(13.4)
Write-down of intangible assets	9	(1,183)	-	N.M.
Other losses		(80)	(276)	(71.0)
Share of results of equity-accounted investees, net of tax		(25)	(12)	108.3
Profit before tax	5	482	1,121	(57.0)
Tax expenses		(24)	-	N.M.
Profit for the period		458	1,121	(59.1)
Profit for the period attributable to:				
Owners of the Company		399	1,143	(65.1)
Non-controlling interests		59	(22)	N.M.
		458	1,121	(59.1)
Other comprehensive loss:				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Foreign currency translation differences		(155)	(577)	(73.1)
Other comprehensive loss, net of tax		(155)	(577)	(73.1)
Total comprehensive income for the period		303	544	(44.3)
Total comprehensive income/(loss) attributable to:				
Owners of the Company		263	704	(62.6)
Non-controlling interests		40	(160)	N.M.
		303	544	(44.3)

N.M. – Not Meaningful

**B. Condensed Interim Statements of Financial Position
As At 31 December 2023**

	Note	Group		Company	
		Unaudited 31/12/2023 S\$'000	Audited 30/06/2023 S\$'000	Unaudited 31/12/2023 S\$'000	Audited 30/06/2023 S\$'000
Non-current assets					
Property, plant and equipment	8	38,660	38,984	-	1
Intangible assets	9	5,220	6,403	-	-
Investment in subsidiaries		-	-	8,300	8,300
Associate and joint venture		1,792	1,977	-	-
Other investments		380	380	380	380
Other receivables		-	-	21,243	21,243
Right-of-use assets		541	-	-	-
		46,593	47,744	29,923	29,924
Current assets					
Trade and other receivables		1,515	1,803	10,902	10,593
Inventories		5	6	-	-
Cash and cash equivalents		8,594	6,598	2,741	2,609
		10,114	8,407	13,643	13,202
Total assets		56,707	56,151	43,566	43,126
Non-current liabilities					
Loans and borrowings	11	15,424	16,568	1,220	1,850
Lease liabilities		329	-	-	-
Deferred tax liability		1,310	1,310	-	-
		17,063	17,878	1,220	1,850
Current liabilities					
Loans and borrowings	11	1,825	1,467	1,260	1,260
Amounts due to non-controlling interests		1,168	1,183	-	-
Trade and other payables		2,676	2,132	8,448	6,772
Lease liabilities		215	-	-	-
Current tax liabilities		21	71	-	-
		5,905	4,853	9,708	8,032
Total liabilities		22,968	22,731	10,928	9,882
Net assets		33,739	33,420	32,638	33,244
Equity					
Share capital	10	36,618	36,618	36,618	36,618
Reserves		(9,104)	(9,383)	(3,980)	(3,374)
Equity attributable to owners of the Company		27,514	27,235	32,638	33,244
Non-controlling interests		6,225	6,185	-	-
Total equity		33,739	33,420	32,638	33,244

**C. Condensed Interim Consolidated Statement of Cash Flows
For The Six Months Ended 31 December 2023**

	Group	
	Unaudited 6 Months Ended 31/12/2023 S\$'000	Unaudited 6 Months Ended 31/12/2022 S\$'000
Cash flows from operating activities		
Profit before tax	482	1,121
Adjustments for:		
Depreciation of property, plant and equipment	891	819
Depreciation of right-of-use assets	108	95
Interest expenses	480	482
Interest income	(81)	(21)
Share of results of equity-accounted investees, net of tax	25	12
Share-based payment expenses	16	-
Unrealised foreign exchange loss	75	101
Write-down of intangible assets	1,183	-
Loss allowance on trade receivables	-	148
Loss allowance on amount due from an associate	-	172
Operating cash flows before movements in working capital	3,179	2,929
Inventories	1	-
Trade and other receivables	302	(222)
Trade and other payables	543	280
Cash generated from operations	4,025	2,987
Interest paid	(475)	(481)
Income tax paid	(74)	(34)
Net cash from operating activities	3,476	2,472
Cash flows from investing activities		
Acquisition of property, plant and equipment	(858)	(382)
Acquisition of intangible assets	-	(43)
Dividend income received	26	-
Investment in an associate	-	(2,066)
Redemption of preference shares in an associate	138	-
Interest received	81	21
Non-trade amount due from an associate	-	306
Placement of fixed deposits with tenor of more than 3 months with financial institutions	(1,000)	-
Net cash used in investing activities	(1,613)	(2,164)
Cash flows from financing activities		
Repayment of loans and borrowings	(673)	(1,028)
Repayment to non-controlling interests	(15)	(269)
Repayment of lease liabilities	(110)	(96)
Net cash used in financing activities	(798)	(1,393)
Net increase/(decrease) in cash and cash equivalents	1,065	(1,085)
Cash and cash equivalents at beginning of the financial period	6,013	6,389
Effect of exchange rate fluctuations on cash held	(64)	(38)
Cash and cash equivalents at end of the period	7,014	5,266
Represented by:		
Cash and cash equivalents at end of the period		
Fixed deposits	1,580	470
Cash and bank balances	7,014	5,266
Total cash and cash equivalents at end of the period	8,594	5,736
Less: Fixed deposits with tenor of more than 3 months placed with financial institutions	(1,580)	(470)
	7,014	5,266

**D. Condensed Interim Statements of Changes in Equity
For The Six Months Ended 31 December 2023**

Group	Share capital S\$'000	Share option reserve S\$'000	Foreign currency translation reserve S\$'000	Other reserve S\$'000	Accumulated losses S\$'000	Total attributable to the equity holders of the Company S\$'000	Non- controlling interests S\$'000	Total S\$'000
Balance as at 1 July 2023	36,618	-	(1,395)	(1,338)	(6,650)	27,235	6,185	33,420
Profit for the period	-	-	-	-	399	399	59	458
Other comprehensive loss for the period	-	-	(136)	-	-	(136)	(19)	(155)
Total comprehensive (loss)/income for the period	-	-	(136)	-	399	263	40	303
Recognition of share-based payments, representing total transactions with owners, recognised directly in equity	-	16	-	-	-	16	-	16
Balance as at 31 December 2023	36,618	16	(1,531)	(1,338)	(6,251)	27,514	6,225	33,739

Balance as at 1 July 2022	34,626	-	(721)	(1,338)	(7,725)	24,842	8,221	33,063
Profit/(loss) for the period	-	-	-	-	1,143	1,143	(22)	1,121
Other comprehensive loss for the period	-	-	(439)	-	-	(439)	(138)	(577)
Total comprehensive (loss)/income for the period	-	-	(439)	-	1,143	704	(160)	544
Balance as at 31 December 2022	34,626	-	(1,160)	(1,338)	(6,582)	25,546	8,061	33,607

D. Condensed Interim Statements of Changes in Equity (Continued)
For The Six Months Ended 31 December 2023

Company	Share capital	Share option	Accumulated	Total
	S\$'000	reserve	losses	S\$'000
		S\$'000	S\$'000	S\$'000
Balance as at 1 July 2023	36,618	-	(3,374)	33,244
Loss for the period, representing total comprehensive loss for the period	-	-	(622)	(622)
Recognition of share-based payments, representing total transactions with owners, recognised directly in equity	-	16	-	16
Balance as at 31 December 2023	36,618	16	(3,996)	32,638

Balance as at 1 July 2022	34,626	-	(2,733)	31,893
Loss for the period, representing total comprehensive loss for the period	-	-	(656)	(656)
Balance as at 31 December 2022	34,626	-	(3,389)	31,237

E. Notes to the Condensed Interim Consolidated 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 6 Temasek Boulevard, #23-01, Suntec Tower Four, Singapore 038986. The Company is listed on Catalist of Singapore Exchange.

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

These condensed interim consolidated financial statements for the six months ended 31 December 2023 ("1H2024") comprise the Group.

2. Basis of preparation

The condensed interim financial statements for the six months ended 31 December 2023 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 2023 ("FY2023").

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore Dollar (SGD or S\$), which is the Company's functional currency, and all values in the tables are rounded to the nearest thousand (S\$'000) except when otherwise indicated.

2.1 New and amended standards adopted by the Group

The condensed interim financial statements have been prepared based on accounting policies and methods of computation consistent with those adopted in the most recently audited financial statements of the Group for FY2023. 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 the condensed interim 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.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the most recently audited financial statements as at and for FY2023.

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.

E. Notes to the Condensed Interim Consolidated Financial Statements (Continued)

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 chief operating decision makers, being the heads of the respective strategic business units, 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 chief operating decision makers of the respective strategic business units. Segment profit or loss is used to measure performance as the chief operating decision makers 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.

E. Notes to the Condensed Interim Consolidated Financial Statements (Continued)

4.1 Reportable segments

	Hospitality ⁽ⁱ⁾	Vessels chartering ⁽ⁱⁱ⁾	Investment holding	Inter-segment adjustments	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Six months ended 31 December 2023					
Segment revenue					
Revenue from external customers	5,167	904	-	-	6,071
Inter-segment revenue	29	-	425	(454)	-
Total revenue	5,196	904	425	(454)	6,071
Finance income	13	-	68	-	81
Finance costs	(446)	-	(34)	-	(480)
Write-down of intangible assets	(1,183)	-	-	-	(1,183)
Share of results of equity-accounted investees, net of tax	(25)	-	-	-	(25)
Other losses	(24)	-	(56)	-	(80)
Tax expense	(3)	(21)	-	-	(24)
Reportable segment profit/(loss) for the period	855	218	(624)	9	458
Other material items:					
Depreciation and amortisation charges for the period	385	613	1	-	999
Other segment information:					
Capital expenditure	100	758	-	-	858
Reportable segment assets	52,111	12,850	43,868	(52,122)	56,707
Reportable segment liabilities	49,287	5,773	17,283	(49,375)	22,968

E. Notes to the Condensed Interim Consolidated Financial Statements (Continued)

4.1 Reportable segments (continued)

	Hospitality ⁽ⁱ⁾	Vessels chartering ⁽ⁱⁱ⁾	Investment holding	Inter-segment adjustments	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Six months ended 31 December 2022					
Segment revenue					
Revenue from external customers	3,961	849	-	-	4,810
Inter-segment revenue	73	-	-	(73)	-
Total revenue	4,034	849	-	(73)	4,810
Finance income	8	-	13	-	21
Finance costs	(433)	-	(49)	-	(482)
Other losses	(235)	(2)	(39)	-	(276)
Share of results of equity-accounted investees, net of tax	(12)	-	-	-	(12)
Reportable segment profit/(loss) for the period	1,514	256	(658)	9	1,121
Other material items:					
Depreciation and amortisation charges for the period	373	540	1	-	914
Other segment information:					
Capital expenditure	43	-	-	-	43
Reportable segment assets	50,236	13,373	39,773	(44,025)	59,357
Reportable segment liabilities	46,392	6,011	14,583	(41,236)	25,750

Notes:

- (i) Compared to six months ended 31 December 2022 ("1H2023"), the reportable profit for hospitality segment decreased from S\$1.5 million to S\$0.9 million in 1H2024 mainly due to the write-down of intangible assets. Nevertheless, the segment revenue increased from S\$4.0 million in 1H2023 to S\$5.2 million in 1H2024, contributed by fees from the hotel management company and hotel property income from the Malaysia hotel.
- (ii) The reportable profit for vessel chartering segment decreased by S\$0.1 million compared to 1H2023, mainly due to tax expense.

E. Notes to the Condensed Interim Consolidated Financial Statements (Continued)

4.2 Disaggregation of revenue

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

	6 Months Ended	
	31/12/2023	31/12/2022
	S\$'000	S\$'000
Singapore	2,008	1,887
Japan	1,430	1,362
Korea	1,297	534
Malaysia	1,223	889
Thailand	108	65
Hong Kong	5	52
Others	-	21
	<u>6,071</u>	<u>4,810</u>

5. Profit before tax

5.1 Significant items

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

	6 Months Ended	
	31/12/2023	31/12/2022
	S\$'000	S\$'000
Depreciation of property, plant and equipment	891	819
Depreciation of right-of-use assets	108	95
Unrealised foreign exchange loss	75	101
Write-down of intangible assets	1,183	-
Loss allowance on trade receivables	-	148
Loss allowance on amount due from an associate	-	122
	<u>-</u>	<u>122</u>

5.2 Related party transactions

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

	6 Months Ended	
	31/12/2023	31/12/2022
	S\$'000	S\$'000
Non-controlling interests		
Vessels chartering income	904	849
Administrative fee charged by a corporate shareholder	(22)	(20)
	<u>882</u>	<u>829</u>
Related corporations		
Hotel fees income from associate	860	48
	<u>860</u>	<u>48</u>

E. Notes to the Condensed Interim Consolidated Financial Statements (Continued)

6. Earnings per share

Basic and diluted 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	
	31/12/2023	31/12/2022
Net profit attributable to owners of the Company (S\$'000)	399	1,143
Weighted average number of ordinary shares ('000)	3,332,944	3,111,689
Basic and diluted earnings per share (cents)	<u>0.012</u>	<u>0.040</u>

Diluted earnings per share is the same as basic earnings per share as there were no potential dilutive financial instruments for 1H2024 and 1H2023.

7. Net asset value per share

	Group		Company	
	31/12/2023	30/06/2023	31/12/2023	30/06/2023
Net asset value attributable to owners of the Company (S\$'000)	27,514	27,235	32,638	33,244
Weighted average number of ordinary shares ('000)	3,332,944	3,185,441	3,332,944	3,185,441
Net asset value per share (cents)	<u>0.83</u>	<u>0.85</u>	<u>0.98</u>	<u>1.04</u>

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

8. Property, plant and equipment

During the six months ended 31 December 2023, the Group acquired plant and equipment amounting to S\$858,000 (31 December 2022: S\$382,000). There was no disposal of assets during the six months ended 31 December 2023 and 31 December 2022.

9. Intangible assets

	Software	Goodwill	Trademark	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Group Cost				
At 30 June 2023	287	1,167	6,000	7,454
Write-down	-	-	(1,183)	(1,183)
At 31 December 2023	<u>287</u>	<u>1,167</u>	<u>4,817</u>	<u>6,271</u>
Accumulated amortisation				
At 30 June 2023 and 31 December 2023	<u>287</u>	<u>-</u>	<u>-</u>	<u>287</u>
Accumulated impairment loss				
At 30 June 2023 and 31 December 2023	<u>-</u>	<u>764</u>	<u>-</u>	<u>-</u>
Carrying amounts				
At 30 June 2023	-	403	6,000	6,403
At 31 December 2023	<u>-</u>	<u>403</u>	<u>4,817</u>	<u>5,220</u>

E. Notes to the Condensed Interim Consolidated Financial Statements (Continued)

9. Intangible assets (continued)

The key assumptions, estimates critical judgements made by management in the impairment assessment on intangible assets and the key source of estimation uncertainty were the same as those that applied to the most recently audited financial statements as at and for FY2023.

10. Share capital

	Group and Company			
	31/12/2023	30/06/2023	31/12/2023	30/06/2023
	Number of ordinary shares ('000)		S\$'000	
<i>Issued and fully paid ordinary shares, with no par value</i>				
At the beginning of the financial period/year	3,332,944	3,111,689	36,618	34,626
Issuance of share capital	-	221,255	-	1,992
At the end of the financial period/year	<u>3,332,944</u>	<u>3,332,944</u>	<u>36,618</u>	<u>36,618</u>

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

The Company did not hold any treasury shares and outstanding convertibles as at 31 December 2023, 30 June 2023 and 31 December 2022, other than those disclosed below. The Company's subsidiaries do not hold any shares in the Company as at 31 December 2023, 30 June 2023 and 31 December 2022.

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.

ICP Performance Share Plan

ICP Performance Share Plan (the "Scheme") of the Company was approved and adopted by shareholders at the Extraordinary General Meeting held on 30 October 2017. The Scheme is administered by the Company's Remuneration Committee ("Committee").

As at 31 December 2023, the number of shares outstanding under the Company's Scheme was 27,427,141 (31 December 2022: Nil), which represents 0.8% (31 December 2022: Nil) of the Company's total issued share capital.

Date of grant	Balance as at 1 July 2023	Granted	Balance as at 31 December 2023
30 October 2023	-	27,427,141	27,427,141

E. Notes to the Condensed Interim Consolidated Financial Statements (Continued)

11. Loans and borrowings

	Group		Company	
	31/12/2023	30/06/2023	31/12/2023	30/06/2023
	S\$'000	S\$'000	S\$'000	S\$'000
Secured bank loan:				
- Current	565	207	-	-
- Non-current	14,204	14,718	-	-
	14,769	14,925	-	-
Bridging loan:				
- Current	1,260	1,260	1,260	1,260
- Non-current	1,220	1,850	1,220	1,850
	2,480	3,110	2,480	3,110
Current	1,825	1,467	1,260	1,260
Non-current	15,424	16,568	1,220	1,850
	17,249	18,035	2,480	3,110

The Group has a secured bank loan and a bridging bank loan with a carrying amount of S\$14,769,000 (30 June 2023: S\$14,925,000) and S\$2,480,000 (30 June 2023: S\$3,110,000) respectively as at 31 December 2023.

Details of any collaterals

The secured bank loan is held by one of the subsidiaries of the Group, of which the loan is secured over (i) the Group's hotel property and freehold land with carrying amount of S\$27,154,000 as at 31 December 2023 (30 June 2023: S\$27,409,000); (ii) corporate guarantee by the Company; (iii) a charge over entire shares of the subsidiary; (iv) fixed deposits pledged amounting to S\$580,000 (30 June 2023: S\$585,000); and (v) assignment over the insurance policies, tenancy agreements related to the hotel property for which the loan was secured over.

The bridging loan is secured over a corporate guarantee by a subsidiary of the Company.

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 interim statements of financial position of the Group as at 31 December 2023 and the related condensed interim consolidated statement of profit or loss and other comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six months period 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

F. **Other Information required pursuant to Appendix 7C of the Catalyst Rules (Continued)**

Review of performance

The Group reported revenue of S\$6.1 million in 1H2024, an increase of S\$1.3 million from 1H2023. The increase in revenue was primarily due to the Group's hospitality business as a result of improved performance in existing hotels and opening of new hotels in Japan in the second half of FY2023. The growth in revenue reflects the ongoing recovery of global travel.

The increase in cost of sales by S\$0.2 million from S\$0.7 million in 1H2023 to S\$0.9 million in 1H2024, is largely in line with the increase in revenue. As a result, the Group's gross profit increased from S\$4.1 million in 1H2023 to S\$5.2 million in 1H2024. Administrative expenses, comprising mainly payroll, depreciation, professional fees and hotel operation expenses, increased from S\$2.2 million in 1H2023 to S\$3.0 million in 1H2024, largely in line with the increase in the Group's revenue.

The increase in finance income was a result of rising interest rates.

The write-down of intangible assets amounting to S\$1.2 million relates to professional fees incurred in prior years for the maintenance and upkeep of the Group's intangible assets. These were previously capitalised but are written down in the current period as the realisation of future economic benefits relating to such assets is now uncertain.

Other losses reduced from S\$0.3 million in 1H2023 to S\$0.1 million in 1H2024 as there was one-off loss allowance on amount due from an associate recorded in 1H2023.

As a result of the above, the Group's profit after tax decreased from S\$1.1 million in 1H2023 to S\$0.5 million in 1H2024.

Review of balance sheet

Non-current assets

The decrease in property, plant and equipment was mainly due to depreciation charge of S\$0.9 million and effect of foreign exchange movement of approximately S\$0.3 million, offset by additions in vessel dry docking expenditure of S\$0.8 million. The increase in right-of-use assets was due to the lease of office.

The decrease in intangible assets was a result of the write-down as explained in the previous section. Investment in associate and joint venture decreased by S\$0.2 million mainly due to the redemption of preference shares in an associate and share of results.

Current assets

The increase in current assets of S\$1.7 million was mainly attributable to the increase in cash and cash equivalents.

Non-current liabilities

Non-current loans and borrowings decreased by S\$1.1 million mainly due to reclassification of loan principal repayable within the next twelve months to current loans and borrowings. The increase in lease liabilities is in line with the addition of right-of-use assets.

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

Current liabilities

The increase in current loans and borrowings was mainly due to the reclassification of loan principal repayable within the next twelve months from non-current loans and borrowings, offset by repayment made during 1H2024. Trade and other payables increased by S\$0.5 million, mainly due to the advances from third parties. The increase in lease liabilities is in line with the addition of right-of-use assets.

Equity

Total equity attributable to equity holders of the company increased by S\$0.3 million due to increase in profit after tax of S\$0.4 million, offset by foreign exchange translation loss of S\$0.1 million. There is no significant movement for non-controlling interests.

Review of Cash Flows

The Group reported a net increase in cash and cash equivalents of approximately S\$1.1 million, arising from positive operating cash flows of S\$3.5 million, offset by cash used in investing activities of S\$1.6 million, and cash used in financing activities of S\$0.8 million.

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

Not applicable.

7. 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

Even as international tourism moves along the path towards recovery to pre-pandemic levels, the Group's hospitality business continues to be subject to the volatility and uncertainty associated with various macroeconomic and geopolitical headwinds. Inflationary pressures have increased the operating costs of the Group and of the hotels that it owns, manages and franchises. Higher interest rates have also increased the Group's financing costs. The local currencies in countries where the Group has operations in, such as Japanese Yen, Korean Won and Malaysian Ringgit, have also broadly depreciated against the Singapore Dollar, thereby affecting the Group's earnings in SGD terms. The economic slowdown in China has also meant that the volume of Chinese outbound travellers has not, and may not, return to pre-Covid levels in the short to medium term. Hence, while the Group is focused on further expanding its hospitality business, it is doing so cautiously by keeping a close eye on cost management and continuously assessing its capital requirements in order to pursue strategic growth opportunities.

F. Other Information required pursuant to Appendix 7C of the Catalist Rules (Continued)

8. 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.

(b)(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.

9. 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 Group will reserve the funds for working capital to cater for the increase in operating expenses due to inflation and increase in financing costs arising from increased interest rates.

10. If the Group has obtained a general mandate from shareholders for IPTs, 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.

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

The aggregate values of all interested person transactions for the six months period ended 31 December 2023 did not exceed S\$100,000.

11. Disclosure on Acquisitions and Realisations of Shares pursuant to Rule 706A of the Catalist Rules

For the six months period ended 31 December 2023, there were no acquisitions or realisations of shares resulting in a company becoming or ceasing to be a subsidiary or associated company of the Company, or resulting in the Company increasing or reducing its shareholding percentage in a subsidiary or associated company.

12. Confirmation by that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) pursuant to Rule 720(1) of the Catalist Rules

The Company has procured undertakings from all its directors and executive officers in the format as set out in Appendix 7H pursuant to Rule 720(1) of the SGX Catalist Rules.

F. Other Information required pursuant to Appendix 7C of the Catalist Rules (Continued)

13. Confirmation by the Board of Directors pursuant to Rule 705(5) of the Catalist Rules

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the condensed interim consolidated financial statements for the six-month period ended 31 December 2023 to be false or misleading in any material respect.

On behalf of the Board of Directors

Tan Kok Hiang
Independent Non-Executive Chairman

Aw Ming-Yao Marcus
Executive Director

BY ORDER OF THE BOARD

Ong Min'er
Financial Controller

8 February 2024

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").

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:-

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