ICP LTD.
Company Registration No. 196200234E
(Incorporated in the Republic of Singapore)

PROPOSED INVESTMENT IN A HOTEL

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1. Introduction

The board of directors (the **"Board"** or the **"Directors**") of ICP Ltd (the **"Company"** and together with its subsidiaries, the **"Group**") wishes to announce that its indirect wholly-owned subsidiary, MHI HK 1 Pte Ltd ("**MHI 1**"), has on 15 June 2017 entered into a Shareholders' Agreement ("**SHA**") with Ever Trade Limited ("**ETL**") to subscribe for 226 new shares to be issued by Robust Century Limited ("**RCL**") at an issue price of US$1 per share (the **"Investment"**). RCL has a paid-up capital of 10,000 shares of US$1 each. Concurrently, a shareholders' loan agreement shall also be entered into between MHI 1, ETL and RCL whereby both MHI 1 and ETL shall advance loans to RCL ("**Shareholders Loan Agreement**") in proportion to their respective shareholding interest in RCL. The total amount of shareholder's loan amount to be contributed by MHI 1 shall be up to HK$7.8 million (approximately S$1.4 million) ("**Shareholder loans**"). Subject to the successful completion of the abovementioned Investment and fulfilment of performance provisions of the hotel operator, Travelodge Hotels (Asia) Pte Ltd ("**TLA**") (a wholly-owned subsidiary of the Company), the Group will own approximately 3.5% of the total issued share capital of RCL.

The proceeds received by RCL from the share subscriptions and the shareholder loans will be utilised by its wholly-owned subsidiary, New Tweak Limited ("**NTL**") to acquire 100% interest in Leader Fortune Holdings Limited ("**LFH**"). LFH currently owns a 148-rooms hotel in Hong Kong (the "**Property**").

2. Information about the various entities

(i) ETL

ETL is a company incorporated in Cayman Islands. It is currently a dormant company owned by an Asian real estate fund management company.

(ii) RCL

RCL is a company incorporated in Cayman Islands and a dormant company prior to the completion of the SHA.

(iii) NTL

NTL is a BVI business company incorporated in the British Virgin Islands and a dormant company prior to the completion of the Investment.

(iv) LFH

LFH currently owns the Property, which is located between the Central and Sheung Wan districts in Hong Kong. The Property is a midscale hotel and caters to foreign leisure and business travellers.

3. Consideration

Under the terms of the SHA, the total consideration payable by MHI 1 is US$226 (the "**Consideration"**) (equivalent to approximately S$312 based on an exchange rate of US$1 = S$1.38) and a committed loan of HK$7.78 million (approximately S$1.39 million) to RCL.

The Consideration was arrived based on the subscription of the 226 shares in RCL at an issue price of US$1 per share. The Consideration will be fully satisfied in cash, funded by internal cash resources of the Group.

4. Relative Figures under Rule 1006 of the Listing Manual

The relative figures for the Investment computed on the bases set out in Rule 1006 of the Listing Manual Section B; Rules of Catalist of the SGX-ST ("**Catalist Rules**"), based on the latest announced unaudited consolidated accounts of the Group for the six-month financial period ended 31 December 2016 are set out below: -

Rule		Relative Figure (%)
1006 (a)	Net asset value of the assets to be disposed of, compared with the Group's net asset value	Not applicable
1006 (b)	Net profits/(loss) attributable to the assets acquired of disposed of, compared with the Group's net profits	Not meaningful[(i)]
1006 (c)	Aggregate value of the consideration given or received, compared with the issuer's market capitalisation	6.6%[(ii)]
1006 (d)	Number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable as no shares in the Company will be issued in connection with the Investment

1006 (e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves	Not applicable

Notes: -

(i) On completion of the share subscription, MHI 1's shareholding interest will be less than 20%. The investment will be recorded as an "Available-for-sale financial asset" and will not be accounted for in the consolidated financial statements of the Company using the equity method of accounting.

(ii) Based on the market capitalisation of the Company of S$21,213,513 determined by multiplying 2,651,689,122 shares in issue of the Company by the weighted average price of such shares transacted on 14 June 2017, being the market day immediately preceding the signing of the Agreement on which shares are traded. For the purpose of computing the Rule 1006 figures, we have included the committed shareholder loan of HK$7.78 million in the consideration.

As the relative figure computed under Rule 1006(c) of the Catalist Rules exceeds 5% but does not exceed 75%, the Investment constitutes a discloseable transaction as defined in Chapter 10 of the Catalist Rules.

5. Financial Effects

The tables illustrating the effects of the Investment on the (i) net tangible assets[1] ("**NTA**") per share for the Group (assuming the Investment had been completed at the end of the financial year ended 30 June 2016 ("**FY2016**") and (ii) the earnings per share ("**EPS**") of the Group (assuming that the Investment had been completed at the beginning of FY2016) based on the audited financial statements of the Group for FY2016 are set out below: -

(i) NTA

	Before the Investment	**After the Investment**
NTA (S$'000)	31,021	31,021
Number of shares ('000)	2,551,689	2,551,689
NTA per share (cents)	1.21	1.21

Note: -

(1) Net tangible assets mean total assets less total liabilities less intangible assets.

(ii) EPS

	Before the Investment	After the Investment
Net loss for the year attributable to equity holders of the Company (S$'000)	(3,918)	(3,918)
Weighted average number of ordinary shares ('000)	2,551,689	2,551,689
Loss per share (cents)	(0.15)	(0.15)

6. Rationale for the Investment

The Investment is in line with the Group's strategy of expanding its hotel investment and management portfolio as part of the wider hospitality business, which the Board believes has the potential for growth to the benefit of the Company and its shareholders. TLA will be appointed as the hotel operator.

7. Interests of Directors and Substantial Shareholders

None of the directors or substantial shareholders of the Company has any interest, direct or indirect, in the Investment.

8. Service Contracts of Directors

Mr Aw Ming-Yao Marcus ("**Mr Aw**"), a director of TLA, will be appointed as a director in RCL, NTL and LFH. There is no service contract entered into by Mr Aw with these companies in connection with the Investment.

9. Documents for Inspection

A copy of the Shareholders' Agreement and Shareholders' Loan Agreement are available for inspection at the Company's registered office at 10 Anson Road, #29-07 International Plaza, Singapore 079903 for 3 months from the date of the announcement.

BY ORDER OF THE BOARD

For and on behalf of ICP Ltd.

Aw Cheok Huat
Chairman

15 June 2017