

**STRACO CORPORATION LIMITED**  
**Company Registration No.: 200203482R**  
*(Incorporated in Singapore)*

**FULL YEAR ENDED 31 DECEMBER 2014 UNAUDITED FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT**

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

**1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**INCOME STATEMENT**

	4Q ended			Full Year ended		
	31/12/2014	31/12/2013	Change	31/12/2014	31/12/2013	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	19,418	14,627	32.8	92,322	72,840	26.7
Other income	1,710	1,332	28.4	5,292	5,588	(5.3)
Operating expenses	(7,500)	(4,658)	61.0	(24,263)	(20,495)	18.4
Administrative expenses	(5,843)	(2,665)	119.2	(15,547)	(7,661)	102.9
Operating profit	7,785	8,636	(10)	57,804	50,272	15.0
Finance costs	(163)	-	n.m.	(163)	(2)	8,050.0
Profit before income tax	7,622	8,636	(11.7)	57,641	50,270	14.7
Tax expense	(3,006)	(2,768)	8.6	(18,388)	(14,877)	23.6
<b>Profit for the period</b>	<b>4,616</b>	<b>5,868</b>	<b>(21.3)</b>	<b>39,253</b>	<b>35,393</b>	<b>10.9</b>
<b>Profit attributable to:</b>						
Owners of the Company	4,426	5,631	(21.4)	37,688	34,096	10.5
Non-controlling interests	190	237	(19.8)	1,565	1,297	20.7
<b>Profit for the period</b>	<b>4,616</b>	<b>5,868</b>	<b>(21.3)</b>	<b>39,253</b>	<b>35,393</b>	<b>10.9</b>

**STATEMENT OF COMPREHENSIVE INCOME**

	4Q ended			Full Year ended		
	31/12/2014	31/12/2013	Change	31/12/2014	31/12/2013	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Profit for the period</b>	<b>4,616</b>	<b>5,868</b>	<b>(21.3)</b>	<b>39,253</b>	<b>35,393</b>	<b>10.9</b>
<b>Other comprehensive income/(loss) for the period, net of tax</b>						
Translation differences relating to financial statements of foreign subsidiaries	3,497	1,391	151.4	3,517	5,739	(38.7)
<b>Other comprehensive (loss)/ income for the period, net of tax</b>	<b>3,497</b>	<b>1,391</b>	<b>151.4</b>	<b>3,517</b>	<b>5,739</b>	<b>(38.7)</b>
<b>Total comprehensive income for the period</b>	<b>8,113</b>	<b>7,259</b>	<b>11.8</b>	<b>42,770</b>	<b>41,132</b>	<b>4.0</b>
<b>Total comprehensive income attributable to:</b>						
Owners of the Company	7,797	6,970	11.9	41,080	39,639	3.6
Non-controlling interests	316	289	9.3	1,690	1,493	13.2
<b>Total comprehensive income for the period</b>	<b>8,113</b>	<b>7,259</b>	<b>11.8</b>	<b>42,770</b>	<b>41,132</b>	<b>4.0</b>

n.m. – not meaningful

The profit before tax was arrived at after charging or (crediting) the following:-

	4Q ended		Full Year ended	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
	S\$'000	S\$'000	S\$'000	S\$'000
Depreciation of property, plant and equipment	1,515	983	4,431	3,947
Depreciation of investment property	117	-	117	-
Amortisation of intangible assets	69	-	69	-
Negative goodwill recognised	(114)	-	(114)	-
Interest income	(1,102)	(832)	(3,334)	(3,250)
Interest expense	163	-	163	2
Foreign exchange loss/ (gain)	38	(477)	1,488	(2,181)
Loss/ (Gain) on disposal of property, plant and equipment	1	1	6	(692)
Government grant	(18)	(16)	(70)	(61)

Notes:

1. The increases in depreciation and amortisation expenses are mainly attributable to the depreciation and amortization charges on the assets, investment property, and intangible assets of Singapore Flyer acquired by a subsidiary, Straco Leisure Pte Ltd ("SLPL").
2. Negative goodwill recognized is attributable to the acquisition of Singapore Flyer.
3. Interest expense of \$163,000 is mainly attributable to the long-term bank borrowing for the purpose of acquiring the assets of Singapore Flyer.
4. Foreign exchange differences arise due to the movement of Renminbi against Singapore Dollars.

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

	Group		Company	
	As at	As at	As at	As at
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current assets</b>				
Property, plant and equipment	139,645	47,071	2,301	2,358
Investment property	49,883	-		
Investments in subsidiaries	-	-	102,220	48,121
Intangible assets	4,613	1,419	-	-
	194,141	48,490	104,521	50,479
<b>Current assets</b>				
Inventories	2,790	960	-	-
Trade and other receivables	3,913	4,117	-	-
Loans and receivables from subsidiaries	-	-	1,837	26,210
Other current assets	1,391	21,701	23	21,324
Cash and cash equivalents	112,465	108,055	3,770	18,238
	120,559	134,833	5,630	65,772
<b>Total assets</b>	<b>314,700</b>	<b>183,323</b>	<b>110,151</b>	<b>116,251</b>
<b>Equity attributable to owners of the Company</b>				
Share capital	76,985	76,985	76,985	76,985
Reserves	16,008	10,930	(1,391)	(3,003)
Retained earnings	93,649	72,981	25,491	38,256
	186,642	160,896	101,085	112,238
<b>Non-controlling interests</b>	7,736	3,116	-	-
<b>Total equity</b>	<b>194,378</b>	<b>164,012</b>	<b>101,085</b>	<b>112,238</b>
<b>Non-current liabilities</b>				
Borrowings	73,900	-	-	-
Deferred income	150	213	-	-
Deferred tax liabilities	13,060	1,850	-	-
	87,110	2,063	-	-
<b>Current liabilities</b>				
Trade and other payables	11,101	10,226	1,071	3,067
Amounts due to subsidiaries	-	-	536	946
Current tax liabilities	2,652	7,022	-	-
Current borrowings	19,459	-	7,459	-
	33,212	17,248	9,066	4,013
<b>Total liabilities</b>	<b>120,322</b>	<b>19,311</b>	<b>9,066</b>	<b>4,013</b>
<b>Total equity and liabilities</b>	<b>314,700</b>	<b>183,323</b>	<b>110,151</b>	<b>116,251</b>

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

	As at 31/12/2014		As at 31/12/2013	
	<u>Secured</u> S\$'000	<u>Unsecured</u> S\$'000	<u>Secured</u> S\$'000	<u>Unsecured</u> S\$'000
Amount payable in one year or less, or on demand	19,458,711	-	-	-
Amount payable after one year	71,000,000	2,900,000	-	-

**Details of any collateral**

The borrowings are secured by fixed and floating charges over certain assets of certain subsidiaries as well as corporate guarantee from the Company.

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

CONSOLIDATED STATEMENT OF CASH FLOWS	Full Year ended 31/12/2014	Full Year ended 31/12/2013
	S\$'000	S\$'000
<b>Cash flows from operating activities</b>		
Profit before income tax	57,641	50,270
Adjustments for:		
Amortisation of intangible assets	69	-
Depreciation of property, plant and equipment	4,431	3,947
Depreciation of investment property	117	-
Equity-settled share-based payment transactions	1,340	453
Loss/ (Gain) on disposal of property, plant and equipment	6	(692)
Government grant utilised	(65)	(61)
Negative goodwill recognised	(114)	-
Interest income	(3,334)	(3,250)
Interest expense	163	2
Exchange (gain)/ loss	476	(1,955)
Operating profit before working capital changes	60,730	48,714
Changes in working capital:		
Trade and other receivables	(1,899)	83
Inventories	(751)	138
Trade and other payables	(403)	1,045
Cash generated from operating activities	57,677	49,980
Income taxes paid	(20,683)	(14,312)
Net cash from operating activities	36,994	35,668
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(1,228)	(1,436)
Deposit paid for bidding of a project	-	(21,200)
Acquisition through business combination, net of cash acquired	(116,437)	-
Government grant received	-	30
Proceeds from disposal of property, plant and equipment	2	1,288
Interest received	4,607	1,858
Net cash from investing activities	(113,056)	(19,460)
<b>Cash flows from financing activities</b>		
Issue of shares to minority shareholder of a subsidiary	3,000	-
Dividend paid to owners of company	(16,946)	(10,536)
Dividend paid to non-controlling interests	(1,275)	(1,275)
Repurchase of own shares	(568)	(126)
Proceeds from exercise of share options	840	351
Proceeds from borrowings	94,359	-
Repayment of borrowings	(1,000)	-
Proceed from a potential partner for bidding of a project	-	2,100
Interest paid	(119)	(2)
Net cash from/ (used in) financing activities	78,291	(9,488)
<b>Net increase in cash and cash equivalents</b>	2,229	6,720
Cash and cash equivalents at beginning of the period	108,055	95,969
Effects of exchange rate fluctuations	2,181	5,366
<b>Cash and cash equivalents at end of the period</b>	112,465	108,055

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**(a) Group**

**(i)**

	Share capital	Treasury shares	Capital reserve	Share option reserve	General reserve	Foreign currency translation reserve	Retained earnings	Total attributable to owners of the Company	Non-controlling Interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>At 1 January 2014</b>	76,985	(5,043)	(206)	2,246	12,208	1,725	72,981	160,896	3,116	164,012
Changes in equity for the period:										
Share-based payment transactions	-	-	-	136	-	-	-	136	-	136
Treasury shares reissued	-	258	(24)	-	-	-	-	234	-	234
Total comprehensive income for the period	-	-	-	-	-	(2,670)	5,409	2,739	115	2,854
<b>At 31 March 2014</b>	76,985	(4,785)	(230)	2,382	12,208	(945)	78,390	164,005	3,231	167,236
Changes in equity for the period:										
Share-based payment transactions	-	-	-	335	-	-	-	335	-	335
Treasury shares reissued	-	457	(24)	-	-	-	-	433	-	433
Dividend paid of 2.00 cents per share	-	-	-	-	-	-	(16,946)	(16,946)	-	(16,946)
Total comprehensive income for the period	-	-	-	-	-	(880)	8,329	7,449	331	7,780
<b>At 30 June 2014</b>	76,985	(4,328)	(254)	2,717	12,208	(1,825)	69,773	155,276	3,562	158,838
Changes in equity for the period:										
Purchase of own shares	-	(568)	-	-	-	-	-	(568)	-	(568)
Share-based payment transactions	-	-	-	434	-	-	-	434	-	434
Treasury shares re-issued	-	186	(13)	-	-	-	-	173	-	173
Total comprehensive income for the period	-	-	-	-	-	3,571	19,524	23,095	928	24,023
<b>At 30 September 2014</b>	76,985	(4,710)	(267)	3,151	12,208	1,746	89,297	178,410	4,490	182,900
Changes in equity for the period:										
Share-based payment transactions	-	-	-	435	-	-	-	435	-	435
Transfer to general reserve fund	-	-	-	-	74	-	(74)	-	-	-
Issue of shares to non-controlling interest of a subsidiary	-	-	-	-	-	-	-	-	3,000	3,000
Dividend to non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	-	(70)	(70)
Total comprehensive income for the period	-	-	-	-	-	3,371	4,426	7,797	316	8,113
<b>At 31 December 2014</b>	76,985	(4,710)	(267)	3,586	12,282	5,117	93,649	186,642	7,736	194,378

(ii)

	Share capital	Treasury shares	Capital reserve	Share option reserve	General reserve	Foreign currency translation reserve	Retained earnings	Total attributable to owners of the Company	Non-controlling Interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>At 1 January 2013</b>	76,985	(5,343)	(131)	1,793	7,666	(3,818)	53,963	131,115	2,880	133,995
Changes in equity for the period:										
Purchase of own shares	-	(97)	-	-	-	-	-	(97)	-	(97)
Share-based payment transactions	-	-	-	68	-	-	-	68	-	68
Treasury shares reissued	-	66	(24)	-	-	-	-	42	-	42
Transfer to general reserve fund	-	-	-	-	1,171	-	(1,171)	-	-	-
Dividend to non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	-	(527)	(527)
Total comprehensive income for the period	-	-	-	-	-	1,600	5,463	7,063	240	7,303
<b>At 31 March 2013</b>	76,985	(5,374)	(155)	1,861	8,837	(2,218)	58,255	138,191	2,593	140,784
Changes in equity for the period:										
Purchase of own shares	-	(29)	-	-	-	-	-	(29)	-	(29)
Share-based payment transactions	-	-	-	113	-	-	-	113	-	113
Treasury shares reissued	-	168	(19)	-	-	-	-	149	-	149
Dividend paid of 1.25 cents per share	-	-	-	-	-	-	(10,536)	(10,536)	-	(10,536)
Total comprehensive income for the period	-	-	-	-	-	2,655	7,758	10,413	350	10,763
<b>At 30 June 2013</b>	76,985	(5,235)	(174)	1,974	8,837	437	55,477	138,301	2,943	141,244
Changes in equity for the period:										
Share-based payment transactions	-	-	-	136	-	-	-	136	-	136
Treasury shares re-issued	-	192	(32)	-	-	-	-	160	-	160
Transfer to general reserve fund	-	-	-	-	2,397	-	(2,397)	-	-	-
Dividend to non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	-	(730)	(730)
Total comprehensive income/(loss) for the period	-	-	-	-	-	(51)	15,244	15,193	614	15,807
<b>At 30 September 2013</b>	76,985	(5,043)	(206)	2,110	11,234	386	68,324	153,790	2,827	156,617
Changes in equity for the period:										
Share-based payment transactions	-	-	-	136	-	-	-	136	-	136
Treasury shares re-issued	-	-	-	-	-	-	-	-	-	-
Transfer to general reserve fund	-	-	-	-	974	-	(974)	-	-	-
Total comprehensive income for the period	-	-	-	-	-	1,339	5,631	6,970	289	7,259
<b>At 31 December 2013</b>	76,985	(5,043)	(206)	2,246	12,208	1,725	72,981	160,896	3,116	164,012

**(b) Company**

(i)

	Share capital	Treasury shares	Capital reserve	Share option reserve	Retained earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>At 1 January 2014</b>	76,985	(5,043)	(206)	2,246	38,256	112,238
Share-based payment transactions	-	-	-	136	-	136
Treasury shares re-issued	-	258	(24)	-	-	234
Total comprehensive income/ (loss) for the period	-	-	-	-	(1,329)	(1,329)
<b>At 31 March 2014</b>	76,985	(4,785)	(230)	2,382	36,927	111,279
Share-based payment transactions	-	-	-	335	-	335
Treasury shares reissued	-	457	(24)	-	-	433
Total comprehensive income/ (loss) for the period	-	-	-	-	6,764	6,764
Dividend paid of 2.00 cents per share	-	-	-	-	(16,946)	(16,946)
<b>At 30 June 2014</b>	76,985	(4,328)	(254)	2,717	26,745	101,865
Purchase of own shares	-	(568)	-	-	-	(568)
Share-based payment transactions	-	-	-	434	-	434
Treasury shares re-issued	-	186	(13)	-	-	173
Total comprehensive income/ (loss) for the period	-	-	-	-	(1,190)	(1,190)
<b>At 30 September 2014</b>	76,985	(4,710)	(267)	3,151	25,555	100,714
Share-based payment transactions	-	-	-	435	-	435
Total comprehensive income/ (loss) for the period	-	-	-	-	(64)	(64)
<b>As at 31 December 2014</b>	76,985	(4,710)	(267)	3,586	25,491	101,085



(ii)

	Share capital	Treasury shares	Capital reserve	Share option reserve	Retained earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>At 1 January 2013</b>	76,985	(5,343)	(131)	1,793	11,640	84,944
Purchase of own shares	-	(97)	-	-	-	(97)
Share-based payment transactions	-	-	-	68	-	68
Treasury shares re-issued	-	66	(24)	-	-	42
Total comprehensive income for the period	-	-	-	-	9,441	9,441
<b>At 31 March 2013</b>	76,985	(5,374)	(155)	1,861	21,081	94,398
Purchase of own shares	-	(29)	-	-	-	(29)
Share-based payment transactions	-	-	-	113	-	113
Treasury shares reissued	-	168	(19)	-	-	149
Total comprehensive income for the period	-	-	-	-	4,702	4,702
Dividend paid of 1.25 cents per share	-	-	-	-	(10,536)	(10,536)
<b>At 30 June 2013</b>	76,985	(5,235)	(174)	1,974	15,247	88,797
Purchase of own shares	-	-	-	-	-	-
Share-based payment transactions	-	-	-	136	-	136
Treasury shares re-issued	-	192	(32)	-	-	160
Total comprehensive income for the period	-	-	-	-	16,995	16,995
<b>At 30 September 2013</b>	76,985	(5,043)	(206)	2,110	32,242	106,088
Purchase of own shares	-	-	-	-	-	-
Share-based payment transactions	-	-	-	136	-	136
Total comprehensive income for the period	-	-	-	-	6,014	6,014
<b>As at 31 December 2013</b>	76,985	(5,043)	(206)	2,246	38,256	112,238

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There were no share buy-back and no exercise of share options during the 4Q2014.

During the year, the Company granted 7,620,000 share options to the directors and employees of the Group. As at 31 December 2014, options to subscribe for 26,850,000 (31 December 2013: 23,700,000) ordinary shares remain outstanding.

The Company's issued and fully paid-up shares as at 31 December 2014 comprised 847,459,580 (31 December 2013: 843,739,580) ordinary shares and 21,470,000 (31 December 2013: 25,190,000) treasury shares.

**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.**

	<b>As at 31/12/2014</b>	<b>As at 31/12/2013</b>
Total number of issued shares	868,929,580	868,929,580
Less: Treasury shares	(21,470,000)	(25,190,000)
Total number of issued shares excluding treasury shares	847,459,580	843,739,580

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

<b>Treasury Shares</b>	<b>No. of shares</b>	<b>S\$'000</b>
Balance as at 30/09/2014 and 31/12/2014	21,470,000	4,710

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

The financial statements 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 a matter).**

Not applicable.

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

The Group has applied the same accounting policies and methods of computation used in the financial statements for the current reporting period compared with the audited financial statements for the financial year ended 31 December 2013.

**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.**

An assessment has been made of the Amendments and Interpretations to the Singapore Financial Reporting Standards ("FRSs") effective from 1 January 2014 and it is not expected to have any significant impact on the Group's financial statements.

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

<b>Earnings per share</b>	<b>Q4 ended</b>		<b>Full Year ended</b>	
	<b>31/12/2014</b>	<b>31/12/2013</b>	<b>31/12/2014</b>	<b>31/12/2013</b>
(a) Based on the number of ordinary shares in issue (cents)	0.52	0.67	4.45	4.05
(b) On fully diluted basis (cents)	0.51	0.66	4.38	4.01

The calculations of basic earnings per share for 4Q and full year ended 31 December 2014 are based on the net profits attributable to shareholders for the 4Q and full year ended 31 December 2014 divided by the weighted average number of ordinary shares outstanding of 847,459,580 and 846,619,539 respectively.

The calculations of basic earnings per share for 4Q and full year ended 31 December 2013 are based on the net profits attributable to shareholders for the 4Q and full year ended 31 December 2013 divided by the weighted average number of ordinary shares outstanding of 843,739,580 and 842,814,005 respectively.

The calculations of diluted earnings per share for 4Q and full year ended 31 December 2014 are based on the net profits attributable to shareholders for the 4Q and full year ended 31 December 2014 divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 860,886,918 and 860,280,072 respectively.

The calculations of diluted earnings per share for 4Q and full year ended 31 December 2013 are based on the net profits attributable to shareholders for the 4Q and full year ended 31 December 2013 divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 854,806,098 and 851,114,328 respectively.

- 7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**
- (a) current financial period reported on; and**  
**(b) immediately preceding financial year.**

	Group		Company	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Net asset value per ordinary share (cents) based on number of issued shares excluding treasury shares at the end of:	22.02	19.07	11.93	13.30

Net asset value per ordinary share was calculated based on 847,459,580 ordinary shares issued (excluding treasury shares) as at 31 December 2014 and 843,739,580 ordinary shares issued (excluding treasury shares) as at 31 December 2013.

- 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.**

### Revenue

In the fourth quarter of FY2014, the Group achieved sales of \$19.42 million, an increase of 32.8% over the same period in FY2013, mainly attributable to higher visitor numbers at Shanghai Ocean Aquarium ("SOA"), revenue contributed by Straco Leisure Pte Ltd ("SLPL") from its newly acquired Singapore Flyer.

Combined visitation to SOA and UWX was 609,000 visitors for the quarter, an increase of 2.9% compared to 4Q2013.

Cumulatively, overall revenue for FY2014 amounted to \$92.32 million, an increase of \$19.48 million, or 26.7% compared to FY2013, as both SOA and UWX achieved double-digit growth in visitor numbers for the year.

Other income increased 28.4% for the quarter, mainly attributable to higher interest income.

### **Operational Results**

Operating and administrative expenses for 4Q2014 increased \$6.02 million in total; 82.2% higher than 4Q2013, mainly attributable to the expenses incurred by SLPL as it took over the operation of Singapore Flyer from 28 November 2014, one-off expenses related to the acquisition, such as stamp duty paid for the investment property acquired and legal and professional fee incurred for the acquisition amounting to \$1.98 million; higher staff cost from the accrual of higher amounts for performance bonus this year and higher share option expense recognized this year, as well as exchange differences arising from exchange loss of \$37,000 incurred this quarter as opposed to an exchange gain of \$0.48 million recognized in 4Q2013.

Profit before tax was \$7.62 million for the current quarter, an 11.7% decrease compared to the profit before tax of \$8.64 million for 4Q2013.

### **Balance Sheet items**

Property, plant and equipment and investment property increased significantly, mainly due to the acquisition of the assets and business of Singapore Flyer by our subsidiary, SLPL. The related purchase price allocation has been done on a provisional basis.

The increase in intangible asset is mainly attributable to the fair value of the brand and trademarks of Singapore Flyer acquired by SLPL.

Inventories increased 190.6% from \$0.96 million at 31 December 2013 to \$2.79 million at 31 December 2014, mainly due to the purchase of imported spare parts for our cable car facilities in the current year as well as the newly added inventories at SLPL, which comprise of spare parts for the Giant Observation Wheel ("GOW") and merchandise stocks.

Other current assets decreased 93.6% from \$21.7 million at 31 December 2013 to \$1.39 million at 31 December 2014 as the deposit paid last year for the acquisition of the assets of Singapore Flyer was reclassified to non-current assets in the current year upon the completion of the acquisition.

Reserves increased from \$10.93 million at 31 December 2013 to \$16.01 million at 31 December 2014, mainly due to the share option reserves of \$1.34 million recognised in the current period arising from share options granted in May 2013 and May 2014, translation gain arising from the stronger RMB currency against SGD at the end of the year compared to end of last year, as well as the net decrease in treasury shares from share buyback of \$568,000 and treasury shares reissued of \$901,000; offset by loss of \$61,000 from treasury shares re-issued.

Retained earnings increased from \$72.98 million at 31 December 2013 to \$93.65 million at 31 December 2014, mainly attributable to the profit earned in the current year, partially offset by dividend paid amounting to \$16.95 million, as well as amount transferred by LCC to general reserves of \$74,000.

Non-controlling interest (“NCI”) increased from \$3.12 million at 31 December 2013 to \$7.74 million at 31 December 2014, mainly attributable to the 10% equity interest held in SLPL by WTS Leisure Pte Ltd as well as the NCI’s share in the current year’s profit.

Deferred income decreased 29.6% from \$0.21 million at 31 December 2013 to \$0.15 million at 31 December 2014, mainly due to the periodic recognition of deferred income to profit & loss in the current period.

Deferred tax liabilities increased 6 fold from \$1.85 million at 31 December 2013 to \$13.06 million at 31 December 2014, mainly attributable to the deferred tax liabilities recognized on the investment property and intangible assets at SLPL, as well as the deferred tax recognised on the current period distributable profits of SOA, UWX, and Lixing Cable Car.

Current tax liabilities decreased 62.2% from \$7.02 million at 31 December 2013 to \$2.65 million at 31 December 2014, as the provisions of China withholding taxes on dividends declared by SOA and UWX in last year were paid in the current year when the dividends were remitted.

### Cash flow Statement

The Group generated net cash from operating activities amounting to \$36.99 million in FY2014. Net cash used in investing activities amounted to \$113.06 million, as the Group completed the acquisition of Singapore Flyer, which was partially funded by bank borrowings and shareholders’ loans. As at 31 December 2014, the Group’s cash and cash equivalent balance amounted to \$112.47 million.

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

The Group did not previously disclose to shareholders any forecast or prospect statement with regard to the current quarter under review.

**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 National Bureau of Statistics of China reported that the Chinese economy grew 7.4% in 2014 from a year earlier, as ongoing structural transition dragged down on growth.

For 2015, a lower target of growth at around 7% is expected, as the government continues with structural reforms to put the economy on a more sustainable path.

On the tourism sector, despite slower economic growth, the increasingly larger domestic tourism market will boost the development of China’s tourism industry.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any interim (final) dividend declared (recommended) for the current financial period reported on? Yes

The Board of Directors is pleased to recommend a first and final dividend as follows:

Name of Dividend	First & Final (One-tier)
Dividend Type	Cash
Dividend Amount per Share (in cents)	2.00 cent per ordinary share
Tax Rate	Tax Exempt

The dividend is for approval by the shareholders at the next Annual General Meeting to be announced.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	First & Final (One-tier)	Special (One-tier)
Dividend Type	Cash	Cash
Dividend Amount per Share (in cents)	1.25 cent per ordinary share	0.75 cent per ordinary share
Tax Rate	Tax Exempt	Tax Exempt

**(c) Date payable**

To be announced.

**(d) Books closure date**

To be announced.

**12. If no dividend has been declared/recommended, a statement to that effect.**

Not applicable.

**13. 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.**

No IPT mandate has been obtained.

**14. Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results).**

Not applicable.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

**15. 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 is principally engaged in the development and operation of tourism-related attractions. Retail, food and beverage are auxiliary goods and services arising from the operations of the above facilities.

The Group has two reportable segments, as described below, which consists of the Group's strategic business units which are managed separately. For each of the strategic business units, the Group's Executive Chairman ("EC") reviews internal management reports on a monthly basis. The following summary describes the operations of the Group's reportable segment:

- Aquariums – Operation of aquatic-related facilities and tourist attractions, including dolphin and sea lion performances. Retail, food and beverage are auxiliary goods and services arising from the operation of the above facilities.
- Giant Observation Wheel ("GOW") – Operation of a circular giant observation structure, and provision of retail space. Retail, food and beverage are auxiliary goods and services arising from the operation of the above facilities.

Other operations include the operation of cable-car facility and show performances. None of these segments meets any of the quantitative thresholds for determining reportable segments in 2014 and 2013.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Group's EC. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

	Aquariums		GOW		Others		Total	
	FY2014	FY2013	FY2014	FY2013	FY2014	FY2013	FY2014	FY2013
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
External revenues	84,805	68,881	3,702	-	3,815	3,959	92,322	72,840
Interest revenue	3,117	3,052	-	-	152	169	3,269	3,221
Interest expense	-	-	130	-	9	8	139	8
Depreciation	3,731	3,730	700	-	93	133	4,524	3,863
Reportable segment profit before income tax	62,649	49,010	(598)	-	1,198	2,668	63,249	51,678
Reportable segment assets	143,457	130,422	154,098	-	9,011	10,893	306,566	141,315
Capital expenditure	832	999	139,111	-	216	407	140,159	1,406
Reportable segment liabilities	10,441	47,704	124,704	-	3,501	4,765	138,646	52,469

As the GOW was acquired on 28 November 2014, revenue comprised one month's operation in FY2014. There is no comparative figure.

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items:

	<b>FY2014</b>	<b>FY2013</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Revenues</b>		
Total revenue for reportable segments	88,507	68,881
Other revenue	3,815	3,959
Consolidated revenue	<u>92,322</u>	<u>72,840</u>
<b>Profit before tax</b>		
Total profit for reportable segments	62,051	49,010
Other profit	1,198	2,668
	<u>63,249</u>	<u>51,678</u>
Unallocated amounts:		
- Head office and corporate expenses	(7,338)	(2,975)
- Head office and corporate income	100	40
- Elimination on consolidation	1,630	1,527
Consolidated profit before income tax	<u>57,641</u>	<u>50,270</u>
<b>Assets</b>		
Total assets for reportable segments	297,555	130,422
Other assets	9,011	10,893
Unallocated head office and corporate assets	47,654	88,035
Elimination on consolidation	(39,520)	(46,027)
Consolidated total assets	<u>314,700</u>	<u>183,323</u>
<b>Liabilities</b>		
Total liabilities for reportable segments	135,145	47,704
Other liabilities	3,501	4,765
Unallocated head office and corporate liabilities	21,196	12,869
Elimination on consolidation	(39,520)	(46,027)
Consolidated total liabilities	<u>120,322</u>	<u>19,311</u>

<b>Other material items</b>	<b>Reportable segment totals</b>	<b>Other segment totals</b>	<b>Unallocated corporate amounts</b>	<b>Consolidation eliminations</b>	<b>Consolidation totals</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>FY2014</b>					
Interest revenue	(3,117)	(152)	(66)	-	(3,335)
Interest expense	130	9	33	(9)	163
Capital expenditure	139,943	216	37	-	140,196
Depreciation	4,431	93	92	-	4,616
<b>FY2013</b>					
Interest revenue	(3,052)	(169)	(29)	-	(3,250)
Interest expense	-	8	2	(8)	2
Capital expenditure	999	407	30	-	1,436
Depreciation	3,730	133	84	-	3,947



<b>Geographical information</b>		
	<b>Revenue</b>	<b>Non-current assets</b>
	S\$'000	S\$'000
<b>2014</b>		
Singapore	3,702	150,016
China	88,620	44,125
	<b>92,322</b>	<b>194,141</b>
<b>2013</b>		
Singapore	-	2,369
China	72,840	46,121
	<b>72,840</b>	<b>48,490</b>

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

Please refer to Note 8 above.

17. **A breakdown of sales.**

		<b>2014</b>	<b>2013</b>	<b>Increase/</b>
		<b>S\$'000</b>	<b>S\$'000</b>	<b>(Decrease)</b>
		<b>(Actual)</b>	<b>(Actual)</b>	<b>%</b>
(a)	Sales reported for first half year	34,335	27,691	24
(b)	Operating profit after tax before deducting minority interests reported for first half year	14,318	13,662	5
(c)	Sales reported for second half year	57,987	45,149	28
(d)	Operating profit after tax before deducting minority interests reported for second half year	24,935	21,731	15

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

	<b>Latest Full Year</b>	<b>Previous Full</b>
	<b>(S\$'000)</b>	<b>Year (S\$'000)</b>
Ordinary	16,949	16,946
Preference	-	-
Total	16,949	16,946

- 19. 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(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Wu Xiuyi	34	Daughter of Mr Wu Hsioh Kwang and Mdm Chua Soh Har	Senior Vice President, Assistant to Executive Chairman, 2011 Alternate Director to Mr Wu Hsioh Kwang, 2014	Not applicable
Wu Xiuzhuan	33	Son of Mr Wu Hsioh Kwang and Mdm Chua Soh Har	Vice President (Corporate Development and Risk Management), 2009 Alternate Director to Mdm Chua Soh Har, 2014	Not applicable

BY ORDER OF THE BOARD,

Lotus Isabella Lim Mei Hua  
Company Secretary  
16 February 2015