

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

**THIRD QUARTER ENDED 30 SEPTEMBER 2015 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**

|                                       | 3Q ended   |            |        | 9 months ended |            |        |
|---------------------------------------|------------|------------|--------|----------------|------------|--------|
|                                       | 30/09/2015 | 30/09/2014 | Change | 30/09/2015     | 30/09/2014 | Change |
|                                       | S\$'000    | S\$'000    | %      | S\$'000        | S\$'000    | %      |
| Revenue                               | 49,292     | 38,569     | 27.8   | 103,836        | 72,904     | 42.4   |
| Other income                          | 1,698      | 1,461      | 16.2   | 3,795          | 3,582      | 5.9    |
| Less:                                 |            |            |        |                |            |        |
| Depreciation and amortisation expense | (3,240)    | (966)      | 235.4  | (9,550)        | (2,916)    | 227.5  |
| Sales and marketing expenses          | (349)      | (1,054)    | (66.9) | (2,029)        | (1,858)    | 9.2    |
| Exchange gains/ (losses)              | 68         | (44)       | n.m.   | 136            | (1,450)    | n.m.   |
| Operating lease expense               | (2,546)    | (1,854)    | 37.3   | (5,588)        | (3,680)    | 51.8   |
| Property and other taxes              | (450)      | (145)      | 210.3  | (1,251)        | (436)      | 186.9  |
| Repair and maintenance expenses       | (1,253)    | (499)      | 151.1  | (3,668)        | (1,425)    | 157.4  |
| Staff cost                            | (5,099)    | (3,621)    | 40.8   | (13,244)       | (8,640)    | 53.3   |
| Utilities expense                     | (1,020)    | (738)      | 38.2   | (2,730)        | (1,829)    | 49.3   |
| Other operating expenses              | (1,258)    | (768)      | 63.8   | (3,128)        | (1,512)    | 106.9  |
| Other administrative expenses         | (902)      | (1,296)    | (30.4) | (2,537)        | (2,721)    | (6.8)  |
| Operating profit                      | 34,941     | 29,045     | 20.3   | 64,042         | 50,019     | 28.0   |
| Finance costs                         | (435)      | -          | n.m.   | (1,330)        | -          | n.m.   |
| Profit before income tax              | 34,506     | 29,045     | 18.8   | 62,712         | 50,019     | 25.4   |
| Tax expense                           | (9,603)    | (8,726)    | 10.1   | (17,556)       | (15,382)   | 14.1   |
| Profit for the period                 | 24,903     | 20,319     | 22.6   | 45,156         | 34,637     | 30.4   |
| Profit attributable to:               |            |            |        |                |            |        |
| Owners of the Company                 | 23,595     | 19,524     | 20.9   | 42,739         | 33,262     | 28.5   |
| Non-controlling interests             | 1,308      | 795        | 64.5   | 2,417          | 1,375      | 75.8   |
| Profit for the period                 | 24,903     | 20,319     | 22.6   | 45,156         | 34,637     | 30.4   |

**STATEMENT OF COMPREHENSIVE INCOME**

|  | 3Q ended   |            |        | 9 months ended |            |        |
|--|------------|------------|--------|----------------|------------|--------|
|  | 30/09/2015 | 30/09/2014 | Change | 30/09/2015     | 30/09/2014 | Change |
|  | S\$'000    | S\$'000    | %      | S\$'000        | S\$'000    | %      |
| Profit for the period  | 24,903     | 20,319     | 22.6   | 45,156         | 34,637     | 30.4   |
| Other comprehensive income for the period, net of tax                            |            |            |        |                |            |        |
| Translation differences relating to financial statements of foreign subsidiaries | 4,627      | 3,704      | 24.9   | 7,129          | 20         | n.m.   |
| Other comprehensive income for the period, net of tax                            | 4,627      | 3,704      | 24.9   | 7,129          | 20         | n.m.   |
| Total comprehensive income for the period  | 29,530     | 24,023     | 22.9   | 52,285         | 34,657     | 50.9   |
| Total comprehensive income attributable to:                                      |            |            |        |                |            |        |
| Owners of the Company  | 28,050     | 23,095     | 21.5   | 49,598         | 33,283     | 49.0   |
| Non-controlling interests  | 1,480      | 928        | 59.5   | 2,687          | 1,374      | 95.6   |
| Total comprehensive income for the period  | 29,530     | 24,023     | 22.9   | 52,285         | 34,657     | 50.9   |

n.m. – not meaningful

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

|   | 3Q ended   |            | 9 months ended |            |
|---|------------|------------|----------------|------------|
|   | 30/09/2015 | 30/09/2014 | 30/09/2015     | 30/09/2014 |
|   | S\$'000    | S\$'000    | S\$'000        | S\$'000    |
| Depreciation of property, plant and equipment     | 2,682      | 966        | 7,877          | 2,916      |
| Depreciation of investment property               | 352        | -          | 1,056          | -          |
| Amortisation of intangible assets                 | 206        | -          | 617            | -          |
| Interest income                                   | (960)      | (778)      | (2,212)        | (2,232)    |
| Interest expense                                  | 435        | -          | 1,330          | -          |
| Foreign exchange (gains)/ losses                  | (68)       | 44         | (136)          | 1,450      |
| Loss on disposal of property, plant and equipment | 33         | 1          | 51             | 5          |
| Government grant                                  | (18)       | (20)       | (52)           | (52)       |

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") in November 2014.
2. Interest expense is mainly attributable to the long-term bank borrowing for the purpose of acquiring the assets of Singapore Flyer.
3. Foreign exchange differences arise mainly 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<br>30/09/2015<br>S\$'000 | As at<br>31/12/2014<br>S\$'000 | As at<br>30/09/2015<br>S\$'000 | As at<br>31/12/2014<br>S\$'000 |
| <b>Non-current assets</b>                           |                                |                                |                                |                                |
| Property, plant and equipment                       | 136,802                        | 139,645                        | 2,242                          | 2,301                          |
| Investment property                                 | 48,955                         | 49,883                         | -                              | -                              |
| Investments in subsidiaries                         | -                              | -                              | 102,220 <sup>N</sup>           | 102,220                        |
| Intangible assets                                   | 3,995                          | 4,613                          | -                              | -                              |
|   | <u>189,752</u>                 | <u>194,141</u>                 | <u>104,462</u>                 | <u>104,521</u>                 |
| <b>Current assets</b>                               |                                |                                |                                |                                |
| Inventories   | 2,328                          | 2,790                          | -                              | -                              |
| Trade and other receivables                         | 7,006                          | 3,913                          | -                              | -                              |
| Loans and receivables from subsidiaries             | -                              | -                              | 1,418 <sup>N</sup>             | 1,837                          |
| Other current assets                                | 1,908                          | 1,391                          | 43                             | 23                             |
| Cash and cash equivalents                           | 140,934                        | 112,465                        | 9,189                          | 3,770                          |
|   | <u>152,176</u>                 | <u>120,559</u>                 | <u>10,650</u>                  | <u>5,630</u>                   |
| <b>Total assets</b>                                 | <u><b>341,928</b></u>          | <u><b>314,700</b></u>          | <u><b>115,112</b></u>          | <u><b>110,151</b></u>          |
| <b>Equity attributable to owners of the Company</b> |                                |                                |                                |                                |
| Share capital                                       | 76,985                         | 76,985                         | 76,985                         | 76,985                         |
| Reserves  | 28,016                         | 16,008                         | (131)                          | (1,391)                        |
| Retained earnings                                   | 115,339                        | 93,649                         | 36,805                         | 25,491                         |
|   | <u>220,340</u>                 | <u>186,642</u>                 | <u>113,659</u>                 | <u>101,085</u>                 |
| <b>Non-controlling interests</b>                    | 9,251                          | 7,736                          | -                              | -                              |
| <b>Total equity</b>                                 | <u>229,591</u>                 | <u>194,378</u>                 | <u>113,659</u>                 | <u>101,085</u>                 |
| <b>Non-current liabilities</b>                      |                                |                                |                                |                                |
| Borrowings  | 64,900                         | 73,900                         | -                              | -                              |
| Deferred income                                     | 105                            | 150                            | -                              | -                              |
| Deferred tax liabilities                            | 13,252                         | 13,060                         | -                              | -                              |
| Provision for reinstatement cost                    | 374                            | -                              | -                              | -                              |
|   | <u>78,631</u>                  | <u>87,110</u>                  | <u>-</u>                       | <u>-</u>                       |
| <b>Current liabilities</b>                          |                                |                                |                                |                                |
| Trade and other payables                            | 12,053                         | 11,101                         | 888                            | 1,071                          |
| Amounts due to subsidiaries                         | -                              | -                              | 565                            | 536                            |
| Current tax liabilities                             | 9,653                          | 2,652                          | -                              | -                              |
| Current borrowings                                  | 12,000                         | 19,459                         | -                              | 7,459                          |
|   | <u>33,706</u>                  | <u>33,212</u>                  | <u>1,453</u>                   | <u>9,066</u>                   |
| <b>Total liabilities</b>                            | <u>112,337</u>                 | <u>120,322</u>                 | <u>1,453</u>                   | <u>9,066</u>                   |
| <b>Total equity and liabilities</b>                 | <u><b>341,928</b></u>          | <u><b>314,700</b></u>          | <u><b>115,112</b></u>          | <u><b>110,151</b></u>          |

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

|   | As at 30/09/2015          |                             | As at 31/12/2014          |                             |
|---|---------------------------|-----------------------------|---------------------------|-----------------------------|
|   | <u>Secured</u><br>S\$'000 | <u>Unsecured</u><br>S\$'000 | <u>Secured</u><br>S\$'000 | <u>Unsecured</u><br>S\$'000 |
| Amount payable in one year or less,<br>or on demand | 12,000,000                | -                           | 19,458,711                | -                           |
| Amount payable after one year                       | 62,000,000                | 2,900,000                   | 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                    | Q3 ended<br>30/09/2015 | Q3 ended<br>30/09/2014 |
|---|------------------------|------------------------|
|   | S\$'000                | S\$'000                |
| <b>Cash flows from operating activities</b>             |                        |                        |
| Profit before income tax                                | 34,506                 | 29,045                 |
| Adjustments for:  |                        |                        |
| Amortisation of intangible assets                       | 206                    | -                      |
| Depreciation of property, plant and equipment           | 2,682                  | 966                    |
| Depreciation of investment property                     | 352                    | -                      |
| Equity-settled share-based payment transactions         | 483                    | 435                    |
| Loss on disposal of property, plant and equipment       | 33                     | 1                      |
| Government grant utilised                               | (18)                   | (16)                   |
| Interest income   | (960)                  | (778)                  |
| Interest expense  | 435                    | -                      |
| Exchange gains  | (80)                   | (238)                  |
| Operating profit before working capital changes         | <u>37,639</u>          | <u>29,415</u>          |
| Changes in working capital:                             |                        |                        |
| Trade and other receivables                             | (1,617)                | 60                     |
| Inventories   | (55)                   | (68)                   |
| Trade and other payables                                | 2,484                  | 2,012                  |
| Cash generated from operating activities                | <u>38,451</u>          | <u>31,419</u>          |
| Income taxes paid                                       | (3,686)                | (1,281)                |
| Net cash from operating activities                      | <u>34,765</u>          | <u>30,138</u>          |
| <b>Cash flows from investing activities</b>             |                        |                        |
| Purchase of property, plant and equipment               | (517)                  | (372)                  |
| Proceeds from disposal of property, plant and equipment | 2                      | 2                      |
| Interest received                                       | 320                    | 2,782                  |
| Net cash (used in)/ from investing activities           | <u>(195)</u>           | <u>2,412</u>           |
| <b>Cash flows from financing activities</b>             |                        |                        |
| Dividend paid to non-controlling interests              | -                      | (669)                  |
| Repurchase of own shares                                | (2,797)                | (568)                  |
| Proceeds from exercise of share options                 | 271                    | 173                    |
| Repayment of borrowings                                 | (3,000)                | -                      |
| Interest paid   | (428)                  | -                      |
| Net cash used in financing activities                   | <u>(5,954)</u>         | <u>(1,064)</u>         |
| <b>Net increase in cash and cash equivalents</b>        | 28,616                 | 31,486                 |
| Cash and cash equivalents at beginning of the period    | 108,838                | 99,968                 |
| Effects of exchange rate fluctuations                   | 3,480                  | 2,864                  |
| <b>Cash and cash equivalents at end of the period</b>   | <u>140,934</u>         | <u>134,318</u>         |

Included in cash and cash equivalent is an amount of \$1.00 million (30 September 2014: Nil) deposit pledged as security to obtain credit facilities.

**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      |
| At 1 January 2015                                       | 76,985        | (4,710)         | (267)           | 3,586                | 12,282          | 5,117                                | 93,649            | 186,642                                     | 7,736                     | 194,378      |
| Changes in equity for the period:                       |               |                 |                 |                      |                 |                                      |                   |   |                           |              |
| Share-based payment transactions                        | -             | -               | -               | 435                  | -               | -                                    | -                 | 435   | -                         | 435          |
| Total comprehensive income for the period               | -             | -               | -               | -                    | -               | 5,599                                | 8,683             | 14,282                                      | 709                       | 14,991       |
| At 31 March 2015  | 76,985        | (4,710)         | (267)           | 4,021                | 12,282          | 10,716                               | 102,332           | 201,359                                     | 8,445                     | 209,804      |
| Changes in equity for the period:                       |               |                 |                 |                      |                 |                                      |                   |   |                           |              |
| Purchase of own shares                                  | -             | (229)           | -               | -                    | -               | -                                    | -                 | (229)                                       | -                         | (229)        |
| Share-based payment transactions                        | -             | -               | -               | 466                  | -               | -                                    | -                 | 466   | -                         | 466          |
| Treasury shares reissued                                | -             | 2,536           | 95              | -                    | -               | -                                    | -                 | 2,631                                       | -                         | 2,631        |
| Transfer to general reserve fund                        | -             | -               | -               | -                    | 3,889           | -                                    | (3,889)           | -   | -                         | -            |
| Dividend paid of 2.00 cents per share                   | -             | -               | -               | -                    | -               | -                                    | (17,160)          | (17,160)                                    | -                         | (17,160)     |
| Dividend to non-controlling shareholder of a subsidiary | -             | -               | -               | -                    | -               | -                                    | -                 | -   | (1,172)                   | (1,172)      |
| Total comprehensive income for the period               | -             | -               | -               | -                    | -               | (3,195)                              | 10,461            | 7,266                                       | 498                       | 7,764        |
| At 30 June 2015   | 76,985        | (2,403)         | (172)           | 4,487                | 16,171          | 7,521                                | 91,744            | 194,333                                     | 7,771                     | 202,104      |
| Changes in equity for the period:                       |               |                 |                 |                      |                 |                                      |                   |   |                           |              |
| Purchase of own shares                                  | -             | (2,797)         | -               | -                    | -               | -                                    | -                 | (2,797)                                     | -                         | (2,797)      |
| Share-based payment transactions                        | -             | -               | -               | 483                  | -               | -                                    | -                 | 483   | -                         | 483          |
| Treasury shares re-issued                               | -             | 168             | 103             | -                    | -               | -                                    | -                 | 271   | -                         | 271          |
| Total comprehensive income for the period               | -             | -               | -               | -                    | -               | 4,455                                | 23,595            | 28,050                                      | 1,480                     | 29,530       |
| At 30 September 2015                                    | 76,985        | (5,032)         | (69)            | 4,970                | 16,171          | 11,976                               | 115,339           | 220,340                                     | 9,251                     | 229,591      |

**(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      |
| At 1 January 2014                         | 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        |
| At 31 March 2014                          | 76,985        | (4,785)         | (230)           | 2,382                | 12,208          | (945)                                | 78,390            | 164,005                                     | 3,231                     | 167,236      |
| Changes in equity for the period:         |               |                 |                 |                      |                 |                                      |                   |   |                           |              |
| Purchase of own shares                    | -             | -               | -               | -                    | -               | -                                    | -                 | -   | -                         | -            |
| 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        |
| At 30 June 2014                           | 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       |
| At 30 September 2014                      | 76,985        | (4,710)         | (267)           | 3,151                | 12,208          | 1,746                                | 89,297            | 178,410                                     | 4,490                     | 182,900      |

**(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 2015</b>                          | 76,985        | (4,710)         | (267)           | 3,586                | 25,491            | 101,085  |
| Share-based payment transactions                  | -             | -               | -               | 435                  | -                 | 435      |
| Total comprehensive income/ (loss) for the period | -             | -               | -               | -                    | (1,432)           | (1,432)  |
| <b>At 31 March 2015</b>                           | 76,985        | (4,710)         | (267)           | 4,021                | 24,059            | 100,088  |
| Purchase of own shares                            | -             | (229)           | -               | -                    | -                 | (229)    |
| Share-based payment transactions                  | -             | -               | -               | 466                  | -                 | 466      |
| Treasury shares reissued                          | -             | 2,536           | 95              | -                    | -                 | 2,631    |
| Total comprehensive income/ (loss) for the period | -             | -               | -               | -                    | 31,092            | 31,092   |
| Dividend paid of 2.00 cents per share             | -             | -               | -               | -                    | (17,160)          | (17,160) |
| <b>At 30 June 2015</b>                            | 76,985        | (2,403)         | (172)           | 4,487                | 37,991            | 116,888  |
| Purchase of own shares                            | -             | (2,797)         | -               | -                    | -                 | (2,797)  |
| Share-based payment transactions                  | -             | -               | -               | 483                  | -                 | 483      |
| Treasury shares re-issued                         | -             | 168             | 103             | -                    | -                 | 271      |
| Total comprehensive income/ (loss) for the period | -             | -               | -               | -                    | (1,186)           | (1,186)  |
| <b>At 30 September 2015</b>                       | 76,985        | (5,032)         | (69)            | 4,970                | 36,805            | 113,659  |

(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 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  |
| Purchase of own shares                            | -             | -               | -               | -                    | -                 | -        |
| 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  |

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.

Pursuant to the Share Buy-back Mandate approved by shareholders, the Company purchased a total of 2,965,100 shares by way of on-market purchase for a total consideration of \$2.8 million (including transaction costs) in 3Q2015. These shares purchased were made out of the Company's capital and held as treasury shares.

During the third quarter ended 30 September 2015, 430,000 share options were exercised from the options that were granted in 2014; resulting in 430,000 treasury shares being reissued.

As at 30 September 2015, options to subscribe for 20,498,000 (30 September 2014: 26,850,000) ordinary shares remain outstanding.

The Company's issued and fully paid up shares as at 30 September 2015 comprised 856,194,480 (30 September 2014: 847,459,580) ordinary shares and 12,735,100 (30 September 2014: 21,470,000) 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.

|   | As at 30/09/2015 | As at 31/12/2014 |
|---|------------------|------------------|
| Total number of issued shares                           | 868,929,580      | 868,929,580      |
| Less: Treasury shares                                   | (12,735,100)     | (21,470,000)     |
| Total number of issued shares excluding treasury shares | 856,194,480      | 847,459,580      |

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.

| Treasury shares                                       | No. of shares | S\$'000 |
|---|---------------|---------|
| Balance as at 30/06/2015                              | 10,200,000    | 2,403   |
| No. of shares purchased                               | 2,965,100     | 2,797   |
| No. of shares transferred on exercise of share option | (430,000)     | (168)   |
| Balance as at 30/09/2015                              | 12,735,100    | 5,032   |

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 2014.

**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 2015 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.**

| Earnings per share  | Q3 ended   |            | 9 months ended |            |
|---|------------|------------|----------------|------------|
|   | 30/09/2015 | 30/09/2014 | 30/09/2015     | 30/09/2014 |
| (a) Based on the number of ordinary shares in issue (cents) | 2.75       | 2.30       | 5.01           | 3.93       |
| (b) On fully diluted basis (cents)                          | 2.72       | 2.27       | 4.94           | 3.87       |

The calculation of basic earnings per share for 3Q and 9 months ended 30 September 2015 are based on the net profits attributable to shareholders for the 3Q and 9 months ended 30 September 2015 divided by the weighted average number of ordinary shares outstanding of 856,595,221 and 853,641,591 respectively.

The calculation of basic earnings per share for 3Q and 9 months ended 30 September 2014 are based on the net profits attributable to shareholders for the 3Q and 9 months ended 30 September 2014 divided by the weighted average number of ordinary shares outstanding of 847,739,743 and 846,336,448 respectively.

The calculation of diluted earnings per share for 3Q and 9 months ended 30 September 2015 are based on the net profits attributable to shareholders for the 3Q and 9 months ended 30 September 2015 divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 866,192,803 and 865,007,863 respectively.

The calculation of diluted earnings per share for 3Q and 9 months ended 30 September 2014 are based on the net profits attributable to shareholders for the 3Q and 9 months ended 30 September 2014 divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 861,580,877 and 860,016,689 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    |            |
|--|------------|------------|------------|------------|
|  | 30/09/2015 | 31/12/2014 | 30/09/2015 | 31/12/2014 |
| Net asset value per ordinary share (cents) based on number of issued shares excluding treasury shares at the end of: | 25.73      | 22.02      | 13.27      | 11.93      |

Net asset value per ordinary share was calculated based on 856,194,480 ordinary shares issued (excluding treasury shares) as at 30 September 2015 and 847,459,580 ordinary shares issued (excluding treasury shares) as at 31 December 2014.

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 third quarter of FY2015, the Group achieved sales of \$49.29 million, an increase of 27.8% over the same period in FY2014, mainly attributable to the revenue contributed by the Singapore Flyer at Straco Leisure Pte Ltd ("SLPL"), increased revenue from Shanghai Ocean Aquarium ("SOA") arising from more visitor arrival as well as the stronger RMB currency against SGD compared to 3Q2014, partially offset by lower revenues from Underwater World Xiamen ("UWX") due to falling visitor numbers to Gulangyu Island.

Overall visitation to all our attractions was 2.03 million visitors for the quarter, an increase of 5.1% compared to 3Q2014.

Cumulatively, overall revenue for the nine months of FY2015 amounted to \$103.84 million, an increase of \$30.94 million or 42.4% compared to the corresponding period in FY2014. Revenue from the Singapore Flyer accounted for 93% of the increase.

#### Operational Results

Other income for 3Q2015 increased \$237,000, or 16.2% from 3Q2014, mainly attributable to higher interest income recognized in the current period as well as increase in concessionaire sales income from SOA and UWX.

Total Expenses (excluding finance cost) for 3Q2015 increased \$5.06 million, or 46.1% from 3Q2014, mainly attributable to the expenses incurred by SLPL, partially offset by lower expenses at UWX and Lixing Cable Car ("LCC") and the reversal of sales tax paid on ticket revenue by SOA due to a waiver of sales tax for 2015. Consequently, the sales tax paid in the previous quarter by SOA will be refunded.

Profit before tax was \$34.51 million for the current quarter, an increase of 18.8% compared to the profit before tax of \$29.04 million for 3Q2014, mainly attributable to the profit contributed by the Singapore Flyer and higher profit from SOA, partially offset by the decreased profitability of

UWX due to the negative impact on the changes in business environment impacting visitor arrivals to Gulangyu Island since October 2014.

### **Balance Sheet items**

Intangible assets decreased 13.4% from \$4.61 million at 31 December 2014 to \$3.99 million at 30 September 2015, due to the amortization of intangible assets at SLPL.

Inventories decreased 16.6% from \$2.79 million at 31 December 2014 to \$2.33 million at 30 September 2015, mainly due to reclassification of certain spare parts at LCC to property, plant and equipment.

Trade and other receivables increased 79% from \$3.91 million at 31 December 2014 to \$7.01 million at 30 September 2015 mainly due to increase in trade receivables; increase in interest receivables from fixed deposits placed, increase in other receivables at SOA arising from the sales tax on ticket revenue refundable upon the waiver granted for this year, as well as increase in other receivables at SLPL arising from the GST input tax claimable for the quarter.

Other current assets increased 37.2% from \$1.39 million at 31 December 2014 to \$1.91 million at 30 September 2015, mainly due to advance payments for landscaping improvement work at UWX and purchase of imported spare parts at LCC.

Reserves increased from \$16.01 million at 31 December 2014 to \$28.02 million at 30 September 2015, due to the translation gain of \$6.86 million arising from the stronger RMB currency against SGD at the end of the current period compared to the end of last year, share option reserves of \$1.38 million recognised in the current period arising from share options granted in May 2014 and May 2015, amounts transferred by SOA and UWX from their FY2013 retained earnings to general reserves amounting to \$3.89 million in total, net increase in treasury shares from share buyback of \$3.03 million and treasury shares reissued of \$2.70 million; as well as gain on treasury shares reissued of \$198,000.

Retained earnings increased 23.2% from \$93.65 million at 31 December 2014 to \$115.34 million at 30 September 2015, due to the profit earned in the current period partially offset by dividend declared in the current period and amounts transferred by SOA and UWX to general reserves.

Deferred income decreased 30% from \$150,000 at 31 December 2014 to \$105,000 at 30 September 2015, mainly due to the periodic recognition of deferred income to profit & loss in the current period.

Provision for reinstatement cost of \$374,000 as at 30 September 2015 was made by SLPL in accordance with the requirements under the lease agreement.

Current tax liabilities increased from \$2.65 million at 31 December 2014 to \$9.65 million at 30 September 2015, mainly due to the provision of income taxes on the 3Q2015 profits of SOA, UWX, and LCC, and the provision of income taxes on the current year-to-date profits of SLPL.

Current borrowings decreased 38.3% from \$19.46 million at 31 December 2014 to \$12.0 million at 30 September 2015, due to the repayment of a short-term borrowing of \$7.52 million upon maturity.

**Cash flow Statement**

The Group generated net cash from operating activities amounting to \$34.77 million in 3Q2015. During the quarter, the Company used \$2.8 million to buy back 2,965,100 of its own shares and received \$271,000 from the exercises of 430,000 share options. As at 30 September 2015, the Group's cash and cash equivalent balance amounted to \$140.93 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 China's gross domestic product ("GDP") grew 6.9% in the third quarter of 2015, down from 7% in the first two quarters, and the slowest since the first quarter of 2009 following the global financial crisis.

In a recent Global Tourism Economy Forum Macao 2015 held in October, the chairman of the China National Tourism Administration pointed out that China's tourism was in a new stage of adjustment, reform and leap-forward, and would maintain rapid growth. This augurs well for the Group's businesses in China.

In Singapore, the tourism sector is expected to be on target to meet its forecast of more than 15 million travellers this year, despite a dimmed economic outlook ahead, as the economy grew 1.4% in the three months to September 2015 compared to the same period a year ago, its slowest pace in three years. From January to August 2015, tourist arrivals hit 10.22 million, a marginal drop of 0.6% compared to the corresponding period.

11. **Dividend**

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

Any interim (final) dividend declared (recommended) for the current financial period reported on? None

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

Any dividend declared for the corresponding period of the immediately preceding financial year? None

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

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

No dividend has been declared/recommended for the current financial period.

**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).**

To the best of our knowledge and belief, nothing has come to the attention of the Directors which may render the 3Q2015 financial results to be false or misleading in any material aspect.

On behalf of the Board

Wu Hsioh Kwang  
Chairman

Lim Song Joo  
Director

**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.**

Not applicable.

**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.**

Not applicable.

**17. A breakdown of sales.**

Not applicable.

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

Not applicable.

- 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.**

Not applicable.

BY ORDER OF THE BOARD,

Lotus Isabella Lim Mei Hua  
Company Secretary  
13 November 2015