

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

SECOND QUARTER ENDED 30 JUNE 2016 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

	2Q ended			6 Months ended		
	30/06/2016	30/06/2015	Change	30/06/2016	30/06/2015	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	27,863	29,390	(5.2)	54,290	54,544	(0.5)
Other income	1,274	1,270	0.3	2,591	2,097	23.6
Less:						
Depreciation and amortisation expense	(3,184)	(3,167)	0.5	(6,342)	(6,311)	0.5
Sales and marketing expenses	(452)	(1,053)	(57.1)	(1,416)	(1,680)	(15.7)
Exchange (losses)/ gains	(266)	299	n.m.	(392)	68	n.m.
Operating lease expense	(1,536)	(1,621)	(5.2)	(3,031)	(3,042)	(0.4)
Property and other taxes	(447)	(427)	4.7	(901)	(801)	12.5
Repair and maintenance expenses	(959)	(1,206)	(20.5)	(2,084)	(2,415)	(13.7)
Staff cost	(5,235)	(4,596)	13.9	(10,468)	(8,145)	28.5
Utilities expense	(724)	(843)	(14.1)	(1,442)	(1,710)	(15.7)
Other operating expenses	(1,109)	(960)	15.5	(2,189)	(1,870)	17.1
Other administrative expenses	(801)	(839)	(4.5)	(1,561)	(1,634)	(4.5)
Operating profit	14,424	16,247	(11.2)	27,055	29,101	(7.0)
Finance costs	(430)	(455)	(5.5)	(901)	(895)	0.7
Profit before income tax	13,994	15,792	(11.4)	26,154	28,206	(7.3)
Tax expense	(4,223)	(4,724)	(10.6)	(7,511)	(7,953)	(5.6)
Profit for the period	9,771	11,068	(11.7)	18,643	20,253	(7.9)
Profit attributable to:						
Owners of the Company	9,246	10,461	(11.6)	17,581	19,144	(8.2)
Non-controlling interests	525	607	(13.5)	1,062	1,109	(4.2)
Profit for the period	9,771	11,068	(11.7)	18,643	20,253	(7.9)

STATEMENT OF COMPREHENSIVE INCOME

	2Q ended			6 Months ended		
	30/06/2016	30/06/2015	Change	30/06/2016	30/06/2015	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit for the period	9,771	11,068	(11.7)	18,643	20,253	(7.9)
Other comprehensive income/ (loss) for the period, net of tax						
Translation differences relating to financial statements of foreign subsidiaries	(3,855)	(3,304)	16.7	(10,547)	2,502	n.m.
Other comprehensive income/ (loss) for the period, net of tax	(3,855)	(3,304)	16.7	(10,547)	2,502	n.m.
Total comprehensive income for the period	5,916	7,764	(23.8)	8,096	22,755	(64.4)
Total comprehensive income attributable to:						
Owners of the Company	5,525	7,266	(24.0)	7,417	21,548	(65.6)
Non-controlling interests	391	498	(21.5)	679	1,207	(43.7)
Total comprehensive income for the period	5,916	7,764	(23.8)	8,096	22,755	(64.4)

n.m. – not meaningful

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

	2Q ended		6 Months ended	
	30/06/2016	30/06/2015	30/06/2016	30/06/2015
	S\$'000	S\$'000	S\$'000	S\$'000
Depreciation of property, plant and equipment	2,677	2,609	5,329	5,195
Depreciation of investment property	354	352	708	704
Amortisation of intangible assets	153	205	305	411
Interest income	(814)	(816)	(1,705)	(1,252)
Interest expense	430	455	901	895
Foreign exchange losses/ (gains)	266	(299)	392	(68)
Loss on disposal of property, plant and equipment	6	6	10	18
Government grant	(19)	(16)	(30)	(34)

Notes:

1. Interest income is mainly from fixed deposits placed with financial institutions.
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 losses/ (gains) 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	As at	As at	As at
	30/06/2016	31/12/2015	30/06/2016	31/12/2015
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Property, plant and equipment	128,731	134,617	2,178	2,222
Investment property	48,151	48,859	-	-
Investments in subsidiaries	-	-	102,220	102,220
Intangible assets	3,502	3,807	-	-
	180,384	187,283	104,398	104,442
Current assets				
Inventories	2,122	2,386	-	-
Trade and other receivables	5,388	7,100	-	-
Loans and receivables from subsidiaries	-	-	451	2,577
Other current assets	1,673	1,710	38	28
Fixed deposits pledged	1,000	1,000	-	-
Cash and cash equivalents	124,692	135,525	16,737	7,957
	134,875	147,721	17,226	10,562
Total assets	315,259	335,004	121,624	115,004
Equity attributable to owners of the Company				
Share capital	76,985	76,985	76,985	76,985
Reserves	15,056	23,537	1,244	(438)
Retained earnings	117,415	121,535	42,569	36,829
	209,456	222,057	120,798	113,376
Non-controlling interests	8,703	9,424	-	-
Total equity	218,159	231,481	120,798	113,376
Non-current liabilities				
Borrowings	55,900	61,900	-	-
Deferred income	299	85	-	-
Deferred tax liabilities	16,529	16,209	-	-
Provision for reinstatement cost	1,213	1,213	-	-
	73,941	79,407	-	-
Current liabilities				
Trade and other payables	8,030	9,898	310	1,078
Amounts due to subsidiaries	-	-	516	550
Current tax liabilities	3,129	2,218	-	-
Current borrowings	12,000	12,000	-	-
	23,159	24,116	826	1,628
Total liabilities	97,100	103,523	826	1,628
Total equity and liabilities	315,259	335,004	121,624	115,004

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

	As at 30/06/2016		As at 31/12/2015	
	<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	12,000,000	-	12,000,000	-
Amount payable after one year	53,000,000	2,900,000	59,000,000	2,900,000

Details of any collateral

The borrowings are secured by fixed and floating charges over certain assets of a subsidiary 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				Q2 ended 30/06/2016	Q2 ended 30/06/2015
				S\$'000	S\$'000
Cash flows from operating activities					
Profit before income tax				13,994	15,792
Adjustments for:					
Amortisation of intangible assets				153	205
Depreciation of property, plant and equipment				2,677	2,609
Depreciation of investment property				354	352
Equity-settled share-based payment transactions				407	466
Loss on disposal of property, plant and equipment				6	6
Government grant utilised				(15)	(16)
Interest income				(814)	(816)
Interest expense				430	455
Exchange losses/ (gains)				161	(294)
Operating profit before working capital changes				17,353	18,759
Changes in working capital:					
Trade and other receivables				(137)	(706)
Inventories				96	(24)
Trade and other payables				132	1,019
Cash generated from operating activities				17,444	19,048
Income taxes paid				(3,915)	(4,225)
Net cash from operating activities				13,529	14,823
Cash flows from investing activities					
Purchase of property, plant and equipment				(497)	(1,148)
Interest received				1,001	1,019
Net cash from/ (used in) investing activities				504	(129)
Cash flows from financing activities					
Dividend paid to owners of company				(21,479)	(17,160)
Dividend paid to non-controlling interests				(1,622)	(1,172)
Repurchase of own shares				(126)	(229)
Proceeds from exercise of share options				326	2,631
Repayment of borrowings				(3,000)	(10,522)
Interest paid				(434)	(575)
Deposits unpledged				-	17,048
Net cash used in financing activities				(26,335)	(9,979)
Net (decrease)/ increase in cash and cash equivalents				(12,302)	4,715
Cash and cash equivalents at beginning of the period				139,887	105,488
Effects of exchange rate fluctuations				(2,893)	(2,365)
Cash and cash equivalents at end of the period				124,692	107,838

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 2016	76,985	(5,823)	(69)	5,453	16,236	7,740	121,535	222,057	9,424	231,481
Changes in equity for the period:										
Purchase of own shares	-	(193)	-	-	-	-	-	(193)	-	(193)
Share-based payment transactions	-	-	-	483	-	-	-	483	-	483
Treasury shares reissued	-	946	(160)	-	-	-	-	786	-	786
Total comprehensive income for the period	-	-	-	-	-	(6,443)	8,335	1,892	288	2,180
At 31 March 2016	76,985	(5,070)	(229)	5,936	16,236	1,297	129,870	225,025	9,712	234,737
Changes in equity for the period:										
Purchase of own shares	-	(126)	-	-	-	-	-	(126)	-	(126)
Share-based payment transactions	-	-	-	407	-	-	-	407	-	407
Treasury shares reissued	-	810	(484)	-	-	-	-	326	-	326
Dividend paid of 2.50 cents per share	-	-	-	-	-	-	(21,479)	(21,479)	-	(21,479)
Dividend to non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	-	(1,622)	(1,622)
Acquisition of non-controlling interest without a change in control	-	-	-	-	-	-	(222)	(222)	222	-
Total comprehensive income for the period	-	-	-	-	-	(3,721)	9,246	5,525	391	5,916
At 30 June 2016	76,985	(4,386)	(713)	6,343	16,236	(2,424)	117,415	209,456	8,703	218,159

(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 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
Treasury shares reissued	-	-	-	-	-	-	-	-	-	-
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

(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
At 1 January 2016	76,985	(5,823)	(69)	5,454	36,829	113,376
Purchase of own shares	-	(193)	-	-	-	(193)
Share-based payment transactions	-	-	-	482	-	482
Treasury shares re-issued	-	946	(160)	-	-	786
Total comprehensive income/ (loss) for the period	-	-	-	-	(931)	(931)
At 31 March 2016	76,985	(5,070)	(229)	5,936	35,898	113,520
Purchase of own shares	-	(126)	-	-	-	(126)
Share-based payment transactions	-	-	-	407	-	407
Treasury shares reissued	-	810	(484)	-	-	326
Dividend paid of 2.50 cents per share	-	-	-	-	(21,479)	(21,479)
Total comprehensive income/ (loss) for the period	-	-	-	-	28,150	28,150
At 30 June 2016	76,985	(4,386)	(713)	6,343	42,569	120,798

(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
At 1 January 2015	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)
At 31 March 2015	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
Dividend paid of 2.00 cents per share	-	-	-	-	(17,160)	(17,160)
Total comprehensive income/ (loss) for the period	-	-	-	-	31,092	31,092
At 30 June 2015	76,985	(2,403)	(172)	4,487	37,991	116,888

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 162,000 shares by way of on-market purchase for a total consideration of \$126,000 (including transaction costs) in 2Q2016. These shares purchased were made out of the Company's capital and held as treasury shares.

During the second quarter ended 30 June 2016, 1,800,000 share options were exercised from the options that were granted in 2011 and 2012, resulting in 1,800,000 treasury shares being reissued.

The Company's issued and fully paid up shares as at 30 June 2016 comprised 859,177,780 (30 June 2015: 858,729,580) ordinary shares and 9,751,800 (30 June 2015: 10,200,000) treasury shares.

During the second quarter ended 30 June 2016, the Company issued 5,308,000 share options to the directors and employees of the Group pursuant to the acceptances of share options granted on 12 May 2016. As at 30 June 2016, options to subscribe for 20,990,000 (30 June 2015: 20,928,000) ordinary shares remain outstanding.

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 30/06/2016	As at 31/12/2015
Total number of issued shares	868,929,580	868,929,580
Less: Treasury shares	(9,751,800)	(13,289,700)
Total number of issued shares excluding treasury shares	859,177,780	855,639,880

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 31/03/2016	11,389,800	5,070
No. of shares purchased	162,000	126
No. of shares transferred on exercise of share option	(1,800,000)	(810)
Balance as at 30/06/2016	9,751,800	4,386

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 2015.

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 2016 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	Q2 ended		6 Months ended	
	30/06/2016	30/06/2015	30/06/2016	30/06/2015
(a) Based on the number of ordinary shares in issue (cents)	1.08	1.22	2.05	2.25
(b) On fully diluted basis (cents)	1.06	1.21	2.01	2.21

The calculation of basic earnings per share for 2Q and 6 months ended 30 June 2016 are based on the net profits attributable to shareholders for the 2Q and 6 months ended 30 June 2016 divided by the weighted average number of ordinary shares outstanding of 859,049,318 and 858,015,690 respectively.

The calculation of basic earnings per share for 2Q and 6 months ended 30 June 2015 are based on the net profits attributable to shareholders for the 2Q and 6 months ended 30 June 2015 divided by the weighted average number of ordinary shares outstanding of 856,769,580 and 852,140,298 respectively.

The calculation of diluted earnings per share for 2Q and 6 months ended 30 June 2016 are based on the net profits attributable to shareholders for the 2Q and 6 months ended 30 June 2016 divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 873,258,579 and 873,208,072 respectively.

The calculation of diluted earnings per share for 2Q and 6 months ended 30 June 2015 are based on the net profits attributable to shareholders for the 2Q and 6 months ended 30 June 2015 divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 866,904,397 and 865,054,746 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	
	30/06/2016	31/12/2015	30/06/2016	31/12/2015
Net asset value per ordinary share (cents) based on number of issued shares excluding treasury shares at the end of:	24.38	25.95	14.06	13.25

Net asset value per ordinary share was calculated based on 859,177,780 ordinary shares issued (excluding treasury shares) as at 30 June 2016 and 855,639,880 ordinary shares issued (excluding treasury shares) as at 31 December 2015.

- 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 second quarter of FY2016, the Group achieved sales of \$27.86 million, a decrease of 5.2% from the corresponding period in 2Q2015, mainly attributable to lower revenue contributed by Shanghai Ocean Aquarium ("SOA") and Underwater World Xiamen ("UWX"), partially offset by higher revenue from the Singapore Flyer.

Overall visitation to all our attractions was 1.14 million visitors for the quarter, 7.2% lower than the corresponding period in 2Q2015.

Cumulatively, overall revenue for the first half of FY2016 amounted to \$54.29 million, a marginal drop of 0.5% compared to 1H2015.

Operational Results

Total Expenses (excluding finance cost) for 2Q2016 increased \$0.30 million, or 2.1% over 2Q2015, mainly attributable to the higher staff cost arising from payment of 2015 performance bonus; exchange loss recorded in the period due to the weaker RMB against SGD in the current period, as opposed to an exchange gain recorded in 2Q2015 when RMB was stronger against SGD then; partially offset by lower sales tax in the current period arising from China tax reforms with the implementation of value-added tax with effect from 1 May 2016, and lower repair and maintenance and utilities expenses.

Profit before tax was \$13.99 million for the current quarter, 11.4% lower than the profit before tax of \$15.79 million for 2Q2015.

Balance Sheet items

Trade and other receivables decreased 24.1% from \$7.10 million at 31 December 2015 to \$5.39 million at 30 June 2016 mainly due to lower fixed deposits interest receivables and the refund of sales tax paid on ticket revenue received by SOA upon the waiver being granted for 2015, partially offset by increase in trade receivables arising from more sales to travel agencies at UWX.

Reserves decreased from \$23.54 million at 31 December 2015 to \$15.06 million at 30 June 2016, due to the translation loss of \$10.16 million arising from the weaker RMB currency against SGD at the end of the period compared to the end of last year and loss on treasury shares reissued of \$0.64 million; partially offset by increase in share option reserves of \$0.89 million during the period arising from share options granted in May 2015 and May 2016 as well as the net decrease in treasury shares from share buyback of \$0.32 million and treasury shares reissued of \$1.76 million.

Deferred income increased from \$85,000 at 31 December 2015 to \$299,000 at 30 June 2016, mainly due to certain PRC's government grants previously received by SOA and recorded as other current liabilities was now transferred to deferred income to be periodically recognized to profit & loss over the useful life of the assets associated with it, partially offset by the periodic recognition of deferred income to profit & loss in the current period.

Trade and other payables decreased 18.9% from \$9.9 million at 31 December 2015 to \$8.03 million at 30 June 2016, mainly due to decrease in trade payables, as well as the payment of 2015 performance bonus which was accrued in last year.

Current tax liabilities increased 41.1% from \$2.22 million at 31 December 2015 to \$3.13 million at 30 June 2016, mainly due to the provision of income taxes 2Q2016 profits of SOA, UWX, and LCC; partially offset by the payment of 4Q2015 income taxes by SOA, UWX, and LCC in the current period.

Cash flow Statement

The Group generated net cash from operating activities amounting to \$13.53 million for 2Q2016. During the quarter, the Group paid out approximately \$1.62 million to a non-controlling shareholder as SOA declared dividend during the period, and the Company paid out dividends of \$21.48 million for the financial year ended 31 December 2015. As at 30 June 2016, the Group's cash and cash equivalent balance amounted to \$124.69 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 6.7% in second quarter of 2016 from a year ago, unchanged from the previous quarter and also in line with the government's target range of 6.5% to 7% for this year.

In Singapore, the economy grew 2.2% in the second quarter of 2016, with steady growth in the services sector. In its drive to boost tourism growth, the government has set aside \$700 million to a third tranche of the Tourism Development Fund from 2016 to 2020, focusing on product development, technology adoption and innovation, and upskilling the tourism workforce. In a statistics report from Singapore Tourism Board, the number of tourist arrivals from Jan-May 2016 grew 13.3% compared to the same period in 2015.

Despite the continued economic slowdown and uncertainty, our flagship attractions will continue to be a main draw for tourists.

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 2Q2016 financial results to be false or misleading in any material aspect.

On behalf of the Board

Wu Hsioh Kwang
Chairman

Lim Song Joo
Director

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

- 16. 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.

- 17. 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.

- 18. A breakdown of sales.**

Not applicable.

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

Not applicable.

- 20. 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
10 August 2016