



## MEDIA RELEASE

### Straco reports 1H2021 profit

Financial Highlights (S\$'mil)	6 Months to 30 June		
	2021	2020	% change
<b>Revenue</b>	21.87	6.23	251.2
Other income	13.90	4.17	233.2
Profit/ (Loss) before tax	14.59	(7.72)	<i>n.m.</i>
Profit/ (Loss) attributable to shareholders	9.67	(6.65)	<i>n.m.</i>
Earnings/ (Loss) per share (Scts)	1.13	(0.77)	<i>n.m.</i>
Net asset value per share (Scts)	32.14	30.52	5.3

- 1H revenue increased significantly to \$21.87 million
- Other income included the arbitration award of \$10.4 million
- Profit of \$9.67 million for the first half
- Net asset value per share increased 5.3% to 32.14 cents
- Net cash of \$155.2 million, 18 cents per share

*SINGAPORE, 13 August 2021:-* Mainboard-listed Straco Corporation (“Straco” or “the Group”), a developer and operator of tourism-related attractions, reported a 251% increase in Group revenue to \$21.87 million for the first half ended 30 June 2021 compared to 1H2020. Higher revenues were registered at all three China attractions and Singapore Flyer in the absence of varying periods of temporary closures and rides suspension as compared to 1H2020. In June 2021, Singapore Flyer was awarded an amount of \$10.4 million including interest and cost by the Arbitration Tribunal for the insurance claim relating to its breakdown incident in 2018, the amount was accounted for in the current reporting period.

Consequently, the Group reported net profit of \$9.67 million for the first half of the year, compared to a loss of \$6.65 million in 1H2020 when all the attractions reported losses.

For the half-year under review, the Group received approximately 0.89 million visitors to all its attractions, significantly higher than the 0.3 million visitors in 1H2020, but 57% lower than the pre-pandemic period in 1H2019.

Commenting on the results, Straco’s Executive Chairman, Mr Wu Hsioh Kwang said: “We are glad that all our three attractions in China have reported positive results for 1H2021.

However, we are still in the recovery phase as visitor numbers are still much lower than 1H2019. As for Singapore Flyer, recovery is unlikely to happen this year due to lack of tourist arrivals.”

Mr Wu added: “As our financial position remains strong with the Group’s net cash holdings of \$155.2 million as of 30 June 2021, we are confident to ride through this challenging and protracted period of uncertainties.”

The National Bureau of Statistics of China reported that China’s gross domestic product (“GDP”) saw double-digit growth of 12.7% year-on-year in the first half of 2021 as it continued to recover from the adverse impacts of the Covid-19 pandemic. Despite the uncertainties from the global spread of the pandemic and the unbalanced recovery domestically, it was reported that China’s economy is expected to maintain the recovery trend in the second half of 2021, considering the supply-demand cycle, market confidence and increasingly strong domestic demand.

Singapore’s economy grew strongly by 14.3% on a year-on-year basis in the second quarter of 2021, largely due to the low base in the second quarter of 2020 when GDP fell 13.3% due to the Circuit Breaker (“CB”) measures implemented from 7 April to 1 June 2020. On the tourism sector, further delay in recovery in this sector is likely as international travel restrictions are likely to be lifted more slowly, amidst rising global infections and uncertainties over the spread of more contagious variants of the Covid-19.

As the Covid-19 situation remains uncertain with the more transmissible Delta variant in recent months, the Group will continue to monitor and assess the impact on its operations.

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#### About Straco Corporation

Straco Corporation Limited (“Straco”), listed on the Singapore Stock Exchange in 2004, is a leading developer and operator of aquatic-related facilities and tourism-related assets. Straco’s main operating assets include Shanghai Ocean Aquarium, situated in the New Pudong Area, next to Shanghai’s landmark Oriental Pearl Tower; Lixing cable car service at Mount Lishan in Lishan in Lintong District, Shaanxi province; Underwater World Xiamen on the scenic Gulangyu Island, a key tourist attraction of Xiamen City, and the Singapore Flyer, an iconic landmark located in the Marina Bay skyline.

Straco constantly sources for tourism projects to tap into the expected tourism boom in Asia. The Group will leverage on its experience and track record in the China market to form strategic investment alliances to develop and operate tourism resources in China and the region.