

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

**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE FIRST HALF ENDED 30 JUNE 2024**

**Contents**

	Section
Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income	A
Condensed Interim Statement of Financial Position	B
Condensed Interim Statements of Changes in Equity	C
Condensed Interim Consolidated Statement of Cash Flows	D
Selected Notes to the Condensed Interim Consolidated Financial Statements	E
Other information required by Listing Rule Appendix 7.2	F

**A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income**

	1H ended		
	30/06/2024	30/06/2023	Change
	\$'000	\$'000	%
Revenue	35,905	32,080	11.9
Other income			
- Finance income	2,273	1,979	14.9
- Others	733	672	9.1
Expenses			
- Depreciation and amortisation expense	(4,507)	(4,682)	(3.7)
- Changes in inventories and purchases of goods	(702)	(726)	(3.3)
- Professional and consultancy expense	(380)	(377)	0.8
- Sales and marketing expenses	(480)	(528)	(9.1)
- Exchange gains/ (losses)	376	(1,494)	n.m.
- Loss on disposal of property, plant and equipment	(24)	(22)	9.1
- Rental expenses	(1,088)	(1,062)	2.4
- Property and other taxes	(460)	(317)	45.1
- Repair and maintenance expenses	(2,020)	(1,981)	2.0
- Staff cost	(10,671)	(9,149)	16.6
- Utilities expense	(1,552)	(1,778)	(12.7)
- Other expenses	(1,902)	(1,633)	16.5
Operating profit	15,501	10,982	41.1
Finance costs	(693)	(729)	(4.9)
Profit before income tax	14,808	10,253	44.4
Tax expense	(3,692)	(3,500)	5.5
<b>Profit for the period</b>	<b>11,116</b>	<b>6,753</b>	<b>64.6</b>
<b>Other comprehensive income/ (loss) for the period, net of tax</b>			
Translation differences relating to financial statements of foreign subsidiaries	575	(3,475)	(116.5)
<b>Other comprehensive income for the period, net of tax</b>	<b>575</b>	<b>(3,475)</b>	<b>(116.5)</b>
<b>Total comprehensive income for the period</b>	<b>11,691</b>	<b>3,278</b>	<b>256.7</b>
<b>Profit attributable to:</b>			
Owners of the Company	10,490	6,377	64.5
Non-controlling interests	626	376	66.5
<b>Profit for the period</b>	<b>11,116</b>	<b>6,753</b>	<b>64.6</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the Company	11,043	3,043	262.9
Non-controlling interests	648	235	175.7
<b>Total comprehensive income for the period</b>	<b>11,691</b>	<b>3,278</b>	<b>256.7</b>

n.m. – not meaningful

## B. Condensed Interim Statement of Financial Position

	Group		Company	
	As at	As at	As at	As at
	30/06/2024	31/12/2023	30/06/2024	31/12/2023
	\$'000	\$'000	\$'000	\$'000
<b>Non-current assets</b>				
Property, plant and equipment	151,543	153,774	1,710	1,735
Investment property	16,118	16,510	-	-
Investments in subsidiaries	-	-	76,071	76,071
Loans and advances to subsidiaries	-	-	39,600	39,600
Intangible assets	1,481	1,489	-	-
Deferred tax assets	333	317	-	-
	169,475	172,090	117,381	117,406
<b>Current assets</b>				
Inventories	2,200	2,325	-	-
Trade and other receivables	5,573	4,274	535	460
Loans and receivables from subsidiaries	-	-	416	416
Other current assets	1,607	1,174	28	24
Fixed deposits pledged	1,120	1,120	-	-
Cash and cash equivalents	164,858	169,804	55,863	73,081
	175,358	178,697	56,842	73,981
<b>Total assets</b>	<b>344,833</b>	<b>350,787</b>	<b>174,223</b>	<b>191,387</b>
<b>Equity attributable to owners of the Company</b>				
Share capital	76,985	76,985	76,985	76,985
Reserves	8,209	7,498	1,494	1,360
Retained earnings	171,728	178,371	94,789	111,438
	256,922	262,854	173,268	189,783
<b>Non-controlling interests</b>	10,158	9,533	-	-
<b>Total equity</b>	<b>267,080</b>	<b>272,387</b>	<b>173,268</b>	<b>189,783</b>
<b>Non-current liabilities</b>				
Trade and other payables	266	205	-	-
Borrowings	5,527	6,038	-	-
Lease liabilities	37,661	38,247	-	-
Deferred income	95	116	-	-
Deferred tax liabilities	15,167	14,255	-	-
Provision for reinstatement cost	5,765	5,765	-	-
	64,481	64,626	-	-
<b>Current liabilities</b>				
Trade and other payables	9,142	10,603	362	900
Amounts due to subsidiaries	-	-	479	476
Current tax liabilities	1,862	940	114	228
Lease liabilities	1,250	1,223	-	-
Current borrowings	1,018	1,008	-	-
	13,272	13,774	955	1,604
<b>Total liabilities</b>	<b>77,753</b>	<b>78,400</b>	<b>955</b>	<b>1,604</b>
<b>Total equity and liabilities</b>	<b>344,833</b>	<b>350,787</b>	<b>174,223</b>	<b>191,387</b>

## C. Condensed Interim Statements of Changes in Equity

### The Group

#### 2024

	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
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 1 January 2024</b>	76,985	(7,308)	(1,344)	10,012	16,771	(10,633)	178,371	262,854	9,533	272,387
Changes in equity for the period:										
Share-based payment transactions	-	-	-	134	-	-	-	134	-	134
Transfer to general reserve fund	-	-	-	-	24	-	(24)	-	-	-
Dividend paid of 2.00 cents per share	-	-	-	-	-	-	(17,109)	(17,109)	-	(17,109)
Dividend to non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	-	(23)	(23)
Total comprehensive income/ (loss) for the period	-	-	-	-	-	553	10,490	11,043	648	11,691
<b>At 30 June 2024</b>	76,985	(7,308)	(1,344)	10,146	16,795	(10,080)	171,728	256,922	10,158	267,080

#### 2023

	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
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 1 January 2023</b>	76,985	(7,580)	(1,228)	10,012	16,771	(6,358)	161,249	249,851	9,462	259,313
Changes in equity for the period:										
Treasury shares reissued	-	272	(116)	-	-	-	-	156	-	156
Dividend payable of 1.00 cents per share	-	-	-	-	-	-	(8,555)	(8,555)	-	(8,555)
Total comprehensive income/ (loss) for the period	-	-	-	-	-	(3,334)	6,377	3,043	235	3,278
<b>At 30 June 2023</b>	76,985	(7,308)	(1,344)	10,012	16,771	(9,692)	159,071	244,495	9,697	254,192

### The Company

#### 2024

	Share capital	Treasury shares	Capital reserve	Share option reserve	Retained earnings	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 1 January 2024</b>	76,985	(7,308)	(1,344)	10,012	111,438	189,783
Share-based payment transactions	-	-	-	134	-	134
Dividend paid of 2.00 cents per share	-	-	-	-	(17,109)	(17,109)
Total comprehensive income/ (loss) for the period	-	-	-	-	460	460
<b>At 30 June 2024</b>	76,985	(7,308)	(1,344)	10,146	94,789	173,268

#### 2023

	Share capital	Treasury shares	Capital reserve	Share option reserve	Retained earnings	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 1 January 2023</b>	76,985	(7,580)	(1,228)	10,012	98,139	176,328
Share options exercised	-	272	(116)	-	-	156
Dividend paid of 1.00 cents per share	-	-	-	-	(8,555)	(8,555)
Total comprehensive income/ (loss) for the period	-	-	-	-	(1,704)	(1,704)
<b>At 30 June 2023</b>	76,985	(7,308)	(1,344)	10,012	87,880	166,225

#### D. Condensed Interim Consolidated Statement of Cash Flows

	<b>1H ended 30/06/2024</b>	<b>1H ended 30/06/2023</b>
	S\$'000	S\$'000
<b>Cash flows from operating activities</b>		
Profit before income tax	14,808	10,253
Adjustments for:		
Depreciation and amortisation expenses	4,507	4,682
Equity-settled share-based payment transactions	134	-
Loss on disposal of property, plant and equipment	24	22
Amortisation of government grants	(22)	(31)
Finance income	(2,273)	(1,979)
Finance cost	693	729
Exchange (gains)/ losses	(376)	1,506
Operating profit before working capital changes	17,495	15,182
Changes in working capital:		
Trade and other receivables	(764)	(960)
Inventories	131	(92)
Trade and other payables	(1,425)	1,016
Cash generated from operating activities	15,437	15,146
Income taxes paid	(1,878)	(1,138)
Net cash from operating activities	13,559	14,008
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(1,716)	(2,286)
Payment for intangible assets	-	(37)
Government grant received	-	10
Proceeds from disposal of property, plant and equipment	1	7
Interest received	1,318	2,126
Net cash used in investing activities	(397)	(180)
<b>Cash flows from financing activities</b>		
Dividend paid to owners of company	(17,109)	(8,555)
Dividend paid to non-controlling interests	(23)	-
Proceeds from exercise of share options	-	156
Repayment of borrowings	(501)	(492)
Repayment of lease liability	(608)	(592)
Interest paid on lease liabilities	(668)	(695)
Interest paid on borrowings	(25)	(34)
Net cash used in financing activities	(18,934)	(10,212)
<b>Net (decrease)/ increase in cash and cash equivalents</b>	(5,772)	3,616
Cash and cash equivalents at beginning of the period	169,804	150,684
Effects of exchange rate fluctuations	826	(4,272)
<b>Cash and cash equivalents at end of the period</b>	164,858	150,028

## **E. Selected Notes to the Condensed Interim Consolidated Financial Statements**

### **1. Corporate information**

Straco Corporation Limited (the "Company") is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office is 10 Anson Road #30-15, International Plaza, Singapore 079903.

The principal activities of the Group and the Company are the development and management of tourism-related businesses.

### **2. Basis of preparation**

The condensed interim financial statements for the six months ended 30 June 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2023.

The accounting policies and methods of computation in the preparation of the interim financial statements for the current reporting period are consistent with those of the previous financial year ended 31 December 2023, which were in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented, to the nearest thousand, in Singapore dollar which is the Company's functional currency.

#### **2.1 New and revised standards adopted by the Group**

The Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are relevant to the Group and effective for the current financial period. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I). The adoption of these new or amended SFRS(I) did not result in substantial change to the Group's accounting policies and had no material effect on the financial results or position.

#### **2.2. Use of judgements, estimates and assumptions**

In preparing the condensed interim financial statements, management has made judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgement made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

### 3. Segment information

Reportable segments of the Group consist of the Group's strategic business units that 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 Group has two reportable segments, as described below, which consists of the Group's strategic business units which are managed separately.

- Aquariums - This represents the operation of aquatic-related facilities and tourist attractions, including sea mammal performances in People's Republic of China ("PRC"). Retail, food and beverage are auxiliary goods and services arising from the operation of the above facilities.
- Giant Observation Wheel ("GOW") - This represents the operation of a circular giant observation structure, a complementary secondary attraction on site (the Time Capsule) and provision of commercial space in Singapore.

Other operations include the operation of cable-car facility. None of these segments meets any of the quantitative thresholds for determining reportable segments in 2024 and 2023.

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.

#### Information about reportable segments

	Aquariums		GOW		Others		Total	
	1H ended		1H ended		1H ended		1H ended	
	30/06/2024	30/06/2023	30/06/2024	30/06/2023	30/06/2024	30/06/2023	30/06/2024	30/06/2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
External revenue	19,207	19,472	14,637	10,987	2,061	1,621	35,905	32,080
Interest income	1,008	1,118	260	143	22	4	1,290	1,265
Interest expense	162	176	531	553	-	-	693	729
Depreciation and amortisation	1,117	1,158	3,204	3,318	150	172	4,471	4,648
Reportable segment profit/ (loss) before income tax	9,717	10,875	2,867	(97)	1,152	717	13,736	11,495
Reportable segment assets	116,534	121,334	162,306	158,122	9,772	7,604	288,612	287,060
Capital expenditure	452	428	1,213	1,623	48	234	1,713	2,285
Reportable segment liabilities	15,837	17,116	101,383	104,142	5,910	5,600	123,130	126,858

#### Disaggregation of revenue

	Aquariums		GOW		Others		Total	
	1H ended		1H ended		1H ended		1H ended	
	30/06/2024	30/06/2023	30/06/2024	30/06/2023	30/06/2024	30/06/2023	30/06/2024	30/06/2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Type of goods or services:</b>								
Ticketing	18,099	18,242	11,906	8,994	2,061	1,621	32,066	28,857
Retail	946	996	875	451	-	-	1,821	1,447
Food and beverages	162	234	871	900	-	-	1,033	1,134
Others	-	-	222	181	-	-	222	181
Rental from lease under investment property	-	-	763	461	-	-	763	461
	19,207	19,472	14,637	10,987	2,061	1,621	35,905	32,080
<b>Geographical information:</b>								
China	19,207	19,472	-	-	2,061	1,621	21,268	21,093
Singapore	-	-	14,637	10,987	-	-	14,637	10,987
	19,207	19,472	14,637	10,987	2,061	1,621	35,905	32,080

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

i) Segment profits or loss

	<b>1H ended</b>	
	<b>30/06/2024</b>	<b>30/06/2023</b>
	\$'000	\$'000
<b>Profit or loss</b>		
Total profit for reportable segments	13,736	11,495
Unallocated amounts:		
- Head office and corporate expenses	(2,121)	(3,195)
- Head office and corporate income	1,317	715
- Elimination on consolidation	1,876	1,238
Consolidated profit before income tax	<u>14,808</u>	<u>10,253</u>

ii) Segment assets and liabilities

	<b>As at</b>	<b>As at</b>
	<b>30/06/2024</b>	<b>30/06/2023</b>
	\$'000	\$'000
<b>Assets</b>		
Total assets for reportable segments	288,612	287,060
Unallocated head office and corporate assets:		
- Property, plant and equipment	1,728	1,774
- Right-of-use assets	7	2
- Loan and advances to subsidiaries	39,600	40,250
- Other amounts due from subsidiaries	10,167	10,063
- Cash and short-term bank deposits	57,785	50,560
- Others	604	495
Elimination on consolidation	(53,670)	(54,580)
Consolidated total assets	<u>344,833</u>	<u>335,624</u>
<b>Liabilities</b>		
Total liabilities for reportable segments	123,130	126,858
Unallocated head office and corporate liabilities:		
- Other payables and accruals	607	682
- Amounts due to subsidiaries	4,592	5,236
- Lease liabilities	7	2
- Deferred tax liabilities	2,944	3,102
- Current tax liabilities	143	132
Elimination on consolidation	(53,670)	(54,580)
Consolidated total liabilities	<u>77,753</u>	<u>81,432</u>



iii) Other material items

	<b>Reportable segment totals</b>	<b>Unallocated corporate amounts</b>	<b>Consolidated total</b>
	\$'000	\$'000	\$'000
<b><u>1H ended 30/06/2024</u></b>			
Interest income	(1,290)	(983)	(2,273)
Interest expense	693	-	693
Capital expenditure	1,713	3	1,716
Depreciation and amortisation	4,471	36	4,507
<b><u>1H ended 30/06/2023</u></b>			
Interest income	(1,265)	(714)	(1,979)
Interest expense	729	-	729
Capital expenditure	2,285	1	2,286
Depreciation and amortisation	4,648	34	4,682

*Geographical information*

The assets and operations of the Group are primarily located in China and Singapore. In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of the facilities. Segment assets are based on the geographical location of the assets.

	<b>Revenue</b>	<b>Non-current assets</b>
	\$'000	\$'000
<b><u>As at 30/06/2024</u></b>		
China	21,268	30,167
Singapore	14,637	139,308
	<u>35,905</u>	<u>169,475</u>
<b><u>As at 30/06/2023</u></b>		
China	21,093	31,391
Singapore	10,987	144,940
	<u>32,080</u>	<u>176,331</u>

There is no concentration of revenue from a single external customer.

#### 4. Profit before taxation

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

	1H ended	
	30/06/2024	30/06/2023
	\$'000	\$'000
Depreciation expenses	4,499	4,674
Amortisation of intangible assets	8	8
Interest income	(2,273)	(1,979)
Interest expense	693	729
Foreign exchange (gains)/ losses	(376)	1,494
Loss on disposal of property, plant and equipment	24	22
Government grant	(243)	(101)

- a) Depreciation expenses comprise depreciation of property, plant and equipment and depreciation of investment property.
- b) Interest income is mainly from fixed deposits placed with financial institutions.
- c) Interest expense comprises interest on bank borrowing and interest on lease liabilities.
- d) Foreign exchange (gains)/ losses arise mainly due to the movement of Renminbi (“RMB”) against Singapore Dollars (“SGD”).

#### 5. Income taxes

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	1H ended	
	30/06/2024	30/06/2023
	\$'000	\$'000
Current income tax expense	2,788	2,953
Deferred income tax expense	895	540
Under provision of income tax in prior financial period	9	7
	3,692	3,500

#### 6. Earnings per share

Earnings/(losses) per share	1H ended	
	30/06/2024	30/06/2023
(a) Based on the number of ordinary shares in issue (cents)	1.23	0.75
(b) On fully diluted basis (cents)	1.23	0.75

The calculation of basic earnings per share for 1H ended 30 June 2024 is based on the net profits attributable to shareholders for the 1H ended 30 June 2024 divided by the weighted average number of ordinary shares outstanding of 855,465,680.

The calculation of basic earnings per share for 1H ended 30 June 2023 is based on the net profits attributable to shareholders for the 1H ended 30 June 2023 divided by the weighted average number of ordinary shares outstanding of 855,128,663.

The calculation of diluted earnings per share for 1H ended 30 June 2024 is based on the net profits attributable to shareholders for the 1H ended 30 June 2024 divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 855,465,680.

The calculation of diluted earnings per share for 1H ended 30 June 2023 is based on the net profits attributable to shareholders for the 1H ended 30 June 2023 divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 855,302,512.

## 7. Net asset value

	Group		Company	
	30/06/2024	31/12/2023	30/06/2024	31/12/2023
Net asset value per ordinary share (cents) based on number of issued shares excluding treasury shares at the end of:	30.03	30.73	20.25	22.18

Net asset value per ordinary share was calculated based on 855,465,680 ordinary shares issued (excluding treasury shares) as at 30 June 2024 and 855,465,680 ordinary shares issued (excluding treasury shares) as at 31 December 2023.

## 8. Dividends

No interim dividend for the half year ended 30 June 2024 (30 June 2023: Nil) is recommended as the Group intends to conserve cash. It is the Group's practice to recommend final dividend payment annually after its financial year ends.

## 9. Financial assets and financial liabilities

The carrying amounts of the financial assets and financial liabilities are as follows:

	Group		Company	
	At 30/06/2024	At 31/12/2023	At 30/06/2024	At 31/12/2023
	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>				
Cash and cash equivalents	165,978	170,924	55,863	73,081
Trade and other receivables	4,238	3,055	952	877
Loans and advances to subsidiaries	-	-	39,600	39,600
<b>Financial assets at amortised cost</b>	<b>170,216</b>	<b>173,979</b>	<b>96,415</b>	<b>113,558</b>
<b>Financial liabilities</b>				
Trade and other payables	(6,799)	(7,891)	(841)	(1,376)
Lease liabilities	(38,911)	(39,470)	-	-
Borrowings	(6,545)	(7,046)	-	-
<b>Financial liabilities at amortised cost</b>	<b>(52,255)</b>	<b>(54,407)</b>	<b>(841)</b>	<b>(1,376)</b>

## 10. Investment property

	At 30/06/2024	At 31/12/2023
	\$'000	\$'000
<b>Cost</b>		
Beginning of financial year	27,548	27,548
End of period/ financial year	27,548	27,548
<b>Accumulated depreciation and impairment</b>		
Beginning of financial year	11,038	9,253
Depreciation charge	392	785
Impairment	-	1,000
End of period/ financial year	11,430	11,038
<b>Net book value</b>	16,118	16,510

Investment property comprises a commercial property that is leased to third parties under operating leases. Currently, each of the leases is fixed for a period of 6 months to 3 years, and subsequent renewals are negotiated at prevailing market rates and terms.

Investment property is measured at cost less accumulated depreciation and accumulated impairment losses. Fair value assessment is performed annually by an external, independent and qualified valuer at the end of each financial year. Management relies on the external valuation to support the recoverable amount of the investment property. The external, independent valuation company, Colliers International Consultancy & Valuation (Singapore) Pte Ltd has the appropriate recognised professional qualifications and recent experience in the location and category of property being valued. The fair value of the Group's investment property is classified within Level 3 of the fair value hierarchy and has been derived using the discounted cash flow approach and capitalisation approach. The most significant input in each valuation approach is the discount rate and capitalisation rate of 8.0% and 5.5% respectively.

## 11. Property, plant and equipment

During the six months ended 30 June 2024, the Group acquired assets amounting to \$1.716 million (30 June 2023: \$2.286 million).

## 12. Intangible assets and goodwill

	Group		
	<u>Goodwill on consolidation</u>	<u>Logo and trademark</u>	<u>Total</u>
	\$'000	\$'000	\$'000
<b><u>At 30 June 2024</u></b>			
Cost	1,419	3,373	4,792
Accumulated amortisation	-	(3,311)	(3,311)
Net book value	1,419	62	1,481
<b><u>At 31 December 2023</u></b>			
Cost	1,419	3,373	4,792
Accumulated amortisation	-	(3,303)	(3,303)
Net book value	1,419	70	1,489

### *Impairment test for goodwill arising on consolidation*

Goodwill is allocated to the Group's cash-generating units ("CGUs") for a subsidiary in the PRC, Underwater World Xiamen Co Ltd, whose principal activity is the operation of an underwater aquarium.

The recoverable amount of this CGU is based on its value-in-use and is determined by discounting the future cash flows to be generated from the continuing use of the CGU.

Goodwill for this CGU are tested annually for impairment at the end of the financial year.

### **13. Borrowings**

	<b>Group</b>			
	<b>At 30/06/2024</b>		<b>At 31/12/2023</b>	
	<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Amount payable in one year or less, or on demand	1,018	-	1,008	-
Amount payable after one year	1,127	4,400	1,638	4,400

The bank borrowings of the Group are secured by corporate guarantee from the Company.

### **14. Share Capital**

There was no share buy-back and no share options exercised in 1H2024.

The Company's issued and fully paid-up shares as at 30 June 2024 comprised 855,465,680 (30 June 2023: 855,465,680) ordinary shares and 13,463,900 (30 June 2023: 13,463,900) treasury shares.

During the first half ended 30 June 2024, there were 4,240,000 share options being lapsed upon the retirement of directors or expiry of the exercise periods; and the Company has issued 3,600,000 share options to directors and employees of the Group pursuant to the acceptances of share options granted on 9 May 2024.

As at 30 June 2024, options to subscribe for 17,910,000 (30 June 2023: 18,550,000) ordinary shares remain outstanding.

#### *(i) Total number of issued shares excluding treasury shares*

	<b>As at 30/06/2024</b>	<b>As at 31/12/2023</b>
Total number of issued shares	868,929,580	868,929,580
Less: Treasury shares	(13,463,900)	(13,463,900)
Total number of issued shares excluding treasury shares	855,465,680	855,465,680

#### *(ii) Sales, transfer, disposal, cancellation and/or use of treasury shares*

<b>Treasury shares</b>	<b>No. of shares</b>	<b>\$'000</b>
Balance as at 31/12/2023	13,463,900	7,308
No. of shares purchased	-	-
No. of shares transferred on exercise of share option	-	-
Balance as at 30/06/2024	13,463,900	7,308

## **F. Other Information required by Listing Rule Appendix 7.2**

### **1. Review**

The Condensed Consolidated Statement of Financial Position of Straco Corporation Limited and its subsidiaries as at 30 June 2024 and the related Condensed Consolidated Profit or Loss and Other Comprehensive Income, Condensed Consolidated Statement of Changes in Equity and Condensed Consolidated Statement of Cash Flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

### **2. Review of performance of the Group**

#### *Revenue*

In the first half of FY2024 ("1H2024"), the Group generated revenue of \$35.91 million, 11.9% higher than the corresponding period in the first half of FY2023 ("1H2023"). While overall revenues generated by the three attractions in China were about the same level as 1H2023, revenues generated at Singapore Flyer were 33% higher than corresponding period.

Overall visitation to all our attractions totalled 1.47 million visitors for the half year, 13% higher than the corresponding period of 1.30 million visitors in 1H2023.

Finance income increased due to higher interest income from fixed deposits.

#### *Operational Results*

Total Expenses (excluding finance cost) for 1H2024 was \$23.41 million, 1.4% lower than 1H2023. Exchange gain of \$0.38 million was recorded in the current period, compared to an exchange loss of \$1.49 million recorded in the corresponding period, as Renminbi was stronger against the Singapore Dollar in the current period compared to last year-end exchange rate. Excluding the exchange gain/loss in both periods, total expenses for 1H2024 have been \$23.79 million, 6.9% higher than the corresponding period of \$22.26 million in 1H2023.

Property and other taxes increased 45.1% over 1H2023, mainly due to the upward revision of annual value of the Giant Observation Wheel by the Singapore tax authority as well as new property tax accounts for retail units being added at Singapore Flyer. Staff cost was higher, mainly due to annual increment and increased headcounts. Utilities expenses were lower, mainly due to lower expense at Singapore Flyer as a lower unit rate for electricity was secured during the contract renewal in October 2023. Other expenses increased, mainly due to higher packaging expenses, insurance expense, science education expenses and contract security charges, as well as higher audit fee accrued this year based on the agreed increase in statutory audit fee.

Profit before tax was \$14.81 million for 1H2024, as all attractions were profitable for the period.

#### *Balance Sheet items*

Trade and other receivables increased 30.4% from \$4.27 million at 31 December 2023 to \$5.57 million at 30 June 2024, mainly due to increase in fixed deposits interest receivable recognised in the current period.

Other current assets increased 36.9% from \$1.17 million at 31 December 2023 to \$1.61 million at 30 June 2024, mainly due to increase at Singapore Flyer arising from increase in prepayment of insurance premiums for the yearly renewal in May 2024, downpayment upon confirmation of enhancement project and advance payment for purchase of replacement materials; as well as increase at Lixing Cable Car arising from the advance payment for purchase of imported spare parts and increase in prepayments from yearly renewal of insurance premium and annual maintenance of ticketing system.

Non-current trade and other payables increased 29.8% from \$205,000 at 31 December 2023 to \$266,000 at 30 June 2024, due to the increase in security deposits from a tenant upon extension of lease.

Deferred income decreased 18.1% from \$116,000 at 31 December 2023 to \$95,000 at 30 June 2024, due to the periodic recognition of deferred income to profit & loss in the current period.

Current trade and other payables decreased 13.8% from \$10.6 million at 31 December 2023 to \$9.14 million at 30 June 2024, mainly due to decrease in deposits received for bookings of Singapore Flyer's event hall, decrease in deferred revenue for unused tickets at Singapore Flyer, performance bonus and certain expenses accrued in last year being paid in the current period; offset by increase in trade payables arising from annual insurance premiums payable upon renewal.

Current tax liabilities increased 98.1% from \$0.94 million at 31 December 2023 to \$1.86 million at 30 June 2024, mainly due to the provisions of income taxes for 2Q2024 by the China subsidiaries; offset by instalment payment of YA2024 income taxes at HQ.

#### *Cash flow Statement*

The Group reported net cash of \$13.56 million generated from operating activities for 1H2024. Final dividend of 1.5 cent per share and special dividend of \$0.5 cent per share in respect of FY2023 was paid out to the Company's shareholders in the current period. Instalment repayment of borrowings and interest in 1H2024 totalled \$0.53 million for the temporary bridging loan taken up by Singapore Flyer in July 2021.

As at 30 June 2024, the Group's cash and cash equivalent balance amounted to \$164.86 million.

### **3. Whether a forecast, or 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 period under review.

### **4. 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 national economy was generally stable with steady progress as gross domestic product ("GDP") grew 5% year-on-year in the first half of 2024. On the tourism sector, China saw about 295 million domestic tourist trips during the five days May Day holiday, up 7.6% year-on-year and 28.2% higher than the same period in 2019, according to data from the Ministry of Culture and Tourism; indicating further recovery in the domestic tourism sector.

Singapore's economy grew 2.9% year-on-year in the second quarter of 2024, according to advance estimates released by the Ministry of Trade and Industry ("MTI"). For the first four months of 2024, Singapore welcomed 5.7 million tourists, about 90% of the corresponding period in 2019 pre-Covid-19 numbers. The Singapore Tourism Board ("STB") has projected international visitor arrivals of between 15 million to 16.5 million for 2024 and expected tourism receipts to reach between \$27.5 billion to \$29 billion. It was reported that the government will inject \$300 million into the country's Tourism Development Fund, for developing and marketing new tourism products and experiences, rejuvenating existing tourism offerings, upskilling tourism workforce and supporting local tourism companies to become more productive, innovative, and sustainable.

**5. Dividend information**

**(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.

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

**6. Interested person transaction**

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

**7. 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.

**8. Negative confirmation pursuant to Rule 705(5)**

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge and belief, nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six months ended 30 June 2024 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Wu Hsioh Kwang  
Chairman

Teo Ser Luck  
Director

BY ORDER OF THE BOARD,

Lotus Isabella Lim Mei Hua  
Company Secretary  
12 August 2024