

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

**THIRD QUARTER ENDED 30 SEPTEMBER 2017 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		
	30/09/2017	30/09/2016	Change	30/09/2017	30/09/2016	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	46,111	47,630	(3.2)	103,854	101,920	1.9
Other income	1,803	1,641	9.9	4,893	4,232	15.6
Less:						
Depreciation and amortisation expense	(3,207)	(3,182)	0.8	(9,612)	(9,524)	0.9
Changes in inventories and purchases of goods	(1,075)	(1,096)	(1.9)	(2,733)	(2,331)	17.2
Consultancy expense	(268)	(266)	0.8	(555)	(728)	(23.8)
Sales and marketing expenses	(189)	151	n.m.	(787)	(1,265)	(37.8)
Exchange (losses)/ gains	101	139	(27.3)	(369)	(253)	45.8
Loss on disposal of property, plant and equipment	(7)	(1)	600.0	(21)	(11)	90.9
Operating lease expense	(2,552)	(2,470)	3.3	(5,812)	(5,501)	5.7
Property and other taxes	(468)	(436)	7.3	(1,360)	(1,337)	1.7
Repair and maintenance expenses	(998)	(1,046)	(4.6)	(3,186)	(3,130)	1.8
Staff cost	(5,654)	(5,539)	2.1	(16,658)	(16,007)	4.1
Utilities expense	(830)	(892)	(7.0)	(2,130)	(2,334)	(8.7)
Other operating expenses	(702)	(647)	8.5	(2,019)	(1,585)	27.4
Other administrative expenses	(515)	(530)	(2.8)	(1,516)	(1,635)	(7.3)
Operating profit	31,550	33,456	(5.7)	61,989	60,511	2.4
Finance costs	(271)	(327)	(17.1)	(854)	(1,228)	(30.5)
Profit before income tax	31,279	33,129	(5.6)	61,135	59,283	3.1
Tax expense	(8,679)	(9,126)	(4.9)	(16,967)	(16,637)	2.0
<b>Profit for the period</b>	<b>22,600</b>	<b>24,003</b>	<b>(5.8)</b>	<b>44,168</b>	<b>42,646</b>	<b>3.6</b>
<b>Profit attributable to:</b>						
Owners of the Company	21,348	22,743	(6.1)	41,673	40,324	3.3
Non-controlling interests	1,252	1,260	(0.6)	2,495	2,322	7.5
<b>Profit for the period</b>	<b>22,600</b>	<b>24,003</b>	<b>(5.8)</b>	<b>44,168</b>	<b>42,646</b>	<b>3.6</b>

**STATEMENT OF COMPREHENSIVE INCOME**

	3Q ended			9 months ended		
	30/09/2017	30/09/2016	Change	30/09/2017	30/09/2016	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Profit for the period</b>	<b>22,600</b>	<b>24,003</b>	<b>(5.8)</b>	<b>44,168</b>	<b>42,646</b>	<b>3.6</b>
<b>Other comprehensive income/ (loss) for the period, net of tax</b>						
Translation differences relating to financial statements of foreign subsidiaries	663	1,046	(36.6)	(3,058)	(9,501)	(67.8)
<b>Other comprehensive income/ (loss) for the period, net of tax</b>	<b>663</b>	<b>1,046</b>	<b>(36.6)</b>	<b>(3,058)</b>	<b>(9,501)</b>	<b>(67.8)</b>
<b>Total comprehensive income for the period</b>	<b>23,263</b>	<b>25,049</b>	<b>(7.1)</b>	<b>41,110</b>	<b>33,145</b>	<b>24.0</b>
<b>Total comprehensive income attributable to:</b>						
Owners of the Company	21,989	23,755	(7.4)	38,726	31,172	24.2
Non-controlling interests	1,274	1,294	(1.5)	2,384	1,973	20.8
<b>Total comprehensive income for the period</b>	<b>23,263</b>	<b>25,049</b>	<b>(7.1)</b>	<b>41,110</b>	<b>33,145</b>	<b>24.0</b>

n.m. – not meaningful

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

	3Q ended		9 months ended	
	30/09/2017	30/09/2016	30/09/2017	30/09/2016
	S\$'000	S\$'000	S\$'000	S\$'000
Depreciation of property, plant and equipment	2,694	2,675	8,072	8,004
Depreciation of investment property	361	354	1,083	1,062
Amortisation of intangible assets	152	153	457	458
Interest income	(1,068)	(772)	(3,118)	(2,477)
Interest expense	271	327	854	1,228
Foreign exchange (gains)/ losses	(101)	(139)	369	253
Loss on disposal of property, plant and equipment	7	1	21	11
Government grant	(17)	(23)	(154)	(53)

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 (gains)/ losses 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
	30/09/2017	31/12/2016	30/09/2017	31/12/2016
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current assets</b>				
Property, plant and equipment	119,871	127,443	2,103	2,146
Investment property	47,287	48,370	-	-
Investments in subsidiaries	-	-	103,130	103,130
Intangible assets	2,740	3,198	-	-
	169,898	179,011	105,233	105,276
<b>Current assets</b>				
Inventories	2,163	2,113	-	-
Trade and other receivables	4,030	3,727	273	-
Loans and receivables from subsidiaries	-	-	471	482
Other current assets	1,258	1,080	39	25
Fixed deposits pledged	1,000	1,000	-	-
Cash and cash equivalents	189,107	163,234	23,867	16,350
	197,558	171,154	24,650	16,857
<b>Total assets</b>	<b>367,456</b>	<b>350,165</b>	<b>129,883</b>	<b>122,133</b>
<b>Equity attributable to owners of the Company</b>				
Share capital	76,985	76,985	76,985	76,985
Reserves	16,288	18,855	2,151	1,839
Retained earnings	166,394	146,298	49,465	41,932
	259,667	242,138	128,601	120,756
<b>Non-controlling interests</b>	11,094	10,462	-	-
<b>Total equity</b>	<b>270,761</b>	<b>252,600</b>	<b>128,601</b>	<b>120,756</b>
<b>Non-current liabilities</b>				
Borrowings	40,900	49,900	-	-
Deferred income	201	259	-	-
Deferred tax liabilities	19,833	18,654	-	-
Provision for reinstatement cost	4,100	4,100	-	-
	65,034	72,913	-	-
<b>Current liabilities</b>				
Trade and other payables	11,949	10,575	763	849
Amounts due to subsidiaries	-	-	519	528
Current tax liabilities	7,712	2,077	-	-
Current borrowings	12,000	12,000	-	-
	31,661	24,652	1,282	1,377
<b>Total liabilities</b>	<b>96,695</b>	<b>97,565</b>	<b>1,282</b>	<b>1,377</b>
<b>Total equity and liabilities</b>	<b>367,456</b>	<b>350,165</b>	<b>129,883</b>	<b>122,133</b>

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

	As at 30/09/2017		As at 31/12/2016	
	<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	-	12,000	-
Amount payable after one year	38,000	2,900	47,000	2,900

**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		Q3 ended 30/09/2017	Q3 ended 30/09/2016
		S\$'000	S\$'000
<b>Cash flows from operating activities</b>			
Profit before income tax		31,279	33,129
Adjustments for:			
Amortisation of intangible assets		152	153
Depreciation of property, plant and equipment		2,694	2,675
Depreciation of investment property		361	354
Equity-settled share-based payment transactions		192	369
Loss on disposal of property, plant and equipment		7	1
Government grant utilised		(17)	(24)
Interest income		(1,068)	(772)
Interest expense		271	327
Exchange (gains)/ losses		(34)	75
Operating profit before working capital changes		33,837	36,287
Changes in working capital:			
Trade and other receivables		(400)	(208)
Inventories		(102)	(122)
Trade and other payables		3,338	2,042
Cash generated from operating activities		36,673	37,999
Income taxes paid		(3,609)	(3,029)
Net cash from operating activities		33,064	34,970
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(336)	(329)
Proceeds from disposal of property, plant and equipment		2	-
Interest received		325	3,329
Net cash (used in)/ from investing activities		(9)	3,000
<b>Cash flows from financing activities</b>			
Repurchase of own shares		(776)	(206)
Repayment of borrowings		(3,000)	(3,000)
Interest paid		(265)	(331)
Net cash used in financing activities		(4,041)	(3,537)
<b>Net increase in cash and cash equivalents</b>		29,014	34,433
Cash and cash equivalents at beginning of the period		159,503	124,692
Effects of exchange rate fluctuations		590	496
<b>Cash and cash equivalents at end of the period</b>		<b>189,107</b>	<b>159,621</b>

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

**(a) Group**

**(i)**

	Share capital	Treasury shares	Capital reserve	Share option reserve	General reserve	Foreign currency translation reserve	Retained earnings	Total attributable to owners of the Company	Non-controlling Interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>At 1 January 2017</b>	76,985	(4,546)	(696)	7,081	16,236	780	146,298	242,138	10,462	252,600
Changes in equity for the period:										
Share-based payment transactions	-	-	-	369	-	-	-	369	-	369
Transfer to general reserve fund	-	-	-	-	68	-	(68)	-	-	-
Dividend to non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	-	(1,752)	(1,752)
Total comprehensive income for the period	-	-	-	-	-	(3,929)	8,913	4,984	422	5,406
<b>At 31 March 2017</b>	76,985	(4,546)	(696)	7,450	16,304	(3,149)	155,143	247,491	9,132	256,623
Changes in equity for the period:										
Share-based payment transactions	-	-	-	251	-	-	-	251	-	251
Treasury shares reissued	-	619	(343)	-	-	-	-	276	-	276
Dividend paid of 2.50 cents per share	-	-	-	-	-	-	(21,509)	(21,509)	-	(21,509)
Total comprehensive income for the period	-	-	-	-	-	341	11,412	11,753	688	12,441
<b>At 30 June 2017</b>	76,985	(3,927)	(1,039)	7,701	16,304	(2,808)	145,046	238,262	9,820	248,082
Changes in equity for the period:										
Purchase of own shares	-	(776)	-	-	-	-	-	(776)	-	(776)
Share-based payment transactions	-	-	-	192	-	-	-	192	-	192
Total comprehensive income for the period	-	-	-	-	-	641	21,348	21,989	1,274	23,263
<b>At 30 September 2017</b>	76,985	(4,703)	(1,039)	7,893	16,304	(2,167)	166,394	259,667	11,094	270,761

**(ii)**

	Share capital	Treasury shares	Capital reserve	Share option reserve	General reserve	Foreign currency translation reserve	Retained earnings	Total attributable to owners of the Company	Non-controlling Interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>At 1 January 2016</b>	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
<b>At 31 March 2016</b>	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
<b>At 30 June 2016</b>	76,985	(4,386)	(713)	6,343	16,236	(2,424)	117,415	209,456	8,703	218,159
Changes in equity for the period:										
Purchase of own shares	-	(206)	-	-	-	-	-	(206)	-	(206)
Share-based payment transactions	-	-	-	369	-	-	-	369	-	369
Total comprehensive income for the period	-	-	-	-	-	1,012	22,743	23,755	1,294	25,049
<b>At 30 September 2016</b>	76,985	(4,592)	(713)	6,712	16,236	(1,412)	140,158	233,374	9,997	243,371

**(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 2017</b>	76,985	(4,546)	(696)	7,081	41,932	120,756
Share-based payment transactions	-	-	-	369	-	369
Total comprehensive income/ (loss) for the period	-	-	-	-	30,477	30,477
<b>At 31 March 2017</b>	76,985	(4,546)	(696)	7,450	72,409	151,602
Purchase of own shares	-	-	-	-	-	-
Share-based payment transactions	-	-	-	251	-	251
Treasury shares reissued	-	619	(343)	-	-	276
Dividend paid of 2.50 cents per share	-	-	-	-	(21,509)	(21,509)
Total comprehensive income/ (loss) for the period	-	-	-	-	(708)	(708)
<b>At 30 June 2017</b>	76,985	(3,927)	(1,039)	7,701	50,192	129,912
Purchase of own shares	-	(776)	-	-	-	(776)
Share-based payment transactions	-	-	-	192	-	192
Total comprehensive income/ (loss) for the period	-	-	-	-	(727)	(727)
<b>At 30 September 2017</b>	76,985	(4,703)	(1,039)	7,893	49,465	128,601

(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 2016</b>	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)
<b>At 31 March 2016</b>	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
<b>At 30 June 2016</b>	76,985	(4,386)	(713)	6,343	42,569	120,798
Purchase of own shares	-	(206)	-	-	-	(206)
Share-based payment transactions	-	-	-	369	-	369
Total comprehensive income/ (loss) for the period	-	-	-	-	(933)	(933)
<b>At 30 September 2016</b>	76,985	(4,592)	(713)	6,712	41,636	120,028

**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 900,000 shares by way of on-market purchase for a total consideration of \$776,000 (including transaction costs) in 3Q2017. These shares purchased were made out of the Company's capital and held as treasury shares.

No share options were exercised in 3Q2017. The Company's issued and fully paid up shares as at 30 September 2017 comprised 859,457,980 (30 September 2016: 858,907,980) ordinary shares and 9,471,600 (30 September 2016: 10,021,600) treasury shares.

As at 30 September 2017, options to subscribe for 24,056,000 (30 September 2016: 20,830,000) 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.**

	<b>As at 30/09/2017</b>	<b>As at 31/12/2016</b>
Total number of issued shares	868,929,580	868,929,580
Less: Treasury shares	(9,471,600)	(9,921,600)
Total number of issued shares excluding treasury shares	859,457,980	859,007,980

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

<b>Treasury shares</b>	<b>No. of shares</b>	<b>S\$'000</b>
Balance as at 30/06/2017	8,571,600	3,927
No. of shares purchased	900,000	776
Balance as at 30/09/2017	9,471,600	4,703

**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 2016.

**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 2017 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	
	30/09/2017	30/09/2016	30/09/2017	30/09/2016
(a) Based on the number of ordinary shares in issue (cents)	2.48	2.65	4.85	4.70
(b) On fully diluted basis (cents)	2.47	2.60	4.83	4.62

The calculation of basic earnings per share for 3Q and 9 months ended 30 September 2017 are based on the net profits attributable to shareholders for the 3Q and 9 months ended 30 September 2017 divided by the weighted average number of ordinary shares outstanding of 859,956,893 and 859,713,035 respectively.

The calculation of basic earnings per share for 3Q and 9 months ended 30 September 2016 are based on the net profits attributable to shareholders for the 3Q and 9 months ended 30 September 2016 divided by the weighted average number of ordinary shares outstanding of 859,066,545 and 858,368,532 respectively.

The calculation of diluted earnings per share for 3Q and 9 months ended 30 September 2017 are based on the net profits attributable to shareholders for the 3Q and 9 months ended 30 September 2017 divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 863,550,297 and 863,453,262 respectively.

The calculation of diluted earnings per share for 3Q and 9 months ended 30 September 2016 are based on the net profits attributable to shareholders for the 3Q and 9 months ended 30 September 2016 divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 873,098,393 and 873,202,491 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	
	30/09/2017	31/12/2016	30/09/2017	31/12/2016
Net asset value per ordinary share (cents) based on number of issued shares excluding treasury shares at the end of:	30.21	28.19	14.96	14.06

Net asset value per ordinary share was calculated based on 859,457,980 ordinary shares issued (excluding treasury shares) as at 30 September 2017 and 859,007,980 ordinary shares issued (excluding treasury shares) as at 31 December 2016.

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 FY2017, the Group achieved sales of \$46.11 million, a decrease of 3.2% from the corresponding period in 3Q2016, mainly due to lower revenue at Underwater World Xiamen ("UWX"), partially offset by higher revenue from Shanghai Ocean Aquarium ("SOA"), Lixing Cable Car and Straco Leisure which operates the Singapore Flyer.

Overall visitation to all our attractions was 1.91 million visitors for the quarter, 5.1% lower than the corresponding period in 3Q2016.

Cumulatively, overall revenue for the first nine months of FY2017 amounted to \$103.85 million, 1.9% higher than the corresponding period in FY2016.

### **Operational Results**

Total Expenses (excluding finance cost) for 3Q2017 increased \$0.55 million, or 3.5% from 3Q2016, in the absence of a sales taxes reversal as in the corresponding period. Sales taxes paid on ticket revenue for the period January to April 2016 was reversed in 3Q2016 when SOA received notification of the waiver being granted. Sales tax has been replaced with value-added tax with effect from 1 May 2016.

Finance cost for 3Q2017 decreased 17.1% from 3Q2016, due to lower principal outstanding for the term loan as well as lower interest rate this quarter.

Profit before tax was \$31.28 million for the current quarter, 5.6% lower than the profit before tax of \$33.13 million for 3Q2016, mainly due to decrease in revenue and the absence of sales taxes reversal as mentioned above.

### **Balance Sheet items**

Other current assets increased 16.5% from \$1.08 million at 31 December 2016 to \$1.26 million at 30 September 2017 mainly due to increase in prepayments.

Reserves decreased 13.6% from \$18.86 million at 31 December 2016 to \$16.29 million at 30 September 2017, mainly due to the translation loss of \$2.95 million arising from the weaker RMB currency against SGD at the end of current period compared to the end of last year, net increase in treasury shares from share buyback of \$0.78 million and treasury shares reissued of \$0.62 million, loss on treasury shares reissued of \$0.34 million; partially offset by increase in share option reserves of \$0.81 million during the period arising from share options granted in 2016 and 2017.

Deferred income decreased from \$0.26 million at 31 December 2016 to \$0.20 million at 30 September 2017, mainly due to the periodic recognition of deferred income to profit & loss in the current period.

Trade and other payables increased 13% from \$10.58 million at 31 December 2016 to \$11.95 million at 30 September 2017, mainly due to increase in payables and accruals on higher business volume at Shanghai Ocean Aquarium.

Current tax liabilities increased 271% from \$2.08 million at 31 December 2016 to \$7.71 million at 30 September 2017, mainly due to the provision of income taxes for 3Q2017 profits at our subsidiaries, partially offset by the payment of 4Q2016 income taxes by SOA, LCC, and UWX in the current period.

### Cash flow Statement

The Group generated net cash from operating activities amounting to \$33.06 million for 3Q2017. During the quarter, the Company used approximately \$0.78 million to buy back 900,000 of its own shares. As at 30 September 2017, the Group's cash and cash equivalent balance amounted to \$189.11 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 a stable 6.8% in the third quarter of 2017 from a year ago. Consumption contributed 64.5% to GDP growth in the first nine months.

On the tourism sector, the China National Tourism Administration reported that a total of 705 million tourists travelled around the country during the National Day golden week, generating 583.6 billion Yuan of revenue, representing 11.9% and 13.9% increase year-on-year respectively. According to the State Council five-year tourism plan (2016-2020), the sector will contribute more than 12% of GDP growth, as the nation works towards developing tourism into a major driver of economic transformation.

Singapore economy grew 4.6% year-on-year in 3Q2017 on a strong showing by the manufacturing sector, based on advance estimates from the Ministry of Trade and Industry. On the tourism sector, it was reported that the Singapore Tourism Board ("STB") has signed a memorandum of understanding with Alipay to enhance Chinese tourists' overall experience in Singapore with better access to information before and during their trip. The collaboration is part of STB's overall strategy to better engage visitors through digital channel, which will in turn increase overall visitor satisfaction, increase tourism receipts and drive repeat visits.

**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 3Q2017 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  
14 November 2017