

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

**FULL YEAR ENDED 31 DECEMBER 2018 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**

	4Q ended			Full Year ended		
	31/12/2018	31/12/2017	Change	31/12/2018	31/12/2017	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	22,326	24,589	(9.2)	117,880	128,443	(8.2)
Other income	1,726	1,669	3.4	6,929	6,562	5.6
Less:						
Depreciation and amortisation expense	(2,358)	(3,329)	(29.2)	(9,636)	(12,941)	(25.5)
Changes in inventories and purchases of goods	(629)	(714)	(11.9)	(2,965)	(3,447)	(14.0)
Consultancy expense	(430)	(256)	68.0	(924)	(811)	13.9
Sales and marketing expenses	(528)	(399)	32.3	(2,239)	(1,596)	40.3
Exchange gains/ (losses)	23	20	15.0	(1,078)	(349)	208.9
Loss on disposal of property, plant and equipment	(258)	(16)	1,512.5	(922)	(37)	2,391.9
Impairment loss on property, plant and equipment	-	(260)	(100.0)	-	(260)	(100.0)
Operating lease expense	(1,393)	(1,479)	(5.8)	(7,157)	(7,291)	(1.8)
Property and other taxes	(444)	(672)	(33.9)	(1,783)	(2,032)	(12.3)
Repair and maintenance expenses	(652)	(1,428)	(54.3)	(4,553)	(4,614)	(1.3)
Staff cost	(6,126)	(6,338)	(3.3)	(23,187)	(23,038)	0.6
Utilities expense	(599)	(629)	(4.8)	(2,684)	(2,759)	(2.7)
Other operating expenses	(498)	(523)	(4.8)	(1,855)	(2,090)	(11.2)
Other administrative expenses	(503)	(520)	(3.3)	(2,129)	(2,036)	4.6
Operating profit	9,657	9,715	(0.6)	63,697	71,704	(11.2)
Finance costs	(395)	(391)	1.0	(1,225)	(1,245)	(1.6)
Profit before income tax	9,262	9,324	(0.7)	62,472	70,459	(11.3)
Tax expense	(2,788)	(2,877)	(3.1)	(18,335)	(19,844)	(7.6)
<b>Profit for the period</b>	<b>6,474</b>	<b>6,447</b>	<b>0.4</b>	<b>44,137</b>	<b>50,615</b>	<b>(12.8)</b>
<b>Profit attributable to:</b>						
Owners of the Company	6,039	6,066	(0.4)	41,835	47,739	(12.4)
Non-controlling interests	435	381	14.2	2,302	2,876	(20.0)
<b>Profit for the period</b>	<b>6,474</b>	<b>6,447</b>	<b>0.4</b>	<b>44,137</b>	<b>50,615</b>	<b>(12.8)</b>

**STATEMENT OF COMPREHENSIVE INCOME**

	4Q ended			Full Year ended		
	31/12/2018	31/12/2017	Change	31/12/2018	31/12/2017	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Profit for the period</b>	<b>6,474</b>	<b>6,447</b>	<b>0.4</b>	<b>44,137</b>	<b>50,615</b>	<b>(12.8)</b>
<b>Other comprehensive income/ (loss) for the period, net of tax</b>						
Translation differences relating to financial statements of foreign subsidiaries	307	427	(28.1)	(3,877)	(2,631)	47.4
<b>Other comprehensive income/ (loss) for the period, net of tax</b>	<b>307</b>	<b>427</b>	<b>(28.1)</b>	<b>(3,877)</b>	<b>(2,631)</b>	<b>47.4</b>
<b>Total comprehensive income for the period</b>	<b>6,781</b>	<b>6,874</b>	<b>(1.4)</b>	<b>40,260</b>	<b>47,984</b>	<b>(16.1)</b>
<b>Total comprehensive income attributable to:</b>						
Owners of the Company	6,334	6,479	(2.2)	38,103	45,205	(15.7)
Non-controlling interests	447	395	13.2	2,157	2,779	(22.4)
<b>Total comprehensive income for the period</b>	<b>6,781</b>	<b>6,874</b>	<b>(1.4)</b>	<b>40,260</b>	<b>47,984</b>	<b>(16.1)</b>

n.m. – not meaningful

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

	4Q ended		Full Year ended	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
	S\$'000	S\$'000	S\$'000	S\$'000
Depreciation of property, plant and equipment	1,835	2,815	7,573	10,887
Depreciation of investment property	370	361	1,453	1,444
Amortisation of intangible assets	153	153	610	610
Impairment of property, plant and equipment	-	260	-	260
Interest income	(1,347)	(1,179)	(4,700)	(4,297)
Interest expense	395	391	1,225	1,245
Foreign exchange (gains)/ losses	(23)	(20)	1,078	349
Loss on disposal of property, plant and equipment	258	16	922	37
Government grant	(25)	(25)	(173)	(179)

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
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current assets</b>				
Property, plant and equipment	113,540	118,229	2,024	2,086
Investment property	45,761	46,926	-	-
Investments in subsidiaries	-	-	76,071	76,071
Loans and advances to subsidiaries	-	-	26,750	27,059
Intangible assets	1,978	2,588	-	-
	161,279	167,743	104,845	105,216
<b>Current assets</b>				
Inventories	2,196	2,096	-	-
Trade and other receivables	5,824	5,108	40	164
Loans and receivables from subsidiaries	-	-	488	418
Other current assets	988	939	27	29
Fixed deposits pledged	1,000	1,000	-	-
Cash and cash equivalents	201,695	190,414	46,075	24,340
	211,703	199,557	46,630	24,951
<b>Total assets</b>	<b>372,982</b>	<b>367,300</b>	<b>151,475</b>	<b>130,167</b>
<b>Equity attributable to owners of the Company</b>				
Share capital	76,985	76,985	76,985	76,985
Reserves	13,827	17,458	2,901	2,908
Retained earnings	192,632	172,461	70,039	48,655
	283,444	266,904	149,925	128,548
<b>Non-controlling interests</b>	11,856	11,489	-	-
<b>Total equity</b>	<b>295,300</b>	<b>278,393</b>	<b>149,925</b>	<b>128,548</b>
<b>Non-current liabilities</b>				
Borrowings	25,900	37,900	-	-
Deferred income	188	184	-	-
Deferred tax liabilities	21,456	20,942	-	-
Provision for reinstatement cost	5,184	4,223	-	-
	52,728	63,249	-	-
<b>Current liabilities</b>				
Trade and other payables	10,729	11,205	958	1,022
Amounts due to subsidiaries	-	-	507	520
Current tax liabilities	2,225	2,453	85	77
Current borrowings	12,000	12,000	-	-
	24,954	25,658	1,550	1,619
<b>Total liabilities</b>	<b>77,682</b>	<b>88,907</b>	<b>1,550</b>	<b>1,619</b>
<b>Total equity and liabilities</b>	<b>372,982</b>	<b>367,300</b>	<b>151,475</b>	<b>130,167</b>

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

	As at 31/12/2018		As at 31/12/2017	
	<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	23,000	2,900	35,000	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				
	Q4 ended 31/12/2018	Q4 ended 31/12/2017	Full Year ended 31/12/2018	Full Year ended 31/12/2017
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Cash flows from operating activities</b>				
Profit before income tax	9,262	9,324	62,472	70,459
Adjustments for:				
Amortisation of intangible assets	153	153	610	610
Depreciation of property, plant and equipment	1,835	2,815	7,573	10,887
Depreciation of investment property	370	361	1,453	1,444
Equity-settled share-based payment transactions	181	192	740	1,004
Loss on disposal of property, plant and equipment	258	16	922	37
Government grant utilised	(16)	(17)	(59)	(69)
Impairment loss on property, plant and equipment	-	260	-	260
Interest income	(1,347)	(1,179)	(4,700)	(4,297)
Interest expense	395	391	1,225	1,245
Exchange losses/(gains)	21	(14)	1,157	336
Operating profit before working capital changes	11,112	12,302	71,393	81,916
Changes in working capital:				
Trade and other receivables	353	94	(1,575)	596
Inventories	(35)	70	(136)	(1)
Trade and other payables	(1,826)	(757)	(259)	717
Cash generated from operating activities	9,604	11,709	69,423	83,228
Income taxes paid	(7,308)	(7,020)	(17,989)	(17,149)
Net cash from operating activities	2,296	4,689	51,434	66,079
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(2,158)	(1,351)	(4,231)	(2,585)
Proceeds from disposal of property, plant and equipment	1	-	2	2
Interest received	1,316	339	5,359	2,416
Net cash (used in)/ from investing activities	(841)	(1,012)	1,130	(167)
<b>Cash flows from financing activities</b>				
Dividend paid to owners of company	-	-	(21,555)	(21,509)
Dividend paid to non-controlling interests	-	-	(1,790)	(1,752)
Repurchase of own shares	(158)	(20)	(1,275)	(796)
Proceeds from exercise of share options	-	585	528	861
Repayment of borrowings	(3,000)	(3,000)	(12,000)	(12,000)
Interest paid	(268)	(269)	(1,086)	(1,121)
Net cash used in financing activities	(3,426)	(2,704)	(37,178)	(36,317)
<b>Net increase in cash and cash equivalents</b>	(1,971)	973	15,386	29,595
Cash and cash equivalents at beginning of the period	203,149	189,107	190,414	163,234
Effects of exchange rate fluctuations	517	334	(4,105)	(2,415)
<b>Cash and cash equivalents at end of the period</b>	<b>201,695</b>	<b>190,414</b>	<b>201,695</b>	<b>190,414</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 2018</b>	76,985	(4,195)	(982)	8,085	16,304	(1,754)	172,460	266,903	11,489	278,392
Changes in equity for the period:										
Share-based payment transactions	-	-	-	192	-	-	-	192	-	192
Transfer to general reserve fund	-	-	-	-	77	-	(77)	-	-	-
Dividend to non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	-	(73)	(73)
Total comprehensive income for the period	-	-	-	-	-	3,094	3,554	6,648	67	6,715
<b>At 31 March 2018</b>	76,985	(4,195)	(982)	8,277	16,381	1,340	175,937	273,743	11,483	285,226
Changes in equity for the period:										
Purchase of own shares	-	(653)	-	-	-	-	-	(653)	-	(653)
Share-based payment transactions	-	-	-	185	-	-	-	185	-	185
Treasury shares reissued	-	923	(395)	-	-	-	-	528	-	528
Transfer to general reserve fund	-	-	-	-	31	-	(31)	-	-	-
Dividend paid of 2.50 cents per share	-	-	-	-	-	-	(21,555)	(21,555)	-	(21,555)
Dividend to non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	-	(1,717)	(1,717)
Total comprehensive income for the period	-	-	-	-	-	(1,874)	10,825	8,951	548	9,499
<b>At 30 June 2018</b>	76,985	(3,925)	(1,377)	8,462	16,412	(534)	165,176	261,199	10,314	271,513
Changes in equity for the period:										
Purchase of own shares	-	(464)	-	-	-	-	-	(464)	-	(464)
Share-based payment transactions	-	-	-	182	-	-	-	182	-	182
Total comprehensive income for the period	-	-	-	-	-	(5,247)	21,417	16,170	1,095	17,265
<b>At 30 September 2018</b>	76,985	(4,389)	(1,377)	8,644	16,412	(5,781)	186,593	277,087	11,409	288,496
Changes in equity for the period:										
Purchase of own shares	-	(158)	-	-	-	-	-	(158)	-	(158)
Share-based payment transactions	-	-	-	181	-	-	-	181	-	181
Treasury shares re-issued	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	295	6,039	6,334	447	6,781
<b>At 31 December 2018</b>	76,985	(4,547)	(1,377)	8,825	16,412	(5,486)	192,632	283,444	11,856	295,300

(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 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
Changes in equity for the period:										
Purchase of own shares	-	(20)	-	-	-	-	-	(20)	-	(20)
Share-based payment transactions	-	-	-	192	-	-	-	192	-	192
Treasury shares re-issued	-	528	57	-	-	-	-	585	-	585
Total comprehensive income for the period	-	-	-	-	-	413	6,066	6,479	395	6,874
<b>At 31 December 2017</b>	76,985	(4,195)	(982)	8,085	16,304	(1,754)	172,460	266,903	11,489	278,392

**(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 2018</b>	76,985	(4,195)	(982)	8,085	48,655	128,548
Share-based payment transactions	-	-	-	192	-	192
Total comprehensive income/ (loss) for the period	-	-	-	-	771	771
<b>At 31 March 2018</b>	76,985	(4,195)	(982)	8,277	49,426	129,511
Purchase of own shares	-	(653)	-	-	-	(653)
Share-based payment transactions	-	-	-	185	-	185
Treasury shares reissued	-	923	(395)	-	-	528
Dividend paid of 2.50 cents per share	-	-	-	-	(21,555)	(21,555)
Total comprehensive income/ (loss) for the period	-	-	-	-	44,547	44,547
<b>At 30 June 2018</b>	76,985	(3,925)	(1,377)	8,462	72,418	152,563
Purchase of own shares	-	(464)	-	-	-	(464)
Share-based payment transactions	-	-	-	182	-	182
Total comprehensive income/ (loss) for the period	-	-	-	-	(1,751)	(1,751)
<b>At 30 September 2018</b>	76,985	(4,389)	(1,377)	8,644	70,667	150,530
Purchase of own shares	-	(158)	-	-	-	(158)
Share-based payment transactions	-	-	-	181	-	181
Treasury shares re-issued	-	-	-	-	-	-
Total comprehensive income/ (loss) for the period	-	-	-	-	(628)	(628)
<b>As at 31 December 2018</b>	76,985	(4,547)	(1,377)	8,825	70,039	149,925

(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 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
Purchase of own shares	-	(20)	-	-	-	(20)
Share-based payment transactions	-	-	-	192	-	192
Treasury shares re-issued	-	528	57	-	-	585
Total comprehensive income/ (loss) for the period	-	-	-	-	(810)	(810)
<b>As at 31 December 2017</b>	76,985	(4,195)	(982)	8,085	48,655	128,548

**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 222,600 shares by way of on-market purchases for a total consideration of \$158,000 (including transaction costs) in 4Q2018. These shares purchased were made out of the Company's capital and held as treasury shares.

The Company's issued and fully paid up shares as at 31 December 2018 comprised 860,654,280 (31 December 2017: 860,496,880) ordinary shares and 8,275,300 (31 December 2017: 8,432,700) treasury shares.

No share options were exercised in 4Q2018. As at 31 December 2018, options to subscribe for 25,978,000 (31 December 2017: 22,992,000) 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 31/12/2018	As at 31/12/2017
Total number of issued shares	868,929,580	868,929,580
Less: Treasury shares	(8,275,300)	(8,432,700)
Total number of issued shares excluding treasury shares	860,654,280	860,496,880



**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.**

<b>Treasury shares</b>	<b>No. of shares</b>	<b>S\$'000</b>
Balance as at 30/09/2018	8,052,700	4,389
No. of shares purchased	222,600	158
Balance as at 31/12/2018	8,275,300	4,547

**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 adopted the new Singapore Financial Reporting Standards (International) ("SFRS(I)") issued by the Singapore Accounting Standards Council which is identical to the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

Other than the adoption of the new SFRS(I)s, amendments and interpretations of SFRS(I)s which took effect from the current financial year, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period as compared with the audited financial statements for the financial year ended 31 December 2017.

**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.**

In adopting the new SFRS(I), the Group is required to apply the specific transition requirements in SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)*.

In addition, the Group have adopted the following new SFRS(I)s from the financial year beginning 1 January 2018:

- SFRS(I) 9 *Financial Instruments*
- SFRS (I) 15 *Revenue from Contracts with Customers*

The adoption of the above new SFRS(I)s is assessed to have no material 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	Q4 ended		Full Year ended	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
(a) Based on the number of ordinary shares in issue (cents)	0.70	0.71	4.86	5.55
(b) On fully diluted basis (cents)	0.70	0.70	4.85	5.53

The calculation of basic earnings per share for 4Q and full year ended 31 December 2018 are based on the net profits attributable to shareholders for the 4Q and full year ended 31 December 2018 divided by the weighted average number of ordinary shares outstanding of 860,759,335 and 860,961,336 respectively.

The calculation of basic earnings per share for 4Q and full year ended 31 December 2017 are based on the net profits attributable to shareholders for the 4Q and full year ended 31 December 2017 divided by the weighted average number of ordinary shares outstanding of 860,053,330 and 859,798,808 respectively.

The calculation of basic earnings per share for 4Q and full year ended 31 December 2018 are based on the net profits attributable to shareholders for the 4Q and full year ended 31 December 2018 divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 861,989,924 and 862,862,536 respectively.

The calculation of diluted earnings per share for 4Q and full year ended 31 December 2017 are based on the net profits attributable to shareholders for the 4Q and full year ended 31 December 2017 divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 863,498,272 and 863,509,328 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	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
Net asset value per ordinary share (cents) based on number of issued shares excluding treasury shares at the end of:	32.93	31.02	17.42	14.94

Net asset value per ordinary share was calculated based on 860,654,280 ordinary shares issued (excluding treasury shares) as at 31 December 2018 and 860,496,880 ordinary shares issued (excluding treasury shares) as at 31 December 2017.

**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 fourth quarter of FY2018, the Group achieved revenue of \$22.33 million, 9.2% lower than the corresponding period in 4Q2017, mainly due to lower revenues achieved by Shanghai Ocean Aquarium ("SOA"), Underwater World Xiamen ("UWX") and Singapore Flyer.

Overall visitation to all our attractions was 0.946 million visitors for the quarter, 3.8% lower than the corresponding period in 4Q2017, as the two aquariums and Singapore Flyer registered lower visitor numbers.

Cumulatively, overall revenue for FY2018 amounted to \$117.88 million, 8.2% lower than FY2017, mainly attributable to the more than two months suspension of rides on our Singapore Flyer during the first quarter due to a technical issue.

**Operational Results**

Total Expenses (excluding finance cost) for 4Q2018 was 14.40 million, a decrease of \$2.15 million, or 13% from 4Q2017. Depreciation and amortization expense was lower than corresponding period, mainly due to certain assets being fully depreciated assets at Singapore Flyer and UWX. Consultancy expenses was higher in 4Q2018, due to a reversal of an accrued amount in 4Q2017. Sales and marketing expenses for the quarter increased, mainly due to higher advertising and promotion expenses and sales and operation related taxes incurred. Loss on disposal of property, plant and equipment amounted to \$0.26 million this quarter, due to certain demolition work being carried out at Singapore Flyer site. Property and other taxes decreased this quarter, as 4Q2017 included a one-off amount for additional property tax arising from the revision in annual value by the tax authority then. Repair and maintenance expenses for 4Q2018 decreased significantly over corresponding period, mainly due to the reclassification adjustment to capitalise the cost of new shafts for the Giant Observation Wheel amounting to \$0.5 million incurred in previous quarter at Singapore Flyer.

Profit before tax was \$9.26 million for the current quarter, 0.7% lower than the profit before tax of \$9.32 million for 4Q2017.

**Balance Sheet items**

Intangible assets decreased 23.6% from \$2.59 million at 31 December 2017 to \$1.98 million at 31 December 2018, due to the amortization of intangible assets for the period.

Trade and other receivables increased 14.0% from \$5.11 million at 31 December 2017 to \$5.82 million at 31 December 2018, mainly due to increase in trade receivables at SLPL and UWX, as well as increase in other receivables arising from the net VAT refundable to SOA upon the tax waiver for 2018 being granted, partially offset by decrease in fixed deposits interest receivables as certain RMB fixed deposits placed on one or two years tenure had matured in this year.

Reserves decreased 20.8% from \$17.46 million at 31 December 2017 to \$13.83 million at 31 December 2018, mainly due to the translation loss of \$3.73 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 \$1.27 million and treasury shares reissued of \$0.92 million, loss on treasury shares reissued of \$0.39 million; partially offset by increase in share option reserves of \$0.74 million during the period arising from share options granted in 2017 and 2018 and increase in general reserves of \$0.11 million.

Provision for reinstatement cost increased 22.8% from \$4.22 million at 31 December 2017 to \$5.18 million at 31 December 2018, mainly due to the revision of discount rate used to reflect the current market assessments of the time value of money as well as the periodic recognition of interest expense for re-instatement cost.

### Cash flow Statement

The Group generated net cash from operating activities amounting to \$2.3 million for 4Q2018. During the year, the Group used \$23.35 million to pay out dividends and \$13.09 million to repay borrowings and paid interest on loan. The Company used approximately \$1.28 million to buy back 1,682,600 of its own shares from the open market and received \$0.53 million from the exercises of 1,840,000 share options. As at 31 December 2018, the Group's cash and cash equivalent balance amounted to \$201.7 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 at the slowest pace since the global financial crisis to 6.4% in the fourth quarter of 2018, weighed down by weak investment and faltering consumer confidence amid ongoing trade dispute with the United States, its largest trading partner. For the full year of 2018, the Chinese economy grew 6.6% year-on-year, the slowest rate of growth since 1990.

On the tourism sector, it was recently reported that tourism in China is upgrading into a quality-oriented development, integrating culture into tourism so that more visitors can experience the essence of local culture, and not just for scenic spots.

In Singapore, the Ministry of Trade and Industry reported that the economy grew 1.9% year-on-year in 4Q2018 and 3.2% in the whole of 2018. On the tourism sector, the Singapore Tourism Board ("STB") reported that 2018 marked another strong year with record highs in both tourism receipts and visitor arrivals. Overall visitor arrivals grew 6.2% to 18.5 million while tourism receipts rose 1.0% to S\$27.1 billion, as STB continued to build on the momentum of the Passion Made Possible global tourism campaign and embarked on new strategic marketing partnerships to enhance visitor experiences and drive spending. For 2019, STB forecasts tourism receipts to grow 1% to 3%, and visitor arrivals to grow 1% to 4%, amidst volatility in the global political and economic environment and stiffer regional competition.

**11. Dividend**

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

Any interim (final) dividend declared (recommended) for the current financial period reported on? Yes

The Board of Directors is pleased to recommend a first and final dividend and a special dividend as follows:

Name of Dividend	First & Final (One-tier)	Special (One-tier)
Dividend Type	Cash	Cash
Dividend Amount per Share (in cents)	2.50 cent per ordinary share	1.00 cent per ordinary share
Tax Rate	Tax Exempt	Tax Exempt

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

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	First & Final (One-tier)
Dividend Type	Cash
Dividend Amount per Share (in cents)	2.50 cent per ordinary share
Tax Rate	Tax Exempt

**(c) Date payable**

To be announced.

**(d) Books closure date**

To be announced.

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

Not applicable.

**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).**

Not applicable.

**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.**

The Group is principally engaged in the development and operation of tourism-related attractions. Retail, food and beverage are auxiliary goods and services arising from the operations of the above facilities.

The Group has two reportable segments, as described below, which consists of the Group's strategic business units which 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 following summary describes the operations of the Group's reportable segment:

- Aquariums – Operation of aquatic-related facilities and tourist attractions, including sea lion performances. Retail, food and beverage are auxiliary goods and services arising from the operation of the above facilities.
- Giant Observation Wheel ("GOW") – Operation of a circular giant observation structure, and provision of retail space. Retail, food and beverage are auxiliary goods and services arising from the operation of the above facilities.

Other operations include the cable-car facility. None of these segments meets any of the quantitative thresholds for determining reportable segments in 2018 and 2017.

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.

	Aquariums		GOW		Others		Total	
	FY2018 S\$'000	FY2017 S\$'000	FY2018 S\$'000	FY2017 S\$'000	FY2018 S\$'000	FY2017 S\$'000	FY2018 S\$'000	FY2017 S\$'000
External revenue	81,031	82,932	31,967	41,242	4,882	4,269	117,880	128,443
Interest revenue	3,564	3,212	305	317	63	61	3,932	3,590
Interest expense	-	-	1,225	1,245	8	2	1,233	1,247
Depreciation and amortisation	3,435	3,801	5,888	8,872	234	186	9,557	12,859
Reportable segment profit before income tax	57,491	59,882	5,024	10,978	2,577	1,975	65,092	72,835
Reportable segment assets	163,625	173,451	150,246	156,683	11,255	10,310	325,126	340,444
Capital expenditure	968	720	2,223	1,092	1,032	765	4,223	2,577
Reportable segment liabilities	11,597	11,625	88,635	99,370	3,693	2,857	103,925	113,852

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

	<b>FY2018</b>	<b>FY2017</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Profit or loss</b>		
Total profit for reportable segments	65,092	72,835
Unallocated amounts:		
- Head office and corporate expenses	(5,908)	(5,719)
- Head office and corporate income	778	721
- Elimination on consolidation	2,510	2,622
Consolidated profit before income tax	<u>62,472</u>	<u>70,459</u>
<b>Assets</b>		
Total assets for reportable segments	325,126	340,444
Unallocated head office and corporate assets:		
- Property, plant and equipment	2,025	2,097
- Loan and advances to subsidiaries	26,750	27,059
- Other amounts due from subsidiaries	9,828	9,275
- Cash and short-term bank deposits	48,103	26,356
- Others	89	219
Elimination on consolidation	(38,939)	(38,150)
Consolidated total assets	<u>372,982</u>	<u>367,300</u>
<b>Liabilities</b>		
Total liabilities for reportable segments	103,925	113,852
Unallocated head office and corporate liabilities:		
- Other payables and accruals	1,777	1,676
- Amounts due to subsidiaries	5,451	5,873
- Deferred tax liabilities	5,262	5,474
- Current tax liabilities	206	184
Elimination on consolidation	(38,939)	(38,150)
Consolidated total liabilities	<u>77,682</u>	<u>88,909</u>

<b>Other material items</b>	<b>Reportable segment totals</b>	<b>Unallocated corporate amounts</b>	<b>Consolidation eliminations</b>	<b>Consolidation totals</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>FY2018</b>				
Interest revenue	(3,932)	(776)	8	(4,700)
Interest expense	1,233	-	(8)	1,225
Capital expenditure	4,223	7	-	4,230
Depreciation and amortisation	9,557	79	-	9,636
<b>FY2017</b>				
Interest revenue	(3,590)	(709)	2	(4,297)
Interest expense	1,247	-	(2)	1,245
Capital expenditure	2,577	8	-	2,585
Depreciation and amortisation	12,859	82	-	12,941

<b>Geographical information</b>		
	<b>Revenue</b>	<b>Non-current assets</b>
	S\$'000	S\$'000
<b>2018</b>		
Singapore	31,967	127,605
China	85,913	33,674
	<b>117,880</b>	<b>161,279</b>
<b>2017</b>		
Singapore	41,242	130,755
China	87,201	36,988
	<b>128,443</b>	<b>167,743</b>

- 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.**

Please refer to Note 8 above.

- 18. A breakdown of sales.**

		<b>2018</b>	<b>2017</b>	<b>Increase/</b>
		<b>S\$'000</b>	<b>S\$'000</b>	<b>(Decrease)</b>
		<b>(Actual)</b>	<b>(Actual)</b>	<b>%</b>
(a)	Sales reported for first half year	47,065	57,743	(18.5)
(b)	Operating profit after tax before deducting minority interests reported for first half year	14,959	21,568	(30.6)
(c)	Sales reported for second half year	70,815	70,700	0.2
(d)	Operating profit after tax before deducting minority interests reported for second half year	29,178	29,047	0.5

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

	<b>Latest Full Year</b>	<b>Previous Full</b>
	<b>(S\$'000)</b>	<b>Year (S\$'000)</b>
Ordinary	30,123	21,555
Preference	-	-
Total	30,123	21,555

- 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.**



<b>Name</b>	<b>Age</b>	<b>Family relationship with any director, CEO and/or substantial shareholder</b>	<b>Current position and duties, and the year the position was first held</b>	<b>Details of changes in duties and position held, if any, during the year</b>
Wu Xiuyi	38	Daughter of Mr Wu Hsioh Kwang and Mdm Chua Soh Har	Senior Vice President, Assistant to Executive Chairman, 2011	Not applicable
			Alternate Director to Mr Wu Hsioh Kwang, 2014	
Wu Xiuzhuan	37	Son of Mr Wu Hsioh Kwang and Mdm Chua Soh Har	Senior Vice President (Corporate Development and Risk Management), 2018	Not applicable
			Alternate Director to Mdm Chua Soh Har, 2014	

BY ORDER OF THE BOARD,

Lotus Isabella Lim Mei Hua  
 Company Secretary  
 28 February 2019