

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

FULL YEAR ENDED 31 DECEMBER 2020 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

	2H ended			Full Year ended		
	31-12-2020	31-12-2019	Change	31-12-2020	31-12-2019	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	23,331	57,828	(59.7)	29,557	108,835	(72.8)
Other income	7,239	3,750	93.0	11,412	7,409	54.0
Less:						
Depreciation and amortisation expense	(5,193)	(5,112)	1.6	(10,258)	(10,652)	(3.7)
Changes in inventories and purchases of goods	(338)	(546)	(38.1)	(578)	(2,012)	(71.3)
Professional and consultancy expense	(552)	(589)	(6.3)	(1,005)	(1,045)	(3.8)
Sales and marketing expenses	(508)	(756)	(32.8)	(983)	(1,779)	(44.7)
Exchange gains/ (losses) - net	1,179	(1,033)	n.m.	2,507	(957)	n.m.
Loss on disposal of property, plant and equipment	(50)	(11)	354.5	(80)	(32)	150.0
Impairment loss on investment property	(2,600)	-	n.m.	(2,600)	-	n.m.
Rental expenses	(977)	(2,188)	(55.3)	(1,363)	(3,850)	(64.6)
Property and other taxes	(1,297)	(680)	90.7	(1,279)	(1,501)	(14.8)
Government grant expense- rent concession	(245)	-	n.m.	(245)	-	n.m.
Loss on derecognition of lease receivables	(335)	-	n.m.	(335)	-	n.m.
Repair and maintenance expenses	(1,616)	(2,858)	(43.5)	(3,186)	(4,858)	(34.4)
Staff cost	(7,880)	(11,937)	(34.0)	(15,825)	(23,516)	(32.7)
Utilities expense	(1,016)	(1,306)	(22.2)	(1,892)	(2,663)	(29.0)
Other expenses	(1,266)	(2,213)	(42.8)	(2,677)	(4,268)	(37.3)
Operating profit	7,876	32,349	(75.7)	1,170	59,111	(98.0)
Finance costs	(1,022)	(1,554)	(34.2)	(2,040)	(2,571)	(20.7)
Profit/ (Loss) before income tax	6,854	30,795	(77.7)	(870)	56,540	n.m.
Tax expense	(1,152)	(9,040)	(87.3)	(802)	(16,212)	(95.1)
Profit/ (Loss) for the period	5,702	21,755	(73.8)	(1,672)	40,328	n.m.
Profit/ (Loss) attributable to:						
Owners of the Company	5,674	20,578	(72.4)	(976)	38,090	n.m.
Non-controlling interests	28	1,177	(97.6)	(696)	2,238	n.m.
Profit/ (Loss) for the period	5,702	21,755	(73.8)	(1,672)	40,328	n.m.

STATEMENT OF COMPREHENSIVE INCOME

	2H ended			Full Year ended		
	31-12-2020	31-12-2019	Change	31-12-2020	31-12-2019	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit/ (Loss) for the period	5,702	21,755	(73.8)	(1,672)	40,328	n.m.
Other comprehensive income/ (loss) for the period, net of tax						
Translation differences relating to financial statements of foreign subsidiaries	4,209	(2,881)	n.m.	7,315	(4,605)	n.m.
Other comprehensive income/ (loss) for the period, net of tax	4,209	(2,881)	n.m.	7,315	(4,605)	n.m.
Total comprehensive income / (loss) for the period	9,911	18,874	(47.5)	5,643	35,723	(84.2)
Total comprehensive income / (loss) attributable to:						
Owners of the Company	9,730	17,792	(45.3)	6,074	33,642	(81.9)
Non-controlling interests	181	1,082	(83.3)	(431)	2,081	n.m.
Total comprehensive income / (loss) for the period	9,911	18,874	(47.5)	5,643	35,723	(84.2)

n.m. – not meaningful

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

	2H ended		Full Year ended	
	31-12-2020	31-12-2019	31-12-2020	31-12-2019
	S\$'000	S\$'000	S\$'000	S\$'000
Depreciation expenses	5,189	4,855	10,250	10,090
Amortisation of intangible assets	4	257	8	562
Impairment loss on investment property	2,600	-	2,600	-
Interest income	(2,254)	(2,622)	(4,658)	(5,311)
Interest expense	1,022	1,554	2,040	2,571
Foreign exchange (gains)/ losses	(1,179)	1,033	(2,507)	957
Loss on disposal of property, plant and equipment	50	11	80	32
Government grant	(4,337)	(39)	(5,718)	(132)

Notes:

1. Depreciation expenses comprise depreciation of property, plant and equipment and depreciation of investment property.
2. Impairment loss in current year is recognized on investment property at Straco Leisure Pte Ltd, as the fair value derived from the desktop valuation done was lower than carrying amount.
3. Interest income is mainly from fixed deposits placed with financial institutions.
4. Interest expense comprises interest on lease liabilities, interest on bank borrowing for the purpose of acquiring the assets of Singapore Flyer, as well as the interest on reinstatement cost.
5. Foreign exchange gains/ losses arise mainly due to the movement of Renminbi against Singapore Dollars.
6. Government grant in current year includes amount received or recognized under the Singapore government's job support scheme, cash grants under the rental relief framework, property tax rebates and foreign worker levy rebate.

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
	31-12-2020	31-12-2019	31-12-2020	31-12-2019
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Property, plant and equipment	174,295	175,676	1,908	1,968
Investment property	20,670	24,059	-	-
Investments in subsidiaries	-	-	76,071	76,071
Loans and advances to subsidiaries	-	-	26,750	26,750
Intangible assets	1,489	1,494	-	-
	196,454	201,229	104,729	104,789
Current assets				
Inventories	2,205	2,252	-	-
Trade and other receivables	3,893	4,380	49	53
Loans and receivables from subsidiaries	-	-	417	416
Other current assets	987	766	28	28
Fixed deposits pledged	1,000	1,000	-	-
Cash and cash equivalents	177,671	199,452	44,379	49,185
	185,756	207,850	44,873	49,682
Total assets	382,210	409,079	149,602	154,471
Equity attributable to owners of the Company				
Share capital	76,985	76,985	76,985	76,985
Reserves	14,828	11,069	1,074	4,483
Retained earnings	177,722	200,370	70,456	71,533
	269,535	288,424	148,515	153,001
Non-controlling interests	11,469	12,013	-	-
Total equity	281,004	300,437	148,515	153,001
Non-current liabilities				
Borrowings	2,900	13,900	-	-
Lease liabilities	42,434	43,092	-	-
Deferred income	162	150	-	-
Deferred tax liabilities	19,499	22,299	-	-
Provision for reinstatement cost	5,948	5,826	-	-
	70,943	85,267	-	-
Current liabilities				
Trade and other payables	7,818	8,866	407	823
Amounts due to subsidiaries	-	-	509	494
Current tax liabilities	993	1,493	171	153
Lease liabilities	1,452	1,016	-	-
Current borrowings	20,000	12,000	-	-
	30,263	23,375	1,087	1,470
Total liabilities	101,206	108,642	1,087	1,470
Total equity and liabilities	382,210	409,079	149,602	154,471

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

	As at 31-12-2020		As at 31-12-2019	
	<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
	S\$'000	S\$'000	S\$'000	S\$'000
Amount payable in one year or less, or on demand	20,000	-	12,000	-
Amount payable after one year	-	2,900	11,000	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				
	2H ended 31-12-2020	2H ended 31-12-2019	Full Year ended 31-12-2020	Full Year ended 31-12-2019
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Profit/ (loss) before income tax	6,854	30,795	(870)	56,540
Adjustments for:				
Depreciation and amortisation expenses	5,193	5,112	10,258	10,652
Equity-settled share-based payment transactions	203	217	471	513
Loss on disposal of property, plant and equipment	50	11	80	32
Government grant utilised	(68)	(39)	(110)	(72)
Impairment loss on investment property	2,600	-	2,600	-
Interest income	(2,254)	(2,622)	(4,658)	(5,311)
Interest expense	1,022	1,554	2,040	2,571
Exchange (gains)/ losses	(1,186)	1,003	(2,515)	926
Operating profit before working capital changes	12,414	36,031	7,296	65,851
Changes in working capital:				
Trade and other receivables	(215)	2,461	(783)	1,884
Inventories	90	(161)	103	(90)
Trade and other payables	1,141	(659)	(1,959)	(1,421)
Cash generated from operating activities	13,430	37,672	4,657	66,224
Income taxes paid	(2,619)	(11,571)	(4,160)	(16,057)
Net cash from operating activities	10,811	26,101	497	50,167
Cash flows from investing activities				
Purchase of property, plant and equipment	(2,225)	(3,762)	(5,572)	(5,646)
Payment for intangible assets	-	(80)	-	(80)
Government grant received	115	39	115	39
Proceeds from disposal of property, plant and equipment	1	-	1	1
Interest received	4,629	2,487	5,894	4,507
Net cash from/ (used in) investing activities	2,520	(1,316)	438	(1,179)
Cash flows from financing activities				
Dividend paid to owners of company	(21,554)	-	(21,554)	(30,244)
Dividend paid to non-controlling interests	-	(1,797)	(110)	(1,899)
Repurchase of own shares	(3,517)	(981)	(3,880)	(981)
Proceeds from exercise of share options	-	-	-	2,050
Repayment of borrowings	-	(6,000)	(3,000)	(12,000)
Repayment of lease liability	(548)	(229)	(879)	(994)
Interest paid on lease liabilities	(525)	(1,034)	(1,284)	(1,543)
Interest paid on borrowings	(145)	(402)	(413)	(925)
Net cash used in financing activities	(26,289)	(10,443)	(31,120)	(46,536)
Net (decrease)/ increase in cash and cash equivalents	(12,958)	14,342	(30,185)	2,452
Cash and cash equivalents at beginning of the period	186,067	188,434	199,452	201,695
Effects of exchange rate fluctuations	4,562	(3,324)	8,404	(4,695)
Cash and cash equivalents at end of the period	177,671	199,452	177,671	199,452

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

(a) Group

(i)

	Share capital	Treasury shares	Capital reserve	Share option reserve	General reserve	Foreign currency translation reserve	Retained earnings	Total attributable to owners of the Company	Non-controlling Interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2020	76,985	(3,627)	(1,228)	9,338	16,520	(9,934)	200,370	288,424	12,013	300,437
Changes in equity for the period:										
Purchase of own shares	-	(363)	-	-	-	-	-	(363)	-	(363)
Share-based payment transactions	-	-	-	268	-	-	-	268	-	268
Transfer to general reserve fund	-	-	-	-	118	-	(118)	-	-	-
Dividend payable of 2.50 cents per share	-	-	-	-	-	-	(21,554)	(21,554)	-	(21,554)
Dividend to non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	-	(113)	(113)
Total comprehensive income/ (loss) for the period	-	-	-	-	-	2,994	(6,650)	(3,656)	(612)	(4,268)
At 30 June 2020	76,985	(3,990)	(1,228)	9,606	16,638	(6,940)	172,048	263,119	11,288	274,407
Changes in equity for the period:										
Purchase of own shares	-	(3,517)	-	-	-	-	-	(3,517)	-	(3,517)
Share-based payment transactions	-	-	-	203	-	-	-	203	-	203
Total comprehensive income/ (loss) for the period	-	-	-	-	-	4,056	5,674	9,730	181	9,911
At 31 December 2020	76,985	(7,507)	(1,228)	9,809	16,638	(2,884)	177,722	269,535	11,469	281,004

(ii)

	Share capital	Treasury shares	Capital reserve	Share option reserve	General reserve	Foreign currency translation reserve	Retained earnings	Total attributable to owners of the Company	Non-controlling Interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2019	76,985	(4,547)	(1,377)	8,825	16,412	(5,486)	192,632	283,444	11,856	295,300
Changes in equity for the period:										
Share-based payment transactions	-	-	-	296	-	-	-	296	-	296
Treasury shares reissued	-	1,901	149	-	-	-	-	2,050	-	2,050
Transfer to general reserve fund	-	-	-	-	108	-	(108)	-	-	-
Dividend paid of 3.50 cents per share	-	-	-	-	-	-	(30,244)	(30,244)	-	(30,244)
Dividend to non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	-	(102)	(102)
Total comprehensive income/ (loss) for the period	-	-	-	-	-	(1,662)	17,512	15,850	999	16,849
At 30 June 2019	76,985	(2,646)	(1,228)	9,121	16,520	(7,148)	179,792	271,396	12,753	284,149
Changes in equity for the period:										
Purchase of own shares	-	(981)	-	-	-	-	-	(981)	-	(981)
Share-based payment transactions	-	-	-	217	-	-	-	217	-	217
Dividend to non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	-	(1,822)	(1,822)
Total comprehensive income/ (loss) for the period	-	-	-	-	-	(2,786)	20,578	17,792	1,082	18,874
At 31 December 2019	76,985	(3,627)	(1,228)	9,338	16,520	(9,934)	200,370	288,424	12,013	300,437

(b) Company

(i)

	Share capital	Treasury shares	Capital reserve	Share option reserve	Retained earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2020	76,985	(3,627)	(1,228)	9,338	71,533	153,001
Purchase of own shares	-	(363)	-	-	-	(363)
Share-based payment transactions	-	-	-	268	-	268
Dividend payable of 2.50 cents per share	-	-	-	-	(21,554)	(21,554)
Total comprehensive income/ (loss) for the period	-	-	-	-	11,416	11,416
At 30 June 2020	76,985	(3,990)	(1,228)	9,606	61,395	142,768
Purchase of own shares	-	(3,517)	-	-	-	(3,517)
Share-based payment transactions	-	-	-	203	-	203
Total comprehensive income/ (loss) for the period	-	-	-	-	9,061	9,061
As at 31 December 2020	76,985	(7,507)	(1,228)	9,809	70,456	148,515

(ii)

	Share capital	Treasury shares	Capital reserve	Share option reserve	Retained earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2019	76,985	(4,547)	(1,377)	8,825	70,039	149,925
Share-based payment transactions	-	-	-	296	-	296
Treasury shares re-issued	-	1,901	149	-	-	2,050
Dividend paid of 3.50 cents per share	-	-	-	-	(30,244)	(30,244)
Total comprehensive income/ (loss) for the period	-	-	-	-	1,034	1,034
At 30 June 2019	76,985	(2,646)	(1,228)	9,121	40,829	123,061
Purchase of own shares	-	(981)	-	-	-	(981)
Share-based payment transactions	-	-	-	217	-	217
Total comprehensive income/ (loss) for the period	-	-	-	-	30,704	30,704
As at 31 December 2019	76,985	(3,627)	(1,228)	9,338	71,533	153,001

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 7,043,900 shares by way of on-market purchases for a total consideration of \$3.52 million (including transaction costs) in 2H2020. 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 2020 comprised 855,095,680 (31 December 2019: 862,679,580) ordinary shares and 13,833,900 (31 December 2019: 6,250,000) treasury shares

No share options were exercised in 2H2020. As at 31 December 2020, options to subscribe for 26,606,000 (31 December 2019: 25,690,000) 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 31-12-2020	As at 31-12-2019
Total number of issued shares	868,929,580	868,929,580
Less: Treasury shares	(13,833,900)	(6,250,000)
Total number of issued shares excluding treasury shares	855,095,680	862,679,580

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

Treasury shares	No. of shares	S\$'000
Balance as at 30-06-2020	6,790,000	3,990
No. of shares purchased	7,043,900	3,517
Balance as at 31-12-2020	13,833,900	7,507

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 accounting policies and methods of computation in the preparation of the financial statements for the current reporting period are consistent with those of the audited financial statements for the financial year ended 31 December 2019.

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 to the amendments and interpretations of the Singapore Financial Reporting Standards (International) ("SFRS(I)") effective from 1 January 2020 and it is not expected to have any significant impact to 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/(losses) per share	2H ended		Full Year ended	
	31-12-2020	31-12-2019	31-12-2020	31-12-2019
(a) Based on the number of ordinary shares in issue (cents)	0.66	2.38	(0.11)	4.41
(b) On fully diluted basis (cents)	0.66	2.38	(0.11)	4.41

The calculations of basic earnings/ losses per share for 2H and full year ended 31 December 2020 are based on the net profits/ losses attributable to shareholders for the 2H and full year ended 31 December 2020 divided by the weighted average number of ordinary shares outstanding of 859,825,439 and 860,985,968 respectively.

The calculations of basic earnings per share for 2H and full year ended 31 December 2019 are based on the net profits attributable to shareholders for the 2H and full year ended 31 December 2019 divided by the weighted average number of ordinary shares outstanding of 863,861,384 and 863,054,436 respectively.

The calculations of diluted earnings/ losses per share for 2H and full year ended 31 December 2020 are based on the net profits/ losses attributable to shareholders for the 2H ended 31 December 2020 divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 860,116,104 and 861,291,004 respectively.

The calculations of diluted earnings per share for 2H and full year ended 31 December 2019 are based on the net profits attributable to shareholders for the 2H ended 31 December 2019 divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 864,291,249 and 863,936,132 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	
	31-12-2020	31-12-2019	31-12-2020	31-12-2019
Net asset value per ordinary share (cents) based on number of issued shares excluding treasury shares at the end of:	31.52	33.43	17.37	17.74

Net asset value per ordinary share was calculated based on 855,095,680 ordinary shares issued (excluding treasury shares) as at 31 December 2020 and 862,679,580 ordinary shares issued (excluding treasury shares) as at 31 December 2019.

- 8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Revenue

In the second half of FY2020, the Group generated sales of \$23.33 million, 59.7% lower than the corresponding period in 2H2019, as the global COVID-19 pandemic continue to impact negatively on our Group with our three China attractions operating at reduced capacity limit and precautionary measures in place while Singapore Flyer is still adversely affected by the lack of international tourists.

Overall visitation to all our attractions was approximately 1.01 million visitors for 2H2020, about 60% lower than the corresponding period in 2H2019.

Cumulatively, overall revenue for the full year of FY2020 amounted to \$29.56 million, 72.8% lower than FY2019.

Other income for 2H2020 increased 93% over corresponding period, mainly due to the amounts received under the Singapore government's job support and wage credit schemes amounting to \$1.18 million; reclassification of property tax rebates previously offset against property tax expense in 1H2020 and property tax rebates for 2H2020, total of \$1.46 million; cash grant received under the rental relief framework \$0.93 million; VAT waiver by Chinese authority for ticket revenue of about \$0.39 million, offset by lower interest income and net rental income from sales counters.

Operational Results

Total Expenses (excluding finance cost) for 2H2020 was 22.69 million, a decrease of 22.4% from 2H2019. Exchange gain of \$1.18 million was recorded in this period, as Renminbi

currency strengthened against the Singapore dollar in the current period compared to last year-end exchange rate. The prevailing travel restrictions due to the global pandemic, daily capacity limit and precautionary measures in place at our Attractions, as well as fewer operating days and shorter operating hours at Singapore Flyer resulted in lower visitor numbers and therefore expenses such as cost of sales of retail and F&B, sales and marketing expenses, utilities expenses, repair and maintenance, and other expenses were lower than corresponding period. Impairment loss of \$2.6 million was recognized in 2H2020 for the investment property at Straco Leisure Pte Ltd, as the fair value derived from the desktop valuation done was lower than carrying amount. Rental expense decreased, mainly due to the much lower variable land rental payable at Shanghai Ocean Aquarium as revenue was about half of 2H2019. Property tax for 2H2020 increased, mainly due to property tax rebate, previously offset against property tax expense in 1H2020 were reclassified to other income. Staff cost decreased 31.4%, as salary reduction in the form of pay cuts, wage freeze and headcount freeze were implemented across all companies in the Group and no performance bonus was accrued this year.

Profit before tax was \$6.85 million for 2H2020, compared to a profit before tax of \$30.80 million recorded in 2H2019. Taking away the exchange gains recorded and the one-off impairment provision, profit before tax for 2H2020 would have been approximately \$8.28 million.

Balance Sheet items

Investment property decreased 14.1% from \$24.06 million at 31 December 2019 to \$20.67 million at 31 December 2020, due to the impairment loss recognized on the investment property at Straco Leisure Pte Ltd which operates the Singapore Flyer.

Trade and other receivables decreased 11.1% from \$4.38 million at 31 December 2019 to \$3.89 million at 31 December 2020, mainly to the decrease in other receivables arising from the decrease in fixed deposits interest receivable upon maturity of fixed deposits in the current year, offset by grant receivable under the Singapore government's job support scheme recognized in the current period.

Other current assets increased 28.9% from \$0.77 million at 31 December 2019 to \$0.99 million at 31 December 2020, mainly due to increase in prepayments at Singapore Flyer arising from the down payments to the offshore supplier for spoke cable amounting to \$0.28 million and that there was no prepayment of Industrial All Risk insurance premiums in end 2019 as the renewal premium was paid in 2020.

Reserves increased 34% from \$11.07 million at 31 December 2019 to \$14.83 million at 31 December 2020, mainly due to the translation gain of \$7.05 million arising from the stronger RMB currency against SGD at the end of the year compared to the end of last year; as well as the increase in share option reserves of \$0.47 million during the period arising from share options granted in 2019 and 2020, and increase general reserve of \$0.12 million arising from the reserve set aside by Lixing Cable Car prior to the distribution of retained profit as dividend during the year; offset by increase in treasury shares of \$3.88 million arising from the share buyback during the year.

Deferred tax liabilities decreased 12.6% from \$22.30 million at 31 December 2019 to \$19.50 million at 31 December 2020, mainly attributable to the deferred tax asset recognized on the current year tax losses of Straco Leisure being net off against deferred tax liabilities, as well as lower deferred tax recognized on the current year distributable profit of our China subsidiaries which are subject to 5% withholding tax due to the lower profits generated this year.

Trade and other payables decreased 11.8% from \$8.87 million at 31 December 2019 to \$7.82 million at 31 December 2020, mainly due to increase in trade payables at Singapore Flyer arising from the top up of refundable deposits by an online travel agency in view of the issuance

of the SingapoRediscover vouchers; offset by decrease in other payables and accruals as the performance bonus accrued in 2019 were reversed or paid out in year and no performance bonus were accrued at HQ in 2020.

Current tax liabilities decreased 33.5% from \$1.49 million at 31 December 2019 to \$0.99 million at 31 December 2020, mainly due to lower income taxes of China subsidiaries for the last quarter this year as lower profits were generated.

Cash flow Statement

The Group reported net cash of \$10.81 million from operating activities for 2H2020, compared to \$26.10 million cash generated in 2H2019. No repayment of borrowings was made in 2H2020 as the Group has been granted the deferment of the monthly loan principal repayment by DBS on the Singapore Flyer from April 2020 till end of the year. Final dividend in respect of FY2019 amounting to \$21.55 million was paid out in 2H2020, as the AGM for FY2019 was deferred due to Covid-19 and therefore the dividend which was usually paid in May was delayed and paid on in July 2020. The Company also used \$3.52 million to purchase its own shares in 2H2020. As at 31 December 2020, the Group's cash and cash equivalent balance amounted to \$177.67 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's financial results for FY2020 are in line with the business updates announced by the Company dated 21 May 2020 and 13 November 2020, and the profit guidance announcement dated 11 February 2021.

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 2.3% for the full year in 2020, the lowest in four decades. Nevertheless, it is the only major economy in the world that avoided a contraction amid the Covid-19 pandemic. With strict virus containment measures and policy stimulus, the Chinese economy has recovered steadily from a steep 6.8% slump in the first quarter of 2020 when large-scale shutdowns and quarantine were implemented to contain the coronavirus outbreak, and reported year-on-year growths of 3.2%, 4.9%, and 6.5% in the subsequent quarters of 2020. Despite the resurgence of Covid-19 cases during the winter season, with many parts of the economy now stabilized and the vaccine roll-out underway, the Chinese government is cautiously optimistic about the country's full recovery.

Singapore's full year gross domestic product contracted by 5.8% in 2020 amid the disruption to economic activities caused by the Covid-19 pandemic, according to advanced estimates from the Ministry of Trade and Industry. On the tourism sector, visitor arrivals to Singapore fell by 85.7% in 2020 to 2.7 million visitors, due to the unprecedented global travel restrictions and border closures. Nevertheless, the Singapore Tourism Board ("STB") remains confident in the long-term prospects of Singapore's tourism sector. While mass international travel is unlikely to resume in a major way in 2021, STB will work closely with industry partners in preparing for recovery and building a better and more sustainable future for tourism.

As the global Covid-19 situation remains uncertain, the Group will continue to monitor and assess the impact on its operations.

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 as follows:

Name of Dividend	First & Final (One-tier)
Dividend Type	Cash
Dividend Amount per Share (in cents)	1.00 cent per ordinary share
Tax Rate	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 2020 and 2019.

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	
	FY2020	FY2019	FY2020	FY2019	FY2020	FY2019	FY2020	FY2019
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
External revenue	24,027	68,711	3,434	34,869	2,096	5,255	29,557	108,835
Interest revenue	3,513	3,842	84	399	66	70	3,663	4,311
Interest expense	409	418	1,631	2,153	-	5	2,040	2,576
Depreciation and amortisation	4,001	3,900	5,842	6,339	346	347	10,189	10,586
Impairment of investment property	-	-	2,600	-	-	-	2,600	-
Reportable segment profit/ (loss) before income tax	10,684	47,717	(13,175)	8,295	482	3,035	(2,009)	59,047
Reportable segment assets	160,509	164,681	166,516	182,352	10,612	12,123	337,637	359,156
Capital expenditure	1,755	1,392	4,078	3,346	433	893	6,266	5,631
Reportable segment liabilities	16,723	26,762	108,661	114,002	4,826	4,678	130,210	145,442

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

	FY2020	FY2019
	S\$'000	S\$'000
Profit or loss		
Total profit for reportable segments	(2,009)	59,047
Unallocated amounts:		
- Head office and corporate expenses	(3,445)	(5,971)
- Head office and corporate income	3,484	1,071
- Elimination on consolidation	1,100	2,393
Consolidated profit before income tax	(870)	56,540
Assets		
Total assets for reportable segments	337,637	359,156
Unallocated head office and corporate assets:		
- Property, plant and equipment	1,921	1,977
- Right-of-use assets	1	5
- Loan and advances to subsidiaries	26,750	26,750
- Other amounts due from subsidiaries	9,722	18,464
- Cash and short-term bank deposits	46,065	51,162
- Others	93	93
Elimination on consolidation	(39,979)	(48,528)
Consolidated total assets	382,210	409,079
Liabilities		
Total liabilities for reportable segments	130,210	145,442
Unallocated head office and corporate liabilities:		
- Other payables and accruals	624	1,478
- Amounts due to subsidiaries	5,555	5,328
- Lease liabilities	1	5
- Deferred tax liabilities	4,620	4,740
- Current tax liabilities	175	177
Elimination on consolidation	(39,979)	(48,528)
Consolidated total liabilities	101,206	108,642

Other material items	Reportable segment totals	Unallocated corporate amounts	Consolidation eliminations	Consolidation totals
	S\$'000	S\$'000	S\$'000	S\$'000
FY2020				
Interest revenue	(3,663)	(1,090)	95	(4,658)
Interest expense	2,040	-	-	2,040
Capital expenditure	6,266	10	-	6,276
Depreciation and amortisation	10,189	69	-	10,258
Impairment of investment property	2,600	-	-	2,600
FY2019				
Interest revenue	(4,311)	(1,072)	72	(5,311)
Interest expense	2,576	-	(5)	2,571
Capital expenditure	5,631	15	-	5,646
Depreciation and amortisation	10,586	66	-	10,652

Geographical information	Revenue	Non-current assets
	S\$'000	S\$'000
2020		
Singapore	3,434	157,565
China	26,123	38,889
	29,557	196,454
2019		
Singapore	34,869	161,998
China	73,966	39,231
	108,835	201,229

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.**

		2020	2019	Increase/
		S\$'000	S\$'000	(Decrease)
		(Actual)	(Actual)	%
(a)	Sales reported for first half year	6,226	51,007	(87.8)
(b)	Operating profit after tax before deducting minority interests reported for first half year	(7,374)	18,573	(139.7)
(c)	Sales reported for second half year	23,331	57,828	(59.7)
(d)	Operating profit after tax before deducting minority interests reported for second half year	5,702	21,755	(73.8)

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

	Latest Full Year (S\$'000)	Previous Full Year (S\$'000)
Ordinary	8,551	21,554
Preference	-	-
Total	8,551	21,554

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.

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Wu Xiuyi	40	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	39	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
27 February 2021