Annual Report 2024

STRACO
星雅集团

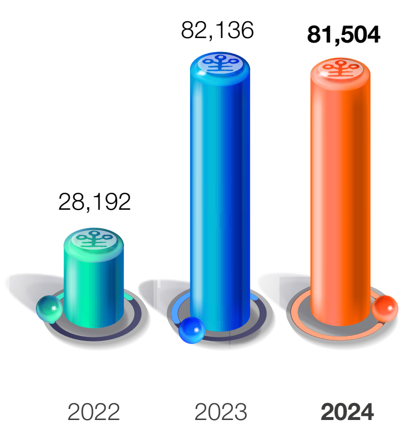
Contents

Financial Highlights

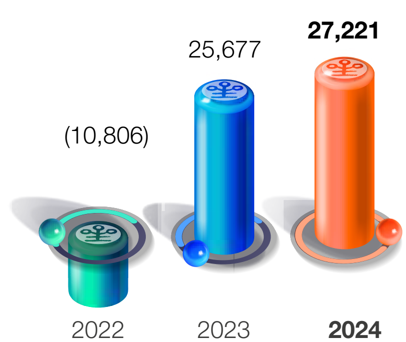
Year ended 31 December

	2024	2023	*2024 vs 2023 Change %*
INCOME STATEMENT (S$'000)			
Revenue	**81,504**	82,136	*(0.8)*
Profit before tax	**36,219**	34,617	*4.6*
Attributable net profit	**27,221**	25,677	*6.0*
STATEMENT OF FINANCIAL POSITION (S$'000)			
Shareholders' equity	**273,590**	262,854	*4.1*
Total assets	**360,913**	350,787	*2.9*
Total cash	**188,165**	170,924	*10.1*
Total borrowings	**6,038**	7,046	*(14.3)*
FINANCIAL RATIO (%)			
Return on average shareholders' equity:			
- Profit before tax	**13.50**	13.50	-
- Attributable net profit	**10.15**	10.02	*1.3*
PER SHARE DATA (CENTS)			
Attributable net profit	**3.18**	3.00	*6.0*
Net assets	**31.98**	30.73	*4.1*

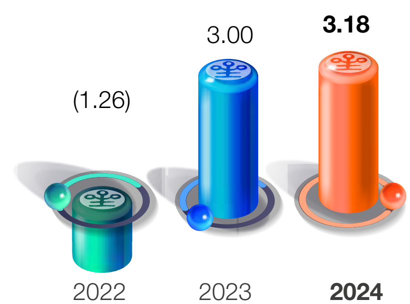
Revenue (S$'000)



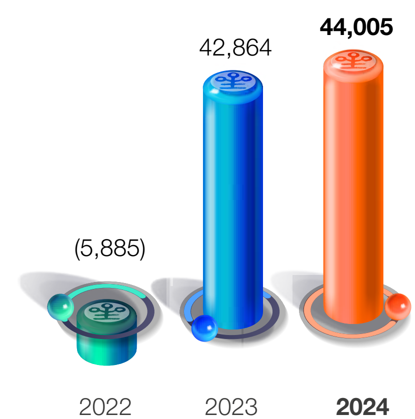
Net profit/ (loss) (S$'000)



EPS (cents)



EBITDA* (S$'000)



** EBITDA= Earnings before interest, taxes, depreciation, amortisation and impairment loss*


上海海洋水族馆
SHANGHAI OCEAN AQUARIUM

Chairman's Statement

AN UNEVEN PATH OF RECOVERY FOR THE TOURISM INDUSTRY

2024 marked the second year of post-COVID operations for the tourism industry. The path to recovery has however, not been even as we witnessed continued headwinds in generating revenue. While most border controls had been eased and tourism-friendly policies such as visa free travel were implemented, the continual weakness in the economy had affected consumer confidence and resulted in reduced spending.

Nonetheless, I am pleased to report that Straco Group on the whole, has been able to scale up operational capabilities to meet the return of visitors to its attractions, post pandemic. It has been business as usual for the year under review. While consumer confidence continued to be affected by geopolitical issues and the less than buoyant domestic economy in China, we maintain our cautious optimism that the tourism industry and its peripheral activities are on a sustainable uptrend in the two markets that the Company operates.

2024 also marked the cessation of the COVID-19 related job support scheme and related financial support provided by Singapore Government to businesses. Taking that into context, the Company has demonstrated its ability to generate quality earnings from its operations. This is a testament to our resilience, grounded in the Group's solid financial foundation, operational framework and the continued efforts of our team.

For the year ended 31 December 2024, the Group registered net profit of S$27.22 million. Excluding one-off items, cumulative net profit from operations would have been approximately S$23.76 million.

Our financials remain strong with a net cash holding of S$181.01 million as at the end of 2024. We will continue to deploy this cash for our regular asset enhancements, and will remain open to any collaborations or M&A opportunities.

Taking cognizance of the tourism recovery in both Singapore and China in 2024, as well as our healthy financial position, we propose a first and final dividend of 1.50 cent per share, and a special dividend of 0.50 cent per share, representing a payout ratio of 63%. This is in appreciation of the continued support from our shareholders and various stakeholders.

POSITIVE OUTLOOK FOR THE YEAR AHEAD

It has been reported that China is targeting a GDP growth of around 5% for 2025. With China's gradual shift towards a consumption-driven economy, it will augur well for the tourism industry. Stimulus support and initiatives coupled with structural reforms will provide the stabilisation needed for certain industries that had been in the doldrums in recent years and by extension, improve consumer confidence.

Based on a report by Singapore Tourism Board, international visitor arrivals to Singapore is projected to reach between 17.0 to 18.5 million in 2025, a growth estimate of between 3% -12% over that of 2024. As a family-friendly iconic attraction, Singapore Flyer continues to appeal to visitor arrivals from major market such as Mainland China, Indonesia and India.

APPRECIATION

I would like to express my sincere gratitude to our colleagues, directors and business partners for their unwavering support in the past year.

- Our staff and managers at our subsidiaries for their dedication to their jobs, often going an extra mile to create positive and pleasant experiences for both our domestic and international visitors.
- Our various other stakeholders, business associates and professional consultants who have helped us.
- My fellow directors on the Board and all directors of our group companies for their valuable counsel and contributions. I would also like to place on record my sincere thanks to the board member that will be stepping down at the coming Annual General Meeting, as part of the Board renewal programme.
- Our shareholders for their trust and understanding, and their continued support.

Looking back, the last 5 years, including the 3 years of the COVID-19 pandemic, has been a sobering experience. Valuable lessons were learned during this challenging time, and we have emerged stronger while maintaining a steadfast focus on our core business. We are prepared to harness future opportunities to enhance our technological capabilities and scale our operations.

WU HSIOH KWANG
Executive Chairman

Corporate Information

BOARD OF DIRECTORS

Mr. Wu Hsioh Kwang (Executive Chairman)
Mr. Li Weiqiang
Mdm. Chua Soh Har
Mr. Hee Theng Fong (Lead Independent Director)
Mr. Teo Ser Luck
Ms. Tan Khiaw Ngoh (Appointed on 2 May 2024)
Mr. Tan Kang Uei, Anthony (Appointed on 2 May 2024)
Ms. Wu Xiuyi (Alternate Director to Mr. Wu Hsioh Kwang)
Mr. Sean Wu Xiuzhuan (Alternate Director to Mdm. Chua Soh Har)

AUDIT & RISK COMMITTEE

Mr. Teo Ser Luck (Chairman)
Mr. Hee Theng Fong
Ms. Tan Khiaw Ngoh

REMUNERATION COMMITTEE

Mr. Teo Ser Luck (Chairman)
Mr. Tan Kang Uei, Anthony
Mdm. Chua Soh Har

NOMINATING COMMITTEE

Mr. Hee Theng Fong (Chairman)
Mr. Tan Kang Uei, Anthony
Mr. Wu Hsioh Kwang

REGISTERED OFFICE

10 Anson Road #30-15
International Plaza
Singapore 079903
Tel: 65 6223 3082
Fax: 65 6223 3736

COMPANY SECRETARY

Mdm. Lotus Isabella Lim Mei Hua

SHARE REGISTRARS AND TRANSFER OFFICE

Tricor Barbinder Share Registration Services
9 Raffles Place, #26-01 Republic Plaza
Singapore 048619
Tel: 65 6236 3333
Fax: 65 6236 3405

PRINCIPAL BANKERS

Bank of Shanghai
China Construction Bank
DBS Bank Limited
Industrial and Commercial Bank of China Limited
United Overseas Bank Limited

AUDITOR

PricewaterhouseCoopers LLP
7 Straits View, Marina One,
East Tower, Level 12
Singapore 018936

Partner-in-charge:
Mr. Lee Kok Hooi (since 27 April 2021)

INTERNAL AUDITOR

Ernst & Young Advisory Pte Ltd

SENIOR MANAGEMENT

Mr. Wu Hsioh Kwang
Executive Chairman

Mr. Amos Ng Chiau Meng
Chief Financial Officer

Mr. Wang Liang
Senior Vice President (Operations, China)

Mdm. April Ng Kim
Senior Vice President

Ms. Wu Xiuyi
Senior Vice President

Mr. Sean Wu Xiuzhuan
Senior Vice President
(Corporate Development & Risk Management)

Board of Directors

MR. WU HSIOH KWANG
Executive Chairman / Executive Director

Mr. Wu Hsioh Kwang is the founder of Straco Corporation Limited and has been instrumental in driving the Group's growth since its inception. Mr. Wu was appointed as Executive Chairman of the Company in March 2003, to lead the Group in its strategic vision and overall management. As Chairman of the Board, Mr. Wu provides valuable business insight and guidance to the Board in developing growth strategies for the Group's businesses. Mr. Wu's other appointments include, Senior Honorary Council Member of Singapore Chinese Chamber of Commerce and Industry and Deputy Chairman of Singapore Chinese Orchestra. He is also Director of Confucius Institute and Board Member of Sun Yat Sen Nanyang Memorial Hall. In 2015, Mr. Wu was awarded the White Magnolia Award in Shanghai for his contributions to the Municipal City of Shanghai. In 2016, he received the Public Service Medal at the Singapore National Day Awards, and in the same year, he was awarded the Nanyang Distinguished Alumni Award by Nanyang Technological University (Singapore). Mr. Wu holds a Bachelor of Commerce degree from the former Nanyang University (Singapore).

MR. HEE THENG FONG
Lead Independent Director

Mr. Hee Theng Fong was appointed as an Independent Director in April 2016. He is a senior lawyer in Singapore with over 40 years of experience. Mr. Hee has handled more than two hundred cases in civil litigation and international arbitration as lead counsel, presiding arbitrator, co-arbitrator and sole arbitrator. He is now a full-time independent arbitrator and mediator. He is on the panel of arbitrators of SIAC, CIETAC, BAC/BIAC, SHIAC, HKIAC, HIAC and AIAC. Mr. Hee is also a specialist Mediator (China) and Ambassador of Singapore International Mediation Centre.

Mr. Hee also serves as a director of several listed companies. He has been regularly invited to speak on directors' duties and corporate governance.

Mr. Hee also serves as the Deputy Chairman of Singapore Medishield Life Council and a board member of the Singapore Traditional Chinese Medicine Practitioners Board. He is a member of Advisory Committee for the China Ready Programme under the Ministry of Law and a committee member of ACRA's Complaints and Disciplinary Panel. He is also a member of the Singapore-China Joint Experts Team jointly formed by the Ministry of Law and the China Council for the Promotion of the International Trade. Mr. Hee has been appointed as a Justice of Peace (JP) since 2018.

MR. TEO SER LUCK
Independent Director

Mr. Teo Ser Luck was appointed as an Independent Director in July 2019. He is currently the Independent Non-Executive Chairman of BRC Asia Limited, Deputy Chairman of Serial System Limited, Lead Independent Director of China Aviation Oil (Singapore) Corporation Limited, and Independent Director of Yanlord Land Group Limited and Super Hi International Holding Limited.

Mr. Teo is an entrepreneur and investor with business ventures in various sectors, mainly technology related in the areas of e-commerce, finance, education, food, hardware, general commodities, sports and fitness, event management and consumer brand and franchise. He is the founding investor of a listed software company.

He was Adviser to the Institute of Chartered Accountants of Singapore ("ISCA") from 2009 to March 2022 and is currently the President of ISCA. He is also Advisor to the Singapore Fintech Association.

Mr. Teo was a Member of the Parliament ("MP") of Singapore representing the Pasir Ris-Punggol Group Representation Constituency from May 2006 to July 2020. In his 11 years of full-time political office holder till July 2017, he had served as Minister of State for Trade and Industry, Minister of State for Manpower, Mayor of the North East District of Singapore and coordinating Chairman of Mayors Committee. He was also the Senior Parliamentary Secretary in the Ministry of Community Development, Youth and Sports, and Ministry of Transport. Mr. Teo holds a Bachelor of Accountancy Degree from the Nanyang Technological University, Singapore.

MS. TAN KHIAW NGOH
Independent Director

Ms. Tan Khiaw Ngoh was appointed as an Independent Director in May 2024. She is currently an Independent Director of Singapore Land Group Limited and Khong Guan Limited.

Ms. Tan worked in the audit profession for more than 35 years and was an audit partner with PricewaterhouseCoopers from 1994 until her retirement in June 2017.

Ms. Tan has been actively involved in charity work since the late 1990s. She is currently a Board member of Singapore Children Society and serves as Chairman of its Audit & Risk Committee and its Social Work Services Standing Committee. She is also a director of Ang Mo Kio - Thye Hwa Kuan Hospital and member of Medifund Committee of Khoo Teck Puat Hospital. She received the Public Service Medal (PBM) award from the Government of Singapore in August 2022.

Ms. Tan holds a Bachelor of Commerce (Accountancy) degree from the former Nanyang University (Singapore). She is a Justice of Peace and a Fellow Member of the Institute of Singapore Chartered Accountants (FCA).

MR. TAN KANG UEI, ANTHONY
Independent Director

Mr. Tan Kang Uei, Anthony was appointed as an Independent Director in May 2024. He is currently the Chief Executive Officer ("CEO") of MOH Holdings, the holding company of Singapore's public healthcare entities. He is also the Independent Non-Executive Director of Super Hi International Holding Limited, listed on the Hong Kong Stock Exchange. Prior to joining MOH Holdings, Mr. Tan was the Deputy CEO of Singapore Press Holdings Limited and was responsible for overseeing the group's media business.

Mr. Tan had extensive experience across the public sector spanning more than 15 years in the earlier part of his career. He had served in leadership positions in various organisations including the Ministry of Health, Finance, Home Affairs, Manpower as well as the People's Association. He was Deputy Secretary (Policy), Ministry of Health and concurrently Principal Private Secretary/ Special Assistant to the late Mr. Lee Kuan Yew from 2011 to 2014.

Mr. Tan is also active in the local business community. He sits on the Standing Committee of the Singapore Chinese Chamber of Commerce & Industry and is also a Board Member of Business China. He was awarded the Public Service Medal (PBM) by the Government of Singapore in 2021.

Mr. Tan graduated from the National University of Singapore in 1997 with an Honours Degree in Political Science. He also has a Master of Science (Management) degree from the Stanford Business School. He completed his Advanced Management Program at Harvard Business School in June 2021. He is a Fellow under the Lien Ying Chow Legacy Fellowship, which supports leaders in Singapore and China to address the cultural, business and communal needs of the two countries.

MDM. CHUA SOH HAR
Non-Executive Director

Mdm. Chua Soh Har, spouse of Mr. Wu Hsioh Kwang, was appointed as a Non-Executive Director in June 2010. Mdm. Chua played an instrumental role in the establishment of Straco Corporation Limited. Together with Mr. Wu, Mdm. Chua was a founding member of the Group's China businesses. Mdm. Chua is a director of non-listed Straco Holding Pte Ltd, the substantial shareholder of Straco Corporation Limited. With more than 30 years of experience in business management, international trading and investment, she has provided much guidance and advice for new opportunities that are relevant to the Group's businesses. Mdm. Chua holds a Bachelor of Commerce degree from the former Nanyang University (Singapore).

MR. LI WEIQIANG
Non-Executive Director

Mr. Li Weiqiang was appointed as a Non-Executive Director in October 2012. He is currently Executive Vice President of Poly Culture Group Corporation Ltd. In his previous role as director of Enterprise Development Department of China Poly Group Corporation, he was responsible for the Group's strategic planning, development of annual plan, day-to-day management and investment project management, etc. Mr. Li has vast experience in the areas of strategic planning, business management, and investment management. He holds a PhD Degree in Management from University of International Business and Economics, Beijing.

Management and Operational Team

MR. WU HSIOH KWANG

Executive Chairman
Chief Executive Officer

Mr. Wu Hsioh Kwang is the founder of Straco Corporation Limited and has been instrumental in driving the group's growth since its inception. Mr. Wu was appointed as Executive Chairman of the Company in March 2003, to lead the Group in its strategic vision and overall management. As Chairman of the Board, Mr. Wu provides valuable business insight and guidance to the Board in developing growth strategies for the Group's businesses. Mr. Wu's other appointments include, Senior Honorary Council Member of Singapore Chinese Chamber of Commerce and Industry and Deputy Chairman of Singapore Chinese Orchestra. He is also Director of Confucius Institute and Board Member of Sun Yat Sen Nanyang Memorial Hall. In 2015, Mr. Wu was awarded the White Magnolia Award in Shanghai for his contributions to the Municipal City of Shanghai. In 2016, he received the Public Service Medal at the Singapore National Day Awards, and in the same year, he was awarded the Nanyang Distinguished Alumni Award by Nanyang Technological University (Singapore). Mr. Wu holds a Bachelor of Commerce degree from the former Nanyang University (Singapore).

MR. AMOS NG CHIAU MENG

Chief Financial Officer
Senior Vice President (Finance & Administration)

Mr. Amos Ng Chiau Meng joined us in September 2000. He is responsible for the finance and accounting, human resources and administration, and financial reporting and statutory compliance of our Group. Prior to joining the Group, Mr. Ng worked with PSA Corporation Ltd as the General Manager of its overseas JV subsidiary –China Merchants-PSA Logistics Network Co. Mr. Ng's other appointments include, member of the Finance & Investment Committee of Singapore Chinese Cultural Centre; member of the Ethics Committee of the Institute of Singapore Chartered Accountants (ISCA); Global Council Member and member of the Nominating and Governance Committee of ACCA; and Chairman of the Audit Committee of the Autism Association (Singapore). Mr. Ng also served as Chairman of Network Panel ACCA Singapore from 2015 to 2017 and was a member of the Practice Monitoring sub-committee with Accounting and Corporate Regulatory Authority (ACRA) from 2016 to 2022. Mr. Ng is both a Fellow Member of the Institute of Singapore Chartered Accountants (FCA) and a Fellow Member of the Association of Chartered Certified Accountants (FCCA). Mr Ng is also a Senior Accredited Director.

MR. WANG LIANG

Senior Vice President (Operations, China)
General Manager – Shanghai Ocean Aquarium (SOA)

Mr. Wang Liang joined us in January 1997. He oversees the management and operations at Shanghai Ocean Aquarium (SOA). He has been involved in the initial development and the operation of SOA since its inception. Prior to joining the Group, Mr. Wang was the Manager of the Shanghai office of China Poly Group Corporation. Mr. Wang holds a diploma in engineering from Aeronautical Technology Institute of People's Liberation Army (Navy).

MDM. APRIL NG KIM

Senior Vice President
Assistant to Executive Chairman

Mdm. April Ng Kim joined us in January 1997. She assists the Executive Chairman in monitoring the daily operations of the Group's subsidiaries and facilitating internal communication. Prior to joining the Group, Mdm. Ng was the Secretary in charge of Chinese Affairs with Golden Resources Development Ltd (Hong Kong). Her other experiences include serving as Office Manager with Ta Kung Industrial Co., Ltd (Ta Kung Pao Hong Kong). Mdm. Ng graduated from Jiangnan University with a degree in Chinese Language and Literature.

MS. WU XIUYI

Senior Vice President
Assistant to Executive Chairman

Ms. Wu Xiuyi joined us in October 2004. She assists the Executive Chairman in monitoring the daily operations of the Group's subsidiaries. Ms. Wu has been involved in various management roles within the Group, including marketing, human resource, operations and business development. She was the Assistant General Manager at Shanghai Ocean Aquarium and is currently a director for a few subsidiaries of the Group in Singapore and China. Before joining us, Ms. Wu has worked at a Singapore law firm and an international audit firm. She holds a Bachelor of Arts (Psychology) Degree from the University of Sydney.

MR. SEAN WU XIUZHUAN

Senior Vice President (Corporate Development & Risk Management)

Mr. Sean Wu joined the Group in November 2007. As a member of the Executive Chairman's Office, he collaborates with the Group's senior management to oversee operations and drive capability development across subsidiaries. He also conducts quality control and due diligence for new investments, ensuring alignment with the Group's strategic objectives.

Since joining, Mr. Wu has played a key role in the execution of significant mergers and acquisitions, including the acquisition of Underwater World Xiamen and the Singapore Flyer. Additionally, he coordinates the Group's risk management initiatives and reports directly to the Audit and Risk Committee of the Board of Directors. Before joining the Group, Mr. Wu served as a Senior Officer at Singapore's Economic Development Board, where he contributed to strategic initiatives and policy implementation in the education sector.

Mr. Wu holds a Bachelor's Degree in Economics from University College London and an MBA from the Haas School of Business, University of California, Berkeley. At the industry and community level, he serves as a Council Member of the Singapore Chinese Chamber of Commerce and Industry and as Board Treasurer of the Jazz Association (Singapore).

MR. RINGO LEUNG KWOK HO

Vice President (Operations, Singapore)
General Manager – Singapore Flyer (SF)

Mr. Ringo Leung joined us in January 2015. He is in charge of the management and operations at Singapore Flyer. Prior to joining the Group, Mr. Leung was the General Manager of NEX, one of Singapore's largest regional malls. Mr. Leung has more than 30 years of experience in the lifestyle, leisure and hospitality industries across Singapore, Hong Kong and Mainland China. Mr. Leung holds a Master of Arts degree in Sport and Recreation Management from the Victoria University of Technology, Australia.

MR. JIM YANG YONG

Vice President (Marketing & Sales, China)
Deputy General Manager – Shanghai Ocean Aquarium (SOA)
Director (Marketing & Sales) – Shanghai Ocean Aquarium (SOA)

Mr. Jim Yang Yong joined us in June 2013. He is responsible for the areas of marketing and sales, retail and operations at our subsidiaries in China. Mr. Yang has more than 20 years of experience in the tourism industry in China with a strong focus on Marketing and Sales and Attraction Management. Prior to joining us, Mr. Yang worked for Merlin Entertainments Group as Marketing Director of Shanghai Cluster and General Manager of Madame Tussauds Shanghai. Mr. Yang holds a Diploma in Educational Communication & Technology from Shanghai International Studies University, and a Master Degree in International Hotel & Tourism Management from Institut Vatel (France).

MR. CHARLES CAI YIWEI

Vice President (Technical,China)
General Manager – Underwater World Xiamen (UWX)

Mr. Charles Cai Yiwei joined us in March 2011. He is involved in the areas of technical-related matters at our subsidiaries in China. As of January 2016, Mr. Cai has been overseeing overall operations at Underwater World Xiamen as General Manager. Prior to joining us, Mr. Cai was the Deputy General Manager of Shanghai Aufun Investment Consulting and Project Manager at the TOA Canada Corporation, Siemens Building Technologies Ltd and Frisco Bay Industry Ltd. Mr. Cai also serves as Supervisor of The Fifth Supervisory Board (2018-2023) at Xiamen Tourism Association, Board Member of the 7th Council of Xiamen Association of Enterprises with Foreign Investment (XAEFI) (2019-2024), Representative of the 8th Congress of Xiamen Society of Science and Technology (2019-2024), Member of the first organization of Chinese White Dolphin Conservation Alliance (CWDCA), Member of Shanghai Overseas Returned Scholars Association (SORSA), Representative of the 4th Congress of Siming District Association for Science and Technology (2023-2028), Honorary member of Siming District Science and Technology Association (2023-2028), Board Member of the 8th Council of Xiamen Association of Enterprises with Foreign Investment (XAEFI) (2024-2029), and Representative of the 9th Congress of Xiamen Society of Science and Technology (2024-2029).

Mr. Cai holds a Master Degree in Material Science and Engineering from Shanghai Jiao Tong University and has received the Global Credential – Project Management Professional by Project Management Institute (USA) in 2001.

MR. XIE FAN

General Manager- Lintong Lixing Cable Car Co., Ltd. (LLC)
General Manager- Xi'an Lintong Zhongxin Tourism Development Co., Ltd. (XLZTD)

Mr. Xie Fan joined us in 2016 as the Project Manager of Xi'an Lintong Zhongxin Tourism Development Co., Ltd. He was subsequently promoted to Engineering Director in 2017, Deputy General Manager of LLC in 2020, and General Manager of LLC and XLZTD in 2021. He is responsible for the management and operations of our cable-car services and also in charge of the Chao Yuan Ge development project under XLZTD.

Prior to joining our Group, Mr. Xie served as Chief Engineer of Shaanxi Linyang Real Estate Co., Ltd. His other experiences include serving as Deputy Project Manager and Engineering Manager with Shaanxi Jinyuan Group, Assistant to General Manager with Shaanxi Huishang Investment Group, Deputy General Manager with Shaanxi Heng'ao Real Estate Co, Ltd, and serving as Assistant Engineer, Engineer, Chief Engineer, Project Director at Fourth Military Medical University between 1986 to 2009. Mr. Xie Fan holds a Bachelor's Engineering Architecture from Nanjing Institute of Military Engineering. In April 2012, he obtained the National First-class Construction Engineer registration qualification certificate.

Operations Review

OVERVIEW

The Group recorded a net profit of $27.22 million in FY2024, 6% higher compared to FY2023. Group revenue was $81.50 million, 0.8% lower than FY2023, as revenues from our two aquariums were impacted by relatively lower visitor arrivals amid a challenging economic and operating environment. The economic slowdown had caused a shift in consumption trends and tourist's spending behaviour, with most opting for cost effective and free public attractions during the peak summer holiday season. The persistently high temperature in Shanghai during the months of July and August had also impeded tourists' mobility. At Singapore Flyer, there was a 2.5 weeks ride suspension for scheduled cable replacement during the year. Overall visitor arrivals to all the Group's attractions were 3.35 million, 0.2% lower than FY2023.

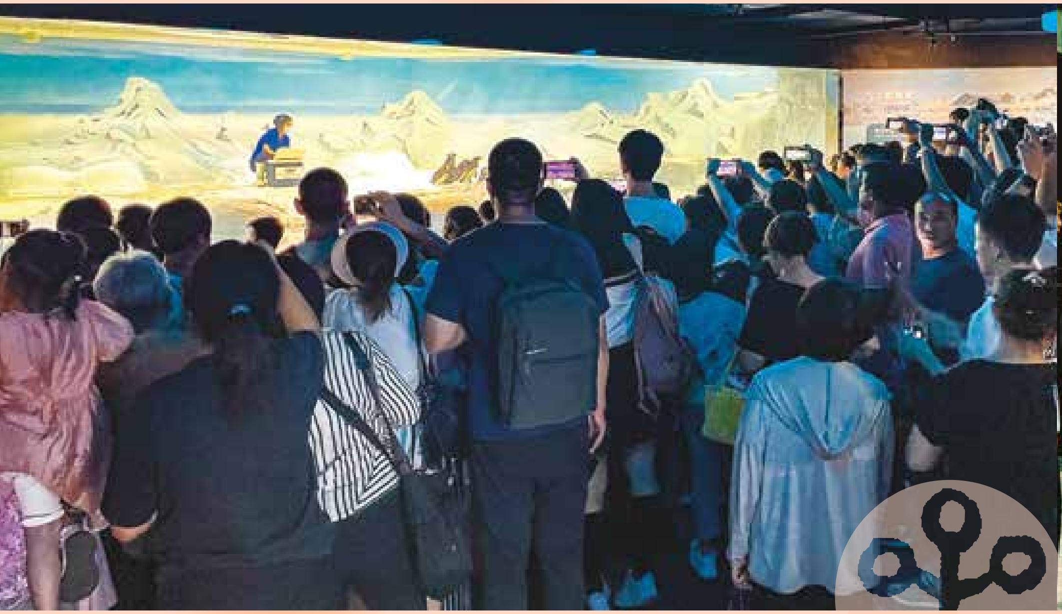
The Group's operating assets during FY2024 included:

- Shanghai Ocean Aquarium (SOA), situated in the Lujiazui Financial District of Pudong, Shanghai.
- Underwater World Xiamen (UWX), located on the scenic Gulangyu Island in Xiamen City.
- Lintong Lixing Cable Car (LCC), a cable car service at the historic Mount Lishan in Xi'an.
- Singapore Flyer, one of the world's largest observation wheels located in the Marina Bay Precinct, Singapore.

In FY2024, SOA, the Group's premier attraction, recorded single-digit declines in revenue and visitor arrivals amid the country's economic slowdown. Throughout the year, SOA successfully executed targeted marketing campaigns during major holiday periods. Most notably, during the Spring Festival, the "Greet the Year of Dragon (七个咙咚锵-游龙迎新春)" campaign successfully leveraged dragon-themed exhibits and activities and included extensive media coverage across mainstream platforms; which saw revenue increase by 39%, while visitor arrivals increased 32% year-on-year.

In May 2024, SOA launched a Labour Day exhibition of "Top 20 Star Fishes", incorporating an online interaction for the selection of the top 20 stars of "鱼乐圈", attracting the attention and participation of tourists.

To commensurate the 20th Anniversary during the year, SOA unveiled a commemorative history wall in June and generated significant media coverage across major outlets. The design also integrated nostalgia elements into brand messaging for the company.



The Polar zone exhibition was upgraded and officially opened during the summer vacation period. A series of marketing activities called “New Polar Regions, explore a Summer (新极地，探一夏)” was launched. The upgraded zone attracted more than half a million visitors, and generated more than 2.26 million views across social media platforms.

During China’s National Day in October 2024, SOA planned a popular science activity with the theme of “October Golden Autumn festival Schooling Fishes of the Aquatic World (十月金秋，一起出游)”. Interesting stamp collection activities with science educational content and online group fish photography contest activities, as well as wide publicity and exposure on self-media and public media platforms attracted visitors. The week long holiday saw an increase of 13.7% in visitor numbers over the corresponding period in 2023.

Social media engagement was enhanced in 2024 across several platforms, namely, WeChat, Weibo and Douyin, which will continue to be key marketing channels going forward.

With the Covid-19 pandemic abated, community engagement was revived with continued support for disabled and disadvantaged groups, renewed partnership with the Pudong Blind People’s Association, and included regular charitable initiatives throughout the year.

SOA management demonstrated strong execution of integrated marketing campaigns, effectively leveraging both traditional and digital channels while maintaining strong community engagement. The exceptional success of the Spring Festival and summer campaigns particularly highlights SOA’s ability to create compelling, seasonally appropriate programming that drives both attendance and revenue.

At UWX, visitor numbers for FY2024 declined 26% when compared to FY2023. New attractions of the same type such as “Zhongyu Vision- 中鱼视界” and “Quanzhou Ocean Park- 泉州海洋公园” diverted tourist traffic, while more tour groups on the island had resulted in a decrease in capture rate of tourists to UWX. Other factors that affected visitors’ arrival included typhoons during the National Day golden week as well as a re-routing of ferry route at Gulangyu Sanqiutian Pier.

During the year, UWX successfully executed five major themed exhibitions, driving consistent visitor engagement and educational impact.

- January 2024 - Fish and Dragons Playing in the Water to Celebrate the New Year - Goldfish Themed Exhibition (鱼龙戏水贺新年 - 金鱼主题展)
- May 2024 - Fun Popular Science Themed Exhibition - ‘Unique Fishes’ series 3 (趣味科普主题展 — “鱼众不同3”)
- June 2024 - Meet the Sea Lion Cub ‘Mobao’ Themed Activity (海狮宝宝 “墨宝” 见面会主题活动)
- July 2024 - Unique Fishes - Water Carnival Themed Activity (鱼众不同 -水上嘉年华主题活动)
- September 2024 - National Popular Science Day activities (九月全国科普日活动)
- October 2024 - Whales Traveling through the World Heritage - Special Themed Exhibition on Cetacean Popular Science (大鲸游世遗—鲸豚科普主题特展)

Digital partnerships proved particularly successful, with the Ctrip platform携程平台 achieving significant year-over-year growth. Additional partnerships with Yujian Xiamen, Yunkezan 云客赞, and xialv.com侠侣网 generated substantial supplementary revenue through specialized ticket offerings and digital marketing initiatives.

Educational outreach remained robust, with 11 marine science programs reaching over 1,000 students. 137 digital educational pieces of articles and videos garnering more than 46,000 views were released on popular social media platforms notably WeChat 微信 and Douyin 抖音. UWX’s commitment to excellence was recognized through multiple accolades, including a yet another A- rating as a Popular Science Base in Siming District Xiamen and membership acceptance into the Fujian Aquatic Wild Animal Rescue Alliance.

The successful integration of digital platforms, expansion of educational programming, and strengthening of commercial partnerships provides a solid foundation for continued growth in the coming year. Management recommends maintaining current strategic initiatives while exploring opportunities for enhanced visitor experiences and digital infrastructure improvements. This balanced approach to address commercial and educational objectives further positions UWX well for sustained success in its role as a leading marine education institution in the Fujian Province, China.

Amid a challenging year for domestic tourism, LCC achieved significant results, recording double-digit growth in passengers with zero safety incidents or customer complaints in 2024. It emerged as one of only two tourism enterprises showing growth in the Lintong district in Xi'an, alongside the Terracotta Warriors Museum.

Strategic infrastructure investments significantly enhanced the passenger experience, including comprehensive upgrade of the cable car station, new restroom facilities, and the successful development of the Wangjing Tower platform as a photo spot. These improvements proved crucial in counteracting the broader tourism decline in the Lishan scenic area.

Service excellence was achieved through staff training in historical interpretation and storytelling, garnering 100% positive feedback for guide services. This initiative particularly strengthened the tour group segment, offsetting declines in walk-in tourist traffic.

The company successfully managed intensified regulatory oversight from multiple government bodies, implementing robust safety systems including a triple-tier prevention protocol and dual power supply infrastructure. These measures ensured uninterrupted regular operations.

This balanced approach to facility modernization, service enhancement, and safety compliance positioned LCC as a resilient performer in the local tourism sector, demonstrating strong operational execution amid challenging market conditions.

Singapore Flyer demonstrated exceptional performance in 2024, reinforcing its position as an iconic attraction through significant industry recognition and innovative programming. It achieved a 15% growth in revenue and more than 60% increase in net profit over 2023.

Singapore Flyer earned the prestigious Tripadvisor Travelers' Choice Awards Best of the Best for the second consecutive year, placing it among the top one percent of global attractions. This achievement was complemented by Trip.com's Trip Best 2024 Global Nightlife award, further validating its excellence in service delivery and guest experience.

Throughout the year, Singapore Flyer successfully executed several strategic initiatives that enhanced its market presence and guest offerings. The introduction of unique experiences such as "Picnic in the Sky" afternoon tea and the family-oriented Skyline Lunch Experience showcased its ability to create compelling, targeted offerings. A historic milestone was achieved during National Day with Singapore's first overnight observation wheel operation, which proved particularly successful through its partnership with local night market bazaar event organizer, TLK.

The Singapore Grand Prix season was leveraged effectively through the "Happy Half Hour Experience," capitalizing on tremendous Formula 1 tourism opportunities during the night race held in Singapore.

The launch of the FLYER360 mobile app marked a significant advancement in digital guest engagement, incorporating augmented reality features, interactive landmark guides, and Singapore-related games. A complementary HiFlyer web app was also launched, providing access to real-time information such as queue status, on-site services, promotions, and tenant offers. This digital transformation enhanced the visitor experience while streamlining operational efficiency.

Community engagement remained a key focus, with successful initiatives including collaborative events with local artist Ah Guo in June and a meaningful partnership with SPD (Society for the Physically Disabled) Ability Centre in November. Senior citizens from SPD were invited to experience the Singapore Flyer and Time Capsule, gathered for a fully sponsored lunch, and a lively karaoke session at the Event Hall.

The year concluded with the launch of an innovative in-capsule gaming experience in partnership with SEGA, Sony, and United International Pictures, demonstrating the attraction's ability to create contemporary, trendy, and appealing collaborations.

These achievements collectively reflect Singapore Flyer's successful execution across multiple strategic priorities: maintaining international recognition, developing innovative guest experiences, advancing digital capabilities, and strengthening community connections. The momentum generated in 2024 positions Singapore Flyer well for continued growth and innovation in the coming year.

FINANCIAL COMMENTARY

The Group reported a net profit before tax of $36.2 million in FY2024, compared to a profit before tax of $34.6 million in FY2023. This improvement was due to the one-off $3.0 million settlement fee received, and the absence of exchange losses as in last year.

The Group's net cash inflow from operating activities amounted to $37.3 million, a marginal increase compared to FY2023. During the year, the Group paid out dividends and made loan repayments totalling $18.2 million, an increase of $7.2 million compared to FY2023. As of 31 December 2024, the Group's cash and cash equivalent balance stood at $187.0 million, marking a 10% increase from the previous year.

Sustainability Report

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Board Statement

The Board of Directors (the “Board”) at Straco Corporation Limited (“Straco”) is pleased to present the Sustainability Report for the period from 1 January 2024 to 31 December 2024 (“FY2024”), marking the eighth consecutive year of publishing our sustainability disclosures. This report underscores our commitment to sustainable development as a core element of our business strategy and decision-making processes. It provides a comprehensive overview of Straco’s sustainability practices, performance, and targets for FY2024.

This is our second year of adopting the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”) for climate-related disclosures. In addition, we have completed our inaugural qualitative scenario analysis which deepened our understanding of the business implications of climate-related risks and opportunities, strengthening our business resilience in the face of a changing climate.

As a leading developer, operator, and investor in world-class tourist attractions, Straco is dedicated to delivering unique and enriching experiences to our visitors. We view Environmental, Social, and Governance (ESG) factors as a crucial component of our business strategy, driving our materiality assessment and shaping our sustainability approach.

The Sustainability Steering Committee (“SSC”), comprising senior management and general managers from Shanghai Ocean Aquarium (“SOA”), Underwater World Xiamen (“UWX”), and Singapore Flyer (“SF”), conducts annual reviews of the identified material ESG factors. These reviews are submitted to the Board for endorsement, ensuring we remain focused on making positive contributions across the factors that are relevant to our business practices. In 2024, we reviewed and validated the material ESG factors of highest importance to our business and stakeholders. The considerations and priorities underpinning the selection of these factors include the development of our business, the well-being and safety of our employees, support for local communities, and safeguarding the diversity of marine life.

The Board continues to oversee the management of ESG risks and opportunities with the support of our SSC. The disclosures of sustainability performance and targets in this report have been reviewed and approved by the Board. A phased approach to managing sustainability impacts across our operations is key for driving meaningful and lasting change. To this end, Straco is working to establish short, medium, and long-term targets for our material factors.

Straco remains committed to strong corporate governance, including commitment to the ESG agenda. Since establishing our baseline year in 2017, we have consistently implemented initiatives to reduce our environmental footprint, particularly in energy and water consumption. Leveraging our significant visitor traffic, we actively organise educational programmes to promote environmental protection and biodiversity conservation in China and Singapore. These programmes benefit a wide range of groups, including students, migrant workers, and public charities.

As the tourism industry continues to recover following a gradual rebound to pre-pandemic in both China and Singapore, we have enhanced our operational sustainability, implementing advanced energy efficiency and water conservation practices. Additionally, we have strengthened our engagement with local communities, resulting in a notable increase in social programmes across our entities in China and Singapore.

The Board extends our sincere gratitude to all those who have supported Straco throughout our sustainability journey. We remain steadfast in our sustainability efforts to enhance the long-term value and trust of all our stakeholders.

2024 At a Glance

2024 saw the return of tourists and heightened tourism activities, Straco managed to meet the majority of its targets for the year. For detailed information on the performance of each specific target, please refer to the table below.

MATERIAL FACTORS	INDICATOR	TARGET FOR FY2024	PERFORMANCE FOR FY2024	TARGET FOR FY2025
		Environmental		
Energy	Energy consumption and energy intensity	Maintain or reduce energy consumption and GHG emissions from 2023 levels 2023 levels: Energy consumed: 56,778,948 MJ Energy Intensity: 1,223.13 MJ/m^2 2023 levels: GHG emissions: 8,284 tCO_2e GHG Emissions Intensity: 0.1785 tCO_2e/m^2 SOA: Transform retail department lighting to LED energy-saving lamps	× Not Achieved Energy Consumption: 61,012,305 MJ Energy Intensity: 1,314.33 MJ/m^2 Energy consumption in 2024 increased by 7.46% compared to 2023 due to increased activities and full resumption of normal operating hours.	Maintain or reduce 2024 energy consumption and GHG emissions levels with a 10% variance Note: Consumption data may fluctuate due to changes in event frequency, extended operation hours, or variations in tenant occupancy rates.
	GHG emissions and GHG intensity		× Not Achieved GHG Emissions: 8,690.22 tCO_2e GHG Emissions Intensity: 0.1872 tCO_2e/m^2 GHG emissions in 2024 increased due to increased activities and full resumption of normal operating hours. ✓ Achieved SOA: Transformed retail department lighting to LED energy-saving lamps	

MATERIAL FACTORS	INDICATOR	TARGET FOR FY2024	PERFORMANCE FOR FY2024	TARGET FOR FY2025
Environmental				
Water Management	Water consumption and water intensity	Maintain or reduce water consumption from 2023 levels 2023 levels: Water consumption: 202,721 m^3 Water intensity: 4.37 m^3/m^2	✓ Achieved Water Consumption: 181,361 m^3 Water intensity: 3.91 m^3/m^2 Water consumption in 2024 has decreased by 10.8% from 2023 due to a decrease in cleaning frequency of tanks, as well as the prompt identification and repair of a leakage problem at the start of 2024.	Maintain or reduce 2024 water levels with a 10% variance Note: Consumption data may fluctuate due to changes in event frequency, extended operation hours, or variations in tenant occupancy rates.
Social				
Animal Sourcing and Well-being	Use of global and national standards and initiatives on conservation	Continue to practice responsible sourcing of animals, explore new ways to further enhance the well-being of animals and actively partake in conservation efforts	✓ Achieved Followed accepted global and national standards, where available and relevant, for responsible animal sourcing and animal well-being and continued conservation efforts	Continue to practice responsible sourcing of animals, explore new ways to further enhance the well-being of animals and actively partake in conservation efforts
Talent Retention and Training	Average training hours per employee, per year	Maintain average of around 14 training hours per employee and provide performance review to all eligible permanent employees	✓ Achieved 20 hours	Maintain average of 14 hours of training per employee and provide performance review to all eligible permanent employees
	Annual new hires rate		25.2% (2.1% per month)	
	Annual turnover rate		19.7% (1.6% per month)	
	Provide performance review to all eligible permanent employees		✓ Achieved 100%	

MATERIAL FACTORS	INDICATOR	TARGET FOR FY2024	PERFORMANCE FOR FY2024	TARGET FOR FY2025
Social				
Health and Safety	Number of work-related fatalities	UWX/SOA: Continue to provide relevant training on health and safety and achieve zero high-consequence work-related injuries, including fatalities SF: Zero MOM reportable workplace incidents	✓ Achieved 0	UWX/SOA: Continue to provide relevant training on health and safety and achieve zero high-consequence work-related injuries, including fatalities SF: Zero MOM reportable incidents, zero non-compliance to environmental regulations, and zero security breaches or incidents.
	Number of high-consequence work-related injuries (excluding fatalities)		× Not Achieved 1 high-consequence work-related injury A SF staff member sustained a high-consequence work-related injury after slipping due to condensation from the air-conditioning shutdown. In response, SF implemented preventive measures, including delaying air-con shutdown, conducting floor checks, enhancing warning signage, and recommending non-slip footwear to improve workplace safety. Straco always strives to achieve zero high-consequence work-related injuries, and continue to make workplace safety paramount.	
	Accident frequency rate[1]		2.22	
Social				

1 *Based on the Ministry of Manpower's (MOM) definition, Accident Frequency Rate (AFR) calculations include any workplace or work-related traffic injury that results in at least 24 hours of hospitalisation or more than 3 days of MC due to a single work-related accident. In 2024, there were no workplace fatalities and 1 high-consequence workplace injury. As a result, the AFR, calculated based on 1,000,000 man-hours worked in 2024 is 2.22.*

MATERIAL FACTORS	INDICATOR	TARGET FOR FY2024	PERFORMANCE FOR FY2024	TARGET FOR FY2025
Local Communities [2]	Initiatives on conservation education and charitable events	UWX/SOA: Support local communities through partnerships and educational programs SF: Organise at least 2 Corporate Social Responsibility (CSR) activities	✓ Achieved SOA: Organised 10 education and outreach programs UWX: Organised 16 education and outreach programs SF: Organised or supported 11 CSR activities	UWX/SOA: Continue to support local communities through partnerships and educational programs SF: Organise at least 2 CSR activities for the less privileged, including the creation of at least one new ticket type designed to support a local social enterprise.
Governance				
Regulatory Compliance	Number of environmental and socio-economic non-compliance	Uphold the same high standard of conduct and maintain zero non-compliance with environmental and socio-economic regulations	✓ Achieved Zero non-compliance with environmental and socio-economic regulations	Uphold the same high standard of conduct and maintain zero non-compliance with environmental and socio-economic regulations
	Number of incidents of corruption and bribery	Maintain zero incidences of corruption and bribery	✓ Achieved Zero incidents of corruption and bribery	Maintain zero incidences of corruption and bribery

2 *For sustainability reporting purposes, Straco's entities have pledged their own targets for the local community in 2024. Thus, this section will focus on evaluating the entities' performance against their targets. Please refer to the Local Communities section for more information about the various initiatives.*

About this Report

REPORTING PERIOD AND SCOPE

This sustainability report outlines Straco's policies, practices, performance, and targets related to the key ESG factors identified for the period from 1 January 2024 to 31 December 2024 ("FY2024"). The "Energy" and "Water Management" sections of this report cover its three primary revenue-generating assets: Shanghai Ocean Aquarium ("SOA"), Underwater World Xiamen ("UWX"), and Singapore Flyer ("SF"). Other entities within the Group, including the corporate office in Singapore and the Lixing Cable Car ("LCC"), are excluded from these sections unless specified, as they are considered immaterial in terms of environmental resource consumption and gross floor area. The "Social" and "Governance" sections include SOA, UWX, SF, and the corporate office in Singapore. Within the "Social" section, the "Animal Sourcing and Well-being" segment pertains only to the two aquariums, SOA and UWX.

REPORTING FRAMEWORK

This report complies with the sustainability reporting requirements of the Singapore Exchange Securities Trading Limited (SGX-ST) Mainboard Listing Rules 711A and 711B on Sustainability Reporting, as well as Practice Note 7.6 Sustainability Reporting Guide (updated in January 2022). It marks the second consecutive year Straco has adopted the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD"). In addition, this report has been prepared with reference to the Global Reporting Initiative Universal Standards 2021 ("GRI Standards"), a globally recognised framework for reporting on ESG matters. The GRI Standards was selected for their comprehensiveness and relevance to Straco's industry and business model, providing a solid foundation for sustainability disclosures during the specified reporting period.

FEEDBACK

All information is disclosed in good faith to the best of our knowledge. Straco has engaged Ernst & Young to conduct an internal review of the FY2024 Sustainability Report. Straco welcomes your feedback. Please forward enquiries and feedback to contact@stracocorp.com.

STAKEHOLDER ENGAGEMENT

Open and effective engagement is crucial for creating value for Straco's key stakeholders. This engagement communicates expectations and supports improvement in our sustainability practices. Straco employs a range of methods to engage our stakeholders, including ongoing use of digital communication channels. The following table outlines Straco's key stakeholders and details how we engage with them.

INTERNAL STAKEHOLDERS	MAIN OBJECTIVE	ENGAGEMENT METHODS	FREQUENCY
Employees	To create a safe, inclusive, and rewarding working environment to sustain employee morale	• Safety training • Training or skill upgrading • Suggestion box	• Throughout the year
		• Workers' Union meeting on employee welfare	• Bi-monthly to twice a year
		• Team bonding activities	• Once to twice a year
Investors/ Shareholders	To disseminate accurate and timely information on the company's progress and direction	• Release of financial results and other relevant disclosures through SGXNet and Straco's website	• Throughout the year
		• Annual General Meeting	• Once a year
		• Participation in non-deal road show	• Ad hoc
		• Meeting with investors and stock analysts	• Throughout the year
EXTERNAL STAKEHOLDERS	**MAIN OBJECTIVE**	**ENGAGEMENT METHODS**	**FREQUENCY**
Customers	To understand customer expectations and enrich customer experience	• Feedback box • Customer review on official website and official social media platforms	• Throughout the year
		• Market research and analysis	• At least once a year
Local Communities	To contribute to local communities through conservation education and research, as well as charitable activities	• Education programs • Charitable events	• Throughout the year

MATERIAL ESG FACTORS

We conduct an annual materiality review to ensure the identified material ESG factors remain relevant to our business practices. In 2024, Straco's Sustainability Task Force ("STF") reviewed and validated the list of material ESG factors, which was subsequently endorsed by the Sustainability Steering Committee ("SSC"). The table below summarises Straco's identified material ESG factors and provides an explanation of their relevance and significance to the organisation.

ASPECT	MATERIAL ESG FACTORS	CONTRIBUTIONS TO UN SUSTAINABLE DEVELOPMENT GOALS (SDGS)	WHY IS THIS FACTOR MATERIAL TO STRACO
Economic	Economic Performance	8	As a for-profit tourism group, Straco is committed to creating economic value and ensuring dividend distributions to our shareholders while upholding strong ESG practices as a fundamental principle of our business.
Environmental	Energy	7, 12, 13	Our operations rely heavily on electricity for lighting, air-conditioning, and equipment functionality. Successfully reducing energy consumption not only lowers business costs but also decreases the Group's carbon footprint, contributing to the global fight against climate change.
	Water Management	12, 14	Given that two of the three entities covered in this sustainability report are aquarium attractions, water consumption is a critical aspect of our operations. Additionally, wastewater discharge is a significant concern for local governments and communities. Recognising that water is a scarce resource, the Group is committed to its conservation.
Social	Animal Sourcing and Well-being	14, 15	As SOA and UWX exhibit diverse marine life, the Group is dedicated to acquiring marine species ethically and sustainably, avoiding endangered or sensitive species. Both SOA and UWX ensure that all animals receive a high standard of care within their facilities.
	Talent Retention and Training	4, 8	Employee turnover can indicate dissatisfaction with the working environment and culture. High turnover disrupts operations as it necessitates time and effort to train new hires, reducing operational efficiency. To address this, Straco continues to develop and train its talent pool, fostering a supportive and safe working environment to enhance employee morale and satisfaction.
	Health and Safety	3, 8	As a tourism group, guest safety is a top priority. Straco is committed to providing a safe and enjoyable experience for all visitors. Additionally, ensuring employee health, safety, and well-being is closely linked to operational productivity. A positive working environment reduces the risks of workplace injuries, high-consequence accidents, and associated government penalties while boosting employee engagement and efficiency.
	Local Community (including conservation education)	4, 10, 11	Straco is dedicated to social responsibility, actively giving back to local communities in China and Singapore. Through its aquariums, the Group promotes public education on marine life conservation and research.
Governance	Regulatory Compliance	16	As a business, Straco strictly adheres to local regulatory compliance measures. Aquarium operations are closely regulated by government authorities, and any non-compliance could result in reputational damage, regulatory fines, or licence revocation. To maintain its integrity, the Group adopts a zero-tolerance stance on corruption and bribery.

Sustainability Governance

Straco's sustainability governance framework is led by the Board of Directors and executed through the Sustainability Steering Committee ("SSC") and the Sustainability Task Force ("STF"). The SSC ensures that Straco's sustainability strategy aligns with global sustainability goals and integrates seamlessly with our business operations, driving environmental and socio-economic value creation.

SUSTAINABILITY STEERING COMMITTEE ("SSC")

The SSC is led by the Group's Chief Financial Officer and comprises senior management from each of Straco's major assets, including Shanghai Ocean Aquarium ("SOA"), Underwater World Xiamen ("UWX"), and Singapore Flyer ("SF"). The committee plays a pivotal role in assisting the Board in shaping Straco's sustainability objectives and strategies. It monitors overall sustainability performance and reports directly to the Board. By regular reviewing and refining sustainability initiatives, the committee ensures the initiatives align with both operational needs and global climate-related imperatives.

SUSTAINABILITY TASK FORCE ("STF")

The STF supports the SSC by driving the implementation of sustainability initiatives across the organisation. Consisting of representatives from various functions, the task force ensures that sustainability plans are effectively executed, monitored, and embedded in the company's daily operations.

Together, the SSC and the STF form a cohesive governance structure that reinforces Straco's commitment to advancing sustainability across all facets of its business.

Strengthening Climate Resilience and Risk Management

OUR COMMITMENT

As a major player in the tourism and attractions industry, Straco Corporation Ltd acknowledges the significant impact of climate change on the business landscape. Straco's activities are closely connected to both climate change and biodiversity, particularly through our ownership and operation of two large aquariums. We understand that environmental preservation is essential to our continued success. In response, we have implemented strategic initiatives to address climate change, including the adoption of energy-efficient technologies, sustainable sourcing practices, and habitat enhancement projects. These efforts reflect our dedication to environmentally responsible practices, ensuring that Straco remains resilient and adaptable in the face of evolving environmental challenges.

Since adopting the TCFD framework in FY2023, we have focused our climate-related disclosures on the four key pillars: strategy, governance, risk management, and metrics and targets. In FY2024, we engaged with a third-party consultant to conduct our first qualitative climate scenario analysis ("CSA"), covering assets in China and Singapore. This analysis helps us better assess the climate-related risks and opportunities that impact our business. It also serves as a strategic guide to enhance our resilience in an evolving environmental landscape, reinforcing our commitment to long-term value creation for our stakeholders and society. This scenario analysis also prepares us for the forthcoming sustainability reporting requirements for listed companies in Singapore, which mandate climate-related disclosures aligned with the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards set by the International Sustainability Standards Board (ISSB).

CLIMATE SCENARIO ANALYSIS

This qualitative climate scenario analysis began with thoroughly reviewing Straco's existing climate-related disclosures, transition trends, and peer practices. Based on this review, we identified potential risks and opportunities and carried out a risk assessment. Using criteria aligned with our Enterprise Risk Management ("ERM") framework, we evaluated each risk and opportunity, assessing their potential business and financial implications. The findings were validated by Straco's senior management, and these results have been documented in a risk register for future reference.

Through this approach, we identified six physical risk types and three transition risk types under two scenarios across three-time horizons, highlighting potential implications on financial performance and business operations. Operating Expenditure ("OPEX") is defined as any operating expense that Straco incurs as a result of performing its normal business operations, while Capital Expenditure ("CAPEX") is defined as funds used by Straco to acquire, upgrade, and maintain physical assets like buildings or equipment. The parameters, key risks, opportunities, and their implications are presented in the tables below.

During the analysis process, a list of physical and transition risks was identified as potentially relevant to Straco based on research. A rating procedure was subsequently applied to evaluate and rank the significance of these risks using assessment criteria aligned with our ERM framework. Physical and transition risks with "high" and above ratings were classified as significant risks and disclosed in this report. Straco is actively addressing the short (2030) and medium (2050) term impacts, while also monitoring long-term (2100) developments. We recognize the potential risks in the long term and are committed to proactively managing both current and future challenges.

CLIMATE SCENARIO ANALYSIS

PARAMETERS	
Climate scenarios	Below 2°C (RCP 2.6) and 4°C (RCP 8.5)
Time horizons	Short-term (2030), Medium-term (2050) and Long-term (2100)
Types of climate risks	Physical and Transition risks
Country scope	Singapore and China
Asset scope	SF, SOA, UWX
Property type	Tourist Attractions

CLIMATE-RELATED RISKS

RISK TYPE	RISK DESCRIPTION	AFFECTED TIME HORIZON	AFFECTED ASSET	RESILIENCE MEASURES
Physical Risk				
Coastal Flooding	Decreased revenue due to reduced visitor volume, caused by operational disruptions, infrastructure damage, and safety risks Increased OPEX due to productivity loss, caused by unsafe working conditions Increased CAPEX due to organisms being harmed by toxic flood pollutants Increased CAPEX due to costly repairs of damaged infrastructure Increased OPEX due to supply chain and delivery disruptions	• 2100	• SOA[3]	• Follows Shanghai's 'Four Lines of Defence' strategy, including seawalls, embankments, and drainage systems. • Plans to upgrade wastewater equipment and collaborate with local authorities to enhance flood protection. • Develops and maintains emergency flood response plans with early warning systems and evacuation procedures. • Focuses on continuous improvements to enhance resilience and ensure business continuity. • Implements preventive flood measures across its facilities. • Conducts regular waterproofing exercises to ensure operational readiness. • Maintains the drainage system through emergency drainage equipment, gutter cleaning, and pipe clearing. • Uses sandbags to seal gaps in doors and windows and reinforces ground-level glass doors. • Inspects fish tank structures and acrylic adhesives regularly for safety.

3 *According to Aqueduct Floods, SOA faces HIGH coastal flooding risk in Year 2100 especially during larger floods due to the significant land subsidence, higher risk exposure (driven by population density, economic activity, and infrastructure concentration), and relatively low flooding protection levels. Land subsidence refers to the gradual sinking or settling of the Earth's surface (i.e. the ground shifts downward), making the area more prone to flooding. Among the three locations assessed, Shanghai has the highest levels of land subsidence, largely driven by groundwater extraction.*

CLIMATE-RELATED RISKS

RISK TYPE	RISK DESCRIPTION	AFFECTED TIME HORIZON	AFFECTED ASSET	RESILIENCE MEASURES
Tropical Cyclones (Typhoons)	Decreased revenue due to reduced visitor volume, caused by operational disruptions, infrastructure damage, and safety risks	• 2100	• SF[4]	• Working to reduce outdoor placement of fixtures and securing necessary items with counterweights. • Converted some external glass doors to open inwards to reduce breakage from strong winds.
Drought	Increased OPEX due to water supply disruptions	• 2050 • 2100	• SOA	• Builds a rainwater collection system to store water that can be used in the aquariums, reducing dependency on municipal water supply as a raw material and yielding cost savings in the future.
Average Seasonal Temperature	Increased OPEX due to increased energy consumption for maintaining indoor comfort levels Increased OPEX due to organisms being harmed, by significant water temperature changes Increased OPEX due to productivity loss, caused by unconducive working conditions Decreased revenue due to reduced visitor volume, caused by uncomfortable outdoor temperatures	• 2100	• SF • SOA • UWX	• Explores workforce automation to minimise the impact of extreme weather on employees in semi-outdoor areas. • Plans to upskill employees in weather risk management and explore training for pre-emptive weather measures to improve operational resilience. • Utilises a chilled water system and standalone air-conditioning in Flyer Capsules, along with double-glazed facades and solar films to reduce heat and UV exposure. • Enhances cooling efficiency by operating systems during off-peak hours and plans to replace inefficient air-conditioning units. • Greenery around the site aids in cooling, and solar-reflective paint is being considered to further reduce heat. • Conducted maintenance on the cooling tower's air-cooled heat dissipation system, replacing ageing components to improve efficiency. • Inspects high-temperature equipment, improves insulation, and optimises energy consumption. • Diversifies water sources to ensure animal well-being and operational stability. • Manages indoor temperatures with air conditioning, uses fans in outdoor areas, and implements staff rotations to minimise heat exposure. • Provides daily cooling herbal tea to employees during summer to support heat prevention.

4 *According to International Monetary Fund, Singapore's geographical location with a combination of increasing wind speeds, geographical concentration, and higher cost per unit area with expensive infrastructure, makes it more susceptible to typhoon-related damages in Year 2100. While all three cities face climate-related risks, Singapore's smaller size and concentrated assets magnify the impact of extreme weather events should it occur as compared to the broader land areas of the assets in China.*

CLIMATE-RELATED RISKS

RISK TYPE	RISK DESCRIPTION	AFFECTED TIME HORIZON	AFFECTED ASSET	RESILIENCE MEASURES
Transition Risk				
Policy and Regulation	Increased OPEX due to rising carbon tax	• 2050	• SF • SOA • UWX	• Explores the adoption of internal carbon pricing to incorporate the cost of carbon into business decisions and guide future strategies. • Plans to set more specific science-based emissions targets and conduct an initial analysis of GHG scope 3 emissions, providing insights into emission sources and supporting the development of supply chain policies and GHG inventory. • Focused on reducing carbon emissions by improving energy efficiency, particularly in lighting, air conditioning, and energy management systems.
	Increased OPEX due to extra resources for regulations compliance requirements (e.g. reporting requirements)			• Actively contributes to government carbon reduction policies and sustainable industry development, while anticipating future reporting costs, which will be incorporated into the budget and managed through strategic planning and regulatory compliance. • Transition to "all green" operations, adopting a green operating policy and service delivery, while also sending employees to sustainability career conversion programs to eventually form a dedicated sustainability task force. • Participates in environmental policies and seeks government funding to reduce investment and operating costs. • Regularly maintains equipment and analyses consumption trends to address inefficiencies.
Technology	Increased CAPEX due to cost of adoption of technology (e.g. energy-efficient equipment, renewable energy such as solar panels)	• 2030 • 2050 • 2100	• SF • SOA • UWX	• Plans to implement a rainwater collection system for landscaping irrigation in 2025 and further optimise backstage operations to reduce energy and water consumption. • Implements policies to reduce energy consumption and costs, using NEWater for irrigation and cooling, and water-efficient fixtures in toilets. • Adopts eco-friendly practices, including paper-packed water, e-name cards, and a token charge for plastic bags in the Gift Shop. • Pilots an eco-garden to showcase urban farming and explores rainwater collection for irrigation. • Enhances energy efficiency with motion-sensor lighting in carparks and ongoing LED conversions. • Upgrades to LED lighting, replacing 287 fixtures and optimising exhibition lighting.

CLIMATE-RELATED RISKS

RISK TYPE	RISK DESCRIPTION	AFFECTED TIME HORIZON	AFFECTED ASSET	RESILIENCE MEASURES
Technology	Increased CAPEX due to cost of adoption of technology (e.g. energy-efficient equipment, renewable energy such as solar panels)	• 2030 • 2050 • 2100	• SF • SOA • UWX	• Optimises energy efficiency through regular maintenance, variable frequency control for escalators, and the use of LED lights and energy-efficient cooling/heating systems. • Reduces water consumption by using treated seawater in tanks with a Life Support System (LSS) and installing water-saving fixtures. • Enhances infrastructure by upgrading the air conditioning system and using recyclable materials to minimise waste. • Integrated systems to improve operational efficiency, including ozone machine consolidation and liquid level detection in water tanks. • Conducts annual water tank inspections, adjusts irrigation based on weather conditions, and promotes recycling efforts, including use of woven bags. • Conducts daily inspections to monitor energy use and promptly address abnormalities, while tracking water usage and wastewater discharge in monthly engineering meetings.
Market and Reputation	Increased OPEX due to volatility of prices of energy and consumables	• 2050	• SF • SOA • UWX	• Reviewing its supplier pricing strategy and shifting to sustainable sourcing to mitigate rising raw material costs. • Diversifying sourcing of raw materials and fossil fuels, while also working to reduce transportation distances, improve logistics, and build close partnerships with suppliers to reduce carbon emissions. • Exploring supplier policies that prioritise local vendors and animal safety during transportation.
	Decreased revenue due to shifting stakeholder and customer preferences	• 2050 • 2100	• SF • SOA • UWX	• Plans to adopt renewable energy, reduce reliance on fossil fuels, and explore sustainable tourism experiences to align with growing environmental interest. • Implementing sustainable operations to meet customer expectations and collaborating with the Singapore Tourism Board (STB) to align offerings with sustainable tourism principles. • Aim to leverage marine biodiversity conservation efforts to attract visitors and raise public awareness, engaging in community outreach and government collaborations. • Communicates sustainability initiatives through various channels, including corporate programs, partnerships, and collaborations with tourism organizations.

CLIMATE-RELATED OPPORTUNITIES

OPPORTUNITY	OPPORTUNITY DESCRIPTION	POTENTIAL IMPACT	POTENTIAL FINANCIAL IMPLICATIONS
Resource Efficiency	Sustainable Operations Straco is steadily committed to implementing new energy efficiency initiatives to reduce energy consumption, including upgrading to energy-saving lighting, optimising the air-conditioning system and minimising the energy consumption of water withdrawal. Moving forward, Straco can further examine additional areas of energy saving (e.g. efficient water management systems, adopting green operating policies, etc.) to reduce energy consumption.	• Allow for potential long-term savings and reduce exposure to fossil fuel price increases. Also, there is potential decrease in energy consumption and GHG emissions.	• Decrease in energy costs • Increase in profit
	Supply and Sourcing Straco may consider creating supplier policies that prioritise local vendors and sustainable suppliers to reduce shipping costs and emissions from the transport of material. These suppliers should also prioritise the safety and well-being of animals during transportation.	• With diversified supply chains and reviewed pricing strategies, Straco can mitigate supplier price fluctuations. There is a potential increase in productivity and reduction in operational expenses.	• Decrease in operational costs • Increase in profit
Energy Source	Green Technology Investment Straco's intention to invest in areas of green technology include solar panels and rainwater collection systems. This may help reduce carbon emissions, energy consumption and operating costs, which could also boost customer demand.	• Allow for potential long-term savings and reduce exposure to fossil fuel price increases. Also, there is potential decrease in energy consumption and GHG emissions.	• Decrease in energy costs • Increase in profit
Products and Services	Sustainable Tourism To cater to customers who are interested in sustainability and environment-related topics, Straco's efforts to conduct community outreach programmes on marine biodiversity conservation are aligned with sustainable tourism. Straco can continue refining their product and service offerings to position itself as an appealing attraction to tourists.	• Potentially cater to new markets and consumers who are environmentally conscious and sustainable.	• Increase in revenue • Increase in profit

CLIMATE-RELATED OPPORTUNITIES

OPPORTUNITY	OPPORTUNITY DESCRIPTION	POTENTIAL IMPACT	POTENTIAL FINANCIAL IMPLICATIONS
Resilience	Environmental Certifications Straco may consider certification like ISO14001 (environmental management system), or applicable sustainable certificates to showcase Straco's leadership in ensuring social and environmental sustainability. For Green Mark certification, Straco should invest in renewing it in order to maintain Straco's sustainability position, drawing in more visitors and business partnerships.	• Potentially appeal to investors, business partners, and visitors who prioritise and value environmental certifications.	• Increase in revenue • Increase in profit
	Sustainability Communication and Branding Straco's proactiveness in communicating climate strategies and its commitment to climate resilience through multiple channels fosters business relationships and enhances its reputation with consumers, investors, and regulators. Potentially, this could lead to partnerships that increase their chance of accessing green bonds, sustainability-linked loans, and benefits like subsidies and tax incentives.	• Potential reduction in financing costs, enhanced brand reputation, and improved attractiveness to investors.	• Increase in revenue • Increase in funding • Decrease in capital costs

TCFD DISCLOSURES

In FY2024, Straco has enhanced our climate-related disclosures to further align with TCFD recommendations based on the qualitative climate scenario analysis, focusing on the four key pillars: governance, strategy, risk management, metrics and targets. The table below presents our updated disclosures under the four TCFD pillars, reflecting the Group's ongoing efforts to adapt to evolving climate challenges and strengthen our sustainability practices.

TCFD PILLARS AND RECOMMENDED DISCLOSURES	STRACO'S APPROACH	PAGE REFERENCE
Governance Disclose the organisation's governance around climate-related risks and opportunities		
a) Describe the board's oversight of climate-related risks and opportunities	Please refer to the Sustainability Governance section above.	Page 24
b) Describe management's role in assessing and managing climate-related risks and opportunities		

TCFD DISCLOSURES

TCFD PILLARS AND RECOMMENDED DISCLOSURES	STRACO'S APPROACH	PAGE REFERENCE
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's business, strategy and financial planning where such information is material		
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	In FY 2024, Straco conducted a qualitative climate scenario analysis to identify and assess climate-related risks and opportunities relevant to the Group. This analysis evaluated the potential impacts of these risks and opportunities on our business operations, costs, and strategic objectives, enabling us to proactively manage risks and seize opportunities to remain sustainable and competitive. The scenario analysis covers our portfolio across three-time horizons—2030 (short-term), 2050 (medium-term), and 2100 (long-term)—using two climate scenario pathways: a 4°C scenario (RCP 8.5) and a Below 2°C scenario (RCP 2.6). Details of existing mitigation measures and their associated impacts are outlined in the Climate Scenario Analysis section.	Pages 25 to 31
RISK MANAGEMENT Disclose how the organisation identifies, assesses and manages climate-related risks		
a) Describe the organisation's processes for identifying and assessing climate-related risks	A structured three-step process has been established to systematically identify and assess climate-related risks: **1. Data Collection and Analysis** Climate-related projections and transition trends were extracted and analysed through a review of publicly available resources and peer practices. This ensured that identified risks and opportunities were aligned with current climate projections. **2. Engagement with Key Stakeholders** Senior Management validated the identified risks, opportunities, and impacted assets. This ensured alignment with business priorities and provided insights into climate risk perceptions across assets. **3. Risk Assessment and Ranking** Identified risks were assessed and ranked based on defined criteria for likelihood and magnitude, leading to the development of a comprehensive climate risk register.	Page 25

TCFD DISCLOSURES

TCFD PILLARS AND RECOMMENDED DISCLOSURES	STRACO'S APPROACH	PAGE REFERENCE
RISK MANAGEMENT Disclose how the organisation identifies, assesses and manages climate-related risks		
b) Describe the organisation's processes for managing climate-related risks c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	Straco has identified and reviewed climate-related risks as part of its Enterprise Risk Management ("ERM") Program. This year, Straco has conducted its inaugural qualitative climate scenario analysis for its 3 assets located across Singapore and China. For FY2025 onwards, we will continue to enhance our risk management process to map climate-related risks, and the severity of the impact posed to our business activities, along with establishing a process to identify appropriate risk mitigation measures to address them.	Page 25
METRICS AND TARGETS Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities, where such information is material		
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	The Group uses the following metrics to assess the climate-related risks and measure our performance against the targets: 1) energy consumption; 2) energy intensity; 3) GHG emissions (Scope 1 and 2); 4) GHG emissions intensity; 5) water consumption 6) water withdrawal and discharge; and 7) water intensity	Pages 36 to 42

TCFD DISCLOSURES

TCFD PILLARS AND RECOMMENDED DISCLOSURES	STRACO'S APPROACH			PAGE REFERENCE
METRICS AND TARGETS Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities, where such information is material				
b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks	**Emissions**	**FY 2023**	**FY 2024**	Pages 38 to 39
	Scope 1 emissions (tCO_2e)	43	86	
	Scope 2 emissions (tCO_2e)	8,241	8,604	
	Total emission (tCO_2e)	8,284	8,690	
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	Our target is to maintain or reduce 2024 energy consumption levels, GHG emissions levels, and water consumption levels, with a 10% variance.			Pages 17 to 18

Straco is committed to integrating sustainability into our operations, recognising the importance of transparently communicating our efforts to mitigate climate-related risks and seize emerging opportunities. We are dedicated to embedding climate resilience into our core business strategy and will continue to provide clear disclosures on our governance structure, strategy, risk management, metrics, and targets.

Economic

ECONOMIC PERFORMANCE

For the full year of 2024, Straco achieved a revenue of S$81.5 million and reported a net profit of S$27.2 million. Detailed insights into Straco's financial performance and the Group's target of return on capital for 2024 can be found in the Financial Review section of this Annual Report.

As economic and operational activities continued to gain momentum, the Group remained vigilant in anticipating and managing potential challenges that could impact our operations.

Straco remains committed to staying ahead of trends in the recovering tourism market, ensuring sustainable growth and long-term economic resilience. The Group's strategy is rooted in maintaining business relevance and adaptability through differentiated services, empowering a highly skilled and dedicated team, and upholding its commitment to excellence in ESG performance.

Environmental

ENERGY

Straco is dedicated to identifying, measuring, and understanding both the direct and indirect environmental impacts of our operations. In the context of escalating global warming and the growing concerns surrounding energy use and associated greenhouse gas ("GHG") emissions, Straco is committed to reducing our GHG emissions through energy-efficient practices. As a leader in the tourism industry, we recognize the vital role that energy consumption plays in our environmental footprint and are focused on continuously improving our operational sustainability.

Our property maintenance team, within the technical services department, actively monitors, reports, and reviews Straco's energy consumption. By adhering to formal energy management frameworks, we ensure compliance with energy efficiency standards, maintain equipment regularly, and analyse consumption trends to identify and address inefficiencies.

By 2024, Straco implemented several key energy-saving and emissions-reducing initiatives, including:

SOA:

- Replaced 287 sets of 26W double-tube fluorescent lamps in the retail exhibition area and the 1F hall with 12W Light Emitting Diode ("LED") energy-saving lamps, reducing energy consumption and improving the visitor experience during night-time visits.
- Adjusted energy and equipment allocation for spotted seal exhibition tanks based on water quality records, analysing the seals' breeding water temperature requirements to optimise energy use.
- Redirected surplus energy from the T16 (spotted seal) exhibition tank to the T1 (Chinese sturgeon) display tank using a plate exchanger, utilising existing equipment to optimise energy distribution and reduce consumption from new equipment.
- Consolidated scattered jellyfish breeding systems into a single integrated system, reducing the use of pumps, heating and cooling units, and other equipment while improving employee work efficiency.
- Upgraded lighting above tunnel exhibition tanks, reducing the number of lights from 76 to 49 and lowering total power consumption from 14,782W to 9,358W, achieving a 36.7% reduction. New LED lights feature gradual, slow startup to reduce biological stress and include a night mode for a comfortable environment for exhibit animals.

UWX:

- Adopted energy-efficient technologies such as LED lights and air-source cooling/heating machines to improve overall energy efficiency.
- Encouraged employees to power down computers, lights, and centralised hot water supply during off-work hours.
- Continued the use of variable-speed escalators with motion sensors and scheduled air source heat exchanger cooling operations during nighttime in summer to minimise energy consumption.
- Maintained air conditioning at energy-efficient and comfortable temperatures.
- Conducted regular monitoring and maintenance to optimise energy performance,

SF:

- Replaced 100% of lighting in handicapped toilets and 100% of Levels 1 and 2 carpark lighting with motion-sensor lighting.
- Upgraded 90% of toilet lighting and 100% of Sky Deck and Linked Bridge lighting to LED, reducing energy use and extending lifespan compared to traditional lighting.
- Continued to adopt eco-friendly practices like using paper-packed water instead of bottled water and reducing physical name card printing in favour of e-name cards.
- Remained certified with Admin Office "ECO Office" from Singapore Environment Council.
- Participated in Earth Hour organised by WWF and switched off non-essential lights for one hour to encourage collective action for energy conservation.

Case Study: SOA Optimises Energy and Space Management in Marine Life Conservation

In 2024, SOA introduced a new jellyfish breeding room that prioritises both the optimisation of marine life care and the enhancement of energy efficiency. SOA replaced outdated systems with advanced technology, streamlined spatial organisation, and reduced energy consumption, all while maintaining ideal conditions for marine organisms.

The facility upgraded its outdated scattered-point temperature control system, where each breeding tank operated with a separate unit, to an integrated solution. This new system features advanced heating and cooling technology, complemented by titanium bubble equipment, ensuring precise and efficient temperature regulation across all breeding tanks. The integration has effectively reduced energy consumption while providing optimal conditions for jellyfish and other marine life.


Figure 1: SOA's jellyfish breeding room

The breeding room also consolidated multiple breeding spaces that were previously dispersed across various locations. Jellyfish polyps, disc-shaped jellyfish, and breeding areas for seahorses and sea dragons were co-located within a multifunctional space. This strategic consolidation optimised spatial utilisation, with exhibition tanks designed for dual purposes—accommodating both breeding and display needs. Tanks with similar requirements and environmental settings were grouped to minimise conflicts between tank-specific conditions and the ambient environment.

The redesign emphasised adaptability, with spaces divided or combined for flexible utilisation. This innovative approach ensured efficient energy use while preserving the facility's original functionality. By integrating breeding and exhibition requirements within a cohesive framework, SOA achieved a significant reduction in energy demands without compromising the care and preservation of marine life.

Case Study: UWX Conducted Innovative Energy Management for Sustainable Pool Operations

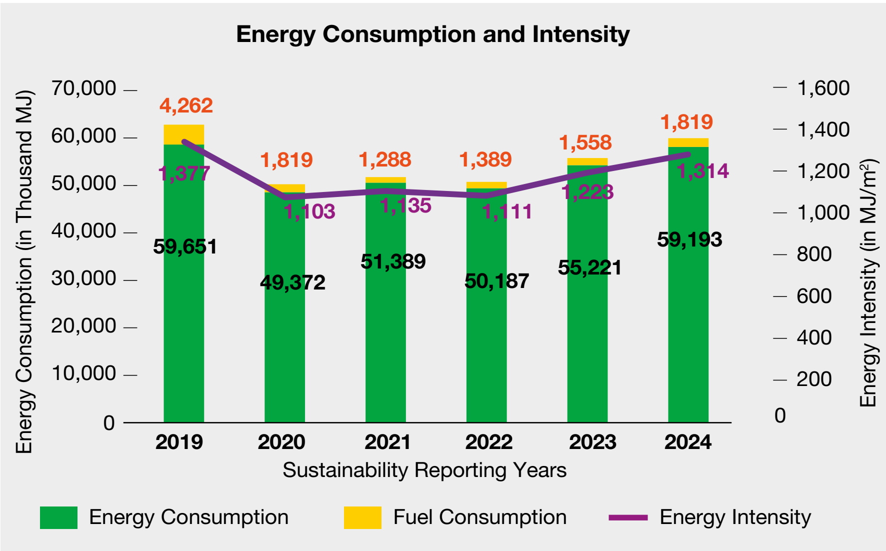
In 2024, UWX continued to implement cutting-edge energy management strategies to optimise temperature regulation for its tunnel main pool, enhancing operational energy efficiency. The system employs high-efficiency air source heat pumps to cool or heat the pool water as needed, significantly reducing both energy consumption and relative costs.

During the summer months, UWX strategically operated its cooling system at night, taking advantage of lower energy demand and off-peak electricity rates to maximise the energy efficiency ratio. Similarly, in winter, the heating system was run during off-peak hours at night, leveraging reduced electricity tariffs. This approach not only lowers operational expenses but also reduces the environmental impact by minimising energy waste and optimising resource use.

By adopting energy-efficient technology and implementing smart operational scheduling, UWX underscored its commitment to sustainability and effective energy management. This initiative is aligned with Straco's long-term objectives of reducing energy consumption and carbon emissions.

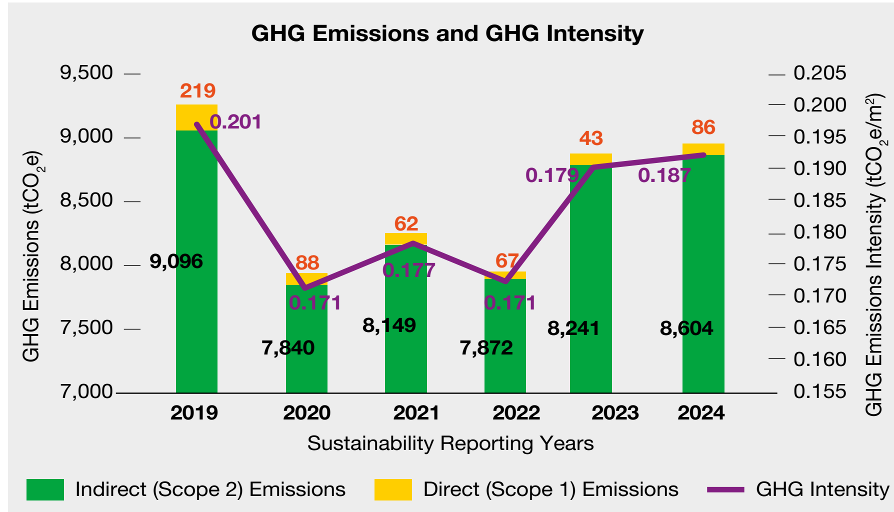

Figure 2: UWX's tunnel main pool water temperature regulation

The chart below illustrates our total energy consumption, which consists of fuel and electricity used within our operations under SOA, UWX and SF for 2019 to 2024. Our total energy intensity is calculated by total energy consumption divided by gross floor area for all three entities. This is illustrated below:



In 2024, SOA, UWX and SF consumed 61,012,305 Mega Joules ("MJ") of energy, comprising of 59,193,592 MJ of electricity consumption and 1,818,713 MJ of fuel consumption including Liquefied Natural Gas ("LNG"), city gas (Singapore) and diesel. 2024 experienced a 7.46% increase in energy consumption compared to 2023 due to increased business activity as normal operations resumed. However, in comparison to 2019, there is an overall decrease of 4.54% in both the total energy consumption and energy intensity[5]. Reflecting a relative improvement in energy efficiency and a reduction in overall consumption.

The following chart depicts the total GHG emissions arising from operations under SOA, UWX and SF, which consists of direct (Scope 1) GHG emissions[6] and indirect (Scope 2) GHG emissions[7], and the total GHG emissions intensity.



GHG emissions are derived from the country-specific grid emission factors for electrical consumption data. In 2024, our GHG emissions were 8,690.22 tCO_2e, reflecting a decrease of approximately 6.71% compared to 2019 levels (9,315 tCO_2e). However, when compared to 2023, this year experienced a rise in emissions. This can be attributed to increased activities and full resumption of normal operating hours across most entities in 2024 compared to 2023.

For 2025, Straco aims to maintain or reduce energy consumption and GHG emissions from 2024 levels, allowing for a variance of up to 10%. At SF, efforts will focus on upgrading lighting systems to energy-efficient LEDs across all facilities, including the

5 *In 2019, total energy consumption was at 63,912,938 MJ while energy intensity was at 1,376.81 MJ/m².*

6 *Direct (Scope 1) GHG emissions arose from fuel consumption and are calculated using GHG Protocol Global Warming Potential ("GWP") values. The gases included in the above emissions calculation are CO_2, CH_4 and N_2O. The emission factors and GWP rates are sourced from 2006 IPCC Guidelines for National Greenhouse Gas Inventories and IPCC Fifth Assessment Report, 2014 (AR5) respectively.*

7 *Indirect (Scope 2) GHG emissions arose from electricity consumption. The emissions were calculated based on Grid Emission Factors published by the Energy Markets Authority of Singapore and the Ministry of Ecology and Environment of China.*

Coach Bay and Mechanical and Electrical ("M&E") facility rooms. Meanwhile, SOA plans to replace the outdated, high-energy-consuming air-conditioning units on the third floor with energy-saving centralised air handling equipment. In addition, SOA will promote energy-efficient transformations, such as upgrading the exhibition lighting fixtures in the China Hall on the third floor and retrofitting old fluorescent lighting fixtures in the annex building's garage with energy-saving alternatives.

WATER MANAGEMENT

Straco recognises that water is a vital resource under increasing pressure and is committed to its conservation. We carefully consider both water withdrawal and discharge within the local context. Additionally, utility companies across our main operational sites implement tiered water pricing to discourage excessive consumption, making water conservation not only an environmental imperative but also an opportunity for cost savings.

Our operations under SOA, UWX, and SF continue to prioritize water efficiency by implementing water-saving practices and installing water-conserving fixtures. The property maintenance team in the technical services department regularly maintains equipment across all assets and uses water meters at key consumption points to effectively track and monitor usage. We are committed to responsible water management, ensuring compliance with all reporting requirements related to water consumption and discharge quality.

In 2024, as a continuation from previous years, Straco's key water management practices and initiatives include:

SOA:
- Installed a liquid-level detection and alarm system for the domestic water tank supply, using technical safeguards to prevent water wastage.
- Replaced outdated water supply valves and faucets to reduce the risk of leaks.
- Upgraded staff restroom facilities by replacing old, high-water-consumption sanitary equipment to conserve water resources.
- Conducted regular inspections of water levels in breeding ponds to promptly identify and address pipeline leakage issues, reducing the risk of floor drain problems.
- Installed observation systems in distribution room water tanks to monitor and minimise water vapor evaporation.

UWX:
- Continued the use of treated seawater in tanks, minimising reliance on municipal freshwater supplies. The seawater is filtered through the Life Support System (LSS) and recycled, effectively reducing overall water usage.
- Maintained the use of water-saving equipment, including automatic flow control faucets, flush valves, and water-saving toilet tanks, to promote conservation.
- Continued to use circulating water for cooling the central air conditioning system.
- Organised monthly engineering team meetings to monitor water usage and sewage data.
- Ensured compliance with sewage discharge quality standards by conducting regular testing and providing necessary reports.
- Conducted daily inspections by specialised personnel to monitor and record water usage, promptly identifying and addressing any abnormalities.
- Promoted water conservation awareness by displaying educational posters in public areas.

SF:
- Continued using recycled water, such as NEWater, for landscape irrigation and cooling tower operations in the car park building.
- Adopted a manual approach to landscape irrigation, adjusting watering schedules based on weather conditions to avoid unnecessary watering during rainy periods.
- Equipped toilets with water-efficient fixtures, including sensor-activated taps and flushing systems, to reduce water consumption.

Straco is actively assessing its current water practices and exploring new methods to enhance its water management efforts.

Case Study: SOA's Centralised Inspections to Strengthen Water Management

In 2024, SOA conducted a centralised inspection of the sand cylinder system in the large life support system, focusing on components such as valves and flexible joints. The inspection revealed that prolonged use and high pressure had caused several flexible joints and butterfly valves to malfunction. Flexible joints were prone to leaking under increased pressure, while butterfly valves failed to close fully, leading to potential leaks and inefficiencies.

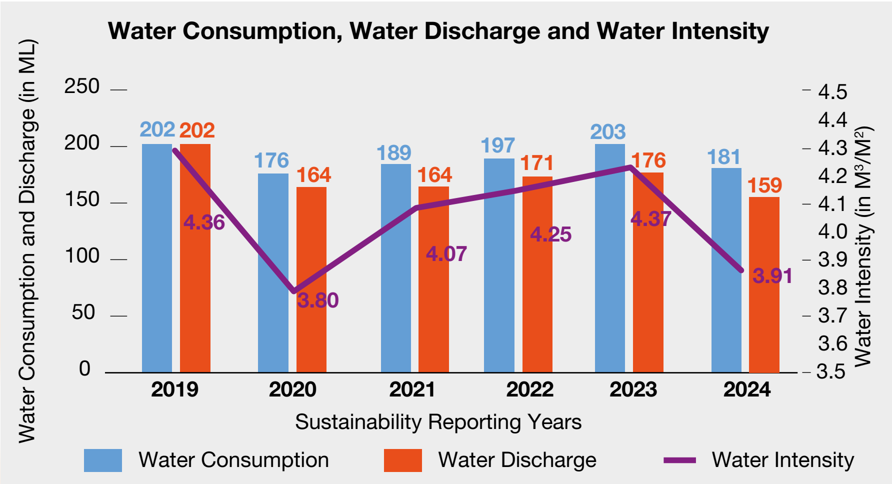
To address these issues, SOA replaced the faulty components in a centralised manner, significantly reducing the risk of leakage and water wastage. Additionally, the underground water supply network for green irrigation was inspected, and a leak was detected in the pipeline. The branch valve was immediately closed and sealed, effectively halting the leakage and preventing further water waste.

To further strengthen water management, SOA standardised water usage across all areas and promptly addressed any instances of water wastage. A detailed analysis of monthly water usage data was introduced, enabling better monitoring and control of water consumption. These measures resulted in significant reductions in water waste, enhanced system efficiency, and reinforced Straco's commitment to sustainability through improved water management practices.

Figure 3: SOA's old and faulty pipes susceptible to leaks

Figure 4: SOA's newly replaced pipes to prevent water wastage

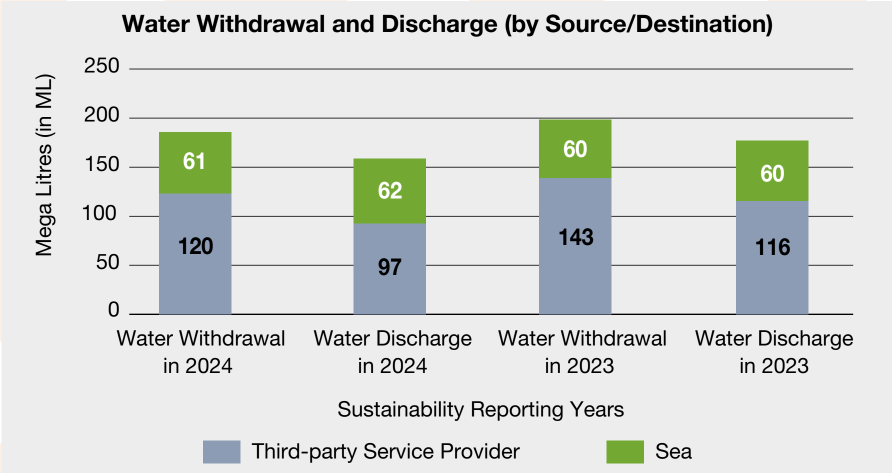
The chart below illustrates our total water consumption, water discharge and water intensity for our operations under SOA, UWX and SF from 2019 to 2024. Total water intensity is calculated by dividing total water consumption by the total gross floor area of the three entities. This is shown below:



In 2024, SOA, UWX and SF consumed 181 Mega Litres ("ML") of water, comprising 120 ML of fresh water and NEWater and 61ML of other types of water. Our water consumption has reduced overall by 10.3% since 2019[8]. Two of our three in-scope entities are aquariums, contributing significantly to our water usage all year round. While our water consumption has continued to rise since 2020 with the increase of tourist activities post-pandemic, we have managed to maintain levels to be below 2019 benchmark due to continuous implementation of water-saving initiatives. Moving forward, we will continue to adopt innovative ways to reduce water usage.

Straco ensures that all nonreusable water is properly discharged, either through third-party water treatment facilities or in-house treatment before being released into the sea. To manage discharge quality, Straco conducts regular maintenance of sewage systems and adheres to local regulations, including the 2018 Shanghai Municipal Comprehensive Sewage Discharge Standard, PUB regulations, and inspections by the Xiamen Environmental Protection Bureau. Key substances of concern, such as suspended solids, Chemical Oxygen Demand (COD), and ammonia nitrogen, are carefully controlled to remain within allowable limits. There were no incidents of non-compliance with discharge limits in 2024.

In 2021, SOA completed the water balance testing. We will conduct water balance test projects once every five years. The charts below detail the breakdown of water withdrawal and discharge[9 10] by source/destination and by water source compared to last year.



In 2024, SOA, UWX, and SF withdrew 181 Mega Litres ("ML") of water, comprising 120 ML of municipal water and 61 ML of seawater. There was a 10.3% decrease in the amount of water withdrawal as compared to 202 ML in 2019. Over the years, water intensity has also decreased by 10.3%, from 4.36 m^3/m^2 in 2019 to 3.91 m^3/m^2 in 2024. For 2025, Straco has set targets to maintain or reduce water consumption from 2024 levels.

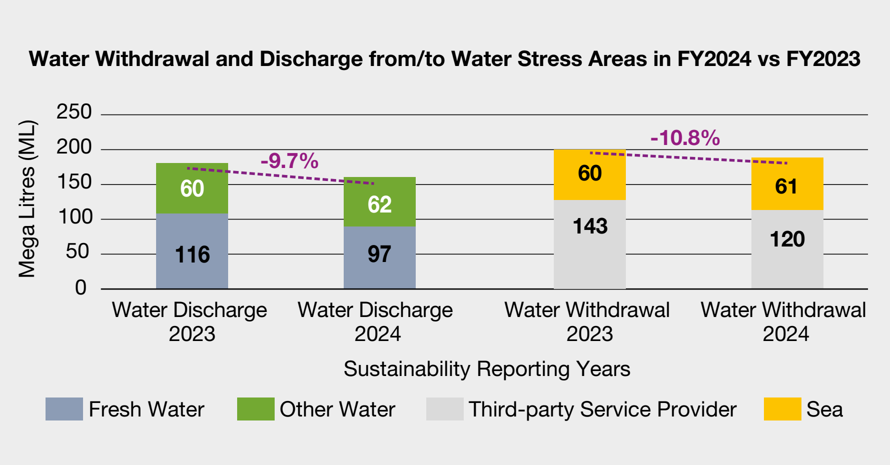
8 *In 2019, the total water consumption was 202 ML.*

9 *SOA measures water withdrawal from municipal sources based on meter readings from third-party water providers. The discharge volume to third-party treatment facilities is estimated at 90% of the withdrawal, aligning with the standard used by third-party companies in charging wastewater treatment fees. An estimation is made as not all water balance testing equipment has been installed at present. A water balance testing plan will be determined in due time. UWX measures the amount of seawater based on the volume of the pool that stores the seawater, while third-party water is measured by a water meter. SF refers to its third-party provider's monthly billings.*

10 *For reporting purposes, we also collect the type of water withdrawn and discharged. In accordance with GRI standards, the water type bought from third-party service providers is freshwater, while sea water is considered other types of water.*

This year, 159 ML of water was discharged, comprising 97 ML of used freshwater[11] sent to third party water treatment facilities and 62 ML of other water[12] discharged to both the sea and third-party water treatment facilities.

The chart below provides a breakdown of the water withdrawal and discharge:



In 2024, 181 ML of water was withdrawn from, and 159 ML of water was discharged to areas of water stress. The third-party water withdrawn comprises of 111 ML of freshwater and 9 ML of NEWater. In comparison to 2023, the amount of water discharged and withdrawn in 2024 decreased by 9.7% and 10.8% respectively, due to two key reasons. According to SOA's Aquarium Exhibition and Education Department, the cleaning of freshwater and seawater exhibition tanks and sand tanks has decreased in 2024 compared with 2023, resulting in a year-on-year decrease in drainage and water intake. Additionally, at the start of 2024, SOA's maintenance team found that the underground water supply pipeline was leaking and took timely measures to eliminate the leakage problem.

Water stress is a measure of the ratio of total water demand to available renewable surface and groundwater supplies[13]. Straco has assessed the water stress levels of its operating locations and identified SOA as extremely high, UWX as low-medium, and Singapore Flyer as low. This underscores the vulnerability of surface and groundwater availability in Shanghai and Xiamen moving forward. In response, SOA plans to implement a rainwater collection system to reduce water usage for green irrigation.

Case Study: SOA's Implementation Plan for the Rainwater Collection System

The implementation plan for the rainwater collection system at SOA involves repurposing an unused sewage treatment tank into a rainwater reuse reservoir, selecting a suitable location in the B1F rainwater discharge pipe area for a collection tee, and choosing appropriate pumps, pipes, and control systems to meet irrigation needs.

Pre-construction preparations, including material procurement, anti-leakage treatment for the storage tank, and dismantling old equipment, are scheduled for March and April. It is crucial to design a reasonable and effective control method to meet the water needs for transportation and irrigation.

The installation of equipment will begin in May, with the system set to be debugged and tested before the rainy season in June. This project aims to optimize water usage and enhance sustainability at the museum.

UWX will continue to utilise its Life Support System ("LSS") and water recycling practices to minimise overall water usage while also assessing current water consumption processes to identify further water-saving measures. These efforts support Straco in mitigating water stress risks and incorporating climate risk considerations into its business operations. In 2025, Straco aims to maintain or reduce water consumption from 2024 levels, allowing for a 10% variance. To achieve this, SOA will renovate outdated toilets in the back-of-house areas, replace them with energy-efficient models, and install advanced water level controllers to prevent leaks. By 2025/2026, SF intends to integrate smart toilet fixtures equipped with monitoring systems to track and minimise water consumption. SF is also exploring the feasibility of collecting localised rainwater for landscape irrigation, further advancing its sustainability goals.

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11 Based on GRI Standards (2018), freshwater is defined as water with concentration of total dissolved solid equal or below 1,000 mg/L.

12 Based on GRI Standards (2018), other water is defined as water with concentration of total dissolved solid more than 1,000 mg/L.

13 Definition of water stress is based off the World Resources Institute (WRI) Technical Note 4.0. Water stress ratings were determined by WRI's Aqueduct Water Risk Atlas tool.

Social

ANIMAL SOURCING AND WELL-BEING[14]

As the plight of climate change and degradation of natural habitats worsens, biodiversity and the health of natural ecosystems are increasingly pressing global concerns. As the operator of two public aquariums, our key stakeholders expect greater commitment from Straco regarding conservation and biodiversity.

OUR COMMITMENT:
We do not practice punitive animal training. We refrain from animal performance purely for commercial purpose, instead, we focus on displaying natural behaviours for education.

Responsible Sourcing

As owners of responsible aquariums in line with national and international legislation, we are committed to acquiring animals in an ethical and sustainable manner, protecting the viability of wild populations and the interests of residents, and avoiding sensitive species. Our main sources of animals include in-house breeding programs, certified suppliers, donations from civic society, as well as fishery rescues. Meanwhile, we use sustainable alternatives for habitat enhancement where possible to minimise disturbance to natural ecosystems. For example, we use artificial corals in our displays to prevent any removal of coral reef from wild habitats.

Straco diligently tracks and manages the method of acquisition and origin of animals, particularly for endangered species falling under the Convention on International Trade in Endangered Species of Wild Fauna and Flora ("CITES")[15] or national conservational schemes. All protected species are obtained through legitimate sources and endorsed with the necessary permits. Every year, UWX renews its aquatic wildlife domestication and breeding license in compliance with regulations from China's local fisheries administration.

Our aquariums are subject to rigorous government oversight concerning animal sourcing and have consistently passed spot checks and routine inspections with no breaches reported.

Wildlife Conservation

Straco's conservation initiatives encompass a variety of marine life breeding programs, with a particular focus on endangered species. We are committed to upholding high standards of care for marine life. Additionally, Straco has built a strong partnership with the Law Enforcement Team of the Shanghai Municipal Agriculture Agency, Rural Committee (formerly the Fishery Supervision and Administration Office), and the Public Security Management Team of the Lujiazui Public Security Division. Together, we actively participate in the rescue and temporary care of nationally protected species. Our collaborative efforts cover a range of species, including clams, corals, turtles, and pinnipeds, and we provide technical support to help protect rare species across the country.

In line with the requirements of the Fisheries Administration Bureau of the Ministry of Agriculture and Rural Affairs, SOA has implemented the "National Key Protected Aquatic Wildlife Information Management System." Additionally, some provinces have introduced live identification tag management. When nationally protected species are introduced into the aquarium, the use of live identification tags is strictly enforced to ensure full compliance with relevant policies and regulations. UWX, adhering to the regulations of China's fishery administration department, conducts an annual review of its aquatic wildlife management and utilisation/artificial breeding license for aquatic wildlife. These practices underscore Straco's commitment to the responsible management and conservation of aquatic wildlife.

With extensive expertise in wildlife biology and veterinary science, Straco's aquariums actively collaborate with local wildlife departments and contribute to wildlife rescue missions. In 2024, SOA continued its partnership with the Shanghai Fisheries Administration to rescue nationally protected species, including green turtles, hawksbill turtles, two-clawed softshell turtles, and round-bellied mang fish. Additionally, SOA conducted rescue efforts for non-protected species, such as Florida softshell turtles and tiger catfish, on multiple occasions.

With the support of the Group, UWX has made significant progress in the rescue and conservation of endangered species, focusing particularly on the green hawksbill turtles.

14 This chapter focuses on Straco's two aquariums, SOA and UWX only.

15 CITES is an international agreement between governments, with the principal aim to prevent the international trade in specimens of wild animals and plants from threatening their survival. For the many non-endangered wildlife species in trade, the existence of an agreement adds extra assurance of the sustainability of the trade in the long run.

Currently, efforts are concentrated on developing incubation technology for these national first-class protected turtles. This initiative is a key step towards ensuring the successful breeding and rehabilitation of hawksbill turtles and also lays the groundwork for future conservation projects, particularly in the self-propagation of other protected marine species.

Figure 5: UWX's green sea turtle rescue initiative

In providing care for rescued species, SOA ensured proper breeding and medical treatment while also assisting the Shanghai Fisheries Administration with on-site environmental assessments, water quality testing, and biological disease consultations at relevant rescue bases. UWX actively monitors the health of green hawksbill turtles through faecal matter analysis, helping detect diseases, assess nutrient absorption, and tailor their care. This non-invasive method allows early identification of health issues, ensuring timely medical intervention. The data also contributes to broader conservation efforts, supporting the turtles' rehabilitation.

As climate change accelerates, its effects on natural habitats and wildlife populations have become more pronounced. In response, Straco has deepened its commitment to biodiversity conservation, with both SOA and UWX recognized for their leadership in protecting vulnerable species. UWX's green sea turtle rescue and conservation efforts gained national recognition when featured on Xiamen's National Television in 2024. Through active participation in seaside rescue drills and innovations such as turtle health monitoring, they continue to strengthen their expertise in marine protection. SOA also contributed professional advice to the Shanghai Fisheries Administration, enhancing their conservation strategies. In 2024, these initiatives resulted in the successful rescue of 13 species, comprising a total of 50 individual animals.

In addition, UWX also films documentary videos for science and education channels, promoting the protection of zebra seals. On conservation days like the World Turtle Day and the Zebra Seal Protection Publicity Day, UWX also promotes educational content social media campaigns.

Figure 6: Behind the scenes of UWX's filming to promote the protection of zebra seals

Straco maintains ongoing collaboration with the government in the areas of animal rescue and protection. In 2024, UWX was awarded as one of the first members of the Fujian Provincial Aquatic Wildlife Protection Specialised Committee and a licensed member unit of the Rescue Alliance.

Straco is committed to marine conservation through a diverse range of breeding programs, particularly for endangered species. At UWX, animal breeding practices strictly follow the five standards set by the Ministry of Agriculture, ensuring compliance with government regulations. The breeding area is supported by full-time veterinarians, external veterinary consultants, and breeders, providing a strong foundation for the self-propagation of protected organisms. Through continuous facility enhancements and a focus on animal welfare, UWX has successfully achieved self-sustaining breeding of species like sea moon jellyfish and small fish. A significant milestone was the successful birth of an African fur sea lion, marking a breakthrough in pinniped breeding, while advances in hatching technology for hawksbill turtles promise to further support national conservation efforts.

Building on its 2023 enrichment programs for penguins and harbour seals, SOA expanded its efforts in 2024 to enrich the daily lives of its marine animals. A variety of stimuli, including sounds, toys, lighting, new facilities, and breeder interactions, were introduced to create a diverse and stimulating environment, helping to prevent stereotypical behaviours. Feeding training programs were also expanded to include species such as cownose rays, white-spotted eagle rays, blacktip sharks, whitetip sharks, black rays, and yellow rays. These programs aim to help animals adapt to artificial breeding environments, ensuring their well-being while maintaining effective care.

SOA achieved significant breakthroughs in breeding efforts in 2024, successfully breeding species such as the orange-bearded green-hearted thousand-handed buddha, devil's knife, and crown helicopter for the first time. Additionally, SOA focused on rays and stingrays, breeding yellow rays and long-tailed rays, with the latter setting a museum record of 20 individual survivals in a single batch. Notably, SOA successfully bred the endangered Pearl Swallow, producing four batches with a total of 67 individuals. This achievement ensured the sustainability of the Pearl Swallow's display while reducing reliance on natural resources. These efforts underscore Straco's commitment to biodiversity, sustainability, and innovation in marine conservation.

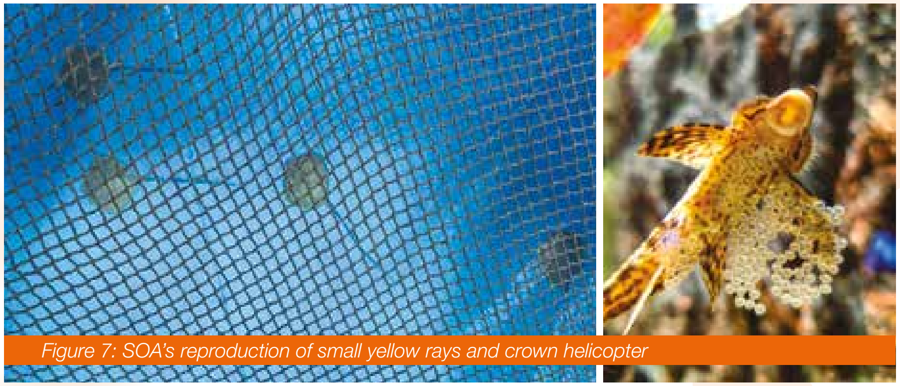


Figure 7: SOA's reproduction of small yellow rays and crown helicopter

Remaining steadfast in its commitment to wildlife conservation, Straco continues to prioritise the preservation and protection of aquatic animals, reflecting the company's unwavering dedication to this cause. In 2025, UWX plans to enhance its facilities and rescue equipment further, while also establishing quarantine and isolation sites for protected organisms. These initiatives not only demonstrate Straco's commitment to social responsibility but also align with the requirements set by the local government.

Animal Well-being

At Straco, we are committed to providing the animals in our aquariums with a nurturing, low-stress environment that fosters natural and healthy behaviours. We believe our animals deserve the highest level of care, which is delivered by our dedicated team of professional curators and veterinarians, trained to meet their specific needs. To ensure compliance with national standards for animal care and to provide optimal living conditions, we have formalised our practices in a set of Standard Operating Procedures ("SOPs") and conduct regular testing and reporting of water quality.

UWX continuously upgrades its aquarium facilities to enhance animal habitats, optimise water circulation systems, and improve other critical equipment. Recent upgrades include the addition of water circulation systems, ozone and UV equipment for exhibit tanks, and a temperature control system for the rearing areas in 2024. Water quality is closely monitored daily, with detailed documentation and analysis ensuring the health of all aquatic organisms. This commitment to excellence extends to the spatial environment, providing a stable and supportive habitat.

SOA has implemented numerous initiatives to enhance animal welfare and create a sustainable environment for its organisms. These efforts include optimising habitat locations, facilities, water quality, food, and enrichment. Animals are cared for in a way that encourages natural behaviours, avoiding commercial or punitive training. Educational displays and science-based activities focus on showcasing natural movements, with no purely commercial performances. Special care is provided for animals that are old, ill, or unsuitable for exhibition, ensuring appropriate housing and medical attention. Artificial corals are used to protect natural resources, while breeding sites are carefully maintained to support ethical and sustainable practices.

Veterinarians in UWX conduct routine health checks and spot inspections, ensuring that all animals receive appropriate medical care. New arrivals undergo quarantine to identify and treat any potential diseases before integration into the aquarium. Both SOA and UWX assign independent identification tags or chips to aquatic organisms, ensuring accurate record-keeping and individualised care. Guided by sound nutritional science, we have developed detailed feeding plans tailored to species, age, and physical needs, including the use of nutritional additives. Feed quality is checked daily by veterinarians and regularly tested by local inspection and quarantine authorities to ensure a clean and balanced diet.

Under the guidance and support of the management, UWX has established a large, independent bait storage and processing area to ensure strict quality control. External vendors are engaged to conduct bait quality testing, while nutritional additives are used to replicate natural living conditions as closely as possible. These efforts ensure the cleanliness and nutritional value of feed, supporting the overall health and well-being of all organisms in the aquarium.

Additionally, SOA's responsible animal traceability initiative ensures ethical and legal practices in the introduction, display, and breeding of organisms. SOA adheres to the CITES Convention and relevant national wildlife protection laws, ensuring that all organisms are introduced legally, displayed responsibly, and bred scientifically. This commitment to ethical and legal standards also extends to the traceability management of farmed animals, with meticulous efforts to prevent any confusion in pedigrees. Through these measures, SOA upholds the highest standards of animal welfare and sustainability, ensuring transparency and accountability in all aspects of its operations.

Moving forward, Straco is committed to sourcing animals responsibly, considering local contexts, updated conservation statuses, and climate conditions. The company also plans to invest in research and enhancements to its animals' living environments to encourage natural behaviours and promote overall well-being. Furthermore, Straco aims to actively participate in conservation and research initiatives to protect biodiversity, reinforcing its dedication to sustainability and wildlife preservation.

TALENT RETENTION AND TRAINING

As the job market and employee expectations continue to evolve, Straco is committed to adapting and enhancing its talent management strategies to attract, retain, and develop a pipeline of capable and dedicated employees. An efficient human resource management framework integrates systems and procedures, providing a strategic approach to managing talent. Our Management Manual and Employee Handbook clearly outline policies and practices related to recruitment, turnover, reimbursement, training and education, performance appraisal, and employee benefits.

Hiring and retention

Straco's human resource policies are built on the principles of transparency and equal opportunity. We are dedicated to fostering a diverse and inclusive workplace where unique talents, experiences, and perspectives are valued and respected. All qualified candidates are considered for employment without discrimination. Aligned with our diversity policy and structured recruitment process, discriminatory clauses based on geographical origin, gender, or appearance are strictly prohibited in job advertisements. A diverse workforce enhances productivity, profitability, and the organisation's reputation, while also boosting employee loyalty and morale.

To attract a sustainable talent pipeline, Straco collaborates with universities, online hiring platforms, and recruitment agencies. We also leverage established recruitment channels, including memberships in professional networks like the Xiamen Zhilian Network and Xiamen Wisdom Recruitment Network. Since October 2022, SF has actively expanded its hiring initiatives to include individuals from the Yellow Ribbon Project and Persons with Disabilities, further demonstrating our commitment to inclusivity and social responsibility. As of 2024, SF continues with this hiring initiative, as before.

In 2024, SOA successfully introduced young and middle-aged talent, reducing the average age of employees from 44.0 years at the beginning of the year to 43.8 years. At the departmental level, significant reductions in average age were achieved: the maintenance department decreased by 2 years, the security department by 2.2 years, the procurement department by 1.9 years, and the computer department by 5.4 years.

The addition of new employees has brought fresh perspectives and energy to the organisation, establishing a strong foundation for building a robust pipeline of young and mid-career professionals.

SOA also welcomed 24 interns in 2024, with more than half (54.2%) being long-term interns. Long-term interns refer to interns who have been in the company for at least three months and have a clear intention to become regular employees, and the company also considers the possibility of including them as regular employees. They have more opportunities to participate in systematic job practices and undertake more challenging and valuable tasks, so as to get more adequate training and growth. Increasing the number of long-term interns recruited has many positive effects on improving SOA's talent management, including strengthening the talent reserve capacity, effectively reducing recruitment costs, and significantly improving employee loyalty. By the end of June, two interns were officially converted to regular employees and five interns, along with four trainees, continued to integrate into the team, contributing new ideas and enthusiasm to the company. These efforts reinforce SOA's commitment to nurturing talent and fostering the next generation of professionals.

As of 31 December 2024, we have a total of 9 Directors[16] and 456 permanent employees. A breakdown of our workforce is shown in the charts below. We have a balanced split of males and females at most organisation levels, with a higher proportion of males at the management levels. Age groups are well represented across the workforce, with older age groups more prevalent in senior roles, reflecting a blend of experience and diversity across the organisation.

BOARD OF DIRECTORS

By Gender
Female: **3**
Male: **6**

By Age Group
< 30 years old: **0**
30 – 50 years old: **2**
> 50 years old: **7**

EMPLOYEES

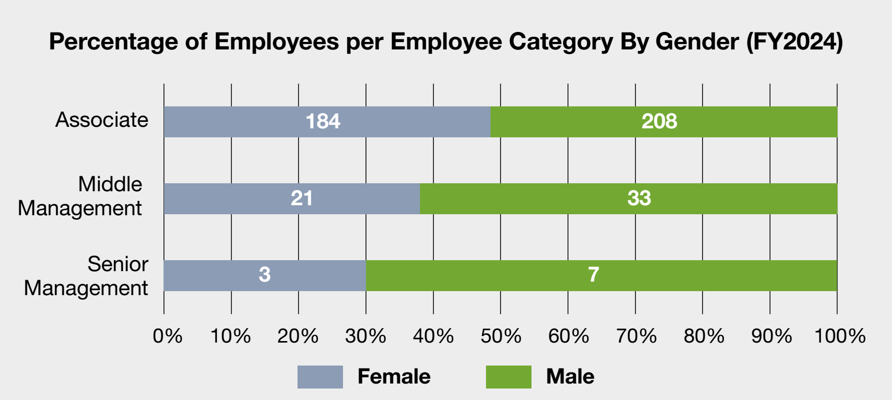
By Location
China: **331**
Singapore: **125**

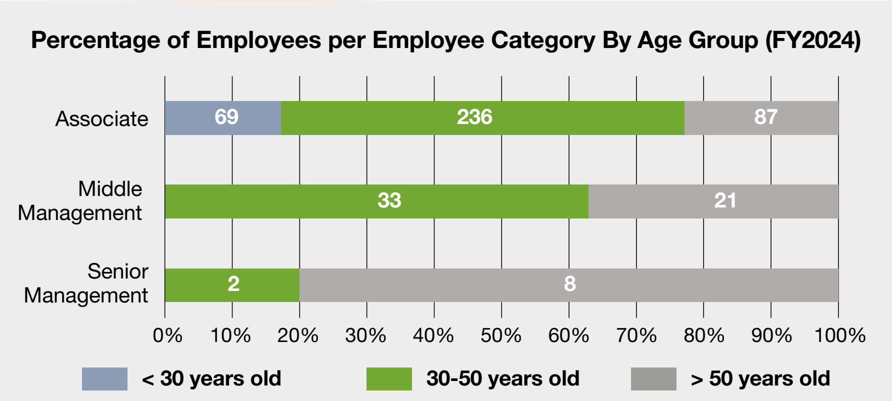
By Gender
Female: **208**
Male: **248**

By Employee Category
Senior Management: **10**
Middle Management: **54**
Associate: **392**

By Age Group
< 30 years old: **69**
30 – 50 years old: **271**
> 50 years old: **116**

16 *Information pertaining to Board of Directors is applicable for Straco Corporation Limited.*





Straco employees are compensated with salaries that align with market standards. Remuneration is determined objectively, based on position, competency, and performance. In 2024, SOA adjusted employee remuneration to align with the minimum salary and compensation standards stipulated by the state. Straco conducts regular performance assessments to evaluate employee achievements and career objectives. These evaluations play a key role in decisions regarding promotions, transfers, salary adjustments, and training plans. To enhance the transparency and fairness of the appraisal system, Straco performs an annual review process, with proposed improvements submitted to Corporate Headquarters for approval and integration into formal Human Resource ("HR") policies. In 2024, a total of 440 employees received regular performance and career development reviews, which makes up 96% of total employees.

Straco offers a comprehensive range of benefits to support employee well-being, including medical and social insurance, housing allowances, paid leave, transportation subsidies, complimentary attraction tickets, team-building trips, and tokens of appreciation. All newly recruited employees are required to complete a physical health screening, fully paid by Straco. In 2024, SF extended annual and medical leave to interns and reinstated incentives for retail gift shop employees. These policies aim to enhance employee well-being and satisfaction, contributing to improved retention and performance.

Straco actively supports employees in planning for retirement and offers re-employment opportunities for outstanding management and technical staff. Retired employees are evaluated for rehire based on performance, manager assessments, and personal preferences. For regular employees, Straco reserves three basic positions for retirees wishing to continue working, prioritising them during staffing shortages, subject to interview approval. With a rising number of employees approaching retirement over the next three years, SOA is honouring their contributions through the "Retirement Employee Human Care Implementation Plan" introduced in 2024. This initiative applies to employees with 10 or more years of service and includes retirement gifts, union condolence funds, and farewell ceremonies to ensure retiring employees feel valued and respected. These measures reinforce Straco's commitment to recognising and supporting its workforce at every stage of their career journey.

Straco actively encourages open feedback from employees as a form of two-way communication. Feedback is collected through various channels, including worker unions, online feedback portals, and a physical suggestion box. In February 2024, SF launched the Employee Opinion Survey, which will now be conducted annually to gather insights and respond to employee needs in an agile manner. In December 2024, SF held a staff appreciation lunch to express gratitude to all employees for their contributions to a successful year. To further facilitate communication, SF will continue hosting healthy lunch and talk sessions regularly each year.

The HR Department employs strategic workforce planning by closely monitoring new hires and turnover rates. High employee turnover can indicate uncertainty or dissatisfaction among staff, impacting productivity and incurring direct costs. In 2024, SOA made significant strides in talent acquisition and team building, successfully filling several key and technical positions. The company welcomed four talented young and mid-career professionals: two at the director level (Director of Special Projects and Deputy Financial Director) and two at the manager level (Manager of the Purchasing Department and Manager of the Marketing Department). These additions have strengthened the company's management structure, enhanced operational efficiency, and boosted market competitiveness. SOA also successfully recruited 17 skilled professionals for various technical roles. The integration of these talented individuals will drive the company's next phase of development, positioning it for even greater achievements in the future.

The table below[17] provides a breakdown of the average annual rates of new employee hires and employee turnover by age, gender, and region.

	NEW EMPLOYEE HIRES		EMPLOYEE TURNOVER	
	Number	Annual Rate[18]	Number	Annual Rate
By age group				
< 30 years old	36	52%	23	33.3%
30 - 50 years old	62	23%	42	15.5%
> 50 years old	17	15%	25	21.6%
By gender				
Male	66	27%	51	20.6%
Female	49	24%	39	18.8%
By region				
China	75	23%	55	16.6%
Singapore	40	32%	35	28.0%
Overall				
Overall	115	25.2%	90	19.7%

In 2024, our average annual rates of new employee hires and employee turnover stood at 25.2% and 19.7% respectively. In 2024, there were 115 new employee hires, a decrease of 17 employees from the previous year[19]. The turnover in 2024 was 90 individuals, 14 less individuals compared to 2023. Overall, Straco's employee permanent workforce grew by 23 individuals or 5.0% of total employees.

Straco remains committed to strengthening employee retention and recruitment efforts. In 2025, SOA aims to optimise its talent structure by attracting young, innovative professionals to fill key management and technical positions through diverse recruitment channels such as job websites, social media, and partnerships with educational institutions. The company will focus on building a strong talent pipeline by fostering relationships with academic organisations and offering internship opportunities to engage energetic young talent. A comprehensive training and promotion framework will be established to ensure a robust pool of backup candidates for key roles, while enhancing the professional skills, management capabilities, and teamwork of young and mid-career employees. Knowledge sharing between new and experienced staff will be encouraged, fostering growth and preserving valuable expertise. Through these initiatives, SOA is dedicated to developing a skilled, versatile team that aligns with its long-term objectives and supports its continued success.

Training and Education

Straco is committed to providing employees with systematic and ongoing training opportunities, recognising that retaining competent and motivated employees is a key priority. Our training and development programmes are tailored to the diverse professional and learning needs of our workforce. By investing in employees through these initiatives, Straco strengthens their commitment to the organisation, leading to improved performance at both individual and organisational levels. The company provides the necessary training funds and grants leave for employees participating in company-organised or approved training. By consistently updating learning materials and teaching methods, Straco aims to cultivate a skilled, engaged, and high-performing workforce.

Straco offers specialised training tailored to employees' roles, enabling staff to enhance their skills in alignment with their respective positions. SOA employs a strategy of "unified planning, hierarchical organisation, and batch execution" to ensure training activities are well-coordinated with daily work and maximise participation rates. Corporate-level training is overseen by the Human Resources and Administration Department, while department-level training is customised to address specific needs. Training methods

17 Numbers have been rounded for reporting purposes.

18 The above rate is calculated based on number of new employee hires per category during the year divided by the total number of employees per category as at financial year end.

19 The number of new employee hires in 2023 was 132.

emphasise interactivity and practicality, using formats such as lectures, discussions, case analysis, and simulation exercises, with a particular focus on the latter two to increase hands-on opportunities and engagement. The effectiveness of training is evaluated through interviews, questionnaires, before-and-after comparisons, and other multi-dimensional approaches. Straco ensures the quality of training meets employees' growth needs while supporting the achievement of corporate strategic goals. By placing a strong emphasis on upskilling and employee development, Straco fosters a motivated and capable workforce that drives the organisation's continued success.

At UWX, the training plan includes induction programmes for new employees, specialised aquarium knowledge training for aquarium professionals, and engineering training for maintenance professionals in the engineering field. In 2024, UWX's Department of Exhibition and Education continued to uphold its mission as a popular science education base, dedicating efforts to researching and developing new science and technology education initiatives. These sessions provide opportunities for employees to engage with experts, research institutions, and educators in marine science and environmental conservation. Additionally, UWX employees participated in educational discussions hosted by the Xiamen Association of Science and Technology and the Siming District Association for Science and Technology. The company also provides the necessary training funds and leave for employees participating in company-organised or approved training, reinforcing its commitment to professional development and collaboration in environmental education.

Case Study: SOA's 20th Anniversary Employee Activities and Team-Building Training Plan

To celebrate SOA's 20th anniversary, the company introduced a year-long training plan aimed at improving service quality, enhancing professional capabilities, and laying the foundation for sustainable development. The plan emphasises strengthening team cohesion, fostering a sense of belonging, and continuing the training philosophy of "standardisation, scenario-based learning, and professionalisation." Built around a curriculum system focused on "knowledge + skills + attitude," the training covers five key categories: operational services, system processes, safety emergencies, professional skills, and expansion training. During this phase, 38 training courses were launched, comprising 10 new courses (26.3%), 15 updated iterations (39.5%), and 13 retained foundational courses (34.2%). A total of 89 training sessions were conducted, benefiting 225 employees and totalling 139 class hours.

In addition to professional development efforts, SOA implemented a series of team-building activities as part of its 2024 Employee Activities and Training Plan. These activities aimed to enhance internal communication and employee engagement. Highlights included the April Employee Travel and Development Training, where employees participated in cross-departmental interactive games, and a large-scale team-building session held over four days in November, involving company employees. These initiatives promoted collaboration and reinforced the company's commitment to employee growth. Event preparation required close coordination between HR and various teams to ensure alignment with organisational goals. Custom T-shirts featuring the company's mascot further strengthened team unity.

Feedback was overwhelmingly positive, with a satisfaction score of 94.42% based on 100 anonymous evaluations. These training and team-building efforts reflect SOA's dedication to both professional development and fostering a strong, cohesive corporate culture. By investing in its employees, SOA continues to nurture a motivated and engaged workforce that supports its long-term goals.

Figure 8: SOA employees showcasing their team spirit through team-building activities

From October 2024 to January 2025, SOA implemented a special "autumn and winter" training plan, building upon the full-year 2024 training programme, previous training outcomes, and feedback from daily inspections. This phase focuses on consolidating work processes, enhancing service levels, and fostering teamwork through cross-departmental exchanges. The aim is to create a positive learning environment that energises the company and supports continuous growth and improvement.

In addition to participating in educational forum discussions, Straco celebrates its marine conservation professionals by conducting training sessions to upskill staff and promote knowledge sharing. In 2024, UWX employees took part in the National Science and Technology Workers' Day Theme Event, and participated in the Xiamen Association of Science and Technology Capacity Training for the Popularisation of Science. Furthermore, UWX organised a specialised training session for aquarium staff focused on marine biology and presentation skills, providing professional development opportunities for approximately 50 employees.

Straco encourages employees at all levels to pursue self-study and personal growth. Employees who actively engage in learning, training, or achieve company honours are rewarded with appropriate incentives based on their accomplishments. SOA conducts a wide range of training programmes to strengthen system and safety emergency capabilities, standardise departmental process operations, enhance service awareness and quality, improve aquarium breeding expertise, and develop management skills. SOA provides employees with sustainable development opportunities through advanced training delivered by third-party institutions, internal programmes led by HR, and department-specific professional training. Training plans are developed annually and implemented monthly, with attendance tracking and evaluations to ensure full participation and effectiveness. In 2024, 100% of SOA employees completed their compulsory training requirements.

By tailoring programmes to the diverse needs of its employees, SOA aims to not only meet industry demands but also cultivate a workforce that is skilled, adaptable, and motivated. In 2024, SF implemented a Job Re-design Career Conversion Programme ("CCP") programme for retail employees, and 14 management staff members participated in the Global Sustainable Tourism Council ("GSTC") Sustainable Tourism Training Programme ("STTP"). Additionally, SF has embarked on the Data Trust Mark Certification programme, reinforcing its commitment to continuous improvement and excellence.

Straco has successfully provided training to its permanent employees, improving from our 2020 performance[20]. In 2024, our permanent employees received 20 hours of training on average, with a breakdown shown in the table below.

AVERAGE HOURS OF TRAINING PER PERMANENT EMPLOYEE PER YEAR[21]

	2020	2021	2022	2023	2024
By gender					
Female	10 hours	15 hours	14 hours	19 hours	19 hours
Male	12 hours	13 hours	14 hours	20 hours	20 hours
By employee category					
Associate	9 hours	12 hours	19 hours	19 hours	18 hours
Middle management	20 hours	27 hours	29 hours	25 hours	31 hours
Senior management	20 hours	22 hours	12 hours	19 hours	22 hours
Overall					
Overall	11 hours	14 hours	14 hours	19 hours	20 hours

In 2025, Straco aims to maintain an average of 14 hours of training per employee and provide performance review to all eligible permanent employees.

HEALTH AND SAFETY

Straco recognises its responsibility to provide a safe and healthy environment for both employees and visitors. We have established SOPs and contingency plans, to prevent and minimise safety and health risks. We actively manage Straco's health and safety risks.

In 2024, Straco entities maintained a steadfast commitment to aligning business operations with strict adherence to local government regulations. We remain vigilant in monitoring the latest regulations and health advisories to protect the well-being of employees, visitors, and suppliers. With the easing of COVID-19 restrictions, the tourism industry has experienced a significant rebound, resulting in increased visitor numbers. In response, Straco continues to practice basic health protocol and regularly disinfects the venue and offices to ensure the health and safety of employees and visitors.

20 *In 2020, the average training hours per permanent employee was 11 hours.*

21 *Numbers have been rounded for reporting purposes.*

Our dedication to prioritising health and safety underscores Straco's commitment to creating a secure and responsible environment for staff and visitors alike. Straco regularly renovates its facilities to ensure proper maintenance and safety for employees. At UWX, ongoing renovations include area transformations and structural reinforcement projects, scheduled for completion by March 2025. Additionally, Straco conducts regular safety training for all employees, covering topics such as fire hazards, anti-terrorism measures, and security protocols. At UWX, safety performance is used as a key performance indicator ("KPI") to evaluate and measure the performance of managers, further reinforcing our commitment to health and safety excellence.

Fire Safety

As we operate tourist attractions with high traffic, we place significant emphasis on fire safety. Our properties, including elevators, escalators, and stairwells, are diligently maintained, and safety equipment is routinely inspected and upgraded as needed. In 2024, UWX replaced 50 fire extinguishers and 25 self-rescue breathing apparatuses, thereby enhancing the safety of our employees, visitors, and assets. Fire safety equipment is regularly serviced under an annually renewed maintenance contract. To ensure emergency preparedness, Straco employees have received comprehensive fire safety training, equipping them to facilitate safe evacuations for all.

Figure 9: UWX's fire department organised multiple fire safety trainings to learn about operation of fire-fighting equipment

In SF, designated employees in the Company Emergency Response Team ("CERT") received fire-fighting training and participated in regular refresher courses. In March and September 2024, fire drill briefings and tabletop exercises were conducted at SF, alongside audits and reviews of fire drills and CERT activities. By consistently updating training across Straco entities, the company ensures the safety of its employees, visitors, and assets.

To prepare for the high traffic and safety risks during the 2024 Spring Festival and National Day, UWX organised two fire drills to enhance fire safety awareness, improve staff self-prevention skills, and safeguard visitors, employees, and company property. The drills assessed the rapid response, assembly, and command capabilities of UWX's Command Department; the ability of the fire-fighting action group to extinguish fires quickly; and the comprehensive coordination required for emergency evacuation, cautioning, treatment of injuries, communication, and logistics support. A total of 114 participants took part in these exercises, demonstrating a well-coordinated effort to enhance preparedness and ensure safe operations during peak periods. In addition, SOA regularly conducted "119 Large-Scale Fire Drills" and "Fire Knowledge and Evacuation Drills" to strengthen employees' emergency response capabilities, ensuring a rapid and orderly reaction to emergency situations.

Anti-terrorism Training

For the prevention and management of terrorism, Straco conducts anti-terrorism training across all entities. SOA conducts this training quarterly and certifies four personnel with professional security inspection certificates. This initiative aims to standardise daily security inspections of items carried by tourists, facilitating the prompt identification and disposal of contraband items to ensure the safety of venue operations. In 2024, the security team of the Pudong New District Bureau came to SOA to inspect the anti-terrorism and public security situation, thereafter, passing the inspection. Additionally, SOA strengthened anti-terrorism drills every quarter, improved the emergency response capabilities of front-line employees, strengthened security checks on items brought into the venue by visitors, purchased high-definition security inspection machines, metal detection doors, anti-collision balls and other technical security equipment, to promptly detect and dispose of prohibited items and ensure the safe operation of the venue.

In 2024, UWX conducted one anti-terrorism training session and three anti-terrorism drills to strengthen preparedness and response capabilities. These initiatives underscore Straco's unwavering commitment to ensuring the safety of employees and visitors. By implementing a proactive policy of reporting suspicious individuals and activities, the company fosters a strong culture of vigilance, awareness, and prevention across the organisation, further reinforcing its dedication to maintaining a secure and protected environment.

Figure 10: UWX participated in the joint anti-terrorism and anti-riot drill held by the Gulangyu Police Station

Case Study: SOA Strengthening the Anti-Terrorism Prevention System

Ensuring the safe and stable operation of our property is paramount, making the development of a comprehensive and efficient anti-terrorism prevention system a critical priority. The professionalism and standardised management of entrance security inspections and fire monitoring operations are essential to safeguarding the facility, its staff, and visitors. By proactively addressing evolving security challenges, SOA strives to uphold the highest standards of safety and operational excellence.

In 2024, SOA conducted a thorough review of certifications related to public place security inspections and fire facility operations. This review underscored the need to adapt to an increasingly complex anti-terrorism landscape and identified key areas for improvement. To address these challenges, SOA has developed a structured plan for 2025 to train selected employees at professional institutions. These employees will obtain certifications in public place security inspection and the Level 4 Fire Facility Operator Certificate, ensuring they are equipped with the expertise required to confidently navigate new safety demands.

The training for the public place security inspection certification will provide employees with a solid foundation in security inspection laws, equipment operation, hazardous material identification, and emergency response strategies. Through a blend of theoretical learning, practical exercises, and case analysis, employees will acquire the skills necessary to manage security inspections independently and professionally.

Similarly, the fire facility operator training will focus on the operation and maintenance of fire protection systems, fire suppression techniques, and emergency evacuation planning. Participants will gain comprehensive knowledge of fire monitoring and management, enabling them to respond effectively in critical situations while minimising potential risks and damages.

Through these targeted initiatives, SOA aims to cultivate a team of skilled professionals who will play pivotal roles in ensuring the safety and stability of the venue. With a more rigorous and professional approach to security and fire monitoring, SOA is committed to providing a secure environment for all visitors and staff. These efforts reflect SOA's unwavering dedication to upholding the museum's reputation as a safe, welcoming, and resilient landmark in Shanghai.

Aquarium Business Risks Training

As a major portion of Straco's business lies in the operation and maintenance of large-scale aquariums; comprehensive measures are put in place to manage the inherent risk involved in the aqua business. This includes operating machinery, handling animals, and engaging in scuba diving. Straco continues to engage third-party consultants, where applicable, to conduct a thorough analysis of risk factors and establish emergency response plans, ensuring the health and safety of both tourists and employees. SOA places great emphasis on ensuring the health and safety of its employees across various departments by addressing the unique risks associated with their working environments. Employees in the aquarium exhibition and education department are provided with rubber shoes and plastic gloves to protect against potential hazards. These items offer anti-slip and waterproof protection, reducing the risk of accidents when working on wet surfaces or handling water, thereby ensuring employee safety. For diving-related tasks, SOA has introduced upgraded safety gear, including shark-proof jackets and helmets. The jackets, made from high-strength, wear-resistant, and flexible materials, provide resistance against shark bites, while the helmets offer full head protection and maintain optimal underwater visibility. Maintenance personnel, who work with electrical and mechanical equipment as well as complex pipelines, are equipped with specialised three-proof shoes that offer anti-smashing, anti-puncture, and anti-static protection. These shoes also provide slip resistance and waterproofing, safeguarding employees from injuries in humid or hazardous environments. Similarly, kitchen staff, who face risks such as high temperatures, oil stains, and water hazards, are also provided with three-proof shoes to ensure a safe and hygienic working environment. These efforts enable employees to carry out their tasks efficiently and securely, demonstrating SOA's commitment to fostering a culture of safety and well-being.

Monthly safety training sessions are held for the aquarium department, with each employee required to attend a minimum of two annually. Additionally, Straco ensures its employees have essential first-aid skills to assist those in need. At SF, there are 19 certified first aiders in 2024 and they undergo refresher courses every two years, including Automated External Defibrillator ("AED") courses. At UWX, 27 employees participated in a comprehensive drowning prevention drill that included hands-on Cardiopulmonary Resuscitation ("CPR") and AED simulations, further enhancing their life-saving capabilities. These efforts reflect Straco's strong commitment to maintaining a safe environment for both visitors and staff while ensuring rapid and effective responses to emergencies.

Figure 11: UWX's employees participated in a drill and first aid training on drowning prevention

As part of our commitment to organisational health and safety, Straco incorporates safety performance as a key performance indicator for department managers. At the same time, we consistently invest in equipment upgrades, prioritise employee safety, and provide comprehensive medical coverage through insurance. SOA ensures coverage for medical treatment and work-related injuries, offering commercial insurance to all employees. Straco premises are equipped with advanced CCTV networks and a card access control system, enabling swift emergency response and continuous surveillance. At SOA, the CCTV system has been upgraded to a digital high-definition video surveillance network, complemented by a monitoring command centre featuring 186 high-definition cameras. This setup allows for 360-degree monitoring of the operational site and enables prompt resolution of any issues at any time. Additionally, we require all employees to undergo general health and safety training sessions before commencing work, with regular refresher sessions held throughout the year. These initiatives reflect our unwavering dedication to creating a safe and secure working environment for all.

At UWX, a total of four safety inspections were organised in 2024 by the safety committee as part of the company's overarching commitment to ensuring a safe and secure working environment. These inspections were conducted to proactively identify and mitigate potential hazards, aligning with Straco's rigorous health and safety standards across all operations.

To enhance accountability, we provide an open communication channel for gathering feedback on health and safety-related issues. Since 2019, SF has maintained its certification under ISO 45001, which replaced OHSAS 18001, and completed its fourth ISO 45001 surveillance audit in July 2024. During the same month, SF successfully completed its BizSafe re-certification audit.

Located in tropical Singapore, SF ensures that pest control treatment is carried out thrice per week to prevent health risks such as dengue fever transmitted through infected Aedes mosquitoes. Additionally, all Food and Beverage ("F&B") staff are required to attain the F&B hygiene certification before commencing work.

WHAT IS ISO 45001?

ISO 45001 is an international standard that specifies requirements for an occupational health and safety ("OH&S") management system, with guidance for its use, to enable an organisation to proactively improve its OH&S performance in preventing injury and ill-health.

The following table shows the number of work-related injuries of all permanent employees in 2024.

NUMBER OF WORK-RELATED INJURIES

	2020	2021	2022	2023	2024
Fatalities as a result of work-related injury[22]	0	0	0	0	0
High-consequence work-related injuries[23] (excluding fatalities)	0	0	0	0	1[24]
Recordable work-related injuries[25]	5	5	10	2	2[26]

In 2024, the rate of recordable work-related injuries for permanent employees was 2.22[27], calculated based on total man-hours worked of 902,140 in 2024. A SF staff member sustained the single high-consequence work-related injury after slipping due to condensation from the air-conditioning shutdown. In response, SF has implemented preventive measures, including delaying air-con shutdown, conducting floor checks, enhancing warning signage, and recommending non-slip footwear to improve workplace safety.

Straco has undertaken risk assessments prior to work commencement to mitigate the risk of further injuries. For instance, SF's safety personnel are required to wear high-visibility vests while performing traffic control duties, and cleaners must wear rubber gloves when handling chemicals. Additionally, workers and supervisors at SF are mandated to undergo altitude training and adhere to safety standard operating procedures (SOPs), including the proper use of safety equipment and attendance at a safety briefing before starting work. At SOA, extensive safety training is provided, covering equipment usage, back-of-house safety for aquariums, and first aid. SOA also supplies personal protective equipment, including safety gloves, workwear, diving protection gear, and Automated External Defibrillators (AEDs), to ensure employees' safety during work.

Through comprehensive risk assessments, Straco has identified specific work-related hazards with the potential for high-consequence injuries. These hazards include aquarium-related risks, such as drowning and wildlife attacks, as well as electrocution and travel-related incidents involving major traffic accidents or work trips. Although no high-consequence injuries were recorded in these categories in 2024, Straco maintains a vigilant approach to workplace safety. We are committed to consistently reviewing and enhancing operating procedures. In 2025, our goal is to continue delivering relevant health and safety training and to achieve zero high-consequence work-related injuries, including fatalities.

LOCAL COMMUNITY

As a responsible corporate citizen, Straco prioritises two key social missions: conservation education and research, and social charity. We position our aquariums as ambassadors for marine conservation, striving to contribute to education and research. Across its assets, Straco supports local communities by engaging in social, charitable, and community events through strategic partnerships and by launching additional community-based initiatives in 2024.

Conservation Education

Our aquariums showcase the wonders of underwater life to visitors. As SOA and UWX operate aquarium attractions with high visitor traffic, we embrace our social responsibility to educate the public and inspire passion for marine conservation through educational programmes. For many years, SOA has actively collaborated with the Shanghai Fisheries Administration to host an annual aquatic animal protection month, offering visitors and citizens richer scientific knowledge about aquatic wildlife protection.

22 *A work-related injury is defined as negative impacts on health arising from exposure to hazards at work.*

23 *A high-consequence workplace injury is a work-related injury that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months as per GRI 403: Occupational Health and Safety 2018.*

24 *A SF staff member sustained a high-consequence work-related injury after slipping due to condensation from the air-conditioning shutdown. In response, SF implemented preventive measures, including delaying air-con shutdown, conducting floor checks, enhancing warning signage, and recommending non-slip footwear to improve workplace safety.*

25 *A recordable work-related injury is a work-related injury that results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or significant injury or ill health diagnosed by a physician or other licensed healthcare professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness.*

26 *Two recordable work-related injuries occurred, one at SF and one at SOA premises. Both incidents were caused by slips, trips, and falls while employees were carrying out their job duties.*

27 *The above rate is calculated based on* $\frac{\text{number of recordable work-related injuries}}{\text{number of man-hours worked}} \times 1{,}000{,}000$ *hours worked. Outsourced workers who are not employees, such as contract cleaners, security, and landscaping workers, have been excluded in this disclosure as their data are submitted to their respective employers.*

In 2024, SOA and UWX organised a variety of educational and conservation initiatives, incorporating public exhibitions, hands-on workshops, and partnerships with schools and local communities. For instance, SOA's "My Green" brand serves as the foundation of its conservation education efforts. Key activities included the "Future of Earth" creative poster competition, inviting participants to envision aquatic environments 20 years into the future, and the "Exploring Polar Biodiversity" series, held during the Shanghai and Pudong Science Festivals. Similarly, UWX engaged visitors with compelling exhibitions such as "The Great Whale Swimming World Heritage" and "Clanking Dragon and Happy Whale New Year," which together attracted over 8,000 visitors. At SOA, science popularisation efforts exceeded expectations, far surpassing its 2018 target of hosting at least 10 educational activities annually. In 2024, SOA carried out 26 science popularisation projects, delivering 280 sessions of online and offline exhibitions and interactive activities, both inside and outside the aquarium. These efforts engaged close to 1 million participants and included the development of six new science popularisation course presentations and three educational manuals. Science courses and research activities were seamlessly integrated with exhibitions and interactive content to enhance learning outcomes. Additionally, SOA published 76 science popularisation tweets and 71 educational videos, six of which were reposted by the Pudong Science Popularisation Public Account, further amplifying its reach and impact. To further its mission, SOA recruited university student volunteers to lead science tours and provide guidance services, collectively contributing an impressive 8,552 hours of service to 1,069 individuals.

Straco is deeply committed to marine biodiversity and conservation education. Both SOA and UWX are dedicated to educating aquarium visitors and the wider community through a variety of extensive knowledge-sharing programmes.

In 2024, SOA hosted a series of engaging science popularisation activities, including the Explore Polar Biodiversity to Make Life Better event, held as part of the Shanghai Science and Technology Festival and the Pudong Science and Technology Festival. Other notable initiatives included the New 'Polar' Exploration Summer - Overnight Activity, the Exploring Polar Survival Skills programme under the National Science Popularisation Day series, and the October Golden Autumn, Let's Travel Together National Day-themed activities. These events highlighted SOA's commitment to raising environmental awareness and inspiring public interest in biodiversity.

Similarly, UWX led impactful conservation initiatives throughout 2024. In November, it organised a marine biodiversity awareness campaign every Saturday by its iconic octopus statue, engaging approximately 300 local community members and sparking curiosity and enthusiasm for marine conservation. In June, UWX celebrated the birthday of its baby sea lion with a special science education event that attracted over 200 visitors, seamlessly blending entertainment with environmental learning. Furthermore, UWX expanded its outreach efforts on Biodiversity Conservation Day and Xiamen National Science Popularisation Day, engaging more than 350 participants through targeted programmes that promoted science education and marine biology.

These combined efforts by SOA and UWX underscore Straco's unwavering dedication to fostering awareness, education, and action in support of marine biodiversity conservation.

Figure 12: UWX's birthday science educational meeting for the baby sea lion

In 2024, UWX actively brought marine science knowledge to schools through a range of engaging initiatives. From April to June, UWX conducted 14 interactive science classes on jellyfish every Wednesday and Friday, reaching 150 young students and sparking their interest in marine life. Additionally, UWX partnered with Xiamen People's Primary School to establish a Chinese White Dolphin Conservation Awareness Point on their Gulangyu campus, positively impacting 450 individuals and raising awareness of this endangered species.

SOA also made significant contributions to marine conservation education and awareness through several impactful events. The "I Love the Ocean Treasure Hunt" conservation event encouraged participants to engage with marine conservation themes in a fun and interactive way. The "Your Own Water World – Miniature Aquatic Ecosystem" event provided an opportunity to explore the delicate balance of aquatic ecosystems, reflecting SOA's commitment to environmental stewardship. The "Polar (Penguin) Biological Diversity and Cute Penguin Growth Story" activity educated participants about polar biodiversity, focusing on the unique characteristics and challenges of penguins.

During Aquatic Wildlife Conservation Month in November 2024, SOA organised a series of conservation activities aimed at raising awareness and inspiring action to protect aquatic ecosystems. These combined efforts demonstrate a strong commitment to fostering marine conservation education and stewardship across diverse audiences.

UWX's exceptional performance in science popularisation in 2024 has earned widespread recognition from children, teachers, organisations at all levels, and individuals from various walks of life. This acclaim stems from its delivery of student tours, its effective use of social media platforms such as Douyin to share marine science knowledge with the public, and its collaboration with schools and community groups in diverse activities. As both institutions continue to lead in this field, their efforts exemplify a multifaceted approach that not only educates but also captivates and inspires diverse audiences, fostering a collective commitment to marine conservation.

Below are some highlights of the educational programs and initiatives in 2024:

SOA: My Green Environmental Protection Brand
"My Green" symbolises Shanghai Ocean Aquarium's (SOA) unwavering commitment to environmental awareness, both within the aquarium and across the wider community. It reflects SOA's core vision and dedication to environmental sustainability. Launched as an initiative to inspire society and students to participate in environmental protection efforts, My Green seeks to enhance social environmental awareness and position SOA as a leading advocate for sustainability. By promoting green practices—such as celebrating eco-friendly festivals, reducing packaging and plastic use, and focusing on marine conservation—My Green encourages actions that create tangible, positive impacts. Notable efforts include the creation of "wish trees" using environmentally friendly materials, symbolising SOA's mission to foster sustainable practices and raise awareness of environmental protection. Through these initiatives, SOA nurtures a culture of environmental stewardship, cultivating a shared vision for a sustainable future.

As part of the My Green framework, SOA hosted the My Green Earth's Future Creative Poster Competition from March to April 2024. This water-themed science popularisation activity coincided with key environmental awareness days, such as Arbor Day, Chinese Sturgeon Protection Day, and Earth Day. It also aligned with spring, a season of renewal when primary and secondary schools engage in outdoor activities, providing an ideal opportunity to connect with younger audiences.

The competition attracted nationwide participation from young people, with over 30 creative works submitted. During the spring outing season, these works were displayed for over a month at SOA, enriching the visitor experience. Tourists received "seed cards" symbolising their contribution to a greener future, as well as Maiji stick recycling pens, promoting environmental responsibility. Visitors also took part in selecting the best entries. As a final gesture, SOA donated to the Plant a Tree project under the Yellow River Foundation in the winners' names, further linking environmental awareness with meaningful action.

Figure 13: Exhibitions of "My Green" Environmental Protection Brand

UWX: Exclusive Rates for Student Groups – Spring & Autumn Tours, Summer & Winter Camps
UWX remains committed to its role as a leading base for popular science education, offering a variety of educational programmes, including spring and autumn tours, summer and winter camps, and community science popularisation tours. These initiatives aim to immerse students in the wonders of marine life while fostering a deeper understanding of environmental conservation.

In 2024, UWX welcomed more than 5000 students for research and science tours. Participants include students from Xiamen Huli District Huayue School, Xiamen Second Experimental Primary School, and Cultural Tourism Kindergarten. These programmes provided students with engaging, hands-on experiences, enabling them to explore marine ecosystems through interactive exhibits and live demonstrations.

These educational tours not only spark students' curiosity about marine life but also promote critical thinking and environmental awareness. By creating immersive learning opportunities, UWX aims to inspire the next generation to take an active role in protecting the environment.

As UWX continues to expand its outreach, it remains dedicated to delivering high-quality science education, inspiring young minds, and advancing marine conservation efforts.

Figure 14: Cultural Tourism Kindergarten Fall study tour

Social Cohesion and Charity
Straco is also committed to serving the local community through social and charitable activities. Below are the highlights in 2024:

1. **SOA: Social welfare activities**
   - Organised the Pudong New Area Science and Technology Innovation and Popular Science Achievement Exhibition at the Science Popularisation Fair.
   - Held the science popularisation activity "Growth of Cute Penguins".
   - Hosted the social welfare activity for the Pudong New Area Ecological Environment Bureau's Environmental Day Science Fair.
   - Organised the "Polar Biodiversity" campus tour to raise awareness of polar ecosystems.
   - Organised the "Antarctic and Arctic Student Summer Camp", providing students with an immersive educational experience focused on polar ecosystems.
   - Held the "Explore the New Polar Region in Summer - The Polar Region Exhibition Area" that was unveiled in Summer at the Huamu Street Science Fair.
   - Hosted the "New 'Polar' Exploration Summer - 2024 Midsummer Polar Exhibition Area Debut" at the Zhoujiazui Road Street Science Fair to engage the local community.
   - Held the "Antarctic Foodie" community tour at the primary school affiliated with the University of Finance and Economics.
   - Organised the social welfare activities "Exploring Polar Survival Skills" and "Popularising Science in the Community" at the Heqing Town Science Fair.
   - Hosted the "Polar Cold-Proofing Techniques" campus tour.
   - Conducted the social welfare activities "Exploring Polar Survival Skills - Shanghai Ocean Aquarium Series" and "Popular Science in the Community" at the Laogang Town Popular Science Fair.

Figure 15: SOA's "Antarctic and Arctic Student Summer Camp" activity

2. **UWX: Complimentary visits and public education activities**
   In 2024, UWX continued offering preferential prices for student groups, spring, and autumn tours, as well as summer and winter camps and popular science tours. All in all, UWX's social welfare activities for the local community for science popularisation have benefited more than 300 people in 2024.

   Complimentary Visits
   - Free community tours titled "Explore the mysteries of the sea and share the blue life"
   - Free entry for Xiamen Qunhui Primary School holiday study programme and for Municipal Youth Palace School summer study activities
   - Free entry on the 34th National Day of Disabled Persons for the Haicang Street Vocational Assistance Centre for the Disabled

- Free entry for Xiamen People's Primary School's fifth-grade holiday team study activity and free art activities for their painting club
- Free entry for Lianlong Primary School's "Building Children's Dreams in the Neighbourhood and Continuing the Cultural Lineage of Qindao" science popularisation activity

Figure 16: UWX free entry for Lianlong Primary School's "Building Children's Dreams in the Neighbourhood and Continuing the Cultural Lineage of Qindao" science popularisation activity

Public Education Activities

- Free "Exploring the mysteries of the sea" activity for the Nanhua Community on 2 August 2024
- Free "Ocean wonderland into the underwater world of science and technology" Longtou community activity on 16 November 2024

3. **SF: Uplifting the underprivileged and participating in national community events**

In 2024, SF continued its commitment to support vulnerable groups through a series of sponsorships and discounted ticket initiatives.

- **Society for the Physically Disabled ("SPD") Seniors' Outing to SF** – Building on its ongoing partnership with SPD's Employment Support team, SF Management supported the employment of persons with disabilities within the workplace. The Management also spearheaded a company-wide CSR initiative, where staff accompanied seniors on a fully sponsored visit to both SF and Time Capsule, followed by a catered lunch and a fun karaoke session.
- **Singapore Council of Women's Organisations ("SCWO") Charity Golf Day** – SF supported SCWO's fundraising efforts by sponsoring attraction tickets for their raffle draw and auction.
- **Migrant Workers' Centre Visit** – SF sponsored attraction tickets for migrant workers, providing them with a memorable outing to the attractions.
- **SGX Cares Bull Charge Ultimate Quiz Challenge 2024** – SF contributed to this annual trivia quiz and lucky draw by sponsoring attraction tickets. All proceeds were channelled to SGX's adopted beneficiaries, namely AWWA Ltd, Autism Association (Singapore), Fei Yue Community Services, HCSA Community Services and Shared Services for Charities.
- **Life Community Services Society Visit** – In collaboration with the Association of Chartered Certified Accountants ("ACCA"), SF sponsored attraction tickets for underprivileged children and waived the rental fee for the Greek Theatre, where beneficiaries and volunteers enjoyed a meal together during their visit.
- **Mediacorp Vasantham Reality Series "Dhilluku Dhuttu"** – SF sponsored attraction tickets for a family featured in the reality series, where Vasantham celebrities participated in challenges to raise funds for underprivileged families.
- **Attraction, Resorts and Entertainment Union ("AREU") Fundraising** – Through a cash donation, SF supported AREU's annual fundraising efforts for their Scholarship and Education Grant and Hardship Grant for children from lower-income families.

Figure 17: SPD Seniors' Outing to SF

In addition, SF supported initiatives that focus on families and education:

- **KK Women's and Children's Hospital ("KKH") Paediatric Centre Bladder & Bowel Day** – SF provided attraction tickets as prizes for the hospital's year-end party, offering children with neurogenic bladders and bowels a special day out with their families at the attractions.
- **Mediacorp Vasantham Family Game Show "My Superstar Kudumbam Season 2"** – In line with SF's focus on family-oriented initiatives, the Management sponsored attraction tickets as prizes for this popular family game show.
- **Speak Mandarin Campaign Family Talent Competition** – SF was a prize sponsor for the competition, which encourages family bonding through immersive Mandarin learning experiences. .
- **National Institute of Education ("NIE") Leadership in Education Programme** – SF held a sharing session and sponsored attraction tickets for educators participating in the NIE's Leadership in Education Programme. .

As a prominent landmark in Singapore's skyline, SF also participated in national and international light-up campaigns to raise awareness for various causes, including:

- **Health** – e.g., Rare Disease Day, World Heart Day, Breast Cancer Awareness
- **Social** – e.g., DrugFreeSG, The Purple Parade
- **Environment and Sustainability** – e.g., Earth Hour, Singapore World Water Day

Figure 18: World Water Day 2024 PUB's "City Turns Blue" initiative, supported by SF

Case study: SF's efforts in Digitalisation and Cybersecurity

In recent years, SF has made significant progress in digitalisation and cybersecurity, ensuring both operational efficiency and the protection of sensitive data. Since becoming self-insured in 2021, SF has not experienced any new issues or incidents. With increased turnover, the company has expanded its coverage. A penetration test conducted in mid-December revealed no significant vulnerabilities. SF is also proactively enhancing its data security by working towards achieving the Data Protection Trust Mark ("DPTM") from the Infocomm Media Development Authority ("IMDA") by 2025, supported by consultants and engagement with Singapore Management University ("SMU") through comprehensive policy and practice reviews.

Additionally, SF continues to strengthen its sustainability credentials, maintaining both ISO 14001 and BizSafe Star certifications. As part of its facility development, the Flyer is negotiating with two retail units for its travel retail space, including jewellery retailers, while ensuring compliance with Know Your Customer ("KYC") standards. All tenants have no long-standing credit issues and no bad debt. It is a challenging landscape for retail as leasing activities remain below pre-covid levels, and SF targets to fill all vacant spaces by the end of 2025.

In 2024, the Flyer launched several digital enhancements, including an in-capsule experience web app (hiflyer.singaporeflyer.com) and public Wi-Fi, both managed by its in-house team. The web app, funded by the Singapore Tourism Board ("STB"), was designed to replace tablets, allowing visitors to use their own phones for the in-capsule experience. This initiative minimises physical contact and reduces the maintenance workload associated with hardware upkeep.

SF obtained planning permission for its redevelopment plan in 2024 and aims to secure written permission by the second quarter of 2025. Following this, negotiations with the STB and the Singapore Land Authority ("SLA") regarding land betterment costs for additional Gross Floor Area ("GFA") for non-commercial use are ongoing. Although the GFA is not leased and is non-commercial, a valuer will be engaged to assist in the process. While the redevelopment plan is ongoing, no redevelopment work is expected to commence in 2025.

Meanwhile, regular facility maintenance, including repainting and Internet of Things (IoT) toilet renovations planned for 2025, is underway. These efforts demonstrate SF's commitment to continuously improving its digital and physical infrastructure.

Plans for 2025

Straco is committed to further enriching its contributions to the local community in 2025 through strategic initiatives across its assets. At SOA, plans are underway to organise six large-scale science popularisation events and to conduct public welfare activities focused on environmental protection and conservation. Additionally, SOA will introduce five new science popularisation manuals and courses, reinforcing its dedication to education and awareness. To expand its reach, SOA aims to publish 52 science popularisation articles and release 104 videos, ensuring consistent public engagement and fostering a deeper understanding of environmental sustainability.

At UWX, the Marketing and Education Department will prioritise expanding market partnerships and enhancing science education initiatives. In marketing, year-round collaborations with key channels will be established to secure additional resources and rights, while online publicity efforts will be strengthened to attract tourists and grow the casual market. A detailed self-media plan will be implemented to elevate UWX's visibility and reputation. In science education, innovative content and formats will be developed, creating high-quality courses and interactive programmes to increase the appeal and professionalism of activities. Collaboration with schools in Xiamen will be intensified, and the science popularisation network will be expanded. Partnerships with aquatic research institutes and universities will bring cutting-edge resources to enrich science education experiences and foster marine conservation awareness. These efforts will enhance market influence and improve science education, laying a strong foundation for Straco's long-term growth.

In 2025, SF remains steadfast in its commitment to supporting the underprivileged through in-kind sponsorships and by actively fostering employee volunteerism. SF also aims to strengthen its CSR initiatives by partnering with local social enterprises to champion their causes. Plans for 2025 include organising at least two CSR activities for the less privileged, including the introduction of at least one new ticket type designed to support a local social enterprise. Additionally, SF is piloting an eco-garden project, showcasing urban farming and farm-to-table concepts.

Governance

REGULATORY COMPLIANCE

Straco adopts strong corporate governance practices to ensure sustainable development and effectively manage ESG performance. Compliance with regulations is a baseline expectation of our stakeholders and is essential for maintaining our licence to operate. We continue to strengthen internal controls and risk management processes to ensure adherence to relevant laws and regulations while upholding the highest standards of business ethics.

We strictly adhere to environmental and socio-economic laws covering a wide range of issues, including effluent discharge, labour practices, employee and customer health and safety, animal sourcing, animal welfare, and the prevention of zoonotic diseases. Relevant policies and procedures are incorporated into our employee induction programme and formalised as part of our code of conduct. In 2024, Straco continued its annual acknowledgment of the Whistle-Blowing Policy and held regular whistle-blowing staff meetings to reinforce the importance of compliance with this policy.

Straco firmly believes in conducting business with integrity and maintaining high ethical standards in all its activities. To uphold our commitment to compliance, we embed anti-corruption and anti-bribery measures within our company policies and operational processes. We are dedicated to fostering a culture of transparency, integrity, and fairness in all aspects of our business, thereby building trust with the public, investors, and stakeholders.

In 2024, SOA was appointed as the Vice President Unit of the Shanghai Tourism Industry Association and the Vice Director Unit of the Pudong New Area Tourism Industry Association. SOA has actively participated in the construction and promotion of ethics within the industry. Through rigorous corporate management practices and strict self-discipline, SOA adheres to and actively advocates for the ethical principles of the tourism sector.

Additionally, our promotional content is purposefully positive, serving both to enhance the brand and to promote environmental protection concepts. The target audience includes tourists, the general public, and, notably, children and younger generations. SOA proactively embraces its social responsibilities and fulfils the obligations associated with its brand.

In light of an ever-evolving regulatory landscape, Straco's management team continuously monitors changes in applicable laws and regulations. Relevant updates are discussed during management meetings, and internal risk management policies and employee communications are adjusted accordingly. For instance, given the impact of climate change and developments in population studies, the conservation status of animals under CITES is regularly updated. In response, Straco's aquariums closely follow the latest CITES requirements and conduct thorough supplier due diligence before acquiring animals. We also ensure that all mandatory and voluntary licences are kept up to date.

In 2024, there were no confirmed cases of corruption or bribery. For 2025, SOA and SF aim to maintain high standards of conduct with zero non-compliance, while UWX is committed to avoiding any violations of environmental and socio-economic laws and regulations.

Awards and Recognitions

In 2024, Straco has received several awards and certifications in recognition of its achievements in sustainability. The following table shows our achievements:

ENTITY	AWARDS & CERTIFICATIONS
Shanghai Ocean Aquarium	The science popularization presentation “Antarctic Foodie” created by Yu Shuhong won the Second Prize in the 2024 Pudong New Area Science Popularization Presentation Competition and the Third Prize in the 2024 5th Yangtze River Delta Science Popularization Presentation Competition
	Received the Shanghai Harmonious Labor Relations Standardized Enterprise Award by the Shanghai Municipal Human Resources and Social Security Bureau
	Staff member Li Jiayi won the Individual Award in the 2024 Pudong New Area “Ankang Cup” Knowledge Competition held by Shanghai Pudong New Area Federation of Trade Unions
	The science popularization presentation “Magical Polar Cold-Resistance Techniques” created by Zhu Runyu won the First Prize in the 2024 5th Yangtze River Delta Science Popularization Presentation Competition and the First Prize in the 2024 Pudong New Area Science Popularization Presentation Competition
	SOA was appointed as the Vice President Unit of the Shanghai Tourism Industry Association and the Vice Director Unit of the Pudong New Area Tourism Industry Association.
Underwater World Xiamen	Included in the Compendium of Educational Bases for the Next Generation in Xiamen City
	Won the 2024 Honour List of Xiamen Care Alliance
	Rated an “A” by the annual evaluation of the Siming District Science and Technology Association
	Won the second prize of the 11th Xiamen Science Popularisation Volunteer Competition
	Awarded as a member unity of Fujian Province Aquatic Wildlife Rescue Alliance
Singapore Flyer	Re-accreditation of NS Gold Mark
	Re-accreditation of BizSafe and ISO 45001

GRI Content Index

STATEMENT OF USE	Straco Corporation Limited has reported the information cited in this GRI content index for the period from 1 January 2024 to 31 December 2024, with reference to the GRI standards.
GRI 1 USED	GRI 1: Foundation 2021

GRI STANDARD DISCLOSURE	GRI DISCLOSURE	REFERENCE PAGES
GRI 2: General Disclosures 2021	2-1 Organisational details	16, 21
	2-2 Entities included in the organisation's sustainability reporting	21
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	2-9 Governance structure and composition	24, 61
	2-13 Delegation of responsibility for managing impacts	24
	2-14 Role of highest governance body in sustainability reporting	24
	2-27 Compliance with laws and regulations	61
GRI 3: Material Topics 2021	3-2 List of material topics	23
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	61
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	36 to 38
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	39 to 42
	303-4 Water discharge	39 to 42
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	38 to 39
	305-2 Energy indirect (Scope 2) GHG emissions	38 to 39
	305-4 GHG emissions intensity	38 to 39
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	48
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	54
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	50
	404-2 Programs for upgrading employee skills and transition assistance programs	48 to 50
	404-3 Percentage of employees receiving regular performance and career development reviews	50
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	46 to 50
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments and development programs	54 to 60

Group Structure

STRACO CORPORATION LIMITED

- **95%** Xi'an Lintong Zhongxin Tourism Development Co., Ltd
- **95%** Shanghai Ocean Aquarium Co., Ltd
- **95%** Lintong Lixing Cable Car Co., Ltd
- **100%** Infotainment Development & Management Pte Ltd
  - **100%** Straco Creation Pte Ltd
- **100%** Bay Attractions Pte Ltd
  - **90%** Straco Leisure Pte Ltd
- **100%** New Bay Holdings Pte Ltd
  - **100%** Underwater World Xiamen Co., Ltd

THE DETAILS OF OUR GROUP ARE AS FOLLOWS:

Name of Company	Date and place of incorporation	Principal business	Principal place of business	Effective Percentage Owned
Straco Corporation Limited	25 April 2002 Singapore	Development and management of tourism-related businesses	10 Anson Road, #30-15 International Plaza, Singapore 079903	-
Shanghai Ocean Aquarium Co., Ltd	18 December 1995 People's Republic of China ("PRC")	Development and operation of aquatic-related facilities	No. 1388 Lujiazui Ring Road, Pudong New Area, Shanghai, PRC 200120	95%
Xi'an Lintong Zhongxin Tourism Development Co., Ltd	25 December 1995 PRC	Development and operation of tourism-related facilities	No. 10, Huaqing Road, Lintong District, Xi'an, PRC 710600	95%
Lintong Lixing Cable Car Co., Ltd	31 March 1992 PRC	Operation of cable car facilities	No. 10, Huaqing Road, Lintong District, Xi'an, PRC 710600	95%
Infotainment Development & Management Pte Ltd	3 February 1996 Singapore	Provision of management and consulting services and overall project management for the Group and third parties	10 Anson Road, #30-15 International Plaza, Singapore 079903	100%
Straco Creation Pte Ltd	8 August 2006 Singapore	Dormant	10 Anson Road, #30-15 International Plaza, Singapore 079903	100%
New Bay Holdings Pte Ltd	29 September 1993 Singapore	Investment Holding	10 Anson Road #30-15 International Plaza, Singapore 079903	100%
Underwater World Xiamen Co., Ltd	11 October 1994 PRC	Operation of aquatic-related facilities and performances	No.2, Longtou Road, Gulangyu, Xiamen, PRC 361002	100%
Bay Attractions Pte Ltd	1 August 2014 Singapore	Investment Holding	10 Anson Road #30-15 International Plaza, Singapore 079903	100%
Straco Leisure Pte Ltd	1 Feb 2011 Singapore	Operation of a circular giant observation structure, and provision of retail space	30 Raffles Avenue Singapore 039803	90%

Corporate Governance

The Board of Directors (the "**Board**") of Straco Corporation Limited ("**Straco**" or the "**Company**") is committed to good standards of corporate governance to enhance corporate performance and accountability. The Company has adopted, as far as possible, the principles and practices of corporate governance in line with the recommendations of the Code of Corporate Governance 2018 (the "**Code**").

The Board recognizes the need to keep balance with accountability, in creating and preserving shareholder value and achieving its corporate vision for the Company and its subsidiaries (the "**Group**").

This statement on the corporate governance practices of Straco describes the corporate governance policies practiced by Straco during the year ended 31 December 2024, with specific references made to each of the principles and provisions set out in the Code. Explanations are provided where there are deviations from the Code.

BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

The Board holds meetings on a regular basis throughout the year to approve the Group's key strategic plans as well as major investments, disposals and funding decisions. The Board is also responsible for the overall corporate governance of the Group.

The principal functions of the Board include the following:

- Set long-term strategic objectives, monitor the progress towards achieving these goals, and ensure that the necessary financial and human resources are in place for the Company to meet its objectives;
- Oversee the establishment and operation of an enterprise risk management framework and the review of the adequacy and effectiveness of the Company's risk management and internal control systems, including safeguarding of shareholders' interests and the company's assets;
- Establish, with the management of the Company (the "**Management**"), the strategies and financial objectives to be implemented, and monitor the performance of the Management;
- Identify the key stakeholder groups to understand and consider their key focus areas;
- Set the company's culture and ethical standards;
- Consider sustainability issues, including environmental, social and governance factors, when formulating the Company's strategies.

All Directors objectively discharge their duties and responsibilities at all times as fiduciaries in the interests of the Company. The Board also sets an appropriate tone from the top and a desired organizational culture, in the areas of code of conduct and ethics, and ensures proper accountability within the Company.

Corporate Governance

To assist the Board in the execution of its responsibilities, the Board is supported by three (3) board committees namely, the Audit and Risk, Nominating, and Remuneration Committees (collectively the "**Board Committees**"), the details of which are as set out below. These Board Committees have the authority to examine specific issues as set out in the terms of reference for each of the respective committees and report back to the Board with their recommendations. The Board Committees play an important role in ensuring good corporate governance in the Company and within the Group. Nonetheless, the ultimate responsibility for the final decision on all matters, lies with the entire Board.

The Board hosts regular scheduled meetings on a quarterly basis, that are attended by all the Board Members. When circumstances require, ad-hoc meetings are arranged. Each Board member contributes both at formal Board meetings as well as outside of these meetings. Therefore, to focus on a Director's attendance at formal Board meetings may not reflect the level of contributions made outside of those meetings and may lead to a narrow view of a Director's contributions.

Details of Directors' attendance at the Board and Board Committee Meetings held in the financial year ended 31 December 2024 are disclosed in the table below:

Board Members	Board	Nominating Committee	Remuneration Committee	Audit and Risk Committee
Mr. Wu Hsioh Kwang *Executive Chairman*	4/4	1/1	NA	NA
Mr. Li Weiqiang *Non-Executive Director*	3/4	NA	NA	NA
Mdm. Chua Soh Har *Non-Executive Director*	4/4	NA	1/1	NA
Mr. Hee Theng Fong *Lead Independent Director*	4/4	1/1	NA	4/4
Mr. Teo Ser Luck *Independent Director*	4/4	NA	1/1	4/4
Ms. Tan Khiaw Ngoh *Independent Director*	3/3	NA	NA	3/3
Mr. Tan Kang Uei, Anthony *Independent Director*	3/3	NA	NA	NA

Notes:
1. Ms. Tan Khiaw Ngoh and Mr. Tan Kang Uei, Anthony were appointed on 2 May 2024 and hence did not attend Board and Board Committee meetings held prior to that.
2. Mr. Li Weiqiang was unable to participate in one of the Board meeting due to an urgent conflict in schedules.

The Company's Constitution provides for the Directors to participate in the meetings of the Board and Board Committees via electronic means or in such manner as the Board may determine to facilitate Board participation.

Corporate Governance

Matters Requiring Board Approval

The Board has identified a number of areas for which the Board has direct responsibility for decision making. Interested Person Transactions and the Group's internal control procedures are also reviewed by the Board.

The Board also meets to consider the following corporate matters that require Board approval:-

- Release of results announcements;
- Approval of annual reports and year-end financial statements;
- Convening of shareholders' meetings;
- Approval of corporate strategies;
- Material acquisitions and disposal of assets;
- Approval of annual business plan and annual budget;
- Reports of the Board Committees;
- Conflict of Interest and Interested Person Transaction Register;
- Disclosure of Directors' interests pursuant to Sections 156/165 of the Companies Act 1967 of Singapore ("**Companies Act**");
- Review of Board Assurance Framework;
- Review and approve major investments, divestments, and funding decisions.

A formal Delegation of Authority document, setting out certain delegations of authority from the Board to Management, is in place and was approved by the Board.

Internal guidelines have been established which require all Board members who have a conflict of interest in relation to a particular agenda item to abstain from participating in the relevant Board discussion.

Director's Training and Induction

All Directors are updated regularly concerning any changes in the Company's policies, risks management, key changes in the relevant laws, regulations, regulatory requirements and accounting standards. The Company also provides ongoing education on Board processes, governance and best practices.

The Company funds Directors' participation at industry conferences, seminars or any training program in connection with their duties as Directors. In addition, Directors also undergo training on sustainability.

Newly appointed Directors with no prior experience as a director of a listed issuer on the Singapore Stock Exchange (the "**SGX**") will undergo training in the roles and responsibilities of a director of a listed issuer as prescribed by the SGX. Newly appointed Directors are also briefed on the business activities of the Group and its strategic directions. Upon appointment, the Company will provide each newly appointed Director with a formal letter and will provide a briefing by senior management of the Company to the new Directors on the business activities of the Group and its strategic directions, as well as setting out their duties and responsibilities as Directors. They are also provided with relevant information on the Company's policies and procedures. There will be an orientation program to ensure that newly appointed Directors are familiar with the Group's business and governance practices. The Company will also provide training in areas such as accounting, legal and industry-specific knowledge as appropriate for Directors who have no prior experience as a director of a listed company.

Corporate Governance

In order to ensure that the Board is able to discharge its responsibilities, all Directors have unrestricted access to the Company's records and information. Management is required to provide complete, adequate and timely information to the Board on the Board's affairs and issues that require the Board's decision as well as ongoing reports relating to operational and financial performance of the Company.

The Management understands and carries out its role to provide all members of the Board with such information, including management accounts and other explanations and information to enable Directors to make an informed assessment of the Company's performance, position and prospects. All Board members are provided with a monthly management report on the Group's performance for effective monitoring and decision making.

Generally, Board papers which comprise quarterly or half-yearly results, SGX announcements, internal audit reports, and other information or financial analysis as required for the meetings and discussions, are prepared for each meeting and normally circulated four to seven days in advance of each meeting, to give directors sufficient time to review and consider the matters to be discussed so that discussions during the meeting can be more meaningful and productive. The Board papers provide sufficient background and explanatory information from the Management relating to matters to be discussed, copies of disclosure documents, and formal presentations made by Management in attendance at the meetings or by external consultants engaged on specific projects. Annual budget papers with explanations on material forecast variances are also tabled for Board approval. Directors are also informed as and when there are any significant developments or events relating to the Group's business operations.

The Board has separate and independent access to the senior management and the Company Secretary at all times. Directors are also entitled to request information from the Management and be provided with additional details as needed to make informed decisions. If the Directors, whether as a group or individually, need independent professional advice, the Company will, upon directions by the Board, appoint a professional advisor selected by the group or individual to render the advice. The cost of such professional advice will be borne by the Company.

The Board has delegated specific responsibilities to the Board Committees. These Board Committees have each been formed with written terms of reference which clearly set out its objectives, scope of duties and responsibilities, rules and regulations, and procedures governing the manner in which it operates and how decisions are to be taken, and each assists the Board in carrying out and discharging its duties and responsibilities efficiently and effectively. These Board Committees are each chaired by an Independent Director.

More details on each of the Board Committees, including the names of the committee members, the terms of reference, any delegation of the Board's authority to make decisions and a summary of their activities, are set out in the further sections of this Report.

The Company Secretary, or her representatives, attends all Committee and Board meetings and is responsible for ensuring that the required procedures are adopted. Together with the Management, the Company Secretary ensures the Company's compliance with all rules and regulations, including requirements of the Companies Act, Securities and Future Act 2001 of Singapore (the "**Securities and Futures Act**"), and the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**"), which are applicable to the Company, with the Board retaining ultimate responsibility for compliance.

The appointment and removal of the Company Secretary are subject to the approval of the Board.

Corporate Governance

Principle 2: Board Composition and Guidance

The Board comprises an Executive Chairman and six non-executive Directors. Of the six non-executive Directors, four are Independent Directors. As such, independent directors make up more than one-half of the Board.

The independence of each Director is reviewed annually by the Nominating Committee in accordance with the Code's definition of independence to ensure that the Board is capable of exercising objective judgment on corporate affairs of the Group. The Nominating Committee has reviewed the "Confirmation of Independence" forms completed by each Independent Director, and is of the view that the four Independent Directors are independent in accordance with the definition of independence in the Code and Rule 210(5)(d) of the Listing Manual. The Independent Directors have each confirmed that they do not have any relationship with the Company, its related companies, its officers or its substantial shareholders (being shareholders who have an interest in 5% or more of the aggregate number of votes attached to all voting shares of the Company) that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgment. The appointment of each Director is based on his caliber, experience, stature and potential contribution to the Company and its businesses. The current Directors are respected individuals with diverse expertise and a good track record in their respective fields.

Mr. Hee Theng Fong has served as an Independent Non-Executive Director of the Company for a tenure of 9 years. In support of board renewal, as required by the Listing Manual and recommended by the Code, he will retire as a Director of the Company at the upcoming AGM and will not be seeking re-election.

The Non-Executive Directors including the Independent Directors have continued to participate actively during Board meetings, assist in developing proposals on strategy, constructively challenge and review the performance of the Management in achieving agreed goals and objectives, and monitor the reporting of the Management's performance. The Non-Executive Directors including the Independent Directors meet regularly without the presence of the Management so as to facilitate more effective and independent checks on Management.

The Nominating Committee is of the view that the current Board is capable of providing the necessary expertise to meet the Board's objectives and that no individual or small group of individuals dominates the Board's decision-making process.

The Board is of the view that the current Board size of seven Directors is appropriate, taking into account the nature and scope of the Company's operations. Nonetheless, where necessary, the Board will review its current size to ensure that it is appropriate and effective to facilitate decision making, taking into account the nature and scope of the Company's operations.

A Board Diversity Policy is in place and was approved by the Board. The Company believes in diversity and values the benefits that diversity can bring to its Board. Diversity promotes the inclusion of different perspectives and ideas, mitigates against groupthink and ensures that the Company has the opportunity to benefit from all available talent.

Corporate Governance

The Company targets to achieve an appropriately balanced mix of diverse but complementary skills, competencies, knowledge, backgrounds (including geography, age and gender), experience and expertise on its Board that will prevent groupthink while allowing for effective collaboration and contribution in the Board's activities. The Company seeks to maintain a Board comprising talented and dedicated directors whose diversity reflects the complexity of the business environment in which the Group operates. The targets to achieve Board diversity are assessed from time to time, based on the composition of the Board and operations of the Group at the relevant time. As the Group's operations are principally located in Singapore and China, an important aspect of diversity in the Board composition is ensuring that the Company appoints Board Directors with work or directorship experience in Singapore and/or China, as well as familiarity with regulatory requirements in either of these countries. In addition, while the Company operates principally in the tourism industry, the Company recognises that it is important for the Board to, collectively, have expertise across various industries as the operations often involve activities in ancillary industries such as event management, technology and finance. Apart from the foregoing, the Company also aims to have a mix of genders and age groups on the Board.

The Directors have each completed Board appraisal forms relating to the effectiveness of the Board, which require, amongst others, considerations of diversity and Directors' contributions. The Nominating Committee has assessed and is of the view that the current Board composition has a mix of skills, competencies, knowledge, backgrounds and expertise that meets the above targets.

The Board comprises Directors with a diverse mix of backgrounds, bringing with them skills and expertise in strategic planning, business management, investment and entrepreneurship across various industries such as finance, technology, general commodities, pharmaceutical, event management, legal, healthcare, and others. Many of the Directors have served as directors in companies elsewhere in Asia, including China. Majority of the Directors are market experts in the tourism industry in China where a significant portion of the Group's business is located. In terms of age diversity, the Directors range in age from being in their fifties to their seventies. In terms of gender diversity, the Company has two female Directors, namely Mdm. Chua Soh Har and Ms. Tan Khiaw Ngoh, representing 28.6% of the total Board membership. Mdm. Chua has been a member of the Board since 2010. The Company continues to benefit from her contributions in terms of improved and robust discussion and decision-making at the Board. Ms. Tan was appointed on 2 May 2024. Four of the seven Directors for the financial year ended 31 December 2024 were Independent Directors.

Taking into account the Company's business environment, current plans and future strategy, and the background, capabilities and other attributes of the Directors as elaborated above, the Nominating Committee has assessed the current level of diversity on the Board to be satisfactory. The Nominating Committee is additionally of the view that the composition of the Board is well-balanced for the Group's current operations. Accordingly, the current plan for achieving the targets in the paragraphs above is to monitor and assess, alongside developments in the Group's operations, whether the current Board composition presents a satisfactory level of diversity and allows for effective collaboration between and contribution by the Directors.

The Company generally does not set concrete timelines for achieving board diversity targets. Instead, the Company takes the approach that maintaining a satisfactory level of diversity is an ongoing commitment, and targets and progress must be continuously assessed against the Group's evolving operations.

Corporate Governance

The Nominating Committee and the Board also apply the same standards as set out above in their consideration of any alternate Director to be appointed by any existing Board member, whether it be an Executive or an Independent Director. The Nominating Committee and Board members have carried out a rigorous review of the two current alternate Directors of the Company and are of the view that they have the necessary qualifications and experience to carry out their duties as alternate Directors in the Company.

Key information regarding the Directors' qualifications and experience can be found under the "Board of Directors" section of this Annual Report.

Principle 3: Chairman and Chief Executive Officer

Mr. Wu Hsioh Kwang is the Executive Chairman of the Board and the Chief Executive Officer. The Board is of the opinion that the present Group structure and business scope does not warrant a meaningful split of the roles of the Chairman and the Chief Executive Officer. The Board is of the view that there are sufficient safeguards and checks to ensure that the process of decision making by the Board is independent and based on collective decisions without any individual exercising any considerable concentration of power or influence.

As Executive Chairman, Mr. Wu plays an instrumental role in developing the business of the Group and provides the Group with strong leadership and overall business directions. He leads the Board to ensure its effectiveness on all aspects of its role, and ensures that each member of the Board and the Management works well together with integrity and competence.

With the assistance of the Company Secretary, the Executive Chairman schedules and prepares the agenda for Board meetings and ensures adequate time is available for discussion of all agenda items, in particular strategic issues. He promotes an open culture for debate and ensures that independent and non-executive directors are able to speak freely and contribute effectively. He also exercises control over the quality, quantity and timeliness of the flow of information between the Management and the Board.

In addition, Mr. Wu plays a pivotal role in fostering constructive dialogue between shareholders, the Board and the Management at AGMs and other shareholders' meetings. He also takes a leading role in ensuring that the Company strives to achieve and maintain a high standard of corporate governance practices with the full support of the Board, the Company Secretary, and Management.

All major decisions made by the Executive Chairman are reviewed by the Board and his remuneration package is reviewed periodically by the Remuneration Committee.

Mr. Hee Theng Fong, the lead independent Director of the Company, also acts as an independent channel of communication for Independent Directors and shareholders who have concerns and for which contact with the Executive Chairman or Chief Financial Officer has not been successful or is inappropriate.

Corporate Governance

Principle 4: Board Membership

The Nominating Committee comprises Mr. Hee Theng Fong, Mr. Wu Hsioh Kwang and Mr. Tan Kang Uei, Anthony. Mr. Hee Theng Fong is the Chairman of the Nominating Committee and is not directly associated with, a substantial shareholder of the Company. Mr. Hee Theng Fong and Mr. Tan Kang Uei, Anthony are Independent Non-Executive Directors.

Following the upcoming AGM, Mr. Hee will cease to be a Director and Chairman of the Nominating Committee.

The responsibilities of the Nominating Committee include nominating persons for appointment as Directors, determining the independence of a Director, recommending processes and criteria for evaluating the performance of the Board, Board Committees and Directors, determining whether a Director is able to and has been adequately fulfilling his duties as a Director and reviewing the succession plans as well as training and professional development programs for the Board and other key positions. The criterion for independence is based on the definition as set out in the Code.

Key information on the Directors and their shareholdings in the Company are found on pages 6, 7 and 91 of this Annual Report respectively.

In the nomination and selection process, the Nominating Committee reviews the composition of the Board by taking into consideration the mix of expertise, skills and above attributes of existing Board members to identify desirable competencies and attributes to fill a particular vacancy (if any) and enhance the Board's capabilities. The Nominating Committee also considers the Company's business strategies and long-term success. This enables the Nominating Committee to source for candidates who possess the traits, knowledge and abilities that will contribute to the Board's activities and the strategic business areas of the Group. Channels used in the Nominating Committee's search and nomination process for identifying appropriate candidates include networks of each individual director, the Executive Chairman, or senior management. The Board, where necessary, may also engage external parties such as professional search firms and institutions to identify potential candidates. Directors appointed to the Board during FY2024 were identified through the Executive Chairman's and the senior management's networks. Newly appointed Directors are required to submit themselves for re-election at the next AGM of the Company.

The Company believes that Board renewal should be an ongoing process, to ensure good governance and to maintain relevance to the changing needs of the Company and business. Article 117 of the Constitution provides that one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number rounded to the nearest one-third, shall retire from office at every AGM. The Constitution also requires that no Director stays in office for more than three years without being re-elected by shareholders.

A retiring Director shall be eligible for re-election. In recommending that a Director be nominated for re-election, the Nominating Committee assesses each candidate's suitability for re-appointment prior to making its recommendation, carefully taking into consideration factors such as the Director's record of attendance and participation, his candour, performance and overall contribution to the Board and the Group; as well as his/her ability to adequately carry out the duties expected while performing his/her roles in other companies or in other appointments. Each member of the Nominating Committee will abstain from voting on any resolution and making any resolutions and/or participating in any deliberations of the Nominating Committee in respect of the assessment of his performance or nomination for re-election as a Director.

Corporate Governance

This year, Mr. Hee Theng Fong, Mr. Teo Ser Luck, and Mdm. Chua Soh Har will be due to retire by rotation at the forthcoming AGM, pursuant to the requirements of Article 117 of the Company's Constitution. Mr. Hee has advised the Board that, having served as an Independent Director for 9 years, he will not be seeking re-election as a Director of the Company at the forthcoming AGM in accordance with the Listing Manual and in the interests of good corporate governance. Mr. Teo and Mdm. Chua will be seeking re-election as Directors of the Company.

Ms. Tan Khiaw Ngoh and Mr. Tan Kang Uei, Anthony, as newly appointed Directors during the year, will also be retiring at the forthcoming AGM, pursuant to the requirements of Article 118 of the Company's Constitution. Both Ms. Tan and Mr. Tan will be seeking re-election as Independent Non-Executive Directors of the Company. Article 118 provides that any Director appointed during the year shall retire from office and stand for re-election at the AGM following his/her appointment.

Several of the Board members have multiple listed board representations and other principal commitments, as follows:

Director	Listed board representations and principal commitments (other than in the Company)
Mr. Wu Hsioh Kwang	-
Mr. Hee Theng Fong	Yanlord Land Group Limited Haidilao International Holding Ltd China Aviation Oil (Singapore) Corporation Limited H World Group Limited Greenlink Digital Bank Pte Ltd Hi-P International Pte Ltd
Mr. Teo Ser Luck	BRC Asia Limited Serial System Limited China Aviation Oil (Singapore) Corporation Limited Yanlord Land Group Limited Super Hi International Holding Ltd
Ms. Tan Khiaw Ngoh	Singapore Land Group Limited Khong Guan Limited Singapore Children's Society Ang Mo Kio Thye Hua Kwan Hospital Limited Thye Hua Kwan Nursing Home Limited Assurity Trusted Solutions Pte Ltd

Corporate Governance

Director	Listed board representations and principal commitments (other than in the Company)
Mr. Tan Kang Uei, Anthony	MOH Holdings Pte Ltd Synapxe Pte Ltd Temasia Health Pte Ltd MOH Office for Healthcare Transformation Pte Ltd Vanguard Healthcare Pte Ltd Agency for Care Effectiveness Pte Ltd Atlas Care Pte Ltd Business China Singapore Chinese Chamber of Commerce & Industry Super Hi International Holding Ltd
Mdm. Chua Soh Har	-
Mr. Li Weiqiang	Poly Culture Group Corporation Ltd
Ms. Wu Xiuyi (alternate Director to Mr. Wu Hsioh Kwang)	-
Mr. Sean Wu Xiuzhuan (alternate Director to Mdm. Chua Soh Har)	-

The Board and Nominating Committee have assessed whether the Directors have devoted sufficient time and attention to the Group and are satisfied with the outcome. Factors considered by the Board and the Nominating Committee include, amongst others, the nature of the Directors' other appointments, the extent of the Directors' involvement in companies with an adverse track record or history of irregularities or that have been investigated by regulators, and the impact thereof on the Company. The Board recognizes that different board representations and other principal commitments may allow Directors to gain expertise that enriches their contributions to the Company. The Board deems it unnecessary to set a maximum number of listed board representations that any Director may hold as all the Directors are, on assessment of their contributions to the Board, able to devote sufficient time to the Company's affairs in light of their other commitments. However, as a general guideline to address time commitments that may be faced, a Director who holds more than five listed company board representations will consult the Chairman of the Nominating Committee before accepting any new appointments as a Director.

Ms. Wu Xiuyi was appointed as alternate Director to Mr. Wu Hsioh Kwang and Mr. Sean Wu Xiuzhuan was appointed as alternate Director to Mdm. Chua Soh Har. The Nominating Committee notes the Code's practice guidance which provides that alternate Directors should be appointed in exceptional cases. The Nominating Committee and the Board will review the period and circumstances for the appointment of the alternate Directors where necessary. Having considered the expertise and experience of Ms. Wu Xiuyi and Mr. Sean Wu Xiuzhuan, the Nominating Committee and the Board are of the view that the two alternate Directors are appropriately appointed. Each of the alternate Directors bears all duties and responsibilities borne by, and are subject to the same rules and procedures as the Directors of the Company.

Corporate Governance

Principle 5: Board Performance

The Nominating Committee will use its best efforts to ensure that Directors appointed to the Board and its Board Committees possess the necessary background, experience and knowledge to enable balanced and well-considered decisions to be made by the Board and the Board Committees.

In line with the principles of good corporate governance, the Nominating Committee has implemented an annual performance evaluation process to assess the overall effectiveness of the Board as a whole, without the engagement of an external facilitator. The members of the respective Board Committees are requested to complete evaluation forms tailored for assessing the effectiveness of the Board Committees. To evaluate the effectiveness of the Board as a whole, the Nominating Committee considers the adequacy and size of the Board, the Board's access to information, Board processes and accountability, and communication with senior management. Individual evaluation is also carried out to assess whether the Executive Chairman and each Director continues to contribute effectively and demonstrates commitment to his/her role and duties. The criteria for evaluation are reviewed by the Nominating Committee each year and changes are made where circumstances require. The results of the evaluation are used constructively by the Nominating Committee to identify areas for improvement and to recommend to the Board the appropriate action to be taken. Following the review, the Board is of the view that the Board and its Board Committees operate effectively.

In assessing each individual Director's contribution and performance and in considering the re-election of any Director, the Nominating Committee considers, amongst other factors, the Director's attendance record at meetings of the Board and Board Committees, the level of participation in the proceedings at meetings and the quality of contributions made.

Apart from the fiduciary duties (i.e. to act in good faith, with due diligence and care and in the best interest of the Company and its shareholders), the Board's key responsibilities include setting strategic directions and ensuring the long-term objective of enhancing shareholders' value is achieved. The Board's performance is also measured by its ability to support the Management especially in times of crisis and to steer the Company towards profitable directions. The Board will take into consideration, financial and other indicators to evaluate its overall performance.

REMUNERATION MATTERS

Principle 6: Procedures for Developing Remuneration Policies
Principle 7: Level and Mix of Remuneration

The Remuneration Committee comprises three Non-Executive Directors, two of whom (including the chairman of the Remuneration Committee), are Independent Directors. The members of the Remuneration Committee are Mr. Teo Ser Luck, who is also the Chairman of the Remuneration Committee, Mr. Tan Kang Uei, Anthony and Mdm. Chua Soh Har.

Corporate Governance

The Remuneration Committee is governed by its written terms of reference which set out its authority and duties. The key function of the Remuneration Committee is to review and recommend to the Board, in consultation with the Management, a framework for all aspects of remuneration such that there is a formal and transparent procedure for fixing the remuneration package of individual Directors. The Remuneration Committee also reviews and recommends to the Board the specific remuneration packages and terms of employment for the Executive Director as well as the Company's key management personnel. All aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, and benefits-in-kind are within the purview of the Remuneration Committee. Each member of the Remuneration Committee shall abstain from voting on any resolutions and making any recommendations and/or participating in any deliberations in respect of his/her remuneration package.

The Remuneration Committee has authority to engage expert professional advice on human resource matters whenever there is a need to consult externally. The Remuneration Committee will, in its deliberations for such, take into consideration industry practices and norms in compensation in addition to the Company's relative performance and the performance of the individual Director. No expert advice was sought during the financial year.

The Remuneration Committee will review the Company's obligations arising in the event of termination of the Executive Director's and key management personnels' contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous towards the relevant Director or key management personnel. The Remuneration Committee aims to be fair and avoid rewarding poor performance.

In reviewing the remuneration packages for the Executive Director and key management personnel, the Remuneration Committee takes into consideration the pay and employment conditions within the industry and comparable companies, as well as the Company's relative performance and the performance of the Executive Director and key management personnel, so as to attract, retain and motivate them to run the Group successfully.

The Executive Director's and each key management personnel's performance is taken into account in determining their respective remuneration, and is assessed annually against set performance criteria (including leadership competencies, core values, personal development and commitment). The Company's performance is assessed based on a balanced set of financial and non-financial criteria including operational performance, financial performance and customer satisfaction. For the financial year ended 31 December 2024, the Remuneration Committee is of the view that performance conditions were met.

The Remuneration Committee ensures that the level and structure of remuneration are aligned with the risk policies and long-term interests of the Company.

The Non-Executive Directors receive Directors' fees. In determining the quantum of Directors' fees, each Non-Executive Director's contribution to the Company is considered. Factors such as effort and time spent serving on the Board and Board Committees, and responsibilities of the Directors are taken into account. Generally, Directors who undertake additional duties as the chairman and/or members of any Board Committee(s) will receive higher fees because of their additional responsibilities. The Board recommends the remuneration of the Non-Executive Directors for shareholders' approval at each AGM. The Remuneration Committee will ensure that Non-Executive Directors will not be overly compensated to the extent that their level of independence may be compromised.

The Executive Chairman does not receive a Director's fee. The Executive Chairman entered into a service agreement with the Company on 7 January 2004 for a period of three years, renewable automatically thereafter. The service agreement provides for termination by either the Executive Chairman or the Company upon giving no less than three months' notice. The Executive Chairman's compensation consists of his salary, bonus, share options granted and benefits.

Corporate Governance

The Remuneration Committee, having assessed the risk associated with the Group's business model, and the variable components of the remuneration which are considered moderate, is of the view that at present there is no necessity for the Company to institute contractual provisions in the terms of employment to reclaim incentive components of remuneration paid in prior years from the Executive Directors and key management personnel.

Principle 8: Disclosure on Remuneration

Remuneration of Directors

The following table sets out the quantum of each Director's remuneration for the financial year ended 31 December 2024, together with a breakdown (in percentage terms) of each Director's remuneration earned through base/fixed salary, variable or performance related income/bonuses, share options granted, and Director fees/attendance fees proposed to be paid to each Director subject to the approval of shareholders at the AGM:

	Percentage (%)			Total (round off to the nearest dollar) S$
	Remuneration earned through:			
	Base / fixed salary	Variable or performance related income/ bonuses/ share options granted	Director Fees / Attendance Fees	
Wu Hsioh Kwang	70%	30%	-	1,417,192
Li Weiqiang	-	35%	65%	52,427
Chua Soh Har	-	29%	71%	64,527
Hee Theng Fong	-	20%	80%	92,476
Teo Ser Luck	-	18%	82%	104,725
Tan Khiaw Ngoh	-	-	100%	34,687
Tan Kang Uei, Anthony	-	-	100%	38,720
Wu Xiuyi (Alternate Director)	69%	31%	-	265,798
Wu Xiuzhuan, Sean (Alternate Director)	68%	32%	-	244,780

Note: Base/fixed salary includes the 13th month payment or the annual wage supplement, fixed bonus and allowances. The variable or performance related bonus of Mr. Wu Hsioh Kwang, Ms. Wu Xiuyi, and Mr. Sean Wu Xiuzhuan were paid in 2025. Non-Executive Directors do not receive variable or performance related income/bonuses.

Corporate Governance

Remuneration of Immediate Family Members of Directors

Ms. Wu Xiuyi and Mr. Sean Wu Xiuzhuan are the daughter and son of the Executive Chairman, Mr. Wu Hsioh Kwang and Non-Executive Director, Mdm. Chua Soh Har, and their respective remuneration for the year ended 31 December 2024 is disclosed in the table above. Save as disclosed, there is no other employee in the Group who is an immediate family member of a Director, the Chief Executive Officer or a substantial shareholder of the Company whose remuneration exceeds S$100,000 for the financial year ended 31 December 2024.

Remuneration of Key Executives

The total annual remuneration of the top five key management personnel, who are neither Directors, Alternate Directors, nor the Chief Executive Officer, for the financial year ended 31 December 2024 amounted to $1.56 million. The Board is of the view that it is in the best interests of the Company not to fully disclose each individual's remuneration, given the competitive business environment and possible negative impact on the Group's business.

The remuneration of two of the top five key management personnel fell within the band of $250,000 and below, while the remuneration of the remaining three fell within the band of between $250,000 and $500,000. Given the sensitive nature of key management personnel remuneration, the names of these employees are not set out in this statement as per Provision 8.1 of the Code, in the interest of maintaining confidentiality of staff remuneration matters.

Executive Share Options

Share options are granted to align employees' interest with that of shareholders' interest. The aggregate numbers of shares over which options may be granted shall not exceed 15% of the total issued shares (excluding treasury shares) of the Company on the date immediately preceding the date of grant. These options are granted with reference to the desired remuneration structure target and valued based on the Binomial model. Details of the share option scheme can be found in the "Directors' Statement" section and note 24(b) to the financial statements of this Annual Report.

No termination, retirement and post-employment benefit were granted to any Director, the Chief Executive Officer or any top five key management personnel for the year ended 31 December 2024.

Corporate Governance

ACCOUNTABILITY AND AUDIT

Principle 9: Risk Management and Internal Controls

The Board has ultimate responsibility for maintaining a sound system of internal controls to safeguard shareholders' investment and the Group's assets. The Board determines the nature and extent of the significant risks which the company is willing to take in achieving its strategic objectives and value creation. The system of internal controls is intended to provide reasonable but not absolute assurance against material misstatement or loss, and includes the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with appropriate legislation, regulation and best practices, and the identification and containment of business risk. The Board has overall responsibility for the governance of risk and maintains oversight of the key risks of the Group's business.

The Audit and Risk Committee assists the Board in overseeing risk governance in the Company to ensure that Management maintains an adequate and effective system of risk management and internal controls to safeguard shareholders' interest and the Company's assets. The Audit and Risk Committee's functions in this area include the following:

i) Review and report to the Board the risk profile or risk tolerance the Company undertakes to achieve its business goals and strategies;

ii) Review the risk management framework, policies, monitoring, measurements and reporting within the spectrum of enterprise risk management ("ERM") framework of the Group;

iii) Review and report to the Board at least annually, on the adequacy and effectiveness of the Company's risk management and internal controls systems in addressing significant risks including financial, operational, compliance and information technology risks; and

iv) Make recommendations to the Board on the opinion and disclosure in the Annual Report on the adequacy and effectiveness of the Company's risk management and internal controls systems in accordance with the Listing Manual and the Code.

The Group has in place an ERM framework to provide the Board with a Group-wide view of the risks in the respective business units. The ERM framework enables the identification, assessment, management, and monitoring of key risks to the Group's business. As part of this framework, risk registers are set up to document the identified key material risks, mitigating controls and action plans. The risk registers are reviewed periodically to ensure the continuing relevance and adequacy of identified risks, and the effectiveness of mitigating controls.

In consultation with KPMG Services Pte Ltd, the Group has refreshed the risk profile to align with the Group's latest corporate strategies and mission and vision. The key risks faced by the Group, as identified by KPMG Services Pte Ltd, were documented together with the controls in place to manage and mitigate those risks, for the review by the Audit and Risk Committee and the Board annually. Risk workshops are carried out with the relevant entities and persons to identify, assess, and prioritise these risks. Mitigatory controls to manage the key risks, as well as action plans to address the gaps, are considered and duly documented in the risk registers.

Corporate Governance

For FY2024, the internal audit reports did not raise any high-risk observations.

A Whistle-Blowing policy is in place to provide an avenue through which employees may report or communicate, in good faith and in confidence, any concerns relating to financial and other matters, so that independent investigation of such matters can be conducted and appropriate follow-up action taken. The Chairman of the Audit and Risk Committee is in charge of managing this area. The Whistle-Blowing Policy has been reviewed by the Audit and Risk Committee to ensure that it has been properly implemented.

The Whistle-Blowing procedure is intended to be used for serious and sensitive issues. Serious concerns relating to financial reporting, unethical or illegal conduct are to be reported to the Chairman of the Audit and Risk Committee via a designated email. The action to be taken will depend on the nature of the concern. Initial inquiries will be made by the Chairman of the Audit and Risk Committee to determine whether an investigation is appropriate, and the form that it should take. Some concerns may be resolved by agreed action without the need for investigation. If investigation is necessary, the Audit and Risk Committee of the Company will direct an independent investigation to be conducted on complaint received. The Board of Directors will receive a report stating the details of the complaint received and the findings of the investigation, as well as a follow-up report on actions taken by the Audit and Risk Committee. The Company will update the complainant of the actions taken in respect of the complaint in two weeks. Subject to any legal constraints, the complainant will be notified about the outcome of any investigations.

The Company is committed to ensuring protection of the whistle-blower(s) against detrimental or unfair treatment and shall maintain the confidentiality of the whistle-blower(s) to the fullest extent reasonably practicable within the legitimate needs of the law and any ensuing evaluation or investigation. Complainant(s) who make a report in good faith will be protected from reprisals, victimization or harassment.

The Company regularly reviews and improves its business and operational activities to identify areas of significant business risks as well as take appropriate measures to control and mitigate these risks. The Company reviews all significant control policies and procedures and highlights all significant matters to the Audit and Risk Committee and the Board. The risk issues are highlighted on pages 176 to 187 under note 28 to the financial statements.

The external auditors (PricewaterhouseCoopers LLP, which is also the external auditor for Company's significant subsidiaries and associated companies), in the course of conducting their annual audit procedures on the statutory financial statements, also reviewed the Group's significant internal financial controls to the extent of their scope of audit. Any material non-compliance and internal financial control weaknesses noted by the external auditors are reported to the Audit and Risk Committee together with the external auditors' recommendations. Management will then take appropriate actions to rectify the weaknesses highlighted.

The Audit and Risk Committee, in the course of their review of the reports presented by the internal auditors, Ernst & Young Advisory Pte Ltd and external auditors, PricewaterhouseCoopers LLP also review the adequacy and effectiveness of the Group's system of internal controls, including the financial, operational, compliance and information technology controls, and risk management systems.

At the financial year-end of 31 December 2024, the Chief Executive Officer and Chief Financial Officer provided a letter of assurance on the integrity of the financial records/statements to the Board. The Chief Executive Officer and other key management personnel also provided assurances regarding the adequacy and effectiveness of the Company's risk management and internal control systems.

Corporate Governance

Such assurances included that:

(a) the financial records of the Group have been properly maintained and the financial statements for the financial year ended 31 December 2024 give a true and fair view of the Group's operations and finances. This assurance was provided by the Chief Executive Officer and Chief Financial Officer;

(b) the Company's risk management systems and internal control systems were properly maintained;

(c) material information relating to the Company was disclosed on a timely basis for the purposes of preparing financial statements; and

(d) the Company's risk management systems and internal control systems (including financial, operational, compliance and information technology controls) were adequate and effective as at the end of the financial year.

Based on the external and internal auditors' findings, the Board with the concurrence of the Audit and Risk Committee is satisfied that the Group's risk management and internal controls systems, including financial, operational, compliance and information technology controls, are adequate and effective, and provide reasonable (though not absolute) assurance against material financial misstatements and loss, and safeguard the Group's assets. The Board notes that the system of internal controls provides reasonable, but not absolute, assurance that the Group will not be affected by any event that could be reasonably foreseen as it strives to achieve its business objectives and is satisfied that the internal controls ensure the Group's maintenance of proper accounting records, compliance with applicable regulations and best practices, and timely identification and containment of financial, operational and compliance risks. The Audit and Risk Committee is also satisfied that there were no material weaknesses identified with regards to the risk management and internal control system.

Principle 10: Audit and Risk Committee

The Audit and Risk Committee comprises three Independent Non-Executive Directors, Mr. Teo Ser Luck, Mr. Hee Theng Fong and Ms. Tan Khiaw Ngoh. Mr. Teo Ser Luck is the Chairman of the Audit and Risk Committee.

Following the upcoming AGM, Mr. Hee will cease to be a Director and Member of the Audit and Risk Committee.

The Board is satisfied that two of the Audit and Risk Committee members, including the Committee's chairman, have relevant accounting and related financial management expertise or experience and are appropriately qualified to discharge their responsibilities.

The Audit and Risk Committee does not comprise former partners or directors of the company's existing auditing firm or auditing corporation: (a) who have been appointed to the Audit and Risk Committee within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; or (b) who have any financial interest in the auditing firm or auditing corporation.

Corporate Governance

The Audit and Risk Committee holds periodic meetings to perform the following functions:

(a) review with external auditors the audit plan, and the results of the external auditors' examination and evaluation of the Group's system of internal controls;

(b) review the financial statements and the external auditors' report on those financial statements, before submission to the Board for approval;

(c) review the level of co-operation of the Management with the external auditors and internal auditors;

(d) nominate the external auditors for appointment and re-appointment to the Board and approve the remuneration and terms of engagement of the external auditors;

(e) review internal audit reports and internal audit plans of the Group;

(f) review the adequacy, effectiveness, independence, scope and results of the external audit and the company's internal audit function;

(g) review the Group's compliance with such functions and duties as may be required under the relevant statutes or the Listing Manual, and by such amendments made thereto from time to time; and

(h) review interested person transactions; and

(i) review the assurances from the CEO and CFO/other key management personnels on the Company's financial records and financial statements and risk management and internal control systems.

The Audit and Risk Committee has explicit authority to investigate any matter within its terms of reference, full access to and co-operation of the Management, full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly.

In addition to the above, the Audit and Risk Committee is empowered to commission and review the findings of internal investigations on matters involving or connected to any suspected fraud or irregularity, failure of internal controls or infringement of any Singapore law, rule or regulation which are or is likely to have a material impact on the Group's operating results and/or financial position.

Each member of the Audit and Risk Committee shall abstain from voting on any resolutions and making any recommendations and/or participating in any deliberations of the Audit and Risk Committee in respect of matters in which he has a conflict of interest.

The Audit and Risk Committee has discussed the key audit matters with the Management and the external auditors. The Audit and Risk Committee concurs with the basis and conclusions included in the external auditors' report with respect to the key audit matters. Please refer to pages 99 to 100 of this Annual Report for more information on the key audit matters.

Corporate Governance

The Audit and Risk Committee meets with the external auditor separately without the presence of the Management at least once a year and reviews the assistance given by the Company's officers to the external auditors.

Pursuant to Rules 1207(6)(b) and (6)(c) of the Listing Manual, the Audit and Risk Committee undertook a review of the independence and objectivity of the external auditors as well as the non-audit services provided by the incumbent external auditors, and the aggregate amount of audit fees paid to them. The fee payable to the external auditors for audit services for the financial year ended 31 December 2024 was $344,900. During the financial year ended 31 December 2024, the Group has engaged the external auditors to provide other audit related, tax compliance and advisory services at an aggregate fee of $38,600. The Audit and Risk Committee is satisfied that neither their independence nor their objectivity is put at risk, including where due to the non-audit services, and that they remain able to meet the audit requirements and statutory obligations of the Company. Accordingly, the Audit and Risk Committee has recommended the re-appointment of the external auditors at the forthcoming AGM of the Company.

In recommending the re-appointment of the external auditors, the Audit and Risk Committee considered and reviewed a variety of factors including adequacy of resources, experience of supervisory and professional staff to be assigned to the audit, and size and complexity of the Group, its businesses and operations. It also evaluates the performance of the external auditor, taking into consideration the Audit Quality Indicators Disclosure Framework published by the Accounting and Corporate Regulatory Authority (ACRA).

In appointing the external auditors of the Group, the Company has complied with the requirements of Rules 712 and 715 of the Listing Manual.

During the financial year, the Audit and Risk Committee has reviewed, with the Group's Chief Financial Officer and the external auditors, changes in accounting standards and issues which are relevant to the Group and have a direct impact on the Group's financial statements.

The Audit and Risk Committee's responsibility in overseeing the adequacy and effectiveness of the Company's risk management system and internal controls are adequate and effective is complemented by the internal auditor, whom the Company has appointed.

The Internal Audit function has been outsourced to Ernst & Young Advisory Pte Ltd. The internal audit function is independent of the external audit. The internal auditor is a corporate member of Singapore chapter of the Institute of Internal Auditors ("IIA"), and staffed with professionals with relevant qualifications and experience. The internal auditor has adopted the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

The Audit and Risk Committee is satisfied that the internal audit function is staffed by suitably qualified and experienced professionals with relevant experience and adequately resourced and is independent and effective in carrying out its function.

The Audit and Risk Committee has the authority to hire, remove, evaluate and determine compensation of the internal audit firm.

The internal auditor reports directly to the Chairman of the Audit and Risk Committee on audit matters. The internal auditor plans its audit work in consultation with, but independently of, the Management, and its yearly plan will be submitted to the Audit and Risk Committee for approval at the beginning of the year. The internal auditor will report to the Audit and Risk Committee regarding its findings. The Audit and Risk Committee meets the internal auditor at least once a year, without the presence of the Management to review the assistance given by the Company's officers to the internal auditors. The internal auditor has full access to all the Company's documents, records, properties and personnel including access to the Audit and Risk Committee.

Corporate Governance

SHAREHOLDER RIGHTS AND RESPONSIBILITIES

Principle 11: Shareholder Rights and Conduct of General Meetings
Principle 12: Engagement with Shareholders

The Company believes in regular and timely communication with shareholders as part of the Group's effort to help shareholders understand the business better.

The Board is mindful of its obligations to provide timely and fair disclosure of material information in compliance with statutory reporting requirements. Price sensitive information is publicly released in a timely manner, either before the Company meets with any group of investors or analysts, or simultaneously with such meetings. The Company has adopted half yearly reporting as part of its commitment to maintaining regular communication with the shareholders and as required by the Code. Financial results and annual reports will be announced or issued within the mandatory periods.

In line with the continuous obligations of the Company pursuant to the Listing Manual and the Companies Act, the Board's policy is that all shareholders should be equally and timely informed of all major developments that impact on the Company or the Group. It is also the Board's policy that all corporate news, strategies and announcements are promptly disseminated through SGXNET, press releases as well as various media. The Company does not practice selective disclosure.

As a result of the amendments to Rule 705(2) of the Listing Manual of Singapore Exchange Securities Trading Limited, which took effect from 7 February 2020, the Company undertook half-yearly reporting, instead of quarterly reporting from 2020. Nonetheless, the Board continues to meet on a quarterly basis to be apprised of the operational and financial performance of the Company and to discuss and approve any matters as required. The Company will continue to provide updates in compliance with its continuing disclosure obligations, as and when appropriate.

To enhance and encourage communication with shareholders and investors, the Company has a dedicated email account, contact@stracocorp.com to which shareholders and investors may send their enquiries to the Company. Enquiries received from shareholders and investors are responded to by the Company's senior management.

Currently, the Company does not have an investor relations policy as correspondences with shareholders are relatively low in volume. However, the Board's policy is that all shareholders should be informed simultaneously in an accurate and comprehensive manner regarding all material developments that impact the Group via the SGXNET on an immediate basis, in line with the Group's disclosure obligations pursuant to the Listing Manual and the Companies Act. There is no dedicated investor relations team in place as the Board is of the view that the current communication channels are sufficient and cost-effective.

The Company will assess the need to have a dedicated investor relations team as and when there is a substantial increase in correspondence with shareholders.

Corporate Governance

Shareholders are informed of all shareholders' meetings through notices contained in annual reports or circulars sent to all shareholders. These notices are also published in the Business Times and posted onto the SGXNET. Shareholders are encouraged to attend all shareholders' meetings to facilitate a high level of accountability by the Company and for shareholders to stay informed of the Company's strategy and goals. The general meeting procedures provide the shareholders with opportunities to raise questions relating to each resolution tabled for approval. Shareholders are given the opportunity to participate in, engage in and openly communicate to the Directors their views on matters relating to the Company. Shareholders are also informed of the rules, including voting procedures, governing shareholders' meeting. All shareholders are entitled to vote in accordance with the established voting rules and procedures for the shareholders' meetings. Each share entitles its holder to one vote. An external firm is appointed as scrutineer for the voting process to count and validate votes placed by shareholders, and is independent of the firm appointed to manage the electronic poll voting process. The detailed results setting out the number of votes cast for and against each resolution and the respective percentages are announced via the SGXNET after the meeting.

The resolutions tabled at the general meetings each set out a substantially separate issue, and the election or re-election of each director is treated as a separate subject matter. All resolutions are voted upon separately at each general meeting. Detailed information on each item in the meeting agenda is provided in the explanatory notes to the notices.

All individual shareholders who are unable to attend and vote in person are entitled to appoint a proxy to attend and vote on their behalf. All shareholders are therefore given the opportunity to vote, either in person or by proxy at all shareholders' meetings. In addition, all relevant intermediaries as defined under Section 181 of the Companies Act are also given the opportunity to appoint one or more proxies to attend and vote at all general meetings. A relevant intermediary is defined as follows:-

1. a banking corporation defined under the Banking Act 1970 of Singapore, or its wholly-owned subsidiary which provides nominee services and holds shares in that capacity;

2. a capital market services license holder which provides custodial services for securities under the Securities and Futures Act and holds shares in that capacity; or

3. the Central Provident Fund ("**CPF**") Board established by the CPF Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation of the CPF Act 1953 for investing using contributions and interest standing to the credit of CPF members.

Pursuant to Rule 730A of the Listing Manual, all resolutions are put to a vote by poll at shareholders' meetings to ensure greater transparency in the voting process. The announcement of the results of shareholders' meetings includes a breakdown of the number of votes cast and the respective percentages for and against each resolution.

The Directors, external auditors, Management and legal advisors (where necessary) are present at all shareholders' meetings to address shareholders' queries.

The Executive Chairman, all Directors, and the external auditor were present at the AGM held on 29 April 2024 and will endeavour to be present at the forthcoming AGM to be held on 17 April 2025.

Corporate Governance

Minutes of shareholders' meetings include details of questions raised and the responses from the Company, and are kept as a permanent record. In addition, copies of the minutes of general meetings together with questions raised and answers thereto are posted on the SGXNET and the Company's official website.

The Company's dividend policy endeavours to balance dividend return to shareholders with the need for long-term sustainable growth whilst aiming for an efficient capital structure. The Company strives to provide shareholders with a consistent and sustainable ordinary dividend on an annual basis, based on cash position, working capital, expenditure plans, acquisition opportunities and market environment.

The Company declares dividends at each financial year-end. Payouts, if any, are communicated to shareholders via announcement on the SGXNET when the Company discloses its financial results.

The Board of Directors has proposed a final dividend of 1.5 Singapore cent per ordinary share and a special dividend of 0.5 Singapore cent per ordinary share for the financial year ended 31 December 2024 (FY2023: final dividend of 1.5 Singapore cent and special dividend of 0.5 Singapore cent per ordinary share).

MANAGING STAKEHOLDER RELATIONSHIPS

Principle 13: Engagement with Stakeholders

The Company strives to maintain open and fair communication with key stakeholders, to understand their views, concerns, and objectives, as well as communicate expectations and improve shareholder engagement to achieve sustainable objectives. The Company has identified stakeholder groups which have a significant influence and interest in the operations and businesses, being the Board, employees, customers, local communities, investors and shareholders, and engage these stakeholders to understand their ESG expectations from time to time.

The Sustainability Report section of this Annual Report provides more details about the strategy and key areas of focus in relation to the management of stakeholder relationships during the reporting period.

The Company maintains a current corporate website at www.stracocorp.com, and an email alert option is available to subscribers who wish to be notified of newly posted announcements, press releases, presentations and publications.

In this way, the Company endeavours to maintain good communication and engagement with all its material stakeholders.

Corporate Governance

DEALING IN SECURITIES

Directors and executives of the Group are not allowed to deal in the Company's securities during the period commencing one month before the announcement of the Company's half yearly and full year financial statements.

Internal guidelines applicable to all Directors and affected employees of the Group with regard to dealings in the shares of the Company have been adopted whereby such dealings are strictly prohibited during prescribed periods until the announcements of the relevant results are made. Directors and employees of the Group are also reminded to observe insider trading laws at all times even when dealing in securities within permitted trading periods. They are also discouraged from dealing in the Company's shares on short-term considerations.

INTERESTED PERSON TRANSACTIONS POLICY

The Company has adopted an internal policy in respect of any transactions with interested persons setting out the procedures for review and approval of the Company's interested person transactions.

There were no interested person transactions for the financial year ended 31 December 2024.

MATERIAL CONTRACTS

There were no material contracts entered into by the Company or any of its subsidiaries involving the interest of the Chief Executive Officer, any Director or controlling shareholder, that were still subsisting at the end of the financial year ended 31 December 2024 or if not then subsisting, entered into since the end of the previous financial year ended 31 December 2023.

Financial Review

Directors' Statement

For the financial year ended 31 December 2024

The directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 31 December 2024 and the statement of financial position of the Company as at 31 December 2024.

In the opinion of the directors,

(a) the statement of financial position of the Company and the consolidated financial statements of the Group as set out on pages 104 to 193 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2024 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are as follows:

Wu Hsioh Kwang	
Li Weiqiang	
Chua Soh Har	
Hee Theng Fong	
Teo Ser Luck	
Tan Khiaw Ngoh	(appointed on 2 May 2024)
Tan Kang Uei, Anthony	(appointed on 2 May 2024)

Alternate Directors

Wu Xiuyi	(alternate Director to Wu Hsioh Kwang)
Wu Xiuzhuan	(alternate Director to Chua Soh Har)

Directors' Statement

For the financial year ended 31 December 2024

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Share options" in this statement.

Directors' interests in shares or debentures

(a) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of director or nominee		Holdings in which director is deemed to have an interest	
	At 31.12.2024	At 1.1.2024	**At 31.12.2024**	At 1.1.2024
Straco Corporation Limited (No. of ordinary shares)				
Wu Hsioh Kwang (also the controlling shareholder of the Company)	**8,888,000**	8,888,000	**470,679,980**	470,679,980
Li Weiqiang	**330,000**	330,000	**-**	-
Chua Soh Har	**11,804,000**	11,804,000	**467,763,980**	467,763,980
Tay Siew Choon (retired on 29 April 2024)	**-**	2,150,000	**-**	-
Lim Song Joo (retired on 29 April 2024)	**-**	1,224,000	**-**	-
Wu Xiuyi (Alternate Director to Wu Hsioh Kwang)	**35,205,000**	35,205,000	**-**	-
Wu Xiuzhuan (Alternate Director to Chua Soh Har)	**27,656,000**	27,656,000	**-**	-

Directors' Statement

For the financial year ended 31 December 2024

Directors' interests in shares or debentures (continued)

(b) According to the register of directors' shareholdings, certain directors holding office at the end of the financial year had interests in options to subscribe for ordinary shares of the Company granted pursuant to the Straco Share Option Scheme as set out below and under "Share options" below.

	No. of unissued ordinary shares under option	
	At 31.12.2024	At 1.1.2024
Name of Directors		
Wu Hsioh Kwang (also the controlling shareholder of the Company)	**600,000**	800,000
Li Weiqiang	**400,000**	400,000
Chua Soh Har	**400,000**	400,000
Tay Siew Choon (retired on 29 April 2024)	**-**	400,000
Lim Song Joo (retired on 29 April 2024)	**-**	400,000
Hee Theng Fong	**400,000**	400,000
Teo Ser Luck	**200,000**	-
	2,000,000	2,800,000
Alternate Directors and associates of controlling shareholder		
Wu Xiuyi	**600,000**	680,000
Wu Xiuzhuan	**600,000**	680,000
	1,200,000	1,360,000

(c) The directors' interests in the ordinary shares and convertible securities of the Company as at 21 January 2025 were the same as those as at 31 December 2024.

Share options

(a) Straco Share Option Scheme

Description of the share option scheme can be found in Note 24(b) of the financial statements.

As at 31 December 2024, 29,950,000 (2023: 29,950,000) ordinary shares were allotted pursuant to options which had been exercised and a total of 2,170,000 (2023: 2,170,000) options had lapsed/expired under the 2004 Scheme.

Directors' Statement

For the financial year ended 31 December 2024

Share options (continued)

(a) Straco Share Option Scheme (continued)

As at 31 December 2024, 5,974,000 (2023: 5,974,000) ordinary shares were allotted pursuant to options which had been exercised and a total of 17,594,000 (2023: 12,814,000) options had lapsed/expired under the 2014 Scheme. Options to subscribe for a total of 13,770,000 (2023: 18,550,000) options which have not yet been exercised remained outstanding.

As at 31 December 2024, a total of 80,000 options had lapsed under the 2024 Scheme, and a total of 3,520,000 options have not vested and remained outstanding.

Details of the options granted to directors of the Company, controlling shareholder of the Company and his associates, and group employees who received 5% or more of the total number of options available under the Schemes are as follows:

	No. of unissued ordinary shares of the Company under option			
Name of directors	Granted in financial year ended 31.12.2024	Aggregate granted since commencement of scheme to 31.12.2024	Aggregate exercised/ expired/ forfeited since commencement of scheme to 31.12.2024	Aggregate outstanding as at 31.12.2024
Wu Hsioh Kwang (also the controlling shareholder of the Company)	300,000	8,800,000	(8,200,000)	600,000
Li Weiqiang	200,000	1,918,000	(1,518,000)	400,000
Chua Soh Har	200,000	2,548,000	(2,148,000)	400,000
Tay Siew Choon (retired on 29 April 2024)	-	3,338,000	(3,338,000)	-
Lim Song Joo (retired on 29 April 2024)	-	2,348,000	(2,348,000)	-
Hee Theng Fong	200,000	1,060,000	(660,000)	400,000
Teo Ser Luck	200,000	200,000	-	200,000
	1,100,000	20,212,000	(18,212,000)	2,000,000
Alternate Directors and Associates of controlling shareholder				
Wu Xiuyi	300,000	4,924,000	(4,324,000)	600,000
Wu Xiuzhuan	300,000	3,030,000	(2,430,000)	600,000
	600,000	7,954,000	(6,754,000)	1,200,000

Directors' Statement

For the financial year ended 31 December 2024

Share options (continued)

(a) Straco Share Option Scheme (continued)

	No. of unissued ordinary shares of the Company under option			
Name of employee	Granted in financial year ended 31.12.2024	Aggregate granted since commencement of scheme to 31.12.2024	Aggregate exercised/ expired/ forfeited since commencement of scheme to 31.12.2024	Aggregate outstanding as at 31.12.2024
Ng Chiau Meng	300,000	6,340,000	(3,540,000)	2,800,000
Ng Kim	300,000	6,630,000	(3,830,000)	2,800,000
	600,000	12,970,000	(7,370,000)	5,600,000

The aggregate number of shares over which options may be granted on any date, when added to the number of shares issued and issuable in respect of all options granted under the Scheme, shall not exceed 15% of the issued shares of the Company on the day preceding that date.

No participant under the Schemes, save for those disclosed above, has received 5% or more of the total number of shares under option available under the Schemes, since commencement and during the financial year under review.

No option was granted at a discount during the financial year.

Directors' Statement

For the financial year ended 31 December 2024

Share options (continued)

(b) Share options outstanding

The number of unissued ordinary shares of the Company under option in relation to the Schemes outstanding at the end of the financial year was as follows:

Date of grant of option	No. of unissued ordinary shares under option at 31.12.2024	Exercise price	Exercise period
2014 Scheme			
12/05/2015	2,128,000	1.06	13/05/2016 to 12/05/2025
12/05/2016	2,140,000	0.79	13/05/2017 to 12/05/2026
11/05/2017	2,100,000	0.84	12/05/2018 to 11/05/2027
21/05/2018	2,100,000	0.78	22/05/2019 to 21/05/2028
23/05/2019	2,080,000	0.78	24/05/2020 to 23/05/2029
03/07/2020	1,500,000	0.51	04/07/2021 to 03/07/2025
03/07/2020	1,722,000	0.51	04/07/2021 to 03/07/2030
2024 Scheme			
09/05/2024	1,700,000	0.50	10/05/2025 to 09/05/2029
09/05/2024	1,820,000	0.50	10/05/2025 to 09/05/2034
	17,290,000		

Directors' Statement

For the financial year ended 31 December 2024

Audit and Risk Committee

The members of the Audit and Risk Committee at the end of the financial year were as follows:

Teo Ser Luck (Chairman)
Hee Theng Fong
Tan Khiaw Ngoh

All members of the Audit and Risk Committee are independent non-executive directors.

The Audit and Risk Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act. In performing those functions, the Committee reviewed:

- the scope and the results of internal audit procedures with the internal auditor;
- the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;
- the assistance given by the Company's management to the independent and internal auditors;
- the statement of financial position of the Company and the consolidated financial statements of the Group for the financial year ended 31 December 2024 before their submission to the Board of Directors; and
- interested person transactions (as defined in Chapter 9 of the SGX Listing Manual).

The Audit and Risk Committee has recommended to the Board that the independent auditor, PricewaterhouseCoopers LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

Directors' Statement

For the financial year ended 31 December 2024

Independent auditor

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors

Wu Hsioh Kwang Director	Teo Ser Luck Director

7 March 2025

Independent Auditor's Report

To the Members of Straco Corporation Limited

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying consolidated financial statements of Straco Corporation Limited ("the Company") and its subsidiaries ("the Group") and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 ("the Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of the Company and the Group comprise:
- the consolidated statement of comprehensive income of the Group for the financial year ended 31 December 2024;
- the consolidated statement of financial position of the Group as at 31 December 2024;
- the statement of financial position of the Company as at 31 December 2024;
- the consolidated statement of changes in equity of the Group for the financial year then ended;
- the consolidated statement of cash flows of the Group for the financial year then ended; and
- the notes to the financial statements, including material accounting policy information.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Independent Auditor's Report

To the Members of Straco Corporation Limited

Our Audit Approach (continued)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 December 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
Impairment assessment of property, plant and equipment, investment property and right-of-use assets	
As at 31 December 2024, the carrying value of property, plant and equipment and investment property, including right-of-use assets, amounted to $149.2 million (Note 16) and $15.4 million (Note 15) respectively. These assets are predominantly made up of leasehold land and buildings which the Group's key attractions operate on and the machinery and equipment which are used in the day-to-day business of the key attractions. Management considers individual components of each attraction as a separate cash-generating unit ("CGU") and has carried out impairment assessments on each of the components' carrying amounts to identify whether there are indicators for impairment. The recoverable amount is determined based on the higher of the CGU's value-in-use and fair value less costs of disposal. External valuation on components with impairment indicators are obtained from independent professional valuers when the internal assessments indicate impairment indicators. Based on the impairment assessments carried out by management and the report of the independent professional valuer as at 31 December 2024, impairment loss on investment property of $0.3 million was recorded against the consolidated statement of comprehensive income during the year ended 31 December 2024. We focused on this area as the impairment assessment and valuation process involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. The external valuation is highly sensitive to key assumptions applied in deriving the capitalisation rate and discount rate.	We focused our audit work on the underlying assumptions and factors used in the assessment performed by management and the independent external valuer. Our audit procedures included the following: • Assessing how management identified indicators for impairment; • Assessing external professional valuer's competence, capabilities and objectivity, and reading the valuation report prepared by the external valuer; • Assessing the appropriateness of methodologies used by external valuer; and • For fair value less cost to sell, corroborated the inputs used by external valuer such as capitalisation rate and discount rate by comparing them against historical rates and available industry data, taking into consideration comparability and market factors. Based on our work and the evidence obtained, we found the significant judgements and estimates adopted by management in the fair value less cost to sell calculations supportable. In addition, we found that the external valuer is a member of a recognised professional body for external valuers and the valuation methodologies used were in line with the generally accepted market practices and the key assumptions used were within range of market data. We also found the disclosure on the estimates used by management in performing the impairment assessment in Note 3 to be appropriate.

Independent Auditor's Report

To the Members of Straco Corporation Limited

Our Audit Approach (continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
Useful lives of property, plant and equipment and investment property	
As at 31 December 2024, included in the carrying value of property, plant and equipment of $149.2 million (Note 16) and investment property of $15.4 million (Note 15) is right-of-use assets of $32.5 million and $2.4 million respectively (Note 17a). The net carrying amount of property, plant and equipment and investment property, excluding right-of-use ("ROU") assets, amounted to $116.7 million and $13.0 million respectively. The Group reviews annually the estimated useful lives of property, plant and equipment and investment property, excluding ROU assets, based on factors that include: - Asset utilisation and visitorship to the attractions; - Technological changes and obsolescence; - Government regulations or re-designation of land space; and - Internal technical evaluation on safety and maintenance plans. We focused on the useful lives of property, plant and equipment and investment property, excluding ROU assets, due to their contribution to the statement of financial position and the subjectivity of the assessment whereby future results of operations could be materially affected by changes in these estimates arising from changes in factors above.	We focused our audit work on the underlying assumptions and factors used in the assessment performed by management, taking into consideration past utilisation of assets and future asset maintenance and investment plans. Our audit procedures included the following: • Obtained key contracts and agreements entered into for usage or lease of land space for the Group's key attractions; • Obtained evidence of annual renewal of operating permit granted by the authority; • Reviewed actual useful lives of fully depreciated assets which still remain in use; • Obtained and reviewed planned maintenance expenditure information; and • Considered other similar established industry practices. We found management's basis of estimating the useful lives to be appropriate. We also found the disclosure on the estimates of useful lives by management in the determination of useful lives of property, plant and equipment and investment property in Note 3 to be appropriate.

Independent Auditor's Report

To the Members of Straco Corporation Limited

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the other sections of the annual report ("the Other Sections"), which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and take appropriate actions in accordance with SSAs.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Independent Auditor's Report

To the Members of Straco Corporation Limited

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent Auditor's Report

To the Members of Straco Corporation Limited

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Lee Kok Hooi.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 7 March 2025

Consolidated Statement of Comprehensive Income

For the financial year ended 31 December 2024

	Note	**2024** **$**	2023 $
Revenue	4	**81,504,136**	82,135,517
Other income	5	**8,870,080**	6,240,267
Expenses			
Depreciation and amortisation	6	**(9,062,619)**	(9,367,081)
Changes in inventories and purchases of goods		**(1,526,375)**	(1,677,496)
Professional and legal fees		**(858,254)**	(784,409)
Sales and marketing		**(992,673)**	(1,071,154)
Exchange gains/(losses) - net		**65,971**	(1,711,574)
Rental expenses	17(d)	**(2,633,546)**	(2,815,149)
Property and other taxes		**(1,010,498)**	(798,529)
Repair and maintenance		**(4,273,041)**	(4,367,391)
Employee compensation	8	**(23,389,760)**	(20,663,894)
Utilities		**(3,341,655)**	(3,843,577)
Loss on disposal of property, plant and equipment		**(57,987)**	(29,381)
Impairment loss on property, plant and equipment	16	**-**	(421,087)
Impairment loss on investment property	15	**(300,000)**	(1,000,000)
Impairment loss on goodwill	19	**(1,419,013)**	-
Other expenses		**(3,847,088)**	(3,633,013)
Finance cost	7	**(1,509,364)**	(1,575,164)
Profit before income tax		**36,218,314**	34,616,885
Income tax expense	9(a)	**(6,914,909)**	(7,329,387)
Total profit		**29,303,405**	27,287,498
Other comprehensive income/(loss):			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation - gains/(losses)		**231,900**	(4,457,164)
Other comprehensive income/(loss), net of tax		**231,900**	(4,457,164)
Total comprehensive income		**29,535,305**	22,830,334

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Comprehensive Income

For the financial year ended 31 December 2024

	Note	2024 $	2023 $
Profit attributable to:			
Equity holders of the Company		**27,220,470**	25,677,646
Non-controlling interests		**2,082,935**	1,609,852
		29,303,405	27,287,498
Total comprehensive income attributable to:			
Equity holders of the Company		**27,443,089**	21,402,370
Non-controlling interests		**2,092,216**	1,427,964
		29,535,305	22,830,334
Earnings per share for profit attributable to equity holders of the Company (cents per share)			
Basic earnings per share	10	**3.18**	3.00
Diluted earnings per share	10	**3.18**	3.00

The accompanying notes form an integral part of these financial statements.

Statement of Financial Position - Group

As at 31 December 2024

	Note	2024 $	2023 $
ASSETS			
Current assets			
Cash and cash equivalents	11	**188,165,074**	170,924,074
Trade and other receivables	12	**5,213,982**	5,447,594
Inventories	13	**2,510,528**	2,325,553
		195,889,584	178,697,221
Non-current assets			
Investment property	15	**15,425,111**	16,510,409
Property, plant and equipment	16	**149,200,028**	153,774,043
Intangible assets and goodwill	19	**53,522**	1,488,640
Deferred tax assets	22	**345,480**	316,804
		165,024,141	172,089,896
Total assets		**360,913,725**	350,787,117
LIABILITIES			
Current liabilities			
Trade and other payables	20	**10,424,543**	10,602,760
Current income tax liabilities	9(b)	**1,461,935**	940,162
Borrowings	21	**1,028,311**	1,007,831
Lease liabilities	17(e)	**1,271,370**	1,223,268
		14,186,159	13,774,021
Non-current liabilities			
Trade and other payables	20	**304,616**	205,009
Borrowings	21	**5,009,756**	6,038,067
Lease liabilities	17(e)	**36,994,395**	38,246,415
Deferred income		**200,801**	116,572
Deferred income tax liabilities	22	**13,118,121**	14,254,948
Provision for reinstatement cost	23	**5,907,139**	5,765,312
		61,534,828	64,626,323
Total liabilities		**75,720,987**	78,400,344
NET ASSETS		**285,192,738**	272,386,773
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	24	**76,985,514**	76,985,514
Other reserves	25	**8,146,027**	7,496,689
Retained profits		**188,459,020**	178,371,836
		273,590,561	262,854,039
Non-controlling interests	14	**11,602,177**	9,532,734
Total equity		**285,192,738**	272,386,773

The accompanying notes form an integral part of these financial statements.

Statement of Financial Position - Company

As at 31 December 2024

	Note	2024 $	2023 $
ASSETS			
Current assets			
Cash and cash equivalents	11	**56,019,834**	73,080,604
Trade and other receivables	12	**539,698**	900,610
		56,559,532	73,981,214
Non-current assets			
Investments in subsidiaries	14	**76,070,954**	76,070,954
Property, plant and equipment	16	**1,682,085**	1,735,237
Loans and advances to subsidiaries		**39,600,000**	39,600,000
		117,353,039	117,406,191
Total assets		**173,912,571**	191,387,405
LIABILITIES			
Current liabilities			
Trade and other payables	20	**1,481,278**	1,376,295
Current income tax liabilities	9(b)	**220,686**	228,065
Total liabilities		**1,701,964**	1,604,360
NET ASSETS		**172,210,607**	189,783,045
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	24	**76,985,514**	76,985,514
Other reserves	25	**1,762,068**	1,359,321
Retained profits		**93,463,025**	111,438,210
Total equity		**172,210,607**	189,783,045

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

For the financial year ended 31 December 2024

	Note	Share capital	Treasury shares	Share option reserve	General reserve	Currency translation reserve	Capital reserve	Retained profits	Total	Non-controlling interests	Total equity
		← Attributable to equity holders of the Company							→		
		$	$	$	$	$	$	$	$	$	$
At 1 January 2024		**76,985,514**	**(7,308,213)**	**10,011,691**	**16,770,833**	**(10,633,465)**	**(1,344,157)**	**178,371,836**	**262,854,039**	**9,532,734**	**272,386,773**
Profit for the year		-	-	-	-	-	-	27,220,470	27,220,470	2,082,935	29,303,405
Other comprehensive income for the year		-	-	-	-	222,619	-	-	222,619	9,281	231,900
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**222,619**	**-**	**27,220,470**	**27,443,089**	**2,092,216**	**29,535,305**
Dividend to non-controlling shareholders of subsidiaries		-	-	-	-	-	-	-	-	(22,773)	(22,773)
Dividend relating to 2023 paid	26	-	-	-	-	-	-	(17,109,314)	(17,109,314)	-	(17,109,314)
Share-based payment transactions	8	-	-	402,747	-	-	-	-	402,747	-	402,747
Transfer to general reserve fund		-	-	-	23,972	-	-	(23,972)	-	-	-
Total transactions with owners, recognised directly in equity		**-**	**-**	**402,747**	**23,972**	**-**	**-**	**(17,133,286)**	**(16,706,567)**	**(22,773)**	**(16,729,340)**
At 31 December 2024		**76,985,514**	**(7,308,213)**	**10,414,438**	**16,794,805**	**(10,410,846)**	**(1,344,157)**	**188,459,020**	**273,590,561**	**11,602,177**	**285,192,738**

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

For the financial year ended 31 December 2024

	Note	Share capital	Treasury shares	Share option reserve	General reserve	Currency translation reserve	Capital reserve	Retained profits	Total	Non-controlling interests	Total equity
		← Attributable to equity holders of the Company							→		
		$	$	$	$	$	$	$	$	$	$
At 1 January 2023		**76,985,514**	**(7,579,613)**	**10,011,691**	**16,770,833**	**(6,358,189)**	**(1,228,257)**	**161,248,847**	**249,850,826**	**9,462,000**	**259,312,826**
Profit for the year		-	-	-	-	-	-	25,677,646	25,677,646	1,609,852	27,287,498
Other comprehensive loss for the year		-	-	-	-	(4,275,276)	-	-	(4,275,276)	(181,888)	(4,457,164)
Total comprehensive (loss)/ income for the year		**-**	**-**	**-**	**-**	**(4,275,276)**	**-**	**25,677,646**	**21,402,370**	**1,427,964**	**22,830,334**
Dividend to non-controlling shareholders of subsidiaries	14	-	-	-	-	-	-	-	-	(1,357,230)	(1,357,230)
Dividend relating to 2022 paid	26	-	-	-	-	-	-	(8,554,657)	(8,554,657)	-	(8,554,657)
Share options exercised	24(a)	-	271,400	-	-	-	(115,900)	-	155,500	-	155,500
Total transactions with owners, recognised directly in equity		**-**	**271,400**	**-**	**-**	**-**	**(115,900)**	**(8,554,657)**	**(8,399,157)**	**(1,357,230)**	**(9,756,387)**
At 31 December 2023		**76,985,514**	**(7,308,213)**	**10,011,691**	**16,770,833**	**(10,633,465)**	**(1,344,157)**	**178,371,836**	**262,854,039**	**9,532,734**	**272,386,773**

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2024

	Note	2024 $	2023 $
Cash flows from operating activities			
Total profit		**29,303,405**	27,287,498
Adjustments for:			
- Income tax expense	9	**6,914,909**	7,329,387
- Depreciation of property, plant and equipment	6	**8,261,096**	8,565,617
- Depreciation of investment property	6	**785,298**	785,299
- Amortisation of intangible assets	6	**16,225**	16,165
- Equity-settled shared-based payment transactions	8	**402,747**	-
- Amortisation of government grants		**(69,689)**	(55,894)
- Loss on disposal of property, plant and equipment		**57,987**	29,381
- Impairment loss on property, plant and equipment	16	-	421,087
- Impairment loss on investment property	15	**300,000**	1,000,000
- Impairment loss on goodwill	19	**1,419,013**	-
- Interest income	5	**(4,504,001)**	(4,116,777)
- Interest expenses	7	**1,509,364**	1,575,164
- Unrealised currency translation losses		**(70,369)**	1,671,602
		44,325,985	44,508,529
Change in working capital			
- Inventories		**(182,833)**	(356,728)
- Trade and other receivables		**775,594**	(741,251)
- Trade and other payables		**(87,317)**	2,943,321
Cash generated from operations		**44,831,429**	46,353,871
Income tax paid		**(7,559,990)**	(9,223,175)
Net cash provided by operating activities		**37,271,439**	37,130,696

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2024

	Note	2024 $	2023 $
Cash flows from investing activities			
Additions to property, plant and equipment	(a)	**(3,680,485)**	(4,043,762)
Additions to intangible assets		**-**	(36,648)
Government grant received		**153,741**	10,117
Proceeds from disposal of property, plant and equipment		**1,775**	7,223
Interest received		**3,968,557**	4,793,895
Net cash provided by investing activities		**443,588**	730,825
Cash flows from financing activities			
Fixed deposit pledged	11	**-**	(120,000)
Proceed from exercise of share options		**-**	155,500
Repayment of borrowings		**(1,007,831)**	(988,026)
Principal payment of lease liabilities		**(1,225,362)**	(1,189,265)
Interest paid on lease liabilities		**(1,323,700)**	(1,373,102)
Interest paid on borrowings		**(43,837)**	(63,642)
Dividends paid to equity holders of the Company		**(17,109,314)**	(8,554,657)
Dividends paid to non-controlling interests		**(22,773)**	(1,357,230)
Net cash used in financing activities		**(20,732,817)**	(13,490,422)
Net increase in cash and cash equivalents		**16,982,210**	24,371,099
Cash and cash equivalents			
Beginning of financial year	11	**169,804,074**	150,684,009
Effects of currency translation on cash and cash equivalents		**258,790**	(5,251,034)
End of financial year	11	**187,045,074**	169,804,074

(a) Additions to property, plant and equipment

During the financial year, the Group acquired property, plant and equipment with an aggregate cost of $3,688,538 (2023: $4,043,762) of which $3,680,485 (2023: $4,043,762) was paid as at 31 December 2024 and $8,053 was due to the additions of right-of-use assets during the year.

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2024

Reconciliation of liabilities arising from financing activities

		Non-cash changes					
	1 January	Effects of foreign currency translation	Additions	Derecognition	Interest expense	Cash flows	31 December
	$	$	$	$	$	$	$
Group							
2024							
Borrowings	7,045,898	-	-	-	43,837	(1,051,668)	6,038,067
Lease liabilities	39,469,683	13,391	8,053	-	1,323,700	(2,549,062)	38,265,765
2023							
Borrowings	8,033,924	-	-	-	63,642	(1,051,688)	7,045,898
Lease liabilities	40,939,875	(280,927)	-	-	1,373,102	(2,562,367)	39,469,683

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

For the financial year ended 31 December 2024

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

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

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

2. Material accounting policy information

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2024

On 1 January 2024, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

Notes to the Financial Statements

For the financial year ended 31 December 2024

2. Material accounting policy information (continued)

2.1 Basis of preparation (continued)

New or amended Standards and Interpretations effective for 2024 calendar year-ends

Effective for annual periods beginning on or after 1 January 2024:

1 January 2024	Amendments to: - SFRS(I) 1-1: Classification of Liabilities as Current or Non-current - SFRS(I) 1-1: Non-current Liabilities with Covenants - SFRS(I) 1-7 and SFRS(I) 7: Supplier Finance Arrangements - SFRS(I) 16: Lease Liability in a Sale and Leaseback

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current and future periods.

2.2 Revenue

Sales comprise the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Group's activities. Sales are presented, net of value-added tax, rebates and discounts, and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Group's activities are met as follows:

(a) *Sale of tickets*

Revenue from the sale of admission tickets is recognised when the tickets are utilised. Tickets sold are non-refundable.

(b) *Sale of goods*

Revenue from the sale of goods such as retail, food and beverages and others, is recognised when the Group has delivered the products to the customers, the customer has accepted the products and collectability of the related receivables is reasonably assured.

(c) *Dividend income*

Dividend income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be reliably measured.

Notes to the Financial Statements

For the financial year ended 31 December 2024

2. Material accounting policy information (continued)

2.2 Revenue (continued)

(d) Rental income

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term.

(e) Deferred revenue

Sales of pre-sold tickets and annual passes are contract liabilities that are recognised and presented under "Trade and other payables" (Note 20). Pre-sold tickets are recognised as revenue when utilised and annual passes are recognised as revenue on a straight-line basis over the validity of the annual passes. Unutilised amounts are recognised as revenue upon expiry.

2.3 Government grants

Grants from the government are recognised at their fair value when there is reasonable assurance that the grant will be received, and the Group will comply with all the attached conditions. Government grants are shown separately as other income.

Income related grants are recognised in profit or loss over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis.

Assets-related grants are accounted for as deferred income on the statement of financial position and recognised in profit or loss on a systematic and rational basis over the useful lives of the assets.

2.4 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

In preparing the consolidated financial statements, intercompany transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Notes to the Financial Statements

For the financial year ended 31 December 2024

2. Material accounting policy information (continued)

2.4 Group accounting (continued)

(a) Subsidiaries (continued)

(i) Consolidation (continued)

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill. Please refer to the paragraph "Intangible assets – Goodwill on acquisitions" (Note 2.6(a)) for the subsequent accounting policy on goodwill.

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary result in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Notes to the Financial Statements

For the financial year ended 31 December 2024

2. Material accounting policy information (continued)

2.4 Group accounting (continued)

(a) Subsidiaries (continued)

(iii) Disposals (continued)

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries" (Note 2.9) for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

2.5 Property, plant and equipment

(a) Measurement

All items of property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

Components of costs

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost also includes borrowing costs. The projected cost of dismantlement, removal or restoration is also recognised as part of the cost of property, plant and equipment if the obligation for the dismantlement, removal or restoration is incurred as a consequence of either acquiring the asset or using the asset for purposes other than to produce inventories.

Notes to the Financial Statements

For the financial year ended 31 December 2024

2. Material accounting policy information (continued)

2.5 Property, plant and equipment (continued)

(b) *Depreciation*

Depreciation on items of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Leasehold land	Shorter of lease term or 50 years
Leasehold buildings	20 to 50 years
Leasehold improvements	10 years
Cable car equipment	10 to 20 years
Giant observation wheel	5 to 35 years and 7 months
Office equipment, furniture and fittings	3 to 5 years
Motor vehicles	5 to 8 years
Machinery	3 to 20 years
Fishes and marine livestock	5 years

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

No depreciation is provided on construction in progress.

(c) *Subsequent expenditure*

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) *Disposal*

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within “Loss on disposal of property, plant and equipment”.

Notes to the Financial Statements

For the financial year ended 31 December 2024

2. Material accounting policy information (continued)

2.6 Intangible assets

(a) Goodwill on acquisitions

Goodwill on acquisitions of subsidiaries and businesses represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired.

Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Gains and losses on the disposal of subsidiaries include the carrying amount of goodwill relating to the entity sold.

(b) Logo and trademark

Logo and trademark that arise from the acquisition of the Singapore Flyer are initially recognised at fair value and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over their estimated useful lives, from the date on which they are available for use. The estimated useful lives are as follows:

	Useful lives
Logo and trademark	5 to 10 years

2.7 Finance income and finance costs

Finance income comprises interest income on bank balances. Interest income is recognised as it accrues, using the effective interest method. Finance income is included in other income.

Finance costs comprise interest expenses on lease liabilities, loans and borrowings and reinstatement costs.

2.8 Investment property

Investment property comprises property that is held for long-term rental yields and/or for capital appreciation.

Investment property is initially recognised at fair value from the acquisition through business combination and subsequently measured at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated using a straight-line method to allocate the depreciable amount over the estimated useful life of 35 years 7 months, representing the remaining lease term from the date of acquisition.

Notes to the Financial Statements

For the financial year ended 31 December 2024

2. Material accounting policy information (continued)

2.8 Investment property (continued)

Investment property is subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

The residual values, useful lives and depreciation method of investment property are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are included in profit or loss when the changes arise.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

2.9 Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.10 Impairment of non-financial assets

(a) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

Notes to the Financial Statements

For the financial year ended 31 December 2024

2. Material accounting policy information (continued)

2.10 Impairment of non-financial assets (continued)

(b) Intangible assets
Property, plant and equipment
Right-of-use assets
Investment property
Investments in subsidiaries

Intangible assets, property, plant and equipment, right-of-use assets, investment property and investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

An impairment loss for an asset other than goodwill is reversed only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A write-back of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such write-back is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a write-back of that impairment is also recognised in profit or loss.

Notes to the Financial Statements

For the financial year ended 31 December 2024

2. Material accounting policy information (continued)

2.11 Financial assets

(a) Classification and measurement

The Group classifies its financial assets in the following measurement category:

- Amortised cost

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

At subsequent measurement

(i) Debt instruments

Debt instruments mainly comprise of cash and cash equivalents and trade and other receivables.

The subsequent measurement category is depending on the Group's business model for managing the asset and the cash flow characteristics of the asset:

- Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

Notes to the Financial Statements

For the financial year ended 31 December 2024

2. Material accounting policy information (continued)

2.11 Financial assets (continued)

(b) *Impairment*

The Group assesses on a forward-looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 28(b) details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(c) *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

2.12 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.13 Financial guarantees

The Company has issued corporate guarantees to banks for bank borrowings of its subsidiaries. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiaries fail to make principal or interest payments when due in accordance with the terms of their borrowings. Intra-Group transactions are eliminated on consolidation.

Financial guarantee contracts are initially measured at fair value plus transaction costs and subsequently measured at the higher of:

(a) premium received on initial recognition less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and

(b) the amount of expected loss computed using the impairment methodology under SFRS(I) 9.

Notes to the Financial Statements

For the financial year ended 31 December 2024

2. Material accounting policy information (continued)

2.14 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

Covenants that the Group is required to comply with on or before the end of the reporting period are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Group is required to comply with after the reporting period do not affect the classification at the reporting date.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.15 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.16 Leases

(a) *When the Group is the lessee*

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

- Right-of-use assets

  The Group recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

Notes to the Financial Statements

For the financial year ended 31 December 2024

2. Material accounting policy information (continued)

2.16 Leases (continued)

(a) *When the Group is the lessee* (continued)

- Right-of-use assets (continued)

  These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

  Right-of-use assets (except for those which meets the definition of an investment property) are presented within “Property, plant and equipment”.

  Right-of-use asset which meets the definition of an investment property is presented within “Investment property” and accounted for in accordance with Note 2.8.

- Lease liabilities

  The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

  Lease payments include the following:

  - Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
  - Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
  - Amount expected to be payable under residual value guarantees;
  - The exercise price of a purchase option if is reasonably certain to exercise the option; and
  - Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Notes to the Financial Statements

For the financial year ended 31 December 2024

2. Material accounting policy information (continued)

2.16 Leases (continued)

(a) *When the Group is the lessee* (continued)

- Lease liabilities (continued)

  For contract that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group has elected to not separate lease and non-lease component for property leases and account these as one single lease component.

  Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

  - There is a change in future lease payments arising from changes in an index or rate;
  - There is a change in the Group's assessment of whether it will exercise an extension option; or
  - There are modifications in the scope or the consideration of the lease that was not part of the original term.

  Lease liability is remeasured with a corresponding adjustment to the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

- Short term and low value leases

  The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

- Variable lease payments

  Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that triggered those lease payments. Details of the variable lease payments are disclosed in Note 17.

Notes to the Financial Statements

For the financial year ended 31 December 2024

2. Material accounting policy information (continued)

2.16 Leases (continued)

(b) When the Group is the lessor

The Group leases its investment property under operating leases to non-related parties.

- *Lessor – Operating leases*

Leases where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Rental due but unpaid is presented under "Trade and other receivables". The Group has provided rent concessions to its tenants by waiving contractual past due rent which is accounted for as a forgiveness of rental receivables. Refer to Note 2.11(c) for the accounting policy for derecognition of financial assets.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Contingent rents are recognised as income in profit or loss when earned.

- *Lessor – Subleases*

In classifying a sublease, the Group as an intermediate lessor classifies the sublease as a finance or an operating lease with reference to the right-of-use asset arising from the head lease, rather than the underlying asset.

When the sublease is assessed as a finance lease, the Group derecognises the right-of-use asset relating to the head lease that it transfers to the sublessee and recognised the net investment in the sublease under "Trade and other receivables". Any differences between the right-of-use asset derecognised and the net investment in sublease is recognised in profit or loss. Lease liability relating to the head lease is retained in the balance sheet, which represents the lease payments owed to the head lessor.

When the sublease is assessed as an operating lease, the Group recognise lease income from sublease in profit or loss within "Other income". The right-of-use asset relating to the head lease is not derecognised.

For contract which contains lease and non-lease components, the Group allocates the consideration based on a relative stand-alone selling price basis.

Notes to the Financial Statements

For the financial year ended 31 December 2024

2. Material accounting policy information (continued)

2.17 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the first-in-first-out method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

2.18 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and unutilised capital allowances, tax losses and donations can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities except for investment property. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Notes to the Financial Statements

For the financial year ended 31 December 2024

2. Material accounting policy information (continued)

2.18 Income taxes (continued)

The Group accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

2.19 Provisions

Provisions for reinstatement costs are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

The Group recognises the estimated liability with a corresponding recognition in property, plant and equipment and investment property at the reporting date. The provision is measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the statement of comprehensive income as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2.20 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund and the People's Republic of China ("PRC") provincial and municipal governments, on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of options is recognised as an employee expense with a corresponding increase in the share option reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on the date of the grant. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date.

Notes to the Financial Statements

For the financial year ended 31 December 2024

2. Material accounting policy information (continued)

2.20 Employee compensation (continued)

(b) *Share-based compensation* (continued)

At each reporting date, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve are credited to share capital account, when new ordinary shares are issued, or to the "treasury shares" account, when treasury shares are re-issued to the employees.

(c) *Employee leave entitlement*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

(d) *Short-term employee benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.21 Currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars, which is the functional currency of the Company.

Notes to the Financial Statements

For the financial year ended 31 December 2024

2. Material accounting policy information (continued)

2.21 Currency translation (continued)

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses impacting profit or loss are presented in the statement of comprehensive income within "exchange gains/(losses) - net".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

Notes to the Financial Statements

For the financial year ended 31 December 2024

2. Material accounting policy information (continued)

2.22 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Executive Chairman ("EC") to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the EC include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses, and income tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and intangible assets other than goodwill.

2.23 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, balances and deposits with financial institutions which are subject to an insignificant risk of change in value. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents. Pledged deposits are excluded from cash and cash equivalents.

2.24 Share capital and treasury shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained profits of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued pursuant to an employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

Notes to the Financial Statements

For the financial year ended 31 December 2024

2. Material accounting policy information (continued)

2.25 Dividends to Company's shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Impairment of investment property, property, plant and equipment, and right-of-use assets

The Group assesses at each balance sheet date whether there are any indicators of impairment for investment property, property, plant and equipment, and right-of-use assets.

The Group considers individual component of each attraction as a separate cash-generating unit ("CGU") and has carried out assessments on each of the components' carrying amounts to identify whether there are indicators for impairment. The recoverable amount is determined based on the higher of the CGU's value-in-use and fair value less costs of disposal. External valuation on components with impairment indicators are obtained from independent professional valuers when the internal assessments indicate impairment indicators.

The carrying amounts of investment property (inclusive of impairment loss recognised), property, plant and equipment (inclusive of impairment loss recognised), and right-of-use assets are disclosed in Notes 15, 16 and 17 respectively.

For the financial year ended 31 December 2024, the Group did not recognise any impairment loss on property, plant and equipment. The Group has recognised an impairment loss on investment property of $300,000. The recoverable amount was assessed based on fair value less cost to sell provided by the external valuer.

The valuation process which identifies whether the carrying values of investment property, property, plant and equipment, and right-of-use assets are impaired involves significant judgement in determining an appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. The external valuations are highly sensitive to key assumptions applied in deriving the capitalisation rate and discount rate, as disclosed in Notes 15 and 16.

Notes to the Financial Statements

For the financial year ended 31 December 2024

3. Critical accounting estimates, assumptions and judgements (continued)

Useful lives of investment property and property, plant and equipment

Estimation of useful life of investment property

As at 31 December 2024, included in the carrying amount of investment property of S$15.4 million (Note 15) is right-of-use assets of $2.4 million (Note 17a). The net carrying amount of investment property excluding right-of-use assets is $13.0 million (Note 15).

The cost of investment property is depreciated on a straight-line basis over its useful life. Management estimates the useful life of the investment property to be 35 years 7 months. The Group reviews annually the estimated useful life of investment property based on the factors that include asset utilisation, internal technical evaluation, technological changes, environmental and anticipated use of the asset. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in factors mentioned. A reduction in the estimated useful life of investment property would increase depreciation expense and decrease investment property.

The carrying amounts of investment property are disclosed in Note 15.

Estimation of useful lives of property, plant and equipment

As at 31 December 2024, included in the carrying amount of property, plant, and equipment of $149.2 million (Note 16) is right-of-use assets of $32.5 million (Note 17). The net carrying amount of property, plant and equipment excluding right-of-use assets is $116.7 million (Note 16).

The costs of property, plant and equipment are depreciated on a straight-line basis over their useful lives. Management estimates the useful lives of these property, plant and equipment in Note 2.5. The Group reviews annually the estimated useful lives of property, plant and equipment based on the factors that include asset utilisation, technological changes, environmental and anticipated use of the assets, and internal technical evaluation. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in factors mentioned. A reduction in the estimated useful lives of property, plant and equipment would increase depreciation expense and decrease property, plant and equipment.

The carrying amounts of property, plant and equipment are disclosed in Note 16.

Notes to the Financial Statements

For the financial year ended 31 December 2024

3. Critical accounting estimates, assumptions and judgements (continued)

Lease liabilities

Estimation of discount rate for lease liabilities

The discount rate used in the calculation of the lease liabilities are based on estimates of incremental borrowing cost. These estimates of incremental borrowing costs are mainly dependent on the territory of the relevant lease, and hence the currency used, and the lease term.

For the financial year ended 31 December 2024, there were no material additions of new leases.

Critical judgement over the lease terms

As at 31 December 2024, included in the Group's lease liabilities of $38,265,765 (Note 17) is the amount of $21,814,456 arising from extension of lease options. Extension options are included in the lease term if the lease is reasonably certain to be extended. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise the extension option.

For leases of office space and land, the following factors are considered to be most relevant:

- If any leasehold improvements are expected to have a significant remaining value, the Group typically includes the extension option in lease liabilities;
- If the land is located in strategic locations that will contribute to the continued profitability of the related operating segments, the Group typically includes the extension option in lease liabilities;
- Otherwise, the Group considers other factors including its historical lease periods for similar assets, costs required to obtain replacement assets, and business disruptions.

The assessment of reasonable certainty to exercise extension options is only revised if a significant change in circumstances occurs which affects this assessment, and that is within the control of the lessee. During the current financial year, there was no revision to lease terms to reflect the effect of exercising extension options.

Notes to the Financial Statements

For the financial year ended 31 December 2024

3. Critical accounting estimates, assumptions and judgements (continued)

Uncertain tax positions

The Group is subject to income taxes in different jurisdictions. In determining the amount of current and deferred tax, the Group takes into account impact of uncertain tax positions and whether additional taxes may be due taking into consideration the strategies of the Group. Significant estimates and assumptions are required to determine the amount of current and deferred tax that can be recognised and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

The carrying amounts of current income tax liabilities and deferred income taxes are as disclosed in the statement of financial position.

4. Revenue

	Group	
	2024	2023
	$	$
Revenue from contracts with customers (a)	**79,797,359**	80,807,639
Rental from leases under investment property (Note 15)	**1,706,777**	1,327,878
	81,504,136	82,135,517

(a) Disaggregation of revenue from contracts with customers

	Group	
	2024	2023
	$	$
Ticketing	**72,582,820**	73,753,924
Retail	**3,962,576**	3,674,203
Food and beverages	**2,155,639**	2,448,782
Others	**1,096,324**	930,730
	79,797,359	80,807,639

All the revenue from contracts with customers are recognised at a point in time.

Notes to the Financial Statements

For the financial year ended 31 December 2024

4. Revenue (continued)

(b) Deferred revenue

	Group		
	31 December		1 January
	2024	2023	2023
	$	$	$
Deferred revenue (Note 20)	**1,313,360**	2,021,025	1,332,693

Revenue recognised in relation to deferred revenue

	Group	
	2024	2023
	$	$
Revenue recognised in current period that was included in the deferred revenue balance at the beginning of the period	**2,014,267**	1,329,796

The deferred revenue relates to consideration received from customers for the unsatisfied performance obligation in pre-sale tickets, corporate memberships, and rental income. Revenue will be recognised upon the redemption of the tickets by customers. The decrease in deferred revenue is due to the decrease in pre-sale tickets as at year end.

(c) Trade receivables from contracts with customers

	Group			Company		
	31 December		1 January	**31 December**		1 January
	2024	2023	2023	**2024**	2023	2023
	$	$	$	**$**	$	$
Current assets						
Trade receivables from contracts with customers (Note 12)	**286,963**	517,861	295,041	**-**	-	-

Notes to the Financial Statements

For the financial year ended 31 December 2024

5. Other income

	Group	
	2024	2023
	$	$
Interest income	**4,504,001**	4,116,777
Government grants (a)	**329,033**	886,944
Rental income from sales counters	**738,978**	839,633
Miscellaneous income (b)	**3,298,068**	396,913
	8,870,080	6,240,267

(a) Included in government grants is grant income of $Nil (2023: $589,888) relating to wage support scheme from the Singapore Tourism Board in connection with the completion of training and business transformation project.

(b) Included in miscellaneous income is an amount of $3.0 million (2023: $Nil) relating to a fee received under a settlement agreement with a contractor who carried out works on the Singapore Flyer.

6. Depreciation and amortisation

	Group	
	2024	2023
	$	$
Amortisation of intangible assets (Note 19)	**16,225**	16,165
Depreciation of property, plant and equipment (Note 16)	**8,261,096**	8,565,617
Depreciation of investment property (Note 15)	**785,298**	785,299
Total depreciation and amortisation	**9,062,619**	9,367,081

Notes to the Financial Statements

For the financial year ended 31 December 2024

7. Finance cost

	Group	
	2024	2023
	$	$
Interest expense		
- Bank borrowings	**43,837**	63,642
- Lease liabilities (Note 17(c))	**1,323,700**	1,373,102
Finance cost on reinstatement (Note 23)	**141,827**	138,420
	1,509,364	1,575,164

8. Employee compensation

	Group	
	2024	2023
	$	$
Wages and salaries	**18,953,515**	17,014,800
Employer's contribution to defined contribution plans	**3,131,848**	2,865,803
Other staff benefits	**901,650**	783,291
Share option expense (Note 24(b))	**402,747**	-
	23,389,760	20,663,894

Notes to the Financial Statements

For the financial year ended 31 December 2024

9. Income taxes

(a) Income tax expense

	Group	
	2024	2023
	$	$
Tax expense attributable to profit is made out of:		
- Taxation for current financial year:		
Current income tax		
- Singapore	**799,134**	287,683
- Foreign	**7,469,151**	8,391,311
- Withholding tax	**21,634**	1,289,368
	8,289,919	9,968,362
Deferred income tax (Note 22)	**2,116,982**	392,799
	10,406,901	10,361,161
- (Over)/under provision in prior financial years:		
Current income tax	**(209,507)**	7,414
Deferred income tax (Note 22)	**(3,282,485)**	(3,039,188)
	(3,491,992)	(3,031,774)
Total tax expense	**6,914,909**	7,329,387

Notes to the Financial Statements

For the financial year ended 31 December 2024

9. Income taxes (continued)

(a) Income tax expense (continued)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	Group	
	2024	2023
	$	$
Profit before tax	**36,218,314**	34,616,885
Tax calculated at tax rate of 17% (2023: 17%)	**6,157,113**	5,884,870
Effects of:		
- different tax rates in other countries	**2,369,891**	2,753,908
- tax incentives	**(54,711)**	(37,609)
- expenses not deductible for tax purposes	**901,544**	757,226
- income not subject to tax	**(685)**	(53,475)
- deferred tax assets not recognised	**42,507**	158,647
- utilisation of previously unrecognised tax losses	**(42,948)**	(427,044)
- utilisation of previously unrecognised capital allowances	**(68,508)**	-
- over provision of tax in prior financial years	**(3,491,992)**	(3,031,774)
- withholding tax	**1,060,275**	1,271,992
- others	**42,423**	52,646
Tax charge	**6,914,909**	7,329,387

Notes to the Financial Statements

For the financial year ended 31 December 2024

9. Income taxes (continued)

(b) Movement in current income tax liabilities

	Group		Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
Beginning of financial year	**940,162**	198,203	**228,065**	219,864
Currency translation differences	**1,351**	(10,642)	**-**	-
Income tax paid - net	**(7,538,356)**	(7,933,807)	**(38,597)**	(220,015)
Withholding tax paid	**(21,634)**	(1,289,368)	**(21,634)**	(1,289,368)
Tax expense	**8,289,919**	9,968,362	**242,320**	1,517,434
(Over)/under provision in prior financial years	**(209,507)**	7,414	**(189,468)**	150
End of financial year	**1,461,935**	940,162	**220,686**	228,065

10. Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	2024	2023
Net profit attributable to equity holders of the Company ($)	**27,220,470**	25,677,646
Weighted average number of ordinary shares outstanding for basic profit per share	**855,465,680**	855,298,557
Basic earnings per share (cents per share)	**3.18**	3.00

Notes to the Financial Statements

For the financial year ended 31 December 2024

10. Earnings per share (continued)

(b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares, which comprises share options granted to employees.

For share options, the weighted average number of shares on issue has been adjusted as if all dilutive share options were exercised. The number of shares that could have been issued upon the exercise of all dilutive share options less the number of shares that could have been issued at fair value (determined as the Company's average share price for the financial year) for the same total proceeds is added to the denominator as the number of shares issued for no consideration. No adjustment is made to the net profit.

Diluted earnings per share attributable to equity holders of the Company is calculated as follows:

	2024	2023
Net profit used to determine diluted earnings per share ($)	**27,220,470**	25,677,646
Weighted average number of ordinary shares outstanding for basic earnings per share	**855,465,680**	855,298,557
Adjustments for		
- Share options	**-**	81,866
	855,465,680	855,380,423
Diluted earnings per share (cents per share)	**3.18**	3.00

Notes to the Financial Statements

For the financial year ended 31 December 2024

11. Cash and cash equivalents

	Group		Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
Cash at bank and on hand	**21,395,973**	9,179,977	**11,702,192**	249,286
Short-term bank deposits	**166,769,101**	161,744,097	**44,317,642**	72,831,318
	188,165,074	170,924,074	**56,019,834**	73,080,604

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	2024	2023
	$	$
Cash and bank balances (as above)	**188,165,074**	170,924,074
Less: Bank deposits pledged	**(1,120,000)**	(1,120,000)
Cash and cash equivalents per consolidated statement of cash flows	**187,045,074**	169,804,074

Bank deposits are pledged as security for the banker's guarantee on the lease of land on which the investment property (Note 15) and property, plant and equipment (Note 16) are situated, and a security collateral for the use of online payment service with a bank.

The weighted average effective interest rates, per annum, relating to fixed deposits of the Group and the Company are 2.74% (2023: 2.69%) and 1.92% (2023: 2.65%) per annum, respectively. Interest rates reprice at intervals of between 1 week and 36 months.

Notes to the Financial Statements

For the financial year ended 31 December 2024

12. Trade and other receivables

	Group		Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
Trade receivables				
- Amounts due from non-related parties	**286,963**	517,861	**-**	-
	286,963	517,861	**-**	-
Non-trade receivables				
- Amounts due from subsidiaries	**-**	-	**416,179**	416,156
- Interest receivables	**2,689,595**	2,148,623	**85,479**	459,982
- Other receivables	**143,801**	111,194	**-**	-
- Deposits	**252,605**	277,143	**1,000**	1,000
	3,086,001	2,536,960	**502,658**	877,138
Other tax receivables	**-**	259,540	**-**	-
Prepayments	**1,251,130**	896,411	**37,040**	23,472
Government grant receivable	**589,888**	1,236,822	**-**	-
	5,213,982	5,447,594	**539,698**	900,610

The non-trade amounts due from subsidiaries are unsecured, interest-free and repayable on demand.

13. Inventories

	Group	
	2024	2023
	$	$
Consumables	**2,510,528**	2,325,553

The cost of inventories recognised as an expense and included in “Changes in inventories and purchases of goods” amounted to $1,526,375 (2023: $1,677,496).

Notes to the Financial Statements

For the financial year ended 31 December 2024

14. Investments in subsidiaries

	Company 2024 $	Company 2023 $
Equity investments at cost		
Beginning and end of financial year	**76,070,954**	76,070,954

The Group had the following subsidiaries as at 31 December 2024 and 2023:

Group and Company

Name	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by parent		Proportion of ordinary shares held by the Group		Proportion of ordinary shares held by non-controlling interests	
			2024 %	2023 %	**2024 %**	2023 %	**2024 %**	2023 %
Infotainment Development & Management Pte Ltd	Provision of management and consulting services and overall project management to the Group and third parties	Singapore	100	100	100	100	-	-
Straco Creation Pte Ltd	Dormant	Singapore	-	-	100	100	-	-
New Bay Holdings Pte Ltd	Investment holding	Singapore	100	100	100	100	-	-
Underwater World Xiamen Co Ltd[2]	Operation of aquatic-related facilities and performance	People's Republic of China ("PRC")	-	-	100	100	-	-
Lintong Lixing Cable Car Co Ltd[1]	Operation of cable car facilities	PRC	95	95	95	95	5	5
Shanghai Ocean Aquarium Co Ltd[1]	Development and operation of aquatic-related facilities	PRC	95	95	95	95	5	5

Notes to the Financial Statements

For the financial year ended 31 December 2024

14. Investments in subsidiaries (continued)

Group and Company (continued)

Name	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by parent		Proportion of ordinary shares held by the Group		Proportion of ordinary shares held by non-controlling interests	
			2024	2023	**2024**	2023	**2024**	2023
			%	%	**%**	%	**%**	%
Xi'an Lintong Zhongxin Tourism Development Co Ltd[1]	Development and operation of tourism-related facilities	PRC	95	95	95	95	5	5
Bay Attractions Pte Ltd	Investment holding	Singapore	100	100	100	100	-	-
Straco Leisure Pte Ltd	Operation of a circular giant observation structure and provision of retail space	Singapore	-	-	90	90	10	10

[1] Audited by PricewaterhouseCoopers Zhong Tian LLP, PRC

[2] Audited by Xiamen Liangbang Certified Public Accountants Co. Ltd and audited by PricewaterhouseCoopers Zhong Tian LLP, PRC for consolidation purposes.

PricewaterhouseCoopers LLP, Singapore is the auditor of all other subsidiaries of the Group.

Significant restrictions

Cash and short-term deposits of $101,352,717 (2023: $79,152,671) are held in the PRC and are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the country, other than through normal dividends.

Carrying value of non-controlling interests	**2024** **$**	2023 $
Shanghai Ocean Aquarium Co Ltd	**4,449,154**	3,470,277
Straco Leisure Pte Ltd	**6,879,152**	5,860,846
Other subsidiaries with immaterial non-controlling interest	**273,871**	201,611
Total	**11,602,177**	9,532,734

Notes to the Financial Statements

For the financial year ended 31 December 2024

14. Investments in subsidiaries (continued)

Summarised financial information of subsidiaries with material non-controlling interests

Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. These are presented before inter-company eliminations.

Summarised statement of financial position

	Shanghai Ocean Aquarium Co Ltd		Straco Leisure Pte Ltd	
	2024	2023	**2024**	2023
	$	$	**$**	$
Current				
Assets	**79,466,027**	59,906,872	**32,269,275**	20,678,650
Liabilities	**(7,035,152)**	(7,679,315)	**(6,953,485)**	(6,479,806)
Total current net assets	**72,430,875**	52,227,557	**25,315,790**	14,198,844
Non-current				
Assets	**16,626,174**	17,294,563	**134,942,969**	139,563,572
Liabilities	**(73,974)**	(116,571)	**(91,477,064)**	(95,163,779)
Total non-current net assets	**16,552,200**	17,177,992	**43,465,905**	44,399,793
Net assets	**88,983,075**	69,405,549	**68,781,695**	58,598,637

Notes to the Financial Statements

For the financial year ended 31 December 2024

14. Investments in subsidiaries (continued)

Summarised statement of comprehensive income

	Shanghai Ocean Aquarium Co Ltd For year ended 31 December		Straco Leisure Pte Ltd For year ended 31 December	
	2024	2023	**2024**	2023
	$	$	**$**	$
Revenue	**39,734,986**	42,637,271	**30,904,643**	26,770,833
Profit before income tax	**25,868,981**	29,244,377	**8,561,439**	2,178,837
Income tax (expense)/credit	**(6,464,549)**	(7,311,716)	**1,621,620**	2,223,085
Post-tax profit from continuing operations	**19,404,432**	21,932,661	**10,183,059**	4,401,922
Currency gain/(loss) arising from consolidation	**173,094**	(3,506,597)	**-**	-
Total comprehensive income	**19,577,526**	18,426,064	**10,183,059**	4,401,922
Total comprehensive income allocated to non-controlling interests	**978,876**	921,303	**1,018,306**	440,192
Dividends paid to non-controlling interests	**-**	1,357,230	**-**	-

Notes to the Financial Statements

For the financial year ended 31 December 2024

14. Investments in subsidiaries (continued)

Summarised statement of cash flows

	Shanghai Ocean Aquarium Co Ltd For year ended 31 December		Straco Leisure Pte Ltd For year ended 31 December	
	2024	2023	**2024**	2023
	$	$	**$**	$
Cash flows from operating activities				
Cash generated from operations	**25,664,396**	29,048,826	**16,284,787**	11,823,183
Income tax paid	**(6,296,977)**	(6,668,000)	**-**	-
Net cash provided by operating activities	**19,367,419**	22,380,826	**16,284,787**	11,823,183
Net cash provided by/(used in) investing activities	**443,599**	2,506,467	**(1,506,270)**	(2,170,272)
Net cash used in financing activities	**-**	(28,486,417)	**(2,885,404)**	(3,005,974)
Net increase/(decrease) in cash and cash equivalents	**19,811,018**	(3,599,124)	**11,893,113**	6,646,937
Cash and cash equivalents at beginning of year	**56,608,193**	62,565,449	**15,600,283**	8,953,346
Exchange gains/(losses) on cash and cash equivalents	**147,428**	(2,358,132)	**-**	-
Cash and cash equivalents at end of year	**76,566,639**	56,608,193	**27,493,396**	15,600,283

Notes to the Financial Statements

For the financial year ended 31 December 2024

15. Investment property

	Group	
	2024	2023
	$	$
Cost		
Beginning and end of financial year	**27,547,779**	27,547,779
Accumulated depreciation and impairment losses		
Beginning of financial year	**11,037,370**	9,252,071
Depreciation charge (Note 6)	**785,298**	785,299
Impairment loss	**300,000**	1,000,000
End of financial year	**12,122,668**	11,037,370
Net book value	**15,425,111**	16,510,409

(a) As at 31 December 2024, the carrying value of investment property, excluding ROU assets, amounted to $13,008,310 (2023: $13,998,830).

Investment property comprises a commercial property that is leased to third parties under operating leases (Note 4). Currently, each of the leases is fixed for a period of 6 months to 3 years, and subsequent renewals are negotiated at prevailing market rates and terms. The investment property has been mortgaged to secure bank loans (Note 21).

The following amounts are recognised in profit and loss:

	Group	
	2024	2023
	$	$
Rental from leases under investment property (Note 4)	**1,706,777**	1,327,878
Direct operating expenses arising from:		
- Investment property that generates rental income	**1,132,804**	1,250,384

Notes to the Financial Statements

For the financial year ended 31 December 2024

15. Investment property (continued)

At the reporting date, the details of the Group's investment property are as follows:

Location:	30 Raffles Avenue, Singapore Flyer, Singapore 039803
Description:	Existing use: 3-storey terminal building
Tenure:	30 years less 1 day lease commencing on 5 July 2005 with an option to extend for a further 15 years less 1 day lease subject to renewal of head lease

As at 31 December 2024, the Group has determined that the recoverable amount based on fair value less cost to sell is lower than the carrying value of the investment property and an impairment loss of $300,000 (2023: $1,000,000) was recognised.

The fair value of investment property at 31 December 2024 is approximately $17,600,000 (2023: $17,700,000). Management relies on the external valuation to support the recoverable amount of the investment property. The external, independent valuation company, Colliers International Consultancy & Valuation (Singapore) Pte Ltd has the appropriate recognised professional qualifications and recent experience in the location and category of property being valued. The fair value of the Group's investment property is classified within Level 3 of the fair value hierarchy and has been derived using the discounted cash flow approach and capitalisation approach. The most significant input in each valuation approach is the discount rate and capitalisation rate of 8.0% and 5.5%% (2023: 8.0% and 5.5%) respectively.

If the discount rate and income capitalisation rate per the valuation report were to increase/decrease by 1%, there will be an increase/decrease of $300,000 to the amount of impairment loss on investment property.

Notes to the Financial Statements

For the financial year ended 31 December 2024

16. Property, plant and equipment

	Leasehold land and buildings $	Leasehold improvements $	Cable car equipment $	Giant observation wheel $	Office equipment, furniture and fittings $	Motor vehicles $	Machinery $	Fishes and marine livestock $	Construction in progress $	Total $
<u>Group</u>										
2024										
Cost										
Beginning of financial year	103,938,661	11,069,781	6,412,961	89,528,622	11,871,097	558,529	55,094,450	8,104,388	7,234,059	293,812,548
Currency translation differences	79,342	18,159	13,261	-	17,138	1,157	78,431	14,870	9,446	231,804
Additions	53,220	389,972	-	1,142,483	513,474	1,140	387,797	204,728	995,724	3,688,538
Disposals/ write-off	(1,530)	(88,684)	(891)	-	(576,059)	-	(93,405)	-	-	(760,569)
Reclassification	57,211	421,408	-	842,895	218,638	-	4,951	-	(1,545,103)	-
End of financial year	104,126,904	11,810,636	6,425,331	91,514,000	12,044,288	560,826	55,472,224	8,323,986	6,694,126	296,972,321
Accumulated depreciation and impairment										
Beginning of financial year	36,259,778	7,549,128	5,487,588	22,464,157	9,177,388	515,131	50,110,177	7,824,273	650,885	140,038,505
Currency translation differences	48,728	13,992	11,645	-	13,022	1,065	69,586	14,115	1,346	173,499
Depreciation charge (Note 6)	3,279,896	532,786	196,049	2,883,352	920,590	133	359,008	89,282	-	8,261,096
Disposals/ write-off	(1,530)	(88,605)	(891)	-	(520,869)	-	(88,912)	-	-	(700,807)
End of financial year	39,586,872	8,007,301	5,694,391	25,347,509	9,590,131	516,329	50,449,859	7,927,670	652,231	147,772,293
Net book value										
End of financial year	**64,540,032**	**3,803,335**	**730,940**	**66,166,491**	**2,454,157**	**44,497**	**5,022,365**	**396,316**	**6,041,895**	**149,200,028**

Notes to the Financial Statements

For the financial year ended 31 December 2024

16. Property, plant and equipment (continued)

	Leasehold land and buildings $	Leasehold improvements $	Cable car equipment $	Giant observation wheel $	Office equipment, furniture and fittings $	Motor vehicles $	Machinery $	Fishes and marine livestock $	Construction in progress $	Total $
Group										
2023										
Cost										
Beginning of financial year	105,429,985	11,135,645	6,184,549	87,818,803	11,740,537	581,035	56,418,631	8,272,813	6,963,561	294,545,559
Currency translation differences	(1,541,620)	(338,070)	(248,179)	-	(333,988)	(22,506)	(1,527,626)	(281,239)	(171,728)	(4,464,956)
Additions	50,296	145	27,276	1,709,819	555,248	-	267,798	112,814	1,320,366	4,043,762
Disposals/ write-off	-	(19,157)	(998)	-	(227,154)	-	(64,508)	-	-	(311,817)
Reclassification	-	291,218	450,313	-	136,454	-	155	-	(878,140)	-
End of financial year	103,938,661	11,069,781	6,412,961	89,528,622	11,871,097	558,529	55,094,450	8,104,388	7,234,059	293,812,548
Accumulated depreciation and impairment										
Beginning of financial year	33,836,595	7,307,373	5,514,271	19,743,016	8,702,656	535,888	50,700,467	8,004,379	246,985	134,591,630
Currency translation differences	(880,959)	(261,002)	(217,036)	-	(241,017)	(20,757)	(1,356,223)	(270,435)	(17,187)	(3,264,616)
Depreciation charge (Note 6)	3,304,142	521,914	191,351	2,721,141	920,681	-	816,059	90,329	-	8,565,617
Impairment loss	-	-	-	-	-	-	-	-	421,087	421,087
Disposals/ write-off	-	(19,157)	(998)	-	(204,932)	-	(50,126)	-	-	(275,213)
End of financial year	36,259,778	7,549,128	5,487,588	22,464,157	9,177,388	515,131	50,110,177	7,824,273	650,885	140,038,505
Net book value										
End of financial year	**67,678,883**	**3,520,653**	**925,373**	**67,064,465**	**2,693,709**	**43,398**	**4,984,273**	**280,115**	**6,583,174**	**153,774,043**

(a) Right-of-use of assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 17(a).

(b) As at 31 December 2024, the carrying value of property, plant and equipment, excluding ROU assets, amounted to $116,748,916 (2023: $119,746,033).

(c) For the financial year ended 31 December 2023, impairment loss on property, plant and equipment of $421,087 was recognised for costs incurred for a project which were capitalised as construction-in-progress previously.

Notes to the Financial Statements

For the financial year ended 31 December 2024

16. Property, plant and equipment (continued)

	Leasehold buildings $	Leasehold improvements $	Office equipment, furniture and fittings $	Total $
Company				
2024				
Cost				
Beginning of financial year	2,727,449	221,355	331,557	3,280,361
Addition	-	-	2,780	2,780
Disposals/write-off	-	-	(3,780)	(3,780)
End of financial year	2,727,449	221,355	330,557	3,279,361
Accumulated depreciation				
Beginning of financial year	995,519	218,193	331,412	1,545,124
Depreciation charge	54,549	866	517	55,932
Disposals/write-off	-	-	(3,780)	(3,780)
End of financial year	1,050,068	219,059	328,149	1,597,276
Net book value				
End of financial year	**1,677,381**	**2,296**	**2,408**	**1,682,085**
2023				
Cost				
Beginning and end of financial year	2,727,449	221,355	331,557	3,280,361
Accumulated depreciation				
Beginning of financial year	940,970	217,327	330,473	1,488,770
Depreciation charge	54,549	866	939	56,354
End of financial year	995,519	218,193	331,412	1,545,124
Net book value				
End of financial year	**1,731,930**	**3,162**	**145**	**1,735,237**

Notes to the Financial Statements

For the financial year ended 31 December 2024

17. Leases – The Group as a lessee

Nature of the Group's leasing activities

Leasehold land

Underwater World Xiamen Co Ltd entered into an agreement for a land use right with its co-operative partner in the PRC for a period of 40 years from 11 October 1994 to 10 October 2034. The annual rental shall increase by 10% every 4 years until the end of the lease period. The leasehold land for Underwater World Xiamen is recognised within property, plant and equipment (Note 16).

Straco Leisure Pte Ltd has a lease agreement for a plot of land for a period of 20 years 7 months from 28 November 2014 to 4 July 2035 with an option to renew for a further 15 years less 1 day. The annual rental is fixed for the duration of the current lease. The leasehold land for Straco Leisure Pte Ltd is recognised within investment property (Note 15) and property, plant and equipment (Note 16).

There are no externally imposed covenants on these lease arrangements.

Equipment and Machinery

The Group leases equipment and machinery for its operations. The equipment and machinery are recognised within property, plant and equipment (Note 16).

(a) *Carrying amounts*

ROU assets classified within property, plant and equipment

	2024	2023
	$	$
Leasehold land	**32,422,669**	33,995,319
Office equipment	**28,443**	32,691
	32,451,112	34,028,010

ROU assets classified within investment property

The right-of-use asset relating to the leasehold land presented under investment properties (Note 15) is stated at cost less accumulated depreciation and accumulated impairment losses and has a carrying amount at balance sheet date of $2,416,801 (2023: $2,511,579).

Notes to the Financial Statements

For the financial year ended 31 December 2024

17. Leases – The Group as a lessee (continued)

(b) Depreciation charge during the year

	2024	2023
	$	$
ROU assets classified within property, plant and equipment		
Leasehold land	**1,583,251**	1,592,331
Office equipment	**12,301**	12,347
Machinery	**-**	565
	1,595,552	1,605,243
ROU assets classified within investment property		
Investment property	**94,777**	94,777
	94,777	94,777
	1,690,329	1,700,020

(c) Interest expense

	2024	2023
	$	$
Interest expense on lease liabilities (Note 7)	**1,323,700**	1,373,102

(d) Lease expense not capitalised in lease liabilities

	2024	2023
	$	$
Lease expense – low-value leases	**17,449**	9,896
Variable lease payments which do not depends on an index or rate	**2,616,097**	2,805,253
	2,633,546	2,815,149

Notes to the Financial Statements

For the financial year ended 31 December 2024

17. Leases – The Group as a lessee (continued)

(e) *Lease liabilities*

	2024	2023
	$	$
Current	**1,271,370**	1,223,268
Non-current	**36,994,395**	38,246,415
	38,265,765	39,469,683

(f) Total cash outflow for all the leases in 2024 was $5,182,608 (2023: $5,377,516).

(g) Additions of ROU assets during the year were $8,053 (2023: $Nil).

(h) Disposals of ROU assets during the year were $8,236 (2023: $Nil).

(i) Future cash outflow which are not capitalised in lease liabilities:

Variable lease payments

Shanghai Ocean Aquarium Co Ltd entered into an agreement for a land use right. Rental is fixed at a percentage of its total revenue and is payable annually. Such variable lease payments are recognised to profit or loss when incurred and amounted to $2,582,774 (2023: $2,771,423) for the financial year ended 31 December 2024.

Notes to the Financial Statements

For the financial year ended 31 December 2024

18. Leases – The Group as a lessor

Nature of the Group's leasing activities – Group as a lessor

The Group has leased out their owned investment property to a third party for monthly lease payments. This lease is classified as an operating lease because the risk and rewards incidental to ownership of the assets are not substantially transferred.

Rental income from investment property is disclosed in Note 4 and Note 15.

Undiscounted lease payments from the operating leases to be received after the reporting date are as follows:

	2024	2023
	$	$
Less than one year	**1,250,890**	874,121
One to two years	**1,700,261**	1,587,721
Two to three years	**284,325**	815,206
Total undiscounted lease payment	**3,235,476**	3,277,048

Notes to the Financial Statements

For the financial year ended 31 December 2024

19. Intangible assets and goodwill

	Goodwill on consolidation $	Logo and trademark $	Total $
<u>Group</u>			
2024			
Cost			
Beginning of financial year	1,419,013	3,372,357	4,791,370
Currency translation differences	-	228	228
End of financial year	1,419,013	3,372,585	4,791,598
Accumulated amortisation			
Beginning of financial year	-	3,302,730	3,302,730
Currency translation differences	-	108	108
Amortisation charge (Note 6)	-	16,225	16,225
Impairment loss	1,419,013	-	1,419,013
End of financial year	1,419,013	3,319,063	4,738,076
Net book value			
End of financial year	**-**	**53,522**	**53,522**
2023			
Cost			
Beginning of financial year	1,419,013	3,339,365	4,758,378
Currency translation differences	-	(3,656)	(3,656)
Additions	-	36,648	36,648
End of financial year	1,419,013	3,372,357	4,791,370
Accumulated amortisation			
Beginning of financial year	-	3,287,855	3,287,855
Currency translation differences	-	(1,290)	(1,290)
Amortisation charge (Note 6)	-	16,165	16,165
End of financial year	-	3,302,730	3,302,730
Net book value			
End of financial year	**1,419,013**	**69,627**	**1,488,640**

Notes to the Financial Statements

For the financial year ended 31 December 2024

19. Intangible assets and goodwill (continued)

(a) Goodwill arising on consolidation

Impairment tests for goodwill

Goodwill is allocated to the Group's cash-generating units ("CGUs") identified according to countries of operation and business segments.

For the purpose of impairment testing, goodwill is allocated to the Group's CGU for a subsidiary in the PRC, Underwater World Xiamen Co Ltd, whose principal activity is the operation of an underwater aquarium.

The recoverable amount of this CGU is based on its value-in-use and is determined by discounting the future cash flows to be generated from the continuing use of the CGU. Value-in-use in 2024 is determined in a similar manner as in 2023 and is based on the following key assumptions:

- Cash flows were projected based on past operating performances and future business plan;
- The anticipated annual revenue growth included in the cash flow projections is 8% for 2025 and 3% for 2026 to 2034 (2023: 2% to 5% for 2024 to 2034); and
- A pre-tax discount rate of 11.40% (2023: 13.3%) was applied in determining the recoverable amount of the unit. The discount rate used reflects the risk-free rate and the premium for specific risks relating to the business unit.

The values assigned to the key assumptions represent management's assessment of future industry trends and are based on both external and internal sources and both past performance (historical data) and its expectations for market development.

Notes to the Financial Statements

For the financial year ended 31 December 2024

20. Trade and other payables

	Group		Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
Current				
Trade payables				
- Amounts due to non-related parties	**2,348,192**	2,264,820	**-**	-
	2,348,192	2,264,820	**-**	-
Non-trade payables				
- Amounts due to subsidiaries	**-**	-	**476,974**	475,960
- Accrued expenses	**2,040,844**	1,850,918	**538,986**	517,328
- Salary payable	**3,090,989**	2,752,287	**445,500**	374,220
- Refundable deposit	**74,891**	75,850	**-**	-
- Rental payable	**394,933**	372,059	**-**	-
- Utilities payable	**231,500**	277,943	**-**	-
- Other payables	**297,779**	92,237	**19,818**	8,787
	6,130,936	5,421,294	**1,481,278**	1,376,295
Deferred revenue	**1,313,360**	2,021,025	**-**	-
Other tax payables	**632,055**	895,621	**-**	-
	10,424,543	10,602,760	**1,481,278**	1,376,295
Non-current				
Rental deposits	**304,616**	205,009	**-**	-
	304,616	205,009	**-**	-

Rental deposits represent tenancy deposits received under operating lease arrangements. Where the lease expiry date is more than 12 months after balance sheet date, these rental deposits are classified as non-current. The fair values of the non-current rental deposits approximate its carrying amounts.

The amounts due to subsidiaries are unsecured, interest-free and repayable on demand.

Notes to the Financial Statements

For the financial year ended 31 December 2024

21. Borrowings

	Group	
	2024	2023
	$	$
Current		
Bank borrowings	**1,028,311**	1,007,831
	1,028,311	1,007,831
Non-current		
Bank borrowings	**609,756**	1,638,067
Loan from shareholder of a subsidiary	**4,400,000**	4,400,000
	5,009,756	6,038,067
Total borrowings	**6,038,067**	7,045,898

The loan from shareholder of a subsidiary is unsecured, interest-free and has no fixed terms of repayment and will not be repaid until the secured bank loan is repaid.

(a) Security granted

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

(b) Fair value of non-current borrowings

The carrying amounts of the non-current borrowings approximate their fair values, except for the following fixed-rate non-current bank borrowings:

	Carrying amounts		Fair values	
	2024	2023	**2024**	2023
	$	$	**$**	$
Non-current				
Bank borrowings	**609,756**	1,638,067	**440,712**	1,131,375

Notes to the Financial Statements

For the financial year ended 31 December 2024

21. Borrowings (continued)

(b) Fair value of non-current borrowings (continued)

The fair values above are determined from the cash flow analysis, discounted at the following market borrowing rates of equivalent instruments at the reporting date at which management expects to be available to the Group:

	2024	2023
Bank borrowings	**3.56%**	4.51%

The fair values are within Level 2 of the fair value hierarchy.

22. Deferred income taxes

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The amounts, determined after appropriate offsetting, are shown on the statement of financial position as follows:

	Group	
	2024	2023
	$	$
Deferred tax assets	**(345,480)**	(316,804)
Deferred tax liabilities	**13,118,121**	14,254,948
Net deferred tax liabilities	**12,772,641**	13,938,144

Movement in deferred income tax account is as follows:

	Group	
	2024	2023
	$	$
Beginning of financial year	**13,938,144**	16,584,533
Tax credited to		
- profit or loss (Note 9(a))	**(1,165,503)**	(2,646,389)
End of financial year	**12,772,641**	13,938,144

Notes to the Financial Statements

For the financial year ended 31 December 2024

22. Deferred income taxes (continued)

The movement in deferred income tax liabilities (prior to offsetting of balances within the same tax jurisdiction) is as follows:

Group

Deferred income tax liabilities

	Accelerated tax depreciation $	Withholding tax on undistributed profits $	Lease assets $	Others $	Total $
2024					
Beginning of financial year	**13,257,366**	**2,574,813**	**6,651,595**	**-**	**22,483,774**
(Credited)/charged to:					
- profit or loss	**(2,380,280)**	**1,037,206**	**(324,882)**	**29,657**	**(1,638,299)**
End of financial year	**10,877,086**	**3,612,019**	**6,326,713**	**29,657**	**20,845,475**
2023					
Beginning of financial year	15,007,679	2,681,313	5,477,297	109,979	23,276,268
(Credited)/charged to:					
- profit or loss	(1,750,313)	(106,500)	1,174,298	(109,979)	(792,494)
End of financial year	13,257,366	2,574,813	6,651,595	-	22,483,774

Notes to the Financial Statements

For the financial year ended 31 December 2024

22. Deferred income taxes (continued)

Deferred income tax assets

	Provisions	Tax losses and capital allowances	Lease liabilities	Others	Total
	$	$	$	$	$
2024					
Beginning of financial year	**(1,025,405)**	**(252,145)**	**(7,251,080)**	**(17,000)**	**(8,545,630)**
Charged/(credited) to					
- profit or loss	**(32,551)**	**252,145**	**236,202**	**17,000**	**472,796**
End of financial year	**(1,057,956)**	**-**	**(7,014,878)**	**-**	**(8,072,834)**
2023					
Beginning of financial year	(192,219)	(762,157)	(5,695,706)	(41,653)	(6,691,735)
Charged/(credited) to					
- profit or loss	(833,186)	510,012	(1,555,374)	24,653	(1,853,895)
End of financial year	(1,025,405)	(252,145)	(7,251,080)	(17,000)	(8,545,630)

Deferred income tax assets are recognised for unutilised capital allowances and tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The tax losses and capital allowances recognised have no expiry date.

The Group has unutilised tax losses of $2,531,860 (2023: $2,614,469) and unutilised capital allowances of $Nil (2023: $402,990) at the reporting date which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unutilised tax losses and unutilised capital allowances. The expiry periods of these unutilised tax losses and unutilised capital allowances are as follow:

	Group	
	2024	2023
	$	$
4 years	**634,588**	-
5 years	**170,028**	634,588
No expiry	**1,727,244**	2,382,871
	2,531,860	3,017,459

Notes to the Financial Statements

For the financial year ended 31 December 2024

23. Provision for reinstatement cost

	Group	
	2024	2023
	$	$
Beginning of financial year	**5,765,312**	5,626,892
Finance cost (Note 7)	**141,827**	138,420
End of financial year	**5,907,139**	5,765,312

The Group has contractual obligation to remove certain assets and reinstate the demised property to its original state and condition as at the date of the handing over of possession of the demised property to the lessor. The costs are included as part of the carrying values of the property, plant and equipment and investment property.

24. Share capital and treasury shares

	← No. of ordinary shares →		← Amount →	
	Issued share capital	**Treasury shares**	**Share capital**	**Treasury shares**
			$	**$**
Group and Company				
2024				
Beginning and end of financial year	**868,929,580**	**(13,463,900)**	**76,985,514**	**(7,308,213)**
2023				
Beginning of financial year	868,929,580	(13,963,900)	76,985,514	(7,579,613)
Treasury shares re-issued	-	500,000	-	271,400
End of financial year	868,929,580	(13,463,900)	76,985,514	(7,308,213)

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

Notes to the Financial Statements

For the financial year ended 31 December 2024

24. Share capital and treasury shares (continued)

(a) Treasury shares

In 2024 and 2023, the Company did not acquire shares in the Company.

In 2023, the Company re-issued 500,000 treasury shares during the financial year pursuant to the Straco Share Option Scheme for a total consideration of $155,500 upon the exercise of option by:

Options holders of	No. of ordinary shares **2024**	No. of ordinary shares 2023	Exercise price $
2004 Scheme			
06/05/2013	**-**	500,000	0.311

There were no treasury shares re-issued in 2024.

The weighted average cost of the treasury shares re-issued in 2023 amounted to $271,400. Accordingly, a loss on re-issue of treasury shares of $115,900 was recognised in the capital reserve (Note 25).

(b) Straco Share Option Scheme

The Straco Share Option Scheme (the "2004 Scheme") of the Company was approved and adopted by its members at an Extraordinary General Meeting held on 12 January 2004. Details of the 2004 Scheme were described in the Prospectus dated 10 February 2004 on the Company's initial public offer of shares. On 28 April 2010, the Company amended the 2004 Scheme to allow controlling shareholders and their associates, who are in the employment of the Group, to be eligible to participate in the 2004 Scheme.

Information regarding the 2004 Scheme was as follows:

- The exercise price of the options could be set at a discount to the market price not exceeding 20% of the market price in respect of options granted at the time of grant;
- The options could be exercised 1 year after the grant for market price options and 2 years for discounted options; and
- The options granted would expire after 5 years for non-executive directors, and 10 years for executive directors and employees of the Company and its subsidiaries.

Participation in the 2004 Scheme ceased on 11 January 2014.

Notes to the Financial Statements

For the financial year ended 31 December 2024

24. Share capital and treasury shares (continued)

(b) Straco Share Option Scheme (continued)

On 29 April 2014, the shareholders of the Company approved the adoption of a new share option scheme known as the "Straco Share Option Scheme 2014" (the "2014 Scheme" and together with the 2004 Scheme, the "Schemes"), the rules of which are set out in the Company's circular to shareholders dated 11 April 2014. The 2014 Scheme is administered by the Company's Remuneration Committee, comprising of three directors, namely, Teo Ser Luck, Tan Kang Uei Anthony and Chua Soh Har.

Information regarding the 2014 Scheme is as follows:

- The exercise price of the options can be the market price or at a discount to the market price not exceeding 20% of the market price in respect of options granted at the time of grant;
- The options are exercisable 1 year and 2 years after the grant for market price options and for discounted options respectively; and
- The options granted will expire after 5 years for non-executive directors, and 10 years for executive directors and employees of the Company and its subsidiaries.

Participation in the 2014 Scheme ceased on 28 April 2024.

On 29 April 2024, the shareholders of the Company approved the adoption of a new share option scheme known as the "Straco Share Option Scheme 2024" (the "2024 Scheme" and together with the 2014 Scheme, the "Schemes"), the rules of which are set out in the Company's circular to shareholders dated 8 April 2024. The 2024 Scheme is administered by the Company's Remuneration Committee, comprising of three directors, namely, Teo Ser Luck, Tan Kang Uei Anthony and Chua Soh Har.

Information regarding the 2024 Scheme is as follows:

- The exercise price of the options can be the market price or at a discount to the market price not exceeding 20% of the market price in respect of options granted at the time of grant;
- The options are exercisable 1 year and 2 years after the grant for market price options and for discounted options respectively; and
- The options granted will expire after 5 years for non-executive directors, and 10 years for executive directors and employees of the Company and its subsidiaries.

Notes to the Financial Statements

For the financial year ended 31 December 2024

24. Share capital and treasury shares (continued)

(b) Straco Share Option Scheme (continued)

Movements in the number of unissued ordinary shares under option and their exercise prices are as follows:

	← No. of ordinary shares under option →						
Date of grant of options	**Beginning of financial year**	**Granted during financial year**	**Expired/ Forfeited during financial year**	**Exercised during financial year**	**End of financial year**	**Exercise price $**	**Exercise period**
Group and Company							
2024							
2014 Scheme							
12/05/2014	1,580,000	-	(1,580,000)	-	-	0.63	13/05/2015 to 12/05/2024
12/05/2015	2,208,000	-	(80,000)	-	2,128,000	1.06	13/05/2016 to 12/05/2025
12/05/2016	2,220,000	-	(80,000)	-	2,140,000	0.79	13/05/2017 to 12/05/2026
11/05/2017	2,200,000	-	(100,000)	-	2,100,000	0.84	12/05/2018 to 11/05/2027
21/05/2018	2,200,000	-	(100,000)	-	2,100,000	0.78	22/05/2019 to 21/05/2028
23/05/2019	2,260,000	-	(2,260,000)	-	-	0.78	24/05/2020 to 23/05/2024
23/05/2019	2,180,000	-	(100,000)	-	2,080,000	0.78	24/05/2020 to 23/05/2029
03/07/2020	1,900,000	-	(400,000)	-	1,500,000	0.51	04/07/2021 to 03/07/2025
03/07/2020	1,802,000	-	(80,000)	-	1,722,000	0.51	04/07/2021 to 03/07/2030
2024 Scheme							
09/05/2024	-	1,700,000	-	-	1,700,000	0.50	10/05/2025 to 09/05/2029
09/05/2024	-	1,900,000	(80,000)	-	1,820,000	0.50	10/05/2025 to 09/05/2034
	18,550,000	3,600,000	(4,860,000)	-	17,290,000		

Notes to the Financial Statements

For the financial year ended 31 December 2024

24. Share capital and treasury shares (continued)

(b) Straco Share Option Scheme (continued)

Date of grant of options	No. of ordinary shares under option: Beginning of financial year	Granted during financial year	Expired/ Forfeited during financial year	Exercised during financial year	End of financial year	Exercise price $	Exercise period
Group and Company							
2023							
2004 Scheme							
06/05/2013	750,000	-	(250,000)	(500,000)	-	0.311	07/05/2014 to 06/05/2023
2014 Scheme							
12/05/2014	1,580,000	-	-	-	1,580,000	0.63	13/05/2015 to 12/05/2024
12/05/2015	2,208,000	-	-	-	2,208,000	1.06	13/05/2016 to 12/05/2025
12/05/2016	2,220,000	-	-	-	2,220,000	0.79	13/05/2017 to 12/05/2026
11/05/2017	2,200,000	-	-	-	2,200,000	0.84	12/05/2018 to 11/05/2027
21/05/2018	2,610,000	-	(2,610,000)	-	-	0.78	22/05/2019 to 21/05/2024
21/05/2018	2,200,000	-	-	-	2,200,000	0.78	22/05/2019 to 21/05/2028
23/05/2019	2,260,000	-	-	-	2,260,000	0.78	24/05/2020 to 23/05/2024
23/05/2019	2,180,000	-	-	-	2,180,000	0.78	24/05/2020 to 23/05/2029
03/07/2020	1,900,000	-	-	-	1,900,000	0.51	04/07/2021 to 03/07/2025
03/07/2020	1,802,000	-	-	-	1,802,000	0.51	04/07/2021 to 03/07/2030
	21,910,000	-	(2,860,000)	(500,000)	18,550,000		

Notes to the Financial Statements

For the financial year ended 31 December 2024

24. Share capital and treasury shares (continued)

(b) Straco Share Option Scheme (continued)

The number and weighted average exercise prices of share options are as follows:

	Weighted average exercisable price 2024 $	**Number of options 2024**	Weighted average exercisable price 2023 $	Number of options 2023
Outstanding at 1 January	**0.7550**	**18,550,000**	0.7428	21,910,000
Exercised during the year	**-**	**-**	0.3110	(500,000)
Expired/Forfeited during the year	**-**	**(4,860,000)**	-	(2,860,000)
Granted during the year	**0.5000**	**3,600,000**	-	-
Outstanding at 31 December	**0.7157**	**17,290,000**	0.7550	18,550,000
Exercisable at 31 December	**0.7708**	**13,770,000**	0.7550	18,550,000

The options outstanding at 31 December 2024 have an exercise price in the range of $0.50 to $1.06 (2023: $0.51 to $1.06) and a weighted average remaining contractual life of 3.45 years (2023: 2.87 years).

The weighted average share price at the date of exercise for share options exercised in 2023 was $0.46.

The fair value of services received in return for share options granted are measured by reference to the fair value of share options granted. The estimate of the fair value of the services received is measured based on the binomial method. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Notes to the Financial Statements

For the financial year ended 31 December 2024

24. Share capital and treasury shares (continued)

(b) Straco Share Option Scheme (continued)

Fair value of share options and assumptions

Date of grant of options	9 May 2024	9 May 2024	3 July 2020	3 July 2020	23 May 2019	23 May 2019	21 May 2018	21 May 2018	11 May 2017	11 May 2017	12 May 2016	12 May 2015	12 May 2014
Fair value at measurement date	$0.1391	$0.1935	$0.0933	$0.1226	$0.1189	$0.1675	$0.1186	$0.1732	$0.1287	$0.1876	$0.2728	$0.3471	$0.2281
Share price	$0.505	$0.505	$0.505	$0.505	$0.76	$0.76	$0.77	$0.77	$0.84	$0.84	$0.785	$1.005	$0.645
Exercise price	$0.50	$0.50	$0.51	$0.51	$0.78	$0.78	$0.78	$0.78	$0.84	$0.84	$0.79	$1.06	$0.63
Expected volatility	32.14%	32.14%	31.61%	31.61%	22.78%	22.78%	21.21%	21.21%	21.30%	21.30%	60.61%	62.26%	62.24%
Expected option life	5 years	10 years	5 years	10 years	5 years	10 years	5 years	10 years	5 years	10 years	5-10 years	5-10 years	5-10 years
Expected dividends	3.96%	3.96%	4.95%	4.95%	4.61%	4.61%	3.25%	3.25%	2.98%	2.98%	3.18%	1.99%	3.10%
Risk-free interest rate	3.24%	3.27%	0.52%	0.89%	2.01%	2.19%	2.27%	2.67%	1.66%	2.20%	1.98%	2.39%	2.34%

The expected volatility is based on the historic volatility (calculated based on the weighted average expected life of the share options), adjusted for any expected changes to future volatility due to publicly available information.

There are no market conditions associated with the share options granted. Service conditions and non-market performance conditions are not taken into account in the measurement of the fair value of the services to be received at the grant date.

During the year ended 31 December 2024, the Group recognised share option expenses of $402,747 (2023: $Nil) in employee compensation (Note 8).

Notes to the Financial Statements

For the financial year ended 31 December 2024

25. Other reserves

	Group		Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
Composition:				
Share option reserve	**10,414,438**	10,011,691	**10,414,438**	10,011,691
Capital reserve	**(1,344,157)**	(1,344,157)	**(1,344,157)**	(1,344,157)
General reserve	**16,794,805**	16,770,833	**-**	-
Currency translation reserve	**(10,410,846)**	(10,633,465)	**-**	-
Treasury shares	**(7,308,213)**	(7,308,213)	**(7,308,213)**	(7,308,213)
	8,146,027	7,496,689	**1,762,068**	1,359,321

The movements in reserves for the Group are set out in the statement of changes in equity.

Share option reserve

The share option reserve comprises the cumulative value of employee services received for the issue of share options.

Currency translation reserve

The currency translation reserve comprises:

(a) exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the functional currency of the Company; and

(b) exchange difference on translation of monetary items which in substance form part of the Company's net investment in foreign operations.

Capital reserve

Capital reserve arises from gains or losses on the reissuance of own shares.

Notes to the Financial Statements

For the financial year ended 31 December 2024

25. Other reserves (continued)

General reserve

The subsidiaries that are established in the PRC follow the accounting principles and relevant financial regulations of the PRC applicable to sino-foreign joint venture enterprises ("Joint Ventures") in the preparation of the accounting records and statutory financial statements.

These subsidiaries are required by the articles of the Joint Ventures to appropriate to the general reserve part of their annual profits. The amount to be allocated to this reserve is at the discretion of the Board of Directors of the Joint Ventures. Appropriation to the general reserve must be made before distribution of dividends to investors.

Other reserves are non-distributable.

26. Dividends

	Group	
	2024	2023
	$	$
Ordinary dividends paid		
Dividend paid in respect of the previous financial year of 2.0 cent (2023: 1.0 cent) per share	**17,109,314**	8,554,657

At the forthcoming Annual General Meeting, a final dividend of 1.5 cent per share and a special dividend of 0.5 cent per share will be recommended. These financial statements do not reflect these dividends, which will be accounted for in shareholders' equity as an appropriation of retained profits in the financial year ending 31 December 2025.

27. Commitments

Capital commitments

Capital expenditures contracted for at the balance sheet date but not recognised in the financial statements are as follows:

	Group	
	2024	2023
	$	$
Property, plant and equipment	**1,134,066**	822,787

Notes to the Financial Statements

For the financial year ended 31 December 2024

28. Financial risk management

Financial risk factors

The Group's activities expose it to market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

(a) Market risk

(i) Currency risk

The Group is exposed to sales and purchases, inter-company balances that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to foreign currency risk are primarily the Chinese Renminbi ("RMB") and United States Dollar ("USD").

The Group's currency profile and exposure based on the information provided to key management is as follows:

	SGD $	USD $	RMB $
At 31 December 2024			
Financial assets			
Cash and cash equivalents	45,081,283	19,532	143,064,259
Trade and other receivables	758,004	-	2,614,960
Intra-group receivables	45,282,250	135,842	8,459,120
	91,121,537	155,374	154,138,339
Financial liabilities			
Trade and other payables	(5,242,392)	-	(3,541,352)
Intra-group payables	(45,282,250)	(135,842)	(8,459,120)
Borrowings	(6,038,067)	-	-
Lease liabilities	(31,881,430)	-	(6,384,335)
	(88,444,139)	(135,842)	(18,384,807)
Currency profile of net financial assets	**2,677,398**	**19,532**	**135,753,532**
Currency exposure of net financial (liabilities)/ assets excluding those denominated in the respective entities' functional currencies	**(5,632,189)**	**(116,232)**	**39,845,936**

Notes to the Financial Statements

For the financial year ended 31 December 2024

28. Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

	SGD $	USD $	RMB $
At 31 December 2023			
Financial assets			
Cash and cash equivalents	27,092,043	18,941	143,813,090
Trade and other receivables	882,893	-	2,171,928
Intra-group receivables	45,801,773	131,772	8,903,873
	73,776,709	150,713	154,888,891
Financial liabilities			
Trade and other payables	(4,387,486)	-	(3,503,637)
Intra-group payables	(45,801,773)	(131,772)	(8,903,873)
Borrowings	(7,045,898)	-	-
Lease liabilities	(32,702,707)	-	(6,766,977)
	(89,937,864)	(131,772)	(19,174,487)
Currency profile of net financial (liabilities)/assets	**(16,161,155)**	**18,941**	**135,714,404**
Currency exposure of net financial (liabilities)/assets excluding those denominated in the respective entities' functional currencies	**(6,154,793)**	**(112,756)**	**62,453,032**

Notes to the Financial Statements

For the financial year ended 31 December 2024

28. Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

The Company's currency profile and exposure based on the information provided to key management is as follows:

	SGD $	RMB $
At 31 December 2024		
Financial assets		
Cash and cash equivalents	14,298,994	41,720,840
Trade and other receivables	416,421	86,237
Loans and advances to subsidiaries	39,600,000	-
	54,315,415	41,807,077
Financial liabilities		
Trade and other payables	(1,031,545)	(449,733)
Currency profile of net financial assets	**53,283,870**	**41,357,344**
Currency exposure of net financial assets excluding those denominated in the Company's functional currency	**-**	**41,357,344**

Notes to the Financial Statements

For the financial year ended 31 December 2024

28. Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

	SGD $	RMB $
At 31 December 2023		
Financial assets		
Cash and cash equivalents	8,414,403	64,666,201
Trade and other receivables	497,213	379,925
Loans and advances to subsidiaries	39,600,000	-
	48,511,616	65,046,126
Financial liabilities		
Trade and other payables	(927,490)	(448,805)
Currency profile of net financial assets	**47,584,126**	**64,597,321**
Currency exposure of net financial assets excluding those denominated in the Company's functional currency	**-**	**64,597,321**

Notes to the Financial Statements

For the financial year ended 31 December 2024

28. Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

If the USD and RMB both change against the SGD by 5% (2023: 5%) with all other variables including tax rate being held constant, the effects arising from the net financial liability/asset position will be as follows:

	Increase/(Decrease)	
	2024	2023
	Profit after tax	Profit after tax
	$	$
Group		
USD against SGD		
- Strengthened	**(4,824)**	(4,679)
- Weakened	**4,824**	4,679
RMB against SGD		
- Strengthened	**1,653,606**	2,591,801
- Weakened	**(1,653,606)**	(2,591,801)
Company		
RMB against SGD		
- Strengthened	**1,716,330**	2,680,789
- Weakened	**(1,716,330)**	(2,680,789)

(ii) Interest rate risk

As at 31 December 2024 and 31 December 2023, the Group and the Company has no significant interest-bearing assets and liabilities that are exposed to significant interest rates risk.

(iii) Price risk

As at 31 December 2024 and 31 December 2023, the Group and the Company are not exposed to equity price risk as the Group and the Company do not hold any equity financial assets.

Notes to the Financial Statements

For the financial year ended 31 December 2024

28. Financial risk management (continued)

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and of the Company are bank deposits and receivables. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit standing and history and buying credit insurance where appropriate to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The Group does not require collateral in respect of financial assets.

As at the reporting date, there is no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position, except as follows:

	Company	
	2024	2023
	$	$
Corporate guarantee provided to bank on subsidiary's loan	**1,638,067**	2,645,898

These guarantees are subject to the impairment requirements of SFRS(I) 9. The Group and the Company has assessed that its subsidiary has strong financial capacity to meet the contractual cash flow obligations in the near future and hence, does not expect significant credit losses arising from these guarantees.

(i) Financial assets that are neither past due nor impaired

Bank deposits that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies. Trade and other receivables that are neither past due nor impaired are substantially companies with a good collection track record with the Group.

Notes to the Financial Statements

For the financial year ended 31 December 2024

28. Financial risk management (continued)

(b) Credit risk (continued)

(ii) Financial assets that are past due and/or impaired

There is no other class of financial assets that is past due and/or impaired except for trade receivables, loans to subsidiaries and other receivables.

The age analysis of these classes of financial assets past due but not impaired is as follows:

	Group		Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
Past due 31-60 days	**24,218**	10,143	**-**	-
Past due 61-90 days	**12,201**	93	**-**	-
Past due 91-180 days	**9,176**	-	**-**	-
Past due 181-365 days	**30,599**	9,076	**-**	-
Past due >365 days	**648,958**	27,738	**416,179**	416,156
	725,152	47,050	**416,179**	416,156

Based on historical default rates, the Group and Company believe that no impairment allowance is necessary in respect of trade and other receivables, other than those already provided for. These receivables are mainly due from customers that have a good payment record with the Group and the Company.

The factors considered in providing for the specific loss components of the Group and the Company include, but are not limited to, the length of the Group's and the Company's relationship with the debtors, their payment behaviour and known market factors.

In measuring the expected credit losses, trade debtors are grouped based on shared credit risk characteristics and days past due.

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade debtors are written off when there is no reasonable expectation of recovery. There are no expected credit losses to be recognised as a result of management's assessment for the year ended 31 December 2024 and 2023.

Notes to the Financial Statements

For the financial year ended 31 December 2024

28. Financial risk management (continued)

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or rising damage to the Group's reputation.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. The Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days. Currently, the Group places excess funds in fixed deposits with banks and financial institutions which are regulated.

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Less than 1 year	**Between 1 and 5 years**	**Over 5 years**
	$	**$**	**$**
Group			
At 31 December 2024			
Trade and other payables	(8,783,744)	-	-
Lease liabilities	(2,550,147)	(10,464,293)	(41,207,613)
Borrowings	(1,051,668)	(5,013,817)	-
At 31 December 2023			
Trade and other payables	(7,891,123)	-	-
Lease liabilities	(2,546,470)	(10,391,339)	(43,807,388)
Borrowings	(1,051,668)	(6,065,485)	-

Notes to the Financial Statements

For the financial year ended 31 December 2024

28. Financial risk management (continued)

(c) Liquidity risk (continued)

	Less than 1 year $	Between 1 and 5 years $	Over 5 years $
Company			
At 31 December 2024			
Trade and other payables	(1,481,278)	-	-
Financial guarantee contracts	(1,638,067)	-	-
At 31 December 2023			
Trade and other payables	(1,376,295)	-	-
Financial guarantee contracts	(2,645,898)	-	-

(d) Capital risk

Capital management

The policy of the Board of Directors is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group defines capital as total shareholders' equity. The Board of Directors monitors the return on capital, which the Group defines as net operating income/(loss) divided by total shareholders' equity. The net operating income/(loss) does not include interest income, interest expense, loss/(gain) on disposal of property, plant and equipment, impairment loss/(write-back) on property, plant and equipment and investment property. The Board also monitors the level of dividends to ordinary shareholders.

Notes to the Financial Statements

For the financial year ended 31 December 2024

28. Financial risk management (continued)

(d) Capital risk (continued)

The Group's return on capital at the end of the reporting year was as follows:

	2024 $	2023 $
Net profit before tax	**36,218,314**	34,616,885
Add/(Less):		
- Interest income	**(4,504,001)**	(4,116,777)
- Interest expense	**1,509,364**	1,575,164
- Loss on disposal of property, plant and equipment	**57,987**	29,381
- Impairment loss on property, plant and equipment	**-**	421,087
- Impairment loss on investment property	**300,000**	1,000,000
- Impairment loss on goodwill	**1,419,013**	-
Net operating income	**35,000,677**	33,525,740
Total shareholders' equity	**285,192,738**	272,386,773
Return on capital at 31 December	**12.3%**	12.3%

The target of the Board of Directors is for employees of the Group to hold up to 10% of the Company's ordinary shares. Assuming that all current outstanding share options vest and are exercised, present employees will hold approximately 2.0% (2023: 2.1%) of the Company's share capital.

The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Group's target is to achieve a return on capital of between 8% and 12% (2023: 8% and 12%).

From time to time, the Group purchases its own shares on the market under the mandate approved by the shareholders. The shares purchased are held as treasury shares.

There were no changes in the Group's approach to capital management during the year.

The Group and the Company are in compliance with all externally imposed capital requirements for the financial years ended 31 December 2024 and 2023.

Notes to the Financial Statements

For the financial year ended 31 December 2024

28. Financial risk management (continued)

(e) Fair value measurements

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. The finance team has overall responsibility for all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the finance team assesses and documents the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of SFRS(I), including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Group's Audit and Risk Committee.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3 Inputs for the asset of liability that are not based on observable marked data (unobservable inputs)

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The carrying amount less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of non-current borrowings for disclosure purposes is estimated based on quoted market prices or dealer quotes for similar instruments by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. The carrying amounts of current borrowings approximate their fair values. See Note 21 for the disclosure of the fair value of non-current borrowings.

Notes to the Financial Statements

For the financial year ended 31 December 2024

28. Financial risk management (continued)

(f) Financial instruments by category

The carrying amount of the different categories of financial instruments is as disclosed below:

	Group		Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
Cash and cash equivalents	**188,165,074**	170,924,074	**56,019,834**	73,080,604
Trade and other receivables	**3,372,964**	3,054,821	**502,658**	877,138
Loans and advances to subsidiaries	**-**	-	**39,600,000**	39,600,000
Financial assets at amortised cost	**191,538,038**	173,978,895	**96,122,492**	113,557,742
Trade and other payables	**(8,783,744)**	(7,891,123)	**(1,481,278)**	(1,376,295)
Lease liabilities	**(38,265,765)**	(39,469,684)	**-**	-
Borrowings	**(6,038,067)**	(7,045,898)	**-**	-
Financial liabilities at amortised cost	**(53,087,576)**	(54,406,705)	**(1,481,278)**	(1,376,295)

29. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

Key management personnel compensation is as follows:

	Group	
	2024	2023
	$	$
Short-term employee benefits	**1,989,935**	1,995,310
Employer's contribution to defined contribution plans, including Central Provident Fund	**69,360**	61,347
Bonus and variable compensation	**791,478**	164,450
Directors' fees	**364,518**	365,420
Share option expense	**266,007**	-
	3,481,298	2,586,527

Notes to the Financial Statements

For the financial year ended 31 December 2024

29. Related party transactions (continued)

Directors also participate in the share option scheme. The share options granted are on the same terms and conditions as those offered to other employees of the Company as described in Note 24(b). During the year, 1,700,000 share options (2023: $Nil) with total fair value of $236,470 (2023: $Nil) were granted to the directors of the Company.

30. Segment information

Reportable segments of the Group consist of the Group's strategic business units that are managed separately. For each of the strategic business units, the Group's Executive Chairman ("EC") reviews internal management reports on a monthly basis.

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

- Aquariums - This represents the operation of aquatic-related facilities and tourist attractions, including sea mammal performances in People's Republic of China ("PRC"). Retail, food and beverage are auxiliary goods and services arising from the operation of the above facilities.

- Giant Observation Wheel ("GOW") - This represents the operation of a circular giant observation structure, and provision of commercial space in Singapore.

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

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Group's EC. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Notes to the Financial Statements

For the financial year ended 31 December 2024

30. Segment information (continued)

The segment information provided to the Group's EC for the reportable segments are as follows:

Information about reportable segments

	Aquariums		Giant Observation Wheel		Others		Total	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
	$	$	**$**	$	**$**	$	**$**	$
Ticketing	**43,363,547**	48,032,219	**24,581,674**	21,486,527	**4,637,599**	4,235,178	**72,582,820**	73,753,924
Retail	**2,081,743**	2,384,468	**1,880,833**	1,289,735	**-**	-	**3,962,576**	3,674,203
Food and beverages	**516,604**	712,820	**1,639,035**	1,735,962	**-**	-	**2,155,639**	2,448,782
Others	**-**	-	**1,096,324**	930,730	**-**	-	**1,096,324**	930,730
Rental from leases under investment property (Note 15)	**-**	-	**1,706,777**	1,327,878	**-**	-	**1,706,777**	1,327,878
External revenue	**45,961,894**	51,129,507	**30,904,643**	26,770,832	**4,637,599**	4,235,178	**81,504,136**	82,135,517
Settlement fee received	**-**	-	**3,000,000**	-	**-**	-	**3,000,000**	-
Interest income	**2,316,713**	2,305,954	**591,181**	351,514	**49,821**	21,231	**2,957,715**	2,678,699
Interest expense	**(316,354)**	(340,864)	**(1,192,678)**	(1,234,199)	**-**	-	**(1,509,032)**	(1,575,063)
Other material non-cash items								
- Depreciation and amortisation	**(2,214,216)**	(2,281,711)	**(6,480,812)**	(6,662,919)	**(297,261)**	(352,346)	**(8,992,289)**	(9,296,976)
- Impairment loss on property, plant and equipment	**-**	-	**-**	-	**-**	(421,087)	**-**	(421,087)
- Impairment loss on investment property	**-**	-	**(300,000)**	(1,000,000)	**-**	-	**(300,000)**	(1,000,000)
- Impairment loss on goodwill	**(1,419,013)**	-	**-**	-	**-**	-	**(1,419,013)**	-
Reportable segment profit before income tax	**25,625,071**	32,598,904	**8,561,439**	2,178,837	**2,569,092**	1,847,145	**36,755,602**	36,624,886
Reportable segment assets	**126,889,456**	108,933,228	**167,212,244**	160,500,943	**10,816,916**	9,168,539	**304,918,616**	278,602,710
Capital expenditure	**1,172,518**	790,897	**2,160,208**	2,368,593	**339,972**	863,681	**3,672,698**	4,023,171
Reportable segment liabilities	**14,917,263**	16,056,409	**98,430,548**	101,902,307	**6,105,006**	6,368,564	**119,452,817**	124,327,280

Notes to the Financial Statements

For the financial year ended 31 December 2024

30. Segment information (continued)

(a) Reconciliations

(i) Segment profits or losses

A reconciliation of segment profits or losses to profit or loss before tax is as follows:

	2024	2023
	$	$
Segment profits for reportable segments	**36,755,602**	36,624,886
Unallocated:		
Head office and corporate expense	**(5,312,086)**	(6,057,906)
Interest and other income	**1,777,616**	1,593,615
Elimination on consolidation	**2,997,182**	2,456,290
Profit before tax	**36,218,314**	34,616,885

(ii) Segment assets

Segment assets are reconciled to total assets as follows:

	2024	2023
	$	$
Segment assets for reportable segments	**304,918,616**	278,602,710
Unallocated:		
Property, plant and equipment	**1,699,717**	1,759,559
Right-of-use assets	**6,040**	686
Loan and advances to subsidiaries	**39,600,000**	39,600,000
Other amounts due from subsidiaries	**10,212,061**	10,103,829
Cash and bank balances	**58,197,967**	75,050,076
Others	**156,536**	507,675
Elimination on consolidation	**(53,877,212)**	(54,837,418)
	360,913,725	350,787,117

Notes to the Financial Statements

For the financial year ended 31 December 2024

30. Segment information (continued)

(a) Reconciliations (continued)

(iii) *Segment liabilities*

Segment liabilities are reconciled to total liabilities as follows:

	2024	2023
	$	$
Segment liabilities for reportable segments	**119,452,817**	124,327,280
Unallocated:		
Accruals and other payables	**1,693,155**	1,490,243
Amount due to subsidiaries	**4,579,542**	4,557,014
Deferred tax liabilities	**3,612,019**	2,574,813
Current tax liabilities	**254,492**	287,683
Lease liabilities	**6,174**	729
Elimination on consolidation	**(53,877,212)**	(54,837,418)
	75,720,987	78,400,344

(b) Geographical information

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

	Revenue	
	2024	2023
	$	$
Singapore	**30,904,643**	26,770,832
PRC	**50,599,493**	55,364,685
	81,504,136	82,135,517

Notes to the Financial Statements

For the financial year ended 31 December 2024

30. Segment information (continued)

(b) Geographical information (continued)

	Non-current assets	
	2024	2023
	$	$
Singapore	**136,648,725**	141,323,818
PRC	**28,375,416**	30,766,078
	165,024,141	172,089,896

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

31. New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published and are relevant for the Group's accounting periods beginning on or after 1 January 2025 and which the Group has not early adopted.

Amendments to SFRS(I) 1-21 - Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025)

SFRS(I) 1-21 is amended to add requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not. Prior to these amendments, SFRS(I) 1-21 set out the exchange rate to use when exchangeability is temporarily lacking, but not what to do when lack of exchangeability is not temporary.

Amendments to SFRS(I) 9 and SFRS(I) 7 - Amendments to the Classification and Measurement of Financial Instruments (effective for annual reporting periods beginning on or after 1 January 2026)

SFRS(I) 9 and SFRS(I) 7 are amended to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- clarify the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

Notes to the Financial Statements

For the financial year ended 31 December 2024

31. New or revised accounting standards and interpretations (continued)

SFRS(I) 18 - Presentation and Disclosure in Financial Statements (effective for annual reporting periods beginning on or after 1 January 2027)

SFRS(I) 18 replaces SFRS(I) 1-1 Presentation of Financial Statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance (comprising of the statement of profit or loss and other comprehensive income) and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the group's consolidated financial statements.

SFRS(I) 19 - Subsidiaries without Public Accountability: Disclosures (effective for annual reporting periods beginning on or after 1 January 2027)

SFRS(I) 19 allows for certain eligible subsidiaries of parent entities that report under SFRS(I) Accounting Standards to apply reduced disclosure requirements. This new standard works alongside other SFRS(I). An eligible subsidiary applies the requirements in other SFRS(I) except for the disclosure requirements; and it applies instead the reduced disclosure requirements in SFRS(I) 19.

SFRS(I) 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:

- it does not have public accountability; and
- it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with SFRS(I) Accounting Standards.

The Group does not expect this standard to have an impact on its operations or financial statements.

32. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Straco Corporation Limited on 7 March 2025.

Shareholdings Statistics

As at 4 March 2025

Issued and fully paid up

Number of Issued Shares (excluding Treasury Shares)	:	855,465,680
Number (Percentage) of Treasury Shares	:	13,463,900 (1.57%)
Class of Shares	:	Ordinary Shares
Voting Right (excluding Treasury Shares)	:	One vote per share

TWENTY LARGEST SHAREHOLDERS

NO.	SHAREHOLDER'S NAME	NUMBER OF SHARES HELD	%
1	STRACO HOLDING PTE LTD	314,885,440	36.81
2	CHINA POLY GROUP CORPORATION	189,803,600	22.19
3	STRACO (HK) LIMITED	143,990,540	16.83
4	UOB KAY HIAN PTE LTD	71,280,100	8.33
5	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	31,901,000	3.73
6	DBS NOMINEES PTE LTD	15,998,100	1.87
7	ABN AMRO CLEARING BANK N.V.	7,225,900	0.84
8	TEH KIU CHEONG @TEONG CHENG @ CHENG CHIU CHANG	5,000,000	0.58
9	WU HSIOH KWANG @ NG HOK KUONG	4,900,000	0.57
10	MAYBANK SECURITIES PTE. LTD.	2,930,800	0.34
11	GOH HAN PENG (WU HANPING)	2,627,300	0.31
12	WU XIUYI	2,340,000	0.27
13	IFAST FINANCIAL PTE LTD	2,298,100	0.27
14	TAY SIEW CHOON	2,150,000	0.25
15	CHOONG CHOW SIONG	1,820,000	0.21
16	CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	1,799,000	0.21
17	RAFFLES NOMINEES (PTE) LIMITED	1,598,000	0.19
18	PHILLIP SECURITIES PTE LTD	1,519,465	0.18
19	ZHAO AIMIN	1,320,000	0.15
20	LIM SONG JOO	1,224,000	0.14
	TOTAL	**806,611,345**	**94.27**

Shareholdings Statistics

As at 4 March 2025

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS AS AT 4 MARCH 2025

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	2	0.11	35	0.00
100 - 1,000	420	23.65	390,100	0.04
1,001 - 10,000	886	49.89	3,666,000	0.43
10,001 - 1,000,000	443	24.94	39,401,000	4.61
1,000,001 AND ABOVE	25	1.41	812,008,545	94.92
TOTAL	**1,776**	**100.00**	**855,465,680**	**100.00**

SUBSTANTIAL SHAREHOLDERS

No.	Shareholder's Name	Direct Interest	% of Shares	Deemed Interest	% of Shares
1.	Straco Holding Pte Ltd	314,885,440	36.81	-	-
2.	China Poly Group Corporation	189,803,600	22.19	-	-
3.	Straco (HK) Limited	143,990,540	16.83	-	-
4.	Wu Hsioh Kwang	8,888,000	1.04	470,679,980[1]	55.02
5.	Chua Soh Har	11,804,000	1.38	467,763,980[1]	54.68

Based on the information available to the Company as at 4 March 2025, approximately 14.37% of the ordinary shares of the Company is held by the public and therefore, Rule 723 of the Listing Manual is complied with.

[1] Mdm. Chua Soh Har is the spouse of Mr. Wu Hsioh Kwang. Mr. Wu Hsioh Kwang is deemed interested in the shares in which Mdm. Chua Soh Har is interested.

Note:

- "Substantial Shareholders" are those shareholders who own at least 5% of the equity of the Company.
- "Deemed Interest" in shares arise, for example, when a person (including a company) owns at least 20% of another company which in turn own shares in Straco Corporation Limited. The person is "deemed" to have an interest in the Straco Corporation Limited shares owned by that other company. It is, therefore, possible for several persons to be deemed interested in the same shares.

  Mr. Wu Hsioh Kwang and Mdm. Chua Soh Har together collectively beneficially own 100% of the issued share capital of Straco Holding Pte Ltd and Straco (HK) Limited and are therefore deemed interested by virtue of Section 7 of the Companies Act 1967 in the shares held by these said companies in the capital of the Company.

  China Poly Group Corporation is a state-owned enterprise, which is owned and supervised by the State-owned Assets Supervision and Administration Commission of the State Council of the PRC.

This note is merely illustrative. For full understanding of the scope of the regulations, it is necessary to refer to the Singapore Companies Act.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at 30 Raffles Avenue, #02-03/04, Singapore Flyer, Singapore 039803 on 17 April 2025 at 10.00 am to transact the following business:-

AS ORDINARY BUSINESS

1. To receive and consider the Audited Financial Statements of the Company for the financial year ended 31 December 2024 and the Directors' Statement and the Auditors' Report thereon. **(Resolution 1)**

2. To declare a first and final one-tier tax exempt dividend of 1.5 cent per share and a special dividend of 0.5 cent per share for the financial year ended 31 December 2024. **(Resolution 2)**

3. To approve the Directors' fees of S$364,518/- for the financial year ended 31 December 2024 (FY2023: S$365,420/-). **(Resolution 3)**

4. To note the retirement of Mr. Hee Theng Fong pursuant to the requirements of Article 117 of the Company's Constitution

5. To re-elect Mdm. Chua Soh Har, the Director retiring by rotation pursuant to the requirements of Article 117 of the Company's Constitution. **(Resolution 4)**

6. To re-elect Mr. Teo Ser Luck, the Director retiring by rotation pursuant to the requirements of Article 117 of the Company's Constitution. **(Resolution 5)**

7. To re-elect Ms. Tan Khiaw Ngoh, the Director retiring pursuant to the requirements of Article 118 of the Company's Constitution. **(Resolution 6)**

8. To re-elect Mr. Tan Kang Uei, Anthony, the Director retiring pursuant to the requirements of Article 118 of the Company's Constitution. **(Resolution 7)**

9. To re-appoint Messrs PricewaterhouseCoopers LLP as the auditors of the Company to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. **(Resolution 8)**

Notice of Annual General Meeting

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following ordinary resolutions with or without modifications:-

10. **Authority to allot and issue shares**

"That:

(a) pursuant to Section 161 of the Companies Act 1967, and the listing rules of the Singapore Exchange Securities Trading Limited, approval be and is hereby given to the Directors of the Company at any time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit, to:

(i) issue shares in the capital of the Company whether by way of rights, bonus or otherwise;

(ii) make or grant offers, agreements or options that might or would require shares to be issued or other transferable rights to subscribe for or purchase shares (collectively, "Instruments") including but not limited to the creation and issue of warrants, debentures or other instruments convertible into shares;

(iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues; and

(b) (Notwithstanding the authority conferred by the shareholders may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the authority was in force,

provided always that

(i) the aggregate number of shares to be issued pursuant to this resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed 50% of the total number of issued shares excluding treasury shares of the Company, of which the aggregate number of shares (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) to be issued other than on a pro rata basis to shareholders of the Company does not exceed 20% of the total number of issued shares excluding treasury shares of the Company, and for the purpose of this resolution, the issued share capital shall be the Company's total number of issued shares excluding treasury shares at the time this resolution is passed, after adjusting for;

a) new shares arising from the conversion or exercise of convertible securities, or

b) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this resolution is passed provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the Singapore Exchange Securities Trading Limited, and

Notice of Annual General Meeting

c) any subsequent bonus issue, consolidation or subdivision of the Company's shares, and

(ii) such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier."

(Resolution 9)

(See Explanatory Note 1)

11. **The Proposed Renewal of Share Buy-Back Mandate**

"That:

(a) for the purposes of Sections 76C and 76E of the Companies Act 1967 of Singapore (the "Companies Act"), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares ("Shares") in the capital of the Company not exceeding in aggregate the Prescribed Limit (as defined hereinafter), at such price or prices as may be determined by the Directors of the Company from time to time up to the Maximum Price (as defined hereinafter), whether by way of:

(i) market purchases (each a "Market Purchase") on the Singapore Exchange Securities Trading Limited (the "SGX-ST"); and/or

(ii) off-market purchases (each an "Off-Market Purchase") effected otherwise than on the SGX-ST in accordance with any equal access schemes as may be determined or formulated by the Directors of the Company as they consider fit, which scheme shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST as may for the time being be applicable and is hereby authorised and approved generally and unconditionally (the "Share Buy-Back Mandate");

(b) unless varied or revoked by the shareholders of the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buy-Back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earlier of:

(i) the date on which the next Annual General Meeting of the Company is held; or

(ii) the date by which the next Annual General Meeting of the Company is required by law or the Constitution of the Company to be held;

Notice of Annual General Meeting

(c) In this Resolution:

"Prescribed Limit" means that number of Shares representing 10% of the total number of issued Shares in the capital of the Company as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares); and

"Maximum Price" in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

(i) in the case of a Market Purchase: 105% of the Average Closing Price

(ii) in the case of an Off-Market Purchase: 120% of the Average Closing Price

where:

"Average Closing Price" means the average of the closing market prices of a Share over the last five (5) market days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase, and deemed to be adjusted for any corporate action that occurs after such five-day market period; and

(d) any of the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including without limitation, to execute all such documents as may be required and to approve any amendments, alterations or modifications to any documents), as they or he may consider desirable, expedient or necessary to give effect to the transactions contemplated by this Resolution." **(Resolution 10)**

(See Explanatory Note 2)

BY ORDER OF THE BOARD

Lotus Isabella Lim Mei Hua
Company Secretary

2 April 2025

Notice of Annual General Meeting

Explanatory Notes:-

1. The proposed ordinary resolution no. 9 is to authorise the Directors of the Company from the date of the above Meeting to issue shares and convertible securities in the Company up to an amount not exceeding in aggregate 50 percent of total number of issued shares excluding treasury shares of the Company, of which the total number of shares and convertible securities issued other than on a pro-rata basis to existing shareholders shall not exceed 20 percent of the total number of issued shares excluding treasury shares of the Company at the time the resolution is passed, for such purposes as they consider would be in the interests of the Company. This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

2 The proposed ordinary resolution no. 10, if passed, will empower the Directors of the Company effective until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier, to repurchase ordinary shares of the Company by way of market purchases or off-market purchases of up to ten per cent (10%) of the total number of issued shares (excluding treasury shares) in the capital of the Company at the Maximum Price as defined above and in the Circular dated 2 April 2025. The rationale for, the authority and limitation on, the sources of funds to be used for the purchase or acquisition including the amount of financing and the financial effects of the purchase or acquisition of ordinary shares by the Company pursuant to the mandate set out in ordinary resolution no. 10 on the audited consolidated financial accounts of the Group for the financial year ended 31 December 2024 are set out in greater detail in the Letter to Shareholders enclosed together with the Annual Report.

NOTES

1. A member of the Company (other than a member who is a relevant intermediary as defined in Note 2 below) shall not be entitled to appoint more than two proxies to attend and vote at the Annual General Meeting on his behalf. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy needs not be a member of the Company.

2. Pursuant to Section 181 of the Act, any member who is a relevant intermediary is entitled to appoint one or more proxies to attend and vote at the Annual General Meeting. A relevant intermediary is either:

   (a) a banking corporation licensed under the Banking Act or its wholly-owned subsidiary which provides nominee services and holds shares in that capacity;

   (b) a capital markets services licence holder which provides custodial services for securities under the Securities and Futures Act and holds shares in that capacity; or

   (c) the Central Provident Fund (“CPF”) Board established by the Central Provident Fund Act, in respect of shares purchased on behalf of CPF investors.

   A proxy need not be a member of the Company.

Notice of Annual General Meeting

3. The instrument appointing a proxy or proxies shall, in the case of an individual, be signed by the appointor or his attorney, and in case of a corporation, shall be either under the common seal or signed by its attorney or an authorised officer on behalf of the corporation.

4. (a) A member who is not a relevant intermediary* is entitled to appoint not more than two proxies. Where such member's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.

   (b) A member who is a relevant intermediary* is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.

   *"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.

5. The instrument appointing a proxy(ies), together with the power of attorney or other authority (if any) under which it is signed, or notarially certified copy thereof, must be submitted to the Company in the following manner:

   (a) if submitted by post, be lodged with the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 9 Raffles Place, #26-01, Republic Plaza, Singapore 048619; or

   (b) if submitted electronically, be submitted via email to the Company's Share Registrar at sg.is.proxy@vistra.com;

   in each case, not less than 72 hours before the time appointed for holding the Annual General Meeting.

6. CPF and SRS investors: (a) may vote in person at the Annual General Meeting if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the Annual General Meeting, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 10 April 2025.

7. The Annual Report 2024 and the Letter to Shareholders dated 2 April 2025 (in relation to the proposed renewal of the share buy-back mandate) have been published and may be downloaded from the SGX website at the URL https://www.sgx.com/securities/company-announcements and the Company's website at www.stracocorp.com.

8. **Submission of Questions.** Shareholders may submit questions relating to the items on the agenda of the AGM via one of the following means:

   (a) by mail to the registered office of the Company at 10 Anson Road, #30-15 International Plaza, Singapore 079903;

   (b) by email to email address: sg.is.proxy@vistra.com; and

   (c) by attending and asking questions in person or by proxy at the AGM.

Notice of Annual General Meeting

Shareholders who wish to submit questions in advance of the AGM may do so on or before **9 April 2025**. Shareholders will need to identify themselves when posing questions by email or by mail by providing the following details:

(i) the Shareholder's full name as it appears on his/her/its CDP/CPF/SRS share records;

(ii) the Shareholder's NRIC/Passport/UEN number;

(iii) the Shareholder's contact number and email address; and

(iv) the manner in which the Shareholder holds his/her/its Shares in the Company (e.g. via CDP, CPF or SRS).

Please note that the Company will not be able to answer questions from persons who provide insufficient details to enable the Company to verify his/her/its shareholder status.

The Company will endeavour to address the substantial and relevant questions received in advance of the AGM by **14 April 2025**. Any questions received after the said date will be addressed at the Annual General Meeting. The responses to such questions from shareholders, together with the minutes of the AGM, will be posted on the SGXNET and the Company's website within one month after the date of the AGM.

PERSONAL DATA POLICY

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Additional Information on Directors Seeking Re-Election

Mdm. Chua Soh Har, Mr. Teo Ser Luck, Ms. Tan Khiaw Ngoh and Mr. Tan Kang Uei, Anthony are the Directors seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 17 April 2025 ("**AGM**") (collectively, the "**Retiring Directors**" and each a "**Retiring Director**").

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the following is the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST:

	MDM. CHUA SOH HAR	MR. TEO SER LUCK	MS. TAN KHIAW NGOH	MR. TAN KANG UEI, ANTHONY
Date of Appointment	9 June 2010	25 July 2019	2 May 2024	2 May 2024
Date of last re-appointment	27 April 2022	27 April 2022	N.A.	N.A.
Age	72	56	67	51
Country of principal residence	Singapore	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee ("**NC**") and has reviewed and considered the qualification, work experiences, contribution and performance, attendance, preparedness, participation, candour and suitability of Mdm. Chua Soh Har for re-appointment as a Non-Executive Director of the Company. The Board have reviewed and concluded that Mdm. Chua Soh Har possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee ("**NC**") and has reviewed and considered the qualification, work experiences, contribution and performance, attendance, preparedness, participation, candour and suitability of Mr. Teo Ser Luck for re-appointment as an Independent Director of the Company. The Board have reviewed and concluded that Mr. Teo Ser Luck possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee ("**NC**") and has reviewed and considered the qualification, work experiences, contribution and performance, attendance, preparedness, participation, candour and suitability of Ms. Tan Khiaw Ngoh for re-appointment as an Independent Director of the Company. The Board have reviewed and concluded that Ms. Tan Khiaw Ngoh possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee ("**NC**") and has reviewed and considered the qualification, work experiences, contribution and performance, attendance, preparedness, participation, candour and suitability of Mr. Tan Kang Uei, Anthony for re-appointment as an Independent Director of the Company. The Board have reviewed and concluded that Mr. Tan Kang Uei, Anthony possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board

Additional Information on Directors Seeking Re-Election

	MDM. CHUA SOH HAR	MR. TEO SER LUCK	MS. TAN KHIAW NGOH	MR. TAN KANG UEI, ANTHONY
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive	Non-Executive	Non-Executive
Job Title (eg. Lead ID, ARC Chairman, AC Member etc.)	Non-Executive Director, Member of the Remuneration Committee	Independent Non-Executive Director, Chairman of the Audit and Risk Committee, and Chaiman of the Remuneration Committee	Independent Non-Executive Director, Member of the Audit and Risk Committee	Independent Non-Executive Director, Member of the Remuneration Committee, and Member of the Nominating Committee
Professional qualifications	Bachelor of Commerce Degree from the former Nanyang University Singapore	Bachelor of Accountancy from the National Technological University, Singapore	Bachelor of Commerce (Accountancy), Nanyang University, Singapore	Bachelor of Political Science (Hons), National University of Singapore Master of Science (Management), Stanford Graduate School of Business, Stanford University
Working experience and occupation(s) during the past 10 years	1990 to Present Director of Straco Holding Pte Ltd 2003 to Present Director of Straco (HK) Limited 2002 to Present Executive Director of Sound Trading (1975) Pte Ltd	2017 - Present Entrepreneur and Investor 2009 – 2022 Adviser to the Institute of Singapore Chartered Accountants 2006 to 2020 Singapore Member of Parliament	2020 – Present Independent Director and Chairman of Audit and Risk Committee of Singapore Land Group Limited 2021- Present Director and Chairman of Audit and Risk Committee of Assurity Trusted Solutions Pte. Ltd.	2022 – Present Chief Executive Officer, MOH Holdings Pte. Ltd. 2021 – 2022 Managing Director, MOH Holdings Pte. Ltd. 2016 – 2021 Deputy Chief Executive Officer, Singapore Press Holdings Ltd.

Additional Information on Directors Seeking Re-Election

	MDM. CHUA SOH HAR	MR. TEO SER LUCK	MS. TAN KHIAW NGOH	MR. TAN KANG UEI, ANTHONY
		2006 to 2017 -Minister of State for Trade and Industry -Senior Parliamentary Secretary in the Ministry of Transport and Ministry of Community Development, Youth and Sports -Minister of State for Manpower -Mayor of the North East District, Chairman of Mayors' Committee	2023 – Present Independent Director and Member of Audit Committee of Khong Guan Limited 2020 – 2024 Independent Director and Chairman of the Audit Committee, Member of the Compensation Committee, and Member of the Governance and Nominating Committee of Hollysys Automation Technologies Limited	2015 – 2016 Executive Vice-President, Chinese Media Group, Singapore Press Holdings Ltd. 2011 – 2014 Deputy Secretary (Policy), Ministry of Health and Special Assistant to Mr. Lee Kuan Yew
Shareholding interest in the listed issuer and its subsidiaries	Please refer to Directors' Statement, Directors' interests in shares or debentures on pages 91 and 92 of this annual report.	Nil	Nil	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Spouse of Mr. Wu Hsioh Kwang	No	No	No
Conflict of Interest (including any competing business)	No	No	No	No

Additional Information on Directors Seeking Re-Election

	MDM. CHUA SOH HAR	MR. TEO SER LUCK	MS. TAN KHIAW NGOH	MR. TAN KANG UEI, ANTHONY
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes	Yes
Other Principal Commitments* Including Directorships# Present	1. Director of Straco Holding Pte. Ltd. 2. Director of Sound Trading (1975) Pte. Ltd. 3. Director of Straco Cable Car Investments Pte. Ltd. 4. Director of Straco International Corporation Pte. Ltd. 5. Director of Straco (HK) Limited	1. Independent Non-Executive Chairman of BRC Limited 2. Deputy Chairman of Serial System Ltd. 3. Lead Independent Director of China Aviation Oil (Singapore) Corporation Ltd. 4. Independent Director of Super Hi International Holding Ltd. 5. Independent Director of Yanlord Land Group Ltd. 6. Director of F4U Pte. Ltd. 7. Director of 2YSL Pte. Ltd. 8. President of the Institute of Singapore Chartered Accountants 9. Advisor to the Singapore Fintech Association	1. Board Member, Chairman of Audit and Risk Committee and of the Social Work Services Standing Committee of the Singapore Children's Society 2. Director of Ang Mo Kio Thye Hua Kwan Hospital Limited 3. Director of Thye Hua Kwan Nursing Home Limited	1. Director of Synapxe Pte. Ltd. 2. Director of Temasia Health Pte. Ltd. 3. MOH Office for Healthcare Transformation Pte. Ltd. 4. Director of Vanguard Healthcare Pte. Ltd. 5. Director of HHOM Pte. Ltd. 6. Director of Atlas Care Pte. Ltd. 7. Director of Super Hi International Holding Ltd. 8. Board Member of Business China 9. Board member of Singapore Chinese Chamber of Commerce and Industry 10. District Councilor of South West Community Development Council

Additional Information on Directors Seeking Re-Election

	MDM. CHUA SOH HAR	MR. TEO SER LUCK	MS. TAN KHIAW NGOH	MR. TAN KANG UEI, ANTHONY
				11. Member of Trailblazer-LHL Fund Sponsorship Committee 12. Board of Trustees of Chinese Development Assistance Council 13. Executive Council of Singapore Hokkien Huay Kuan 14. Board Member of Yunnan Realty Pte. Ltd.
Past (for the last 5 years)	N.A	N.A.	Honorary Treasurer of National Council of Social Services	Advisory Council of Association for Persons with Special Needs (APSN)
a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No	No

Additional Information on Directors Seeking Re-Election

	MDM. CHUA SOH HAR	MR. TEO SER LUCK	MS. TAN KHIAW NGOH	MR. TAN KANG UEI, ANTHONY
b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No	No
c) Whether there is any unsatisfied judgment against him?	No	No	No	No

Additional Information on Directors Seeking Re-Election

	MDM. CHUA SOH HAR	MR. TEO SER LUCK	MS. TAN KHIAW NGOH	MR. TAN KANG UEI, ANTHONY
d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No	No
e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No	No

Additional Information on Directors Seeking Re-Election

	MDM. CHUA SOH HAR	MR. TEO SER LUCK	MS. TAN KHIAW NGOH	MR. TAN KANG UEI, ANTHONY
f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No	No
g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No	No

Additional Information on Directors Seeking Re-Election

	MDM. CHUA SOH HAR	MR. TEO SER LUCK	MS. TAN KHIAW NGOH	MR. TAN KANG UEI, ANTHONY
h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No	No
i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No	No
j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No	No

Additional Information on Directors Seeking Re-Election

	MDM. CHUA SOH HAR	MR. TEO SER LUCK	MS. TAN KHIAW NGOH	MR. TAN KANG UEI, ANTHONY
ii any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or iii any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?				

Additional Information on Directors Seeking Re-Election

	MDM. CHUA SOH HAR	MR. TEO SER LUCK	MS. TAN KHIAW NGOH	MR. TAN KANG UEI, ANTHONY
k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No	No
Disclosure applicable to the appointment of Director only				
Any prior experience as a director of a listed company?	This relates to re-appointment of Director	This relates to re-appointment of Director	This relates to re-appointment of Director	This relates to re-appointment of Director
If yes, please provide details of prior experience.	N.A.	N.A.	N.A.	N.A.
If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	N.A.	N.A.	N.A.	N.A.
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	N.A.	N.A.	N.A.	N.A.

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STRACO CORPORATION LIMITED

Registration Number: 200203482R
(Incorporated in the Republic of Singapore)

PROXY FORM
ANNUAL GENERAL MEETING

IMPORTANT

1. Pursuant to Section 181 (1C) of the Companies Act 1967, Relevant Intermediaries may appoint more than two proxies to attend, speak and vote at the Annual General Meeting.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF or SRS investors who wish to appoint the Chairman of AGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 pm on 10 April 2025.
3. CPF investors are requested to contact their respective Agent Banks for any queries that they may have with regard to their appointment as proxies.

*I/We, ______________________ (Name) ______________________ (NRIC/Passport no.)

of ____ (Address)

being *a member/members of Straco Corporation Limited (the "Company"), hereby appoint:

Name	Address	Email address	NRIC/ Passport No.	Proportion of Shareholdings	
				No. of Shares	%

And/or (delete as appropriate)

as *my/our *proxy/proxies to vote for *me/us on *my/our behalf and, if necessary, to demand a poll, at the Annual General Meeting of the Company to be held at 30 Raffles Avenue, #02-03/04, Singapore Flyer, Singapore 039803 on 17 April 2025 at 10.00 a.m. and at any adjournment thereof.

*I/we direct *my/our *proxy/proxies to vote for or against or to abstain from voting on the Ordinary Resolutions to be proposed at the Annual General Meeting as indicated below.

No.	Ordinary Resolutions	For	Against	Abstain
1.	To receive and consider the Audited Financial Statements of the Company for the financial year ended 31 December 2024 and the Directors' Statement and Auditors' Report thereon.			
2.	To approve a first and final one-tier tax exempt dividend of 1.5 cent per share and a special dividend of 0.5 cent per share for the year ended 31 December 2024			
3.	To approve the Directors' fees of S$364,518/- for the financial year ended 31 December 2024 (FY2023: S$365,420/-).			
4.	To re-elect Mdm. Chua Soh Har retiring pursuant to Article 117 of the Company's Constitution, as a Director of the Company.			
5.	To re-elect Mr. Teo Ser Luck retiring pursuant to Article 117 of the Company's Constitution, as a Director of the Company.			
6.	To re-elect Ms. Tan Khiaw Ngoh retiring pursuant to Article 118 of the Company's Constitution, as a Director of the Company.			
7.	To re-elect Mr. Tan Kang Uei, Anthony retiring pursuant to Article 118 of the Company's Constitution, as a Director of the Company.			
8.	To re-appoint Messrs PricewaterhouseCoopers LLP as auditors of the Company and to authorise the Directors to fix their remuneration.			
9.	To authorise Directors to issue shares pursuant to Section 161 of the Companies Act 1967.			
10.	To approve the renewal of the Share Buy-Back Mandate.			

Note: Voting will be conducted by poll. If you wish your proxy/proxies to cast all your votes "For" or "Against" a resolution, please indicate with a tick (√) in the "For" or "Against" box provided in respect of that resolution. Alternatively, please insert the relevant number of shares "For" or "Against" in the "For" or "Against" box provided in respect of that resolution. If you wish your proxy/proxies to abstain from voting on a resolution, please indicate with a tick (√) in the "Abstain" box provided in respect of that resolution. Alternatively, please insert the relevant number of shares in the "Abstain" box provided in respect of that resolution. In any other case, the proxy/proxies may vote or abstain as the proxy/proxies deems fit on any of the above resolutions if no voting instruction is specified, and on any other matter arising at the Annual General Meeting.

Dated this ____________ day of ____________ 2025

Total number of Shares in:	No. of Shares held
(a) CDP Register	
(b) Register of Members	

____

Signature(s) of Member(s)/ Common Seal

IMPORTANT: Please Read Notes before Completing this Proxy Form

Notes to Proxy Form:-

1. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the meeting. Where such member's form of proxy appoints more than one proxy, the proportion of his shareholding concerned to be represented by each proxy shall be specified in the form of proxy. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire shareholding and any second named proxy as an alternate to the first named or to treat this Proxy Form as invalid.

   (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

2. A proxy need not be a member of the Company.
3. Where a member of the Company appoints two proxies, he shall specify the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each such proxy.
4. The instrument appointing a proxy or proxies must be under the hand of the appointer or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or duly authorised officer.
5. A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Annual General Meeting, in accordance with its Constitution and Section 179 of the Companies Act 1967 of Singapore.
6. The instrument appointing proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, or notarially certified copy thereof, must be submitted to the Company in the following manner:

   (a) if submitted by post, be lodged with the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 9 Raffles Place, #26-01, Republic Plaza, Singapore 048619; or

   (b) if submitted electronically, be submitted via email to the Company's Share Registrar at sg.is.proxy@vistra.com;

   in each case, not less than 72 hours before the time appointed for holding the Annual General Meeting.

7. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 81SF of the Securities and Future Act of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert the number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.
8. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register 72 hours before the time appointed for holding the Annual General Meeting as certified by The Central Depository (Pte) Limited to the Company.
9. A Depositor shall not be regarded as a member of the Company entitled to attend the Annual General Meeting and to speak and vote thereat unless his name appears on the Depository Register 72 hours before the time set for the Annual General Meeting.
10. An investor who buys shares using CPF monies ("CPF Investor") and/or SRS monies ("SRS Investor") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 2 April 2025.

AFFIX
STAMP

The Share Registrar of

STRACO CORPORATION LIMITED

c/o Tricor Barbinder Share Registration Services

9 Raffles Place, #26-01, Republic Plaza

Singapore 048619

STRACO
星雅集团

(Company Registration No.200203482R)

(Incorporated in the Republic of Singapore on 25 April 2002)
10 Anson Road, #30-15 International Plaza Singapore 079903
Tel: (65) 6223 3082 Fax: (65) 6223 3736
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