



## MEDIA RELEASE

### Straco reports full year net profit of S\$25.68 million

Financial Highlights (S\$'mil)	6 Months to 31 December			12 Months to 31 December		
	2023	2022	% change	2023	2022	% change
<b>Revenue</b>	50.06	19.38	158.3	82.14	28.19	191.3
Profit/ (Loss) before tax	24.36	(2.10)	<i>n.m.</i>	34.62	(11.59)	<i>n.m.</i>
Profit/ (Loss) attributable to shareholders	19.30	(2.34)	<i>n.m.</i>	25.68	(10.81)	<i>n.m.</i>
Earnings/ (Losses) per share (Scts)	2.26	(0.27)	<i>n.m.</i>	3.00	(1.26)	<i>n.m.</i>
Net asset value per share (Scts)	-	-	-	30.73	29.22	5.2

- Full year revenue increased 191.3% to \$82.14 million
- Net asset value per share increased 5.2% to 30.73 cents
- Net cash of \$162.88 million, 19.04 cents per share
- Proposed first and final dividend of 1.5 cent per share
- Proposed special dividend of 0.5 cent per share

*SINGAPORE, 29 February 2024:-* Mainboard-listed Straco Corporation (“Straco” or “the Group”), a developer and operator of tourism-related attractions, reported a 158% surge in Group revenue to \$50.06 million for the second half ended 31 December 2023 (“2H2023”) compared to 2H2022, mainly attributable to increases in revenues at its China attractions. Its flagship attraction, Shanghai Ocean Aquarium (“SOA”) reported substantial increase on significantly higher visitor arrivals during the summer holidays and National Day golden week holidays as domestic tourism recovered strongly and returned to near pre-Covid normalcy.

Singapore Flyer also reported higher revenue in 2H2023 compared to 2H2022 with significant increase in ticket revenue from tour group segment as international tourist arrivals continue to recover and the ride operations resuming its normal operating hours. Retail and F&B revenue increased substantially amid higher footfall, while net rental income from retail leases and event space rental also increased.

Group profit was \$19.3 million for 2H2023, including exchange losses of \$0.22 million recorded as the Renminbi currency weakened further against the Singapore Dollar during the period, and one-off impairment losses totaling \$1.42 million recorded for Singapore Flyer's investment property, as its fair value as determined by the valuer was lower than the carrying value, as well as certain design cost incurred for its Xi'an project which were capitalized previously.

For the second half under review, the Group received 2.06 million visitors to all its attractions, 216% higher than 2H2022 when strict Covid-19 measures were in place due to the zero-Covid policy in China at that time.

Cumulatively, the Group's revenue for FY2023 increased 191% over FY2022 and net profit was \$25.68 million, compared to a net loss of \$10.81 million in FY2022.

Commenting on the results, Straco's Executive Chairman, Mr. Wu Hsioh Kwang said: "2023 was the first year of post-pandemic recovery for our Group, as our China attractions saw return of visitors and increased revenues from the preceding year when prolonged closure or intermittent lockdowns affected our normal operations. Overall visitor numbers to all our attractions were more than 70% of pre-pandemic level in FY2019, and all attractions reported profits for the year."

Mr. Wu added: "In view of the profits generated and our strong financials, we are proposing a final dividend of 1.5 cents per share for FY2023, and a special dividend of 0.5 cent per share."

The National Bureau of Statistics of China reported that China's gross domestic product ("GDP") grew 5.2% for the full year of 2023 following the lifting of Covid-19 restrictions at the beginning of the year, amid various support measures as well as a low base comparison from the prior year which was marked by Covid-19 lockdowns.

On the tourism sector, the China Tourism Academy has estimated that domestic tourism will see remarkable growth in both visitor numbers and revenue to over 6 billion domestic visits and 6 trillion yuan in 2024, following the recovery of tourism sector in 2023. Shanghai has also in December 2023 launched the "Visit Shanghai" campaign to boost inbound tourism, with the goal of making the city a world-famous tourist destination and the first stop in China for inbound travellers. The Shanghai Administration of Culture and Tourism has reported that in 2024, Shanghai will continuously optimise its inbound tourism environment and attract more international tourists through various grand festive events such as the Shanghai Tourism Festival and the China Shanghai International Arts Festival. With the aim of prolonging overnight stay of inbound tourists and boosting their consumption, the city will launch multi-layered and differentiated tourist itineraries and develop a number of metropolitan tourist attractions, while also raising inbound tourism service experience by further easing the convenience of payment and customs clearance of inbound tourists.

Singapore's economy grew by 1.1% in 2023, as reported by the Ministry of Trade and Industry ("MTI"). On the tourism sector, the Singapore Tourism Board ("STB") had reported that Singapore's tourism sector recovered strongly with 13.6 million international visitor arrivals in 2023, and estimated tourism receipts of \$24.5 to \$26.0 billion. STB expects continual recovery of the tourism sector in 2024 on improved international flight connectivity and increased capacity, as well as the implementation of the mutual 30-day visa-free travel between China and Singapore.

However, external environment remain challenging and geopolitical uncertainties will continue to weigh on the global economy, dampen growth, and affect the pace of travel recovery. The Group will continue to monitor, adapt and manage the impact on its operations.

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#### About Straco Corporation

Straco Corporation Limited (“Straco”), listed on the Singapore Stock Exchange in 2004, is a leading developer and operator of aquatic-related facilities and tourism-related assets. Straco’s main operating assets include Shanghai Ocean Aquarium, situated in the New Pudong Area, next to Shanghai’s landmark Oriental Pearl Tower; Lixing cable car service at Mount Lishan in Lishan in Lintong District, Shaanxi province; Underwater World Xiamen on the scenic Gulangyu Island, a key tourist attraction of Xiamen City, and the Singapore Flyer, an iconic landmark located in the Marina Bay skyline.

Straco constantly sources for tourism projects to tap into the expected tourism boom in Asia. The Group will leverage on its experience and track record in the China market to form strategic investment alliances to develop and operate tourism resources in China and the region.