

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

**FIRST QUARTER ENDED 31 MARCH 2014 UNAUDITED FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

**1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**INCOME STATEMENT**

|                                | <b>1Q ended</b>   |                   |               |
|--------------------------------|-------------------|-------------------|---------------|
|                                | <b>31/03/2014</b> | <b>31/03/2013</b> | <i>Change</i> |
|                                | S\$'000           | S\$'000           | %             |
| Revenue                        | 14,663            | 11,318            | 29.6          |
| Other income                   | 1,033             | 1,729             | (40.3)        |
| Operating expenses             | (4,511)           | (4,131)           | 9.2           |
| Administrative expenses        | (2,962)           | (1,144)           | 158.9         |
| Profit before income tax       | 8,223             | 7,772             | 5.8           |
| Tax expense                    | (2,598)           | (2,127)           | 22.1          |
| <b>Profit for the period</b>   | <b>5,625</b>      | <b>5,645</b>      | <b>(0.4)</b>  |
| <b>Profit attributable to:</b> |                   |                   |               |
| Owners of the Company          | 5,409             | 5,463             | (1.0)         |
| Non-controlling interests      | 216               | 182               | 18.7          |
| <b>Profit for the period</b>   | <b>5,625</b>      | <b>5,645</b>      | <b>(0.4)</b>  |

**STATEMENT OF COMPREHENSIVE INCOME**

|  | <b>1Q ended</b>   |                   |               |
|--|-------------------|-------------------|---------------|
|  | <b>31/03/2014</b> | <b>31/03/2013</b> | <i>Change</i> |
|  | S\$'000           | S\$'000           | %             |
| <b>Profit for the period</b>   | 5,625             | 5,645             | (0.4)         |
| <b>Other comprehensive income/(loss) for the period, net of tax</b>              |                   |                   |               |
| Translation differences relating to financial statements of foreign subsidiaries | (2,771)           | 1,658             | n.m.          |
| <b>Other comprehensive (loss)/ income for the period, net of tax</b>             | <b>(2,771)</b>    | <b>1,658</b>      | <b>n.m.</b>   |
| <b>Total comprehensive income for the period</b>                                 | <b>2,854</b>      | <b>7,303</b>      | <b>(60.9)</b> |
| <b>Total comprehensive income attributable to:</b>                               |                   |                   |               |
| Owners of the Company  | 2,739             | 7,063             | (61.2)        |
| Non-controlling interests  | 115               | 240               | (52.1)        |
| <b>Total comprehensive income for the period</b>                                 | <b>2,854</b>      | <b>7,303</b>      | <b>(60.9)</b> |

n.m. – not meaningful

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

|   | <b>1Q ended</b>   |                   |
|---|-------------------|-------------------|
|   | <b>31/03/2014</b> | <b>31/03/2013</b> |
|   | <b>S\$'000</b>    | <b>S\$'000</b>    |
| Depreciation of property, plant and equipment             | 989               | 985               |
| Interest income   | (755)             | (769)             |
| Foreign exchange loss/ (gain)                             | 1,010             | (608)             |
| Loss/ (Gain) on disposal of property, plant and equipment | 1                 | (643)             |
| Government grant  | (16)              | (14)              |
|   |                   |                   |

**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

|   | Group               |                     | Company             |                     |
|---|---------------------|---------------------|---------------------|---------------------|
|   | As at<br>31/03/2014 | As at<br>31/12/2013 | As at<br>31/03/2014 | As at<br>31/12/2013 |
|   | S\$'000             | S\$'000             | S\$'000             | S\$'000             |
| <b>Non-current assets</b>                           |                     |                     |                     |                     |
| Property, plant and equipment                       | 45,068              | 47,071              | 2,365               | 2,358               |
| Investments in subsidiaries                         | -                   | -                   | 48,121              | 48,121              |
| Intangible assets                                   | 1,419               | 1,419               | -                   | -                   |
|   | 46,487              | 48,490              | 50,486              | 50,479              |
| <b>Current assets</b>                               |                     |                     |                     |                     |
| Inventories   | 888                 | 960                 | -                   | -                   |
| Trade and other receivables                         | 4,737               | 4,117               | -                   | -                   |
| Loans and receivables from subsidiaries             | -                   | -                   | 25,828              | 26,210              |
| Other current assets                                | 21,964              | 21,701              | 21,344              | 21,324              |
| Cash and cash equivalents                           | 106,832             | 108,055             | 16,718              | 18,238              |
|   | 134,421             | 134,833             | 63,890              | 65,772              |
| <b>Total assets</b>                                 | <b>180,908</b>      | <b>183,323</b>      | <b>114,376</b>      | <b>116,251</b>      |
| <b>Equity attributable to owners of the Company</b> |                     |                     |                     |                     |
| Share capital                                       | 76,985              | 76,985              | 76,985              | 76,985              |
| Reserves  | 8,630               | 10,930              | (2,633)             | (3,003)             |
| Retained earnings                                   | 78,390              | 72,981              | 36,927              | 38,256              |
|   | 164,005             | 160,896             | 111,279             | 112,238             |
| <b>Non-controlling interests</b>                    | 3,231               | 3,116               | -                   | -                   |
| <b>Total equity</b>                                 | <b>167,236</b>      | <b>164,012</b>      | <b>111,279</b>      | <b>112,238</b>      |
| <b>Non-current liabilities</b>                      |                     |                     |                     |                     |
| Deferred income                                     | 191                 | 213                 | -                   | -                   |
| Deferred tax liabilities                            | 2,151               | 1,850               | -                   | -                   |
|   | 2,342               | 2,063               | -                   | -                   |
| <b>Current liabilities</b>                          |                     |                     |                     |                     |
| Trade and other payables                            | 7,943               | 10,226              | 2,596               | 3,067               |
| Amounts due to subsidiaries                         | -                   | -                   | 501                 | 946                 |
| Current tax liabilities                             | 3,387               | 7,022               | -                   | -                   |
|   | 11,330              | 17,248              | 3,097               | 4,013               |
| <b>Total liabilities</b>                            | <b>13,672</b>       | <b>19,311</b>       | <b>3,097</b>        | <b>4,013</b>        |
| <b>Total equity and liabilities</b>                 | <b>180,908</b>      | <b>183,323</b>      | <b>114,376</b>      | <b>116,251</b>      |

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

|   | As at 31/03/2014          |                             | As at 31/12/2013          |                             |
|---|---------------------------|-----------------------------|---------------------------|-----------------------------|
|   | <u>Secured</u><br>S\$'000 | <u>Unsecured</u><br>S\$'000 | <u>Secured</u><br>S\$'000 | <u>Unsecured</u><br>S\$'000 |
| Amount payable in one year or less,<br>or on demand | -                         | -                           | -                         | -                           |
| Amount payable after one year                       | -                         | -                           | -                         | -                           |

**Details of any collateral**

Not applicable

**1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

| CONSOLIDATED STATEMENT OF CASH FLOWS                      | Q1 ended<br>31/03/2014 | Q1 ended<br>31/03/2013 |
|---|------------------------|------------------------|
|   | S\$'000                | S\$'000                |
| <b>Cash flows from operating activities</b>               |                        |                        |
| Profit before income tax                                  | 8,223                  | 7,772                  |
| Adjustments for:  |                        |                        |
| Depreciation of property, plant and equipment             | 989                    | 985                    |
| Equity-settled share-based payment transactions           | 136                    | 68                     |
| Loss/ (Gain) on disposal of property, plant and equipment | 1                      | (643)                  |
| Government grant utilised                                 | (16)                   | (14)                   |
| Interest income   | (755)                  | (769)                  |
| Exchange loss/ (gain)                                     | 1,001                  | (601)                  |
| Operating profit before working capital changes           | 9,579                  | 6,798                  |
| Changes in working capital:                               |                        |                        |
| Trade and other receivables                               | (861)                  | (310)                  |
| Inventories   | 45                     | 137                    |
| Trade and other payables                                  | (2,119)                | (1,636)                |
| Cash generated from operating activities                  | 6,644                  | 4,989                  |
| Income taxes paid   | (5,791)                | (1,957)                |
| Net cash from operating activities                        | 853                    | 3,032                  |
| <b>Cash flows from investing activities</b>               |                        |                        |
| Purchase of property, plant and equipment                 | (267)                  | (362)                  |
| Proceeds from disposal of property, plant and equipment   | -                      | 1,256                  |
| Interest received   | 582                    | 297                    |
| Net cash from investing activities                        | 315                    | 1,191                  |
| <b>Cash flows from financing activities</b>               |                        |                        |
| Repurchase of own shares                                  | -                      | (97)                   |
| Proceeds from exercise of share options                   | 234                    | 42                     |
| Net cash from/ (used in) financing activities             | 234                    | (55)                   |
| <b>Net increase in cash and cash equivalents</b>          | 1,402                  | 4,168                  |
| Cash and cash equivalents at beginning of the period      | 108,055                | 95,969                 |
| Effects of exchange rate fluctuations                     | (2,625)                | 1,566                  |
| <b>Cash and cash equivalents at end of the period</b>     | 106,832                | 101,703                |

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

**(a) Group**

(i)

|   | Share capital | Treasury shares | Capital reserve | Share option reserve | General reserve | Foreign currency translation reserve | Retained earnings | Total attributable to owners of the Company | Non-controlling Interests | Total Equity   |
|---|---------------|-----------------|-----------------|----------------------|-----------------|--------------------------------------|-------------------|---|---------------------------|----------------|
|   | S\$'000       | S\$'000         | S\$'000         | S\$'000              | S\$'000         | S\$'000                              | S\$'000           | S\$'000                                     | S\$'000                   | S\$'000        |
| <b>At 1 January 2014</b>                  | 76,985        | (5,043)         | (206)           | 2,246                | 12,208          | 1,725                                | 72,981            | 160,896                                     | 3,116                     | 164,012        |
| Changes in equity for the period:         |               |                 |                 |                      |                 |                                      |                   |   |                           |                |
| Share-based payment transactions          | -             | -               | -               | 136                  | -               | -                                    | -                 | 136   | -                         | 136            |
| Treasury shares reissued                  | -             | 258             | (24)            | -                    | -               | -                                    | -                 | 234   | -                         | 234            |
| Total comprehensive income for the period | -             | -               | -               | -                    | -               | (2,670)                              | 5,409             | 2,739                                       | 115                       | 2,854          |
| <b>At 31 March 2014</b>                   | <b>76,985</b> | <b>(4,785)</b>  | <b>(230)</b>    | <b>2,382</b>         | <b>12,208</b>   | <b>(945)</b>                         | <b>78,390</b>     | <b>164,005</b>                              | <b>3,231</b>              | <b>167,236</b> |

(ii)

|   | Share capital | Treasury shares | Capital reserve | Share option reserve | General reserve | Foreign currency translation reserve | Retained earnings | Total attributable to owners of the Company | Non-controlling Interests | Total Equity   |
|---|---------------|-----------------|-----------------|----------------------|-----------------|--------------------------------------|-------------------|---|---------------------------|----------------|
|   | S\$'000       | S\$'000         | S\$'000         | S\$'000              | S\$'000         | S\$'000                              | S\$'000           | S\$'000                                     | S\$'000                   | S\$'000        |
| <b>At 1 January 2013</b>                                | 76,985        | (5,343)         | (131)           | 1,793                | 7,666           | (3,818)                              | 53,963            | 131,115                                     | 2,880                     | 133,995        |
| Changes in equity for the period:                       |               |                 |                 |                      |                 |                                      |                   |   |                           |                |
| Purchase of own shares                                  | -             | (97)            | -               | -                    | -               | -                                    | -                 | (97)  | -                         | (97)           |
| Share-based payment transactions                        | -             | -               | -               | 68                   | -               | -                                    | -                 | 68  | -                         | 68             |
| Treasury shares reissued                                | -             | 66              | (24)            | -                    | -               | -                                    | -                 | 42  | -                         | 42             |
| Transfer to general reserve fund                        | -             | -               | -               | -                    | 1,171           | -                                    | (1,171)           | -   | -                         | -              |
| Dividend to non-controlling shareholder of a subsidiary | -             | -               | -               | -                    | -               | -                                    | -                 | -   | (527)                     | (527)          |
| Total comprehensive income for the period               | -             | -               | -               | -                    | -               | 1,600                                | 5,463             | 7,063                                       | 240                       | 7,303          |
| <b>At 31 March 2013</b>                                 | <b>76,985</b> | <b>(5,374)</b>  | <b>(155)</b>    | <b>1,861</b>         | <b>8,837</b>    | <b>(2,218)</b>                       | <b>58,255</b>     | <b>138,191</b>                              | <b>2,593</b>              | <b>140,784</b> |

**(b) Company**

(i)

|   | Share capital | Treasury shares | Capital reserve | Share option reserve | Retained earnings | Total          |
|---|---------------|-----------------|-----------------|----------------------|-------------------|----------------|
|   | S\$'000       | S\$'000         | S\$'000         | S\$'000              | S\$'000           | S\$'000        |
| <b>At 1 January 2014</b>                  | 76,985        | (5,043)         | (206)           | 2,246                | 38,256            | 112,238        |
| Share-based payment transactions          | -             | -               | -               | 136                  | -                 | 136            |
| Treasury shares re-issued                 | -             | 258             | (24)            | -                    | -                 | 234            |
| Total comprehensive income for the period | -             | -               | -               | -                    | (1,329)           | (1,329)        |
| <b>At 31 March 2014</b>                   | <b>76,985</b> | <b>(4,785)</b>  | <b>(230)</b>    | <b>2,382</b>         | <b>36,927</b>     | <b>111,279</b> |

(ii)

|   | Share capital | Treasury shares | Capital reserve | Share option reserve | Retained earnings | Total         |
|---|---------------|-----------------|-----------------|----------------------|-------------------|---------------|
|   | S\$'000       | S\$'000         | S\$'000         | S\$'000              | S\$'000           | S\$'000       |
| <b>At 1 January 2013</b>                  | 76,985        | (5,343)         | (131)           | 1,793                | 11,640            | 84,944        |
| Purchase of own shares                    | -             | (97)            | -               | -                    | -                 | (97)          |
| Share-based payment transactions          | -             | -               | -               | 68                   | -                 | 68            |
| Treasury shares re-issued                 | -             | 66              | (24)            | -                    | -                 | 42            |
| Total comprehensive income for the period | -             | -               | -               | -                    | 9,441             | 9,441         |
| <b>At 31 March 2013</b>                   | <b>76,985</b> | <b>(5,374)</b>  | <b>(155)</b>    | <b>1,861</b>         | <b>21,081</b>     | <b>94,398</b> |

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There was no share buyback during the 1Q2014.

During the first quarter ended 31 March 2014, 1,290,000 share options were exercised from the options that were granted in 2007, 2010, 2011, and 2012; resulting in 1,290,000 treasury shares being reissued.

The Company's issued and fully paid up shares as at 31 March 2014 comprised 845,029,580 (31 March 2013: 842,039,580) ordinary shares and 23,900,000 (31 March 2013: 26,890,000) treasury shares.

As at 31 March 2014, options to subscribe for 22,410,000 (31 March 2013: 18,700,000) ordinary shares remain outstanding.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

|   | As at 31/03/2014 | As at 31/12/2013 |
|---|------------------|------------------|
| Total number of issued shares                           | 868,929,580      | 868,929,580      |
| Less: Treasury shares                                   | (23,900,000)     | (25,190,000)     |
| Total number of issued shares excluding treasury shares | 845,029,580      | 843,739,580      |

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

| <b>Treasury Shares</b>                                | <b>No. of shares</b> | <b>S\$'000</b> |
|---|----------------------|----------------|
| Balance as at 31/12/2013                              | 25,190,000           | 5,043          |
| No. of shares transferred on exercise of share option | (1,290,000)          | (258)          |
| Balance as at 31/03/2014                              | 23,900,000           | 4,785          |
|   |                      |                |

**2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The financial statements have not been audited nor reviewed by the Company's auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation used in the financial statements for the current reporting period compared with the audited financial statements for the financial year ended 31 December 2013.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

An assessment has been made of the Amendments and Interpretations to the Singapore Financial Reporting Standards ("FRSs") effective from 1 January 2014 and it is not expected to have any significant impact on the Group's financial statements.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

| <b>Earnings per share</b>                                   | <b>Q1 ended</b>   |                   |
|---|-------------------|-------------------|
|   | <b>31/03/2014</b> | <b>31/03/2013</b> |
| (a) Based on the number of ordinary shares in issue (cents) | 0.64              | 0.65              |
| (b) On fully diluted basis (cents)                          | 0.63              | 0.64              |

The calculation of basic earnings per share for 1Q ended 31 March 2014 is based on the net profits attributable to shareholders for the 1Q ended 31 March 2014 divided by the weighted average number of ordinary shares outstanding of 844,068,024.



The calculation of basic earnings per share for 1Q ended 31 March 2013 is based on the net profits attributable to shareholders for the 1Q ended 31 March 2013 divided by the weighted average number of ordinary shares outstanding of 841,996,747.

The calculation of diluted earnings per share for 1Q ended 31 March 2014 is based on the net profits attributable to shareholders for the 1Q ended 31 March 2014 divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 856,771,826.

The calculation of diluted earnings per share for 1Q ended 31 March 2013 is based on the net profits attributable to shareholders for the 1Q ended 31 March 2013 divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 849,288,794.

- 7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**  
**(a) current financial period reported on; and**  
**(b) immediately preceding financial year.**

|  | Group      |            | Company    |            |
|--|------------|------------|------------|------------|
|  | 31/03/2014 | 31/12/2013 | 31/03/2014 | 31/12/2013 |
| Net asset value per ordinary share (cents) based on number of issued shares excluding treasury shares at the end of: | 19.41      | 19.07      | 13.17      | 13.30      |

Net asset value per ordinary share was calculated based on 845,029,580 ordinary shares issued (excluding treasury shares) as at 31 March 2014 and 843,739,580 ordinary shares issued (excluding treasury shares) as at 31 December 2013.

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

### Revenue

In the first quarter of FY2014, the Group achieved sales of \$14.66 million, an increase of 29.6% over the same period in FY2013, mainly attributable to increased visitation at our two major attractions - Shanghai Ocean Aquarium ("SOA") and Underwater World Xiamen ("UWX").

Combined visitation to SOA and UWX was 608,000 visitors for the quarter, an increase of 22% compared to 1Q2013.

### Operational Results

Other income for 1Q2014 decreased \$0.7 million, or 40.3% from 1Q2013, mainly due to the absence of the gain from the disposal of a Land Use Rights to the local government by a subsidiary as in last year.

Operating expenses for 1Q2014 increased \$0.38 million, or 9.2% from 1Q2013, mainly attributable to higher variable cost, which increased in line with the higher revenue, as well as higher staff cost and utilities expenses; partially offset by a decrease in promotional expenses.

Administrative expenses for 1Q2014 increased \$1.82 million, or 158.9% from 1Q2013, mainly due to the foreign exchange loss of \$1.01 million recorded in the current period as the Chinese Yuan (RMB) weakened against the Singapore dollar (SGD) during the period; as opposed to an exchange gain of \$0.61 million recorded in 1Q2013 when the RMB strengthened against SGD at that time.

Profit before tax was \$8.22 million for the current quarter, an increase of 5.8% compared to the profit before tax of \$7.77 million for 1Q2013. Taking away the one-off gain on the disposal of Land Use Rights in 1Q2013 and the foreign exchange differences in both periods, profit before tax for the current quarter would have been \$9.23 million, an increase of 42% compared to 1Q2013.

### **Balance Sheet items**

Trade and other receivables increased 15.1% from \$4.12 million at 31 December 2013 to \$4.74 million at 31 March 2014 mainly due to increase in trade and other receivables in SOA on increased business volume, as well as higher interest receivables from fixed deposits placements.

Reserves decreased from \$10.93 million at 31 December 2013 to \$8.63 million at 31 March 2014, due to the translation loss of \$2.67 million arising from the weaker RMB currency against SGD at the end of the current period compared to the end of last year, as well as the loss of \$24,000 from treasury shares re-issued; partially offset by the treasury shares reissued of \$258,000 and share option reserves of \$136,000 recognised in the current period arising from share options granted in May 2013.

Deferred tax liabilities increased 16.3% from \$1.85 million at 31 December 2013 to \$2.15 million at 31 March 2014, due to the deferred tax recognised on the 1Q2014 profits of SOA, UWX, and Lixing Cable Car.

Trade and other payables decreased 22.3% from \$10.23 million at 31 December 2013 to \$7.94 million at 31 March 2014, mainly due to the decrease in trade payables, as well as the payment of performance bonus which were accrued in last year.

Current tax liabilities decreased 51.8% from \$7.02 million at 31 December 2013 to \$3.39 million at 31 March 2014, mainly due to the payment of 4Q2013 income taxes in the current period, partially offset by the provision of income taxes on 1Q2014 profits of SOA, UWX, and Lixing Cable Car.

### **Cash flow Statement**

The Group generated net cash from operating activities before working capital changes of \$9.58 million in 1Q2014, compared to \$6.80 million in 1Q2013. During the period, the Company received \$0.23 million from the exercise of share options. As at 31 March 2014, the Group's cash and cash equivalent balance amounted to \$106.83 million.

## **9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

The Group did not previously disclose to shareholders any forecast or prospect statement with regard to the current quarter under review.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The National Bureau of Statistics of China reported that the Chinese economy had a stable start for the year with a year-on-year gross domestic product (“GDP”) growth of 7.4% in the first quarter of 2014. Domestic consumption continued to make more contribution to the economy, accounting for 64.9% of GDP in the first quarter.

It was also reported that China’s domestic tourism expanded 10% in 2013 and generated 2.6 trillion Yuan. This augurs well for the Group’s business.

**11. Dividend**

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

Any interim (final) dividend declared (recommended) for the current financial period reported on? None

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

Any dividend declared for the corresponding period of the immediately preceding financial year? None

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

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

No dividend has been declared/recommended for the current financial period.

**13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

No IPT mandate has been obtained.

**14. Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results).**

To the best of our knowledge and belief, nothing has come to the attention of the Directors which may render the 1Q2014 financial results to be false or misleading in any material aspect.

On behalf of the Board

Wu Hsioh Kwang  
Chairman

Lim Song Joo  
Director

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

**15. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Not applicable.

**16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Not applicable.

**17. A breakdown of sales.**

Not applicable.

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

Not applicable.

**19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Not applicable.

BY ORDER OF THE BOARD,

Lotus Isabella Lim Mei Hua  
Company Secretary  
9 May 2014