

STRACO CORPORATION LIMITED
Registration Number: 200203482R
(Incorporated in the Republic of Singapore)

FINANCIAL UPDATE FOR THE HALF-YEAR ENDED 30 JUNE 2022

The Board of Directors (the “Board”) of Straco Corporation Limited (the “Company” and together with its subsidiaries, the “Group”) would like to provide an update on the financial performance of the Group for the six months ended 30 June 2022 (“1H2022”).

The global COVID-19 pandemic continues to have a severe impact on the tourism industry, as waves of infection and the numerous control measures implemented by the authorities from time-to-time curtailed movement and restricted access. The Group, which mainly operates indoor aquariums in China and the Singapore Flyer, has not been spared either, as our attractions faced service disruptions, adhering to pandemic control measures, in 1H2022. In consequence, revenue across all the Company’s subsidiaries declined significantly in 1H2022.

Based on its preliminary review and assessment, the Group expects to report a material operating loss and negative operating cashflow for 1H2022.

As the global outlook on the COVID-19 pandemic and eventual recovery for the tourism industry remain uncertain, the Group is taking prudent and measured steps to ride over this challenging time. As an operator of public attractions, the Group has continued to, and will continue to, ensure that visitors’ experiences are not compromised despite the decrease in business activities, while concurrently reviewing and making operational adjustments to put a lid on business costs and expenditures. The Group was also impacted by the tight labour market and inflationary pressure, as such, wage cost reduction was not one of the measures sought to be undertaken during the period.

Further details of the Group’s financial performance will be disclosed when the Company announces its 1H2022 results in August 2022.

Shareholders and potential investors are advised to exercise caution when dealing or trading in the securities of the Company. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. When in doubt as to the action they should take, shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

By Order of the Board

Lotus Isabella Lim Mei Hua

Company Secretary

18 July 2022