

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

SECOND QUARTER ENDED 30 JUNE 2017 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

	2Q ended			6 months ended		
	30/06/2017	30/06/2016	Change	30/06/2017	30/06/2016	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	30,205	27,863	8.4	57,743	54,290	6.4
Other income	1,573	1,274	23.5	3,090	2,591	19.3
Less:						
Depreciation and amortisation expense	(3,202)	(3,184)	0.6	(6,405)	(6,342)	1.0
Changes in inventories and purchases of goods	(830)	(661)	25.6	(1,658)	(1,235)	34.3
Consultancy expense	(194)	(236)	(17.8)	(287)	(462)	(37.9)
Sales and marketing expenses	(294)	(452)	(35.0)	(598)	(1,416)	(57.8)
Exchange losses	(72)	(266)	(72.9)	(470)	(392)	19.9
Loss on disposal of property, plant and equipment	(13)	(6)	116.7	(14)	(10)	40.0
Operating lease expense	(1,741)	(1,536)	13.3	(3,260)	(3,031)	7.6
Property and other taxes	(433)	(447)	(3.1)	(892)	(901)	(1.0)
Repair and maintenance expenses	(1,079)	(959)	12.5	(2,188)	(2,084)	5.0
Staff cost	(5,113)	(5,235)	(2.3)	(11,004)	(10,468)	5.1
Utilities expense	(670)	(724)	(7.5)	(1,300)	(1,442)	(9.8)
Other operating expenses	(696)	(439)	58.5	(1,317)	(938)	40.4
Other administrative expenses	(532)	(568)	(6.3)	(1,001)	(1,105)	(9.4)
Operating profit	16,909	14,424	17.2	30,439	27,055	12.5
Finance costs	(287)	(430)	(33.3)	(583)	(901)	(35.3)
Profit before income tax	16,622	13,994	18.8	29,856	26,154	14.2
Tax expense	(4,533)	(4,223)	7.3	(8,288)	(7,511)	10.3
Profit for the period	12,089	9,771	23.7	21,568	18,643	15.7
Profit attributable to:						
Owners of the Company	11,412	9,246	23.4	20,325	17,581	15.6
Non-controlling interests	677	525	29.0	1,243	1,062	17.0
Profit for the period	12,089	9,771	23.7	21,568	18,643	15.7

STATEMENT OF COMPREHENSIVE INCOME

	2Q ended			6 months ended		
	30/06/2017	30/06/2016	Change	30/06/2017	30/06/2016	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit for the period	12,089	9,771	23.7	21,568	18,643	15.7
Other comprehensive income/ (loss) for the period, net of tax						
Translation differences relating to financial statements of foreign subsidiaries	352	(3,855)	n.m.	(3,721)	(10,547)	(64.7)
Other comprehensive income/ (loss) for the period, net of tax	352	(3,855)	n.m.	(3,721)	(10,547)	(64.7)
Total comprehensive income for the period	12,441	5,916	110.3	17,847	8,096	120.4
Total comprehensive income attributable to:						
Owners of the Company	11,753	5,525	112.7	16,737	7,417	125.7
Non-controlling interests	688	391	76.0	1,110	679	63.5
Total comprehensive income for the period	12,441	5,916	110.3	17,847	8,096	120.4

n.m. – not meaningful

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

	2Q ended		6 months ended	
	30/06/2017	30/06/2016	30/06/2017	30/06/2016
	S\$'000	S\$'000	S\$'000	S\$'000
Depreciation of property, plant and equipment	2,688	2,677	5,378	5,329
Depreciation of investment property	361	354	722	708
Amortisation of intangible assets	153	153	305	305
Interest income	(1,012)	(814)	(2,050)	(1,705)
Interest expense	287	430	583	901
Foreign exchange losses	72	266	470	392
Loss on disposal of property, plant and equipment	13	6	14	10
Government grant	(119)	(19)	(137)	(30)

Notes:

1. Interest income is mainly from fixed deposits placed with financial institutions.
2. Interest expense is mainly attributable to the long-term bank borrowing for the purpose of acquiring the assets of Singapore Flyer.
3. Foreign exchange losses arise mainly due to the movement of Renminbi against Singapore Dollars.

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

	Group		Company	
	As at	As at	As at	As at
	30/06/2017	31/12/2016	30/06/2017	31/12/2016
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Property, plant and equipment	122,075	127,443	2,113	2,146
Investment property	47,648	48,370	-	-
Investments in subsidiaries	-	-	103,130	103,130
Intangible assets	2,893	3,198	-	-
	172,616	179,011	105,243	105,276
Current assets				
Inventories	2,080	2,113	-	-
Trade and other receivables	2,978	3,727	110	-
Loans and receivables from subsidiaries	-	-	417	482
Other current assets	1,152	1,080	39	25
Fixed deposits pledged	1,000	1,000	-	-
Cash and cash equivalents	159,503	163,234	24,958	16,350
	166,713	171,154	25,524	16,857
Total assets	339,329	350,165	130,767	122,133
Equity attributable to owners of the Company				
Share capital	76,985	76,985	76,985	76,985
Reserves	16,231	18,855	2,735	1,839
Retained earnings	145,046	146,298	50,192	41,932
	238,262	242,138	129,912	120,756
Non-controlling interests	9,820	10,462	-	-
Total equity	248,082	252,600	129,912	120,756
Non-current liabilities				
Borrowings	43,900	49,900	-	-
Deferred income	218	259	-	-
Deferred tax liabilities	18,843	18,654	-	-
Provision for reinstatement cost	4,100	4,100	-	-
	67,061	72,913	-	-
Current liabilities				
Trade and other payables	8,578	10,575	339	849
Amounts due to subsidiaries	-	-	516	528
Current tax liabilities	3,608	2,077	-	-
Current borrowings	12,000	12,000	-	-
	24,186	24,652	855	1,377
Total liabilities	91,247	97,565	855	1,377
Total equity and liabilities	339,329	350,165	130,767	122,133

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

	As at 30/06/2017		As at 31/12/2016	
	<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
	S\$'000	S\$'000	S\$'000	S\$'000
Amount payable in one year or less, or on demand	12,000	-	12,000	-
Amount payable after one year	41,000	2,900	47,000	2,900

Details of any collateral

The borrowings are secured by fixed and floating charges over certain assets of a subsidiary as well as corporate guarantee from the Company.

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

CONSOLIDATED STATEMENT OF CASH FLOWS		Q2 ended 30/06/2017	Q2 ended 30/06/2016
		S\$'000	S\$'000
Cash flows from operating activities			
Profit before income tax		16,622	13,994
Adjustments for:			
Amortisation of intangible assets		153	153
Depreciation of property, plant and equipment		2,688	2,677
Depreciation of investment property		361	354
Equity-settled share-based payment transactions		251	407
Loss on disposal of property, plant and equipment		13	6
Government grant utilised		(17)	(15)
Interest income		(1,012)	(814)
Interest expense		287	430
Exchange losses		38	161
Operating profit before working capital changes		19,384	17,353
Changes in working capital:			
Trade and other receivables		252	(137)
Inventories		3	96
Trade and other payables		(158)	132
Cash generated from operating activities		19,481	17,444
Income taxes paid		(2,844)	(3,915)
Net cash from operating activities		16,637	13,529
Cash flows from investing activities			
Purchase of property, plant and equipment		(197)	(497)
Interest received		1,187	1,001
Net cash from investing activities		990	504
Cash flows from financing activities			
Dividend paid to owners of company		(21,509)	(21,479)
Dividend paid to non-controlling interests		(1,688)	(1,622)
Repurchase of own shares		-	(126)
Proceeds from exercise of share options		276	326
Repayment of borrowings		(3,000)	(3,000)
Interest paid		(291)	(434)
Net cash used in financing activities		(26,212)	(26,335)
Net decrease in cash and cash equivalents		(8,585)	(12,302)
Cash and cash equivalents at beginning of the period		167,854	139,887
Effects of exchange rate fluctuations		234	(2,893)
Cash and cash equivalents at end of the period		159,503	124,692

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

(a) Group

(i)

	Share capital	Treasury shares	Capital reserve	Share option reserve	General reserve	Foreign currency translation reserve	Retained earnings	Total attributable to owners of the Company	Non-controlling Interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2017	76,985	(4,546)	(696)	7,081	16,236	780	146,298	242,138	10,462	252,600
Changes in equity for the period:										
Share-based payment transactions	-	-	-	369	-	-	-	369	-	369
Transfer to general reserve fund	-	-	-	-	68	-	(68)	-	-	-
Dividend to non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	-	(1,752)	(1,752)
Total comprehensive income for the period	-	-	-	-	-	(3,929)	8,913	4,984	422	5,406
At 31 March 2017	76,985	(4,546)	(696)	7,450	16,304	(3,149)	155,143	247,491	9,132	256,623
Changes in equity for the period:										
Share-based payment transactions	-	-	-	251	-	-	-	251	-	251
Treasury shares reissued	-	619	(343)	-	-	-	-	276	-	276
Dividend paid of 2.50 cents per share	-	-	-	-	-	-	(21,509)	(21,509)	-	(21,509)
Total comprehensive income for the period	-	-	-	-	-	341	11,412	11,753	688	12,441
At 30 June 2017	76,985	(3,927)	(1,039)	7,701	16,304	(2,808)	145,046	238,262	9,820	248,082

(ii)

	Share capital	Treasury shares	Capital reserve	Share option reserve	General reserve	Foreign currency translation reserve	Retained earnings	Total attributable to owners of the Company	Non-controlling Interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2016	76,985	(5,823)	(69)	5,453	16,236	7,740	121,535	222,057	9,424	231,481
Changes in equity for the period:										
Purchase of own shares	-	(193)	-	-	-	-	-	(193)	-	(193)
Share-based payment transactions	-	-	-	483	-	-	-	483	-	483
Treasury shares reissued	-	946	(160)	-	-	-	-	786	-	786
Total comprehensive income for the period	-	-	-	-	-	(6,443)	8,335	1,892	288	2,180
At 31 March 2016	76,985	(5,070)	(229)	5,936	16,236	1,297	129,870	225,025	9,712	234,737
Changes in equity for the period:										
Purchase of own shares	-	(126)	-	-	-	-	-	(126)	-	(126)
Share-based payment transactions	-	-	-	407	-	-	-	407	-	407
Treasury shares reissued	-	810	(484)	-	-	-	-	326	-	326
Dividend paid of 2.50 cents per share	-	-	-	-	-	-	(21,479)	(21,479)	-	(21,479)
Dividend to non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	-	(1,622)	(1,622)
Acquisition of non-controlling interest without a change in control	-	-	-	-	-	-	(222)	(222)	222	-
Total comprehensive income for the period	-	-	-	-	-	(3,721)	9,246	5,525	391	5,916
At 30 June 2016	76,985	(4,386)	(713)	6,343	16,236	(2,424)	117,415	209,456	8,703	218,159

(b) Company

(i)

	Share capital	Treasury shares	Capital reserve	Share option reserve	Retained earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2017	76,985	(4,546)	(696)	7,081	41,932	120,756
Share-based payment transactions	-	-	-	369	-	369
Total comprehensive income/ (loss) for the period	-	-	-	-	30,477	30,477
At 31 March 2017	76,985	(4,546)	(696)	7,450	72,409	151,602
Purchase of own shares	-	-	-	-	-	-
Share-based payment transactions	-	-	-	251	-	251
Treasury shares reissued	-	619	(343)	-	-	276
Dividend paid of 2.50 cents per share	-	-	-	-	(21,509)	(21,509)
Total comprehensive income/ (loss) for the period	-	-	-	-	(708)	(708)
At 30 June 2017	76,985	(3,927)	(1,039)	7,701	50,192	129,912

(ii)

	Share capital	Treasury shares	Capital reserve	Share option reserve	Retained earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2016	76,985	(5,823)	(69)	5,454	36,829	113,376
Purchase of own shares	-	(193)	-	-	-	(193)
Share-based payment transactions	-	-	-	482	-	482
Treasury shares re-issued	-	946	(160)	-	-	786
Total comprehensive income/ (loss) for the period	-	-	-	-	(931)	(931)
At 31 March 2016	76,985	(5,070)	(229)	5,936	35,898	113,520
Purchase of own shares	-	(126)	-	-	-	(126)
Share-based payment transactions	-	-	-	407	-	407
Treasury shares reissued	-	810	(484)	-	-	326
Dividend paid of 2.50 cents per share	-	-	-	-	(21,479)	(21,479)
Total comprehensive income/ (loss) for the period	-	-	-	-	28,150	28,150
At 30 June 2016	76,985	(4,386)	(713)	6,343	42,569	120,798

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 were no share buyback in 2Q2017.

During the second quarter ended 30 June 2017, 1,350,000 share options were exercised from the options that were granted in 2011, 2012, and 2013; resulting in 1,350,000 treasury shares being reissued.

The Company's issued and fully paid up shares as at 30 June 2017 comprised 860,357,980 (30 June 2016: 859,177,780) ordinary shares and 8,571,600 (30 June 2016: 9,751,800) treasury shares.

During the second quarter ended 30 June 2017, the Company issued 4,940,000 share options to the directors and employees of the Group pursuant to the acceptances of share options granted on 11 May 2017. As at 30 June 2017, options to subscribe for 24,056,000 (30 June 2016: 20,990,000) 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 30/06/2017	As at 31/12/2016
Total number of issued shares	868,929,580	868,929,580
Less: Treasury shares	(8,571,600)	(9,921,600)
Total number of issued shares excluding treasury shares	860,357,980	859,007,980

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

Treasury shares	No. of shares	S\$'000
Balance as at 31/03/2017	9,921,600	4,546
No. of shares transferred on exercise of share option	(1,350,000)	(619)
Balance as at 30/06/2017	8,571,600	3,927

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 2016.

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 2017 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.

Earnings per share	Q2 ended		6 Months ended	
	30/06/2017	30/06/2016	30/06/2017	30/06/2016
(a) Based on the number of ordinary shares in issue (cents)	1.33	1.08	2.36	2.05
(b) On fully diluted basis (cents)	1.32	1.06	2.35	2.01

The calculation of basic earnings per share for 2Q and 6 months ended 30 June 2017 are based on the net profits attributable to shareholders for the 2Q and 6 months ended 30 June 2017 divided by the weighted average number of ordinary shares outstanding of 860,163,804 and 859,589,085 respectively.

The calculation of basic earnings per share for 2Q and 6 months ended 30 June 2016 are based on the net profits attributable to shareholders for the 2Q and 6 months ended 30 June 2016 divided by the weighted average number of ordinary shares outstanding of 859,049,318 and 858,015,690 respectively.

The calculation of diluted earnings per share for 2Q and 6 months ended 30 June 2017 are based on the net profits attributable to shareholders for the 2Q and 6 months ended 30 June 2017 divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 863,699,958 and 863,392,465 respectively.

The calculation of diluted earnings per share for 2Q and 6 months ended 30 June 2016 are based on the net profits attributable to shareholders for the 2Q and 6 months ended 30 June 2016 divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 873,258,579 and 873,208,072 respectively.

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

	Group		Company	
	30/06/2017	31/12/2016	30/06/2017	31/12/2016
Net asset value per ordinary share (cents) based on number of issued shares excluding treasury shares at the end of:	27.69	28.19	15.10	14.06

Net asset value per ordinary share was calculated based on 860,357,980 ordinary shares issued (excluding treasury shares) as at 30 June 2017 and 859,007,980 ordinary shares issued (excluding treasury shares) as at 31 December 2016.

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

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Revenue

In the second quarter of FY2017, the Group achieved sales of \$30.21 million, an increase of 8.4% from the corresponding period in 2Q2016, as Shanghai Ocean Aquarium ("SOA"), Lixing Cable Car ("LCC") and Singapore Flyer reported higher revenue, mainly on higher visitor numbers, partially offset by lower revenue at Underwater World Xiamen ("UWX").

Overall visitation to all our attractions was 1.23 million visitors for the quarter, 8.3% higher than the corresponding period in 2Q2016.

Cumulatively, overall revenue for first half of FY2017 amounted to \$57.74 million, 6.4% higher than the corresponding period in 1H2016.

Operational Results

Total Expenses (excluding finance cost) for 2Q2017 increased \$0.16 million, or 1.1% from 2Q2016. Cost of sales for 2Q2017 increased over corresponding period, mainly attributable to higher retail cost of sales, in line with the higher retail revenue. Sales and marketing expenses for the quarter decreased, mainly due to lower sales tax in the current quarter, as China's tax reforms where sales tax was replaced with value-added tax took effect from 1 May 2016. Other operating expenses for the quarter increased over 2Q2016, mainly attributable to higher service fee paid to ferry operators, as more UWX tickets were sold through them.

Finance cost for 2Q2017 decreased 33.3% from 2Q2016, due to lower principal outstanding for the term loan as well as lower interest rate this quarter.

Profit before tax was \$16.62 million for the current quarter, 18.8% higher than the profit before tax of \$13.99 million for 2Q2016, attributable to improved profitability at SOA, LCC, and Singapore Flyer.

Balance Sheet items

Trade and other receivables decreased 20.1% from \$3.73 million at 31 December 2016 to \$2.98 million at 30 June 2017 mainly due to decreases in trade debtors at SOA, UWX, and Singapore Flyer, refund of 2016 sales tax paid on ticket revenue were received by SOA upon the waiver being granted, partially offset by higher interest receivable from fixed deposits.

Reserves decreased 13.9% from \$18.86 million at 31 December 2016 to \$16.23 million at 30 June 2017, mainly due to the translation loss of \$3.59 million arising from the weaker RMB currency against SGD at the end of current period compared to the end of last year, loss on treasury shares reissued of \$0.34 million; partially offset by increase in share option reserves of \$0.62 million during the period arising from share options granted in May 2016 and May 2017, as well as decrease in treasury shares upon treasury shares being reissued of \$0.62 million.

Deferred income decreased from \$259,000 at 31 December 2016 to \$218,000 at 30 June 2017, mainly due to the periodic recognition of deferred income to profit & loss in the current period.

Trade and other payables decreased 18.9% from \$10.58 million at 31 December 2016 to \$8.58 million at 30 June 2017, mainly due to decrease in trade payables, as well as payments of 2016 performance bonus and directors fee which were accrued in last year.

Current tax liabilities increased 73.7% from \$2.08 million at 31 December 2016 to \$3.61 million at 30 June 2017, mainly due to the provision of income taxes for 2Q2017 profits at our subsidiaries, partially offset by the payment of 4Q2016 income taxes by SOA, LCC, and UWX in the current period.

Cash flow Statement

The Group generated net cash from operating activities amounting to \$16.64 million for 2Q2017. During the quarter, the Group paid out approximately \$1.69 million to a non-controlling shareholder for dividend declared by SOA in March 2017; and the Company paid out dividends of \$21.51 million for the financial year ended 31 December 2016. As at 30 June 2017, the Group's cash and cash equivalent balance amounted to \$159.50 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 China's gross domestic product ("GDP") grew 6.9% in the second quarter of 2017 from a year ago, backed by a strong manufacturing sector and healthy domestic consumption.

Investment in China's tourism sector is expected to maintain strong growth momentum through 2017. According to the China National Tourism Administration, direct investment in the industry is predicted to increase more than 20% to reach 1.5 trillion Yuan.

Singapore economy grew 2.5% year-on-year in 2Q2017, based on advance estimates from the Ministry of Trade and Industry. On the tourism sector, it was reported that the outlook for Singapore Tourism looks positive this year, as visitor numbers hit 4.3 million in first quarter, a 4% increase over corresponding period last year. In addition, a second edition of the SMAP (Singapore MICE Advantage Programme) has been launched in Frankfurt on 16 May 2017, with the aim to boost business events in Singapore.

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 2Q2017 financial results to be false or misleading in any material aspect.

On behalf of the Board

Wu Hsioh Kwang
Chairman

Lim Song Joo
Director

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

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

Not applicable.

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

Not applicable.

18. A breakdown of sales.

Not applicable.

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

Not applicable.

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

Not applicable.

BY ORDER OF THE BOARD,

Lotus Isabella Lim Mei Hua
Company Secretary
14 August 2017