



INTRACO LIMITED

(Incorporated in the Republic of Singapore)
Company Registration Number 196800526Z

Condensed interim financial statements
For the six months and full year ended 31 December 2022



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A. Consolidated statement of profit or loss

		6 months ended 31 Dec 2022 S\$'000	6 months ended 31 Dec 2021 S\$'000	Change %	12 months ended 31 Dec 2022 S\$'000	12 months ended 31 Dec 2021 S\$'000	Change %
Note							
Revenue	3	87,781	90,854	(3.4)	192,893	203,977	(5.4)
Cost of sales		(83,482)	(87,543)	(4.6)	(184,292)	(196,673)	(6.3)
Gross profit		4,299	3,311	29.8	8,601	7,304	17.8
Other income		726	156	365.4	912	538	69.5
Distribution expenses		(3)	(5)	(40.0)	(10)	(11)	(9.1)
Administrative expenses		(4,504)	(4,042)	11.4	(9,549)	(8,546)	11.7
Other expenses		(1,071)	(273)	292.3	(1,684)	(273)	516.8
Results from operating activities		(553)	(853)	(35.2)	(1,730)	(988)	75.1
Finance income		468	153	205.9	678	221	206.8
Finance costs		(176)	(115)	53.0	(315)	(236)	33.5
Net finance income/(costs)	4	292	38	668.4	363	(15)	n.m.
Share of (loss)/profit of joint venture (net of tax)		(87)	65	n.m.	18	(6)	n.m.
Loss before taxation	5	(348)	(750)	(53.6)	(1,349)	(1,009)	33.7
Tax credit		7	9	(22.2)	13	11	18.2
Loss for the period/year		(341)	(741)	(54.0)	(1,336)	(998)	33.9
Loss attributable to:							
Equity holders of the Company		(328)	(741)	(55.7)	(1,323)	(998)	32.6
Non-controlling interests		(13)	–	n.m.	(13)	–	n.m.
Loss for the period/year		(341)	(741)	(54.0)	(1,336)	(998)	33.9

n.m. denotes not meaningful

A. Consolidated statement of comprehensive income

		6 months ended 31 Dec 2022 S\$'000	6 months ended 31 Dec 2021 S\$'000	12 months ended 31 Dec 2022 S\$'000	12 months ended 31 Dec 2021 S\$'000
	Note				
Loss for the period/year		(341)	(741)	(1,336)	(998)
Other comprehensive income					
Items that are or may be reclassified subsequently to profit or loss					
Foreign currency translation differences of foreign operations*^		(441)	41	(254)	152
Share of other comprehensive income of joint venture *		94	12	160	44
Other comprehensive (loss)/income for the period/year, net of tax		(347)	53	(94)	196
Total comprehensive loss for the period/ year		(688)	(688)	(1,430)	(802)
Total comprehensive loss attributable to:					
Equity holders of the Company		(675)	(688)	(1,417)	(802)
Non-controlling interests		(13)	—	(13)	—
		(688)	(688)	(1,430)	(802)
Loss per share for profit attributable to equity holders of the Company					
Basic and diluted loss per share (cents)	6	(0.29)	(0.72)	(1.12)	(0.97)
Diluted loss per share (cents) #	6	(0.22)	(0.72)	(0.87)	(0.97)

* There are no tax effects relating to these components of other comprehensive income.

^ The foreign currency translation differences of foreign operations is derived from the foreign exchange differences of the subsidiaries functional currency translated to the Group's reporting currency.

Diluted loss per share is derived on the basis of assumption 40 million of warrants are exercised as at 31 December 2022. Further information on the warrants, please refer to note 6 and 11.

B. Statement of financial position

		Group		Company	
	Note	31 Dec 2022 S\$'000	31 Dec 2021 S\$'000	31 Dec 2022 S\$'000	31 Dec 2021 S\$'000
Assets					
Non-current assets					
Property, plant and equipment		11,210	13,057	87	323
Intangible assets		248	158	39	158
Subsidiaries	7	–	–	21,758	18,738
Joint venture	8	–	609	–	550
Investments	9	4,644	636	4,064	–
		16,102	14,460	25,948	19,769
Current assets					
Investments	9	19,880	24,731	19,880	24,731
Inventories		2,902	1,702	–	–
Amount due from subsidiaries		–	–	17,986	15,818
Trade and other receivables		22,525	18,069	1,357	124
Contract assets		1,540	2,762	–	–
Cash and cash equivalents	10	17,852	22,921	10,630	12,779
		64,699	70,185	49,853	53,452
Total assets		80,801	84,645	75,801	73,221
Equity					
Capital and reserves attributable to equity holders of the Company					
Share capital	11	88,495	84,069	88,495	84,069
Treasury shares	11	(359)	(254)	(359)	(254)
Reserves		(204)	(110)	12,864	13,086
Accumulated losses		(28,938)	(27,615)	(27,621)	(26,711)
		58,994	56,090	73,379	70,190
Non-controlling interests		35	–	–	–
Total equity		59,029	56,090	73,379	70,190
Liabilities					
Non-current liabilities					
Loans and borrowings	12	610	807	–	73
Deferred tax liabilities		480	493	–	–
		1,090	1,300	–	73
Current liabilities					
Loans and borrowings	12	9,181	11,891	73	199
Financial liabilities	13	830	–	–	–
Amount due to subsidiaries		–	–	1,626	1,872
Trade and other payables		10,667	15,360	723	887
Current tax liabilities		4	4	–	–
		20,682	27,255	2,422	2,958
Total liabilities		21,772	28,555	2,422	3,031
Total equity and liabilities		80,801	84,645	75,801	73,221
Net asset value per share					
	14	0.52	0.55	0.65	0.68

C. Statements of changes in equity

Group	Share capital S\$'000	Treasury shares S\$'000	Translation reserve S\$'000	Accumulated losses S\$'000	Total S\$'000	Non-Controlling Interests S\$'000	Total equity S\$'000
Balance as at 1 January 2022	84,069	(254)	(110)	(27,615)	56,090	–	56,090
Total comprehensive income for the year							
Loss for the year	–	–	–	(1,323)	(1,323)	(13)	(1,336)
Other comprehensive loss							
Foreign currency translation differences of foreign operations	–	–	(254)	–	(254)	–	(254)
Share of other comprehensive income of joint venture	–	–	160	–	160	–	160
Total other comprehensive loss	–	–	(94)	–	(94)	–	(94)
Total comprehensive loss for the year	–	–	(94)	(1,323)	(1,417)	(13)	(1,430)
Transactions with owners, recognised directly in equity							
Contributions by and distributions to owners							
Issuance of shares, net of expenses	4,426	–	–	–	4,426	–	4,426
Purchase of treasury shares, net of expenses	–	(105)	–	–	(105)	–	(105)
Acquisition of subsidiary	–	–	–	–	–	44	44
Incorporation of subsidiary	–	–	–	–	–	4	4
Balance as at 31 December 2022	88,495	(359)	(204)	(28,938)	58,994	35	59,029

C. Statements of changes in equity (cont'd)

Group	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Translation reserve S\$'000	Accumulated losses S\$'000	Total equity S\$'000
Balance as at 1 January 2021	84,069	(254)	–	(306)	(26,617)	56,892
Total comprehensive income/(loss) for the year						
Loss for the year	–	–	–	–	(998)	(998)
Other comprehensive income						
Foreign currency translation differences of foreign operations	–	–	–	152	–	152
Share of other comprehensive income of joint venture	–	–	–	44	–	44
Total other comprehensive income	–	–	–	196	–	196
Total comprehensive income/(loss) for the year	–	–	–	196	(998)	(802)
Balance as at 31 December 2021	84,069	(254)	–	(110)	(27,615)	56,090

C. Statements of changes in equity (cont'd)

Company	Share capital S\$'000	Treasury shares S\$'000	Fair value reserve S\$'000	Accumulated losses S\$'000	Total equity S\$'000
Balance as at 1 January 2022	84,069	(254)	13,086	(26,711)	70,190
Total comprehensive loss for the year					
Loss for the year	—	—	—	(910)	(910)
Other comprehensive loss					
Net change in fair value of equity investments at FVOCI	—	—	(222)	—	(222)
Total comprehensive loss for the year	—	—	(222)	(910)	(1,132)
Transactions with owners, recognised directly in equity					
Contributions by and distributions to owners					
Issuance of shares, net of expenses	4,426	—	—	—	4,426
Purchase of treasury shares, net of expenses	—	(105)	—	—	(105)
Balance as at 31 December 2022	88,495	(359)	12,864	(27,621)	73,379
Balance as at 1 January 2021	84,069	(254)	7,678	(25,076)	66,417
Total comprehensive income for the year					
Loss for the year	—	—	—	(1,635)	(1,635)
Other comprehensive income					
Net change in fair value of equity investments at FVOCI	—	—	5,408	—	5,408
Total comprehensive income for the year	—	—	5,408	(1,635)	3,773
Balance as at 31 December 2021	84,069	(254)	13,086	(26,711)	70,190

D. Consolidated statement of cash flows

	12 months ended 31 Dec 2022 S\$'000	12 months ended 31 Dec 2021 S\$'000
Cash flows from operating activities		
Loss for the year	(1,336)	(998)
Adjustments for:		
Allowance for impairment on receivables and contract assets	491	37
Amortisation of intangible assets	119	114
Bad debts written off	–	4
Change in fair value of the contingent consideration	(2)	(75)
Depreciation of property, plant and equipment	1,894	1,931
Fair value loss of financial assets at FVTPL	830	232
Gain on disposals of property, plant and equipment	(19)	–
Gain on disposal of wine tokens	(102)	–
Write-off of property, plant and equipment	–	1
Write-down of inventory to net realisable value	232	–
Lease liabilities payments waived	–	(3)
Gain on disposal of investment in joint venture	(396)	–
Net finance (income)/cost	(363)	15
Share of net (profit)/loss of joint venture, net of tax	(18)	6
Tax credit	(13)	(11)
Foreign exchange loss	79	1
	1,396	1,254
Changes in:		
- inventories	(1,432)	(180)
- trade and other receivables	(3,520)	(2,319)
- contract assets	974	(740)
- trade and other payables	(2,460)	(2,737)
Cash used in operating activities	(5,042)	(4,722)
Taxes paid	–	(55)
Net cash flow used in operating activities	(5,042)	(4,777)
Cash flows from investing activities		
Acquisition of subsidiary	(165)	–
Incorporation of subsidiary	4	–
Interest received	418	77
Dividend received from financial assets at FVTPL	166	153
Purchase of intangible asset	–	(16)
Purchase of property, plant and equipment and software	(47)	(167)
Purchase of short-term securities and corporate bonds	(23,929)	(25,624)
Proceeds from disposals of property, plant and equipment	19	–
Redemption of bond funds	23,901	–
Settlement of contingent consideration	(2,254)	–
Net cash flow used in investing activities	(1,887)	(25,577)

D. Consolidated statement of cash flows (cont'd)

	12 months ended 31 Dec 2022 S\$'000	12 months ended 31 Dec 2021 S\$'000
Cash flows from financing activities		
Financing from trust receipts settled	(4,886)	(1,547)
Interest paid	(339)	(201)
Increase in deposits pledged	–	(42)
Issuance of new shares	4,426	–
Payment of lease liabilities	(275)	(286)
Proceeds from borrowings	2,151	–
Proceeds from financial liability	932	–
Purchase of treasury shares	(105)	–
Repayment of loans and borrowings	(44)	(46)
Net cash flow from/(used in) financing activities	1,860	(2,122)
Net decrease in cash and cash equivalents	(5,069)	(32,476)
Cash and cash equivalents at 1 January	22,758	55,235
Effects of exchange rate fluctuations on cash held	1	–
Cash and cash equivalents at 31 December	17,690	22,759

Cash and cash equivalents included in the consolidated statement of cash flows consist of the following:-

Cash at banks and in hand	7,651	12,022
Fixed deposits with bank	10,201	8,899
Cash and cash equivalents in the statements of financial position	17,852	22,921
Deposits pledged	(162)	(162)
Cash and cash equivalents in the statement of cash flows	17,690	22,759

E. Notes to the condensed interim financial statements

1. Corporate information

Intraco Limited (the Company) is incorporated and domiciled in Singapore and the Company's shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim financial statements as at and for the six months and full year ended 31 December 2022 comprise the Company and its subsidiaries (collectively, the Group). During the financial year ended 31 December 2022, the Group is primary involved in the trading and distribution of plastics resin, providing passive fire protection products and services and provision of mobile radio infrastructure management services. In the 6 months financial period ended 31 December 2022, the Group has also ventured into corporate advisory services related to digital assets.

2. Basis of Preparation

The condensed interim financial statements for the six months and full year ended 31 December 2022 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant for an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

E. Notes to the condensed interim financial statements (cont'd)

2.2 Use of judgements and estimates (cont'd)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3. Revenue

	----- Group -----			
	6 months ended 31 Dec 2022 S\$'000	6 months ended 31 Dec 2021 S\$'000	12 months ended 31 Dec 2022 S\$'000	12 months ended 31 Dec 2021 S\$'000
Trading, distribution and others	81,564	87,235	182,577	196,462
Passive fire protection	6,217	3,619	10,316	7,515
	<u>87,781</u>	<u>90,854</u>	<u>192,893</u>	<u>203,977</u>

4. Net finance income/(costs)

	----- Group -----			
	6 months ended 31 Dec 2022 S\$'000	6 months ended 31 Dec 2021 S\$'000	12 months ended 31 Dec 2022 S\$'000	12 months ended 31 Dec 2021 S\$'000
Interest income under the effective interest method on cash and cash equivalents	23	31	35	68
Income from short-term securities	331	–	399	–
Income from financial assets at amortised cost	60	122	77	153
Income from financial assets at FVTPL	54	–	167	–
Finance income	<u>468</u>	<u>153</u>	<u>678</u>	<u>221</u>
Financial liabilities measured at amortised cost - interest expense on:				
- secured bank loans	(16)	(11)	(27)	(22)
- unsecured bank loans and trust receipts	(153)	(74)	(270)	(152)
- lease liabilities	(7)	(14)	(18)	(27)
Upfront fee & management fee	–	(16)	–	(35)
Finance costs	<u>(176)</u>	<u>(115)</u>	<u>(315)</u>	<u>(236)</u>
Net finance income/(costs) recognised in profit or loss	<u>292</u>	<u>38</u>	<u>363</u>	<u>(15)</u>

E. Notes to the condensed interim financial statements (cont'd)

5. Loss before taxation

The following items have been included in arriving at loss before taxation:

	----- Group -----			
	6 months ended 31 Dec 2022 S\$'000	6 months ended 31 Dec 2021 S\$'000	12 months ended 31 Dec 2022 S\$'000	12 months ended 31 Dec 2021 S\$'000
Allowance for impairment on receivables and contract assets	497	37	497	37
Amortisation of intangible assets	59	58	119	114
Bad debt written off	–	4	–	4
Change in fair value of contingent consideration	2	(25)	–	(75)
Cost of inventories recognised in cost of sales	75,576	86,225	175,165	191,343
Depreciation of property, plant and equipment	946	957	1,894	1,931
Fair value loss of financial assets at FVTPL [#]	115	234	830	232
Foreign exchange loss/(gain)	28	(29)	130	(42)
Gain on disposal of investment in joint venture [#]	(396)	–	(396)	–
Gain on disposals of property, plant and equipment	(19)	–	(19)	–
Gain on disposal of wine tokens	(102)	–	(102)	–
Government grants	(140)	(121)	(312)	(486)
Write-down of inventory to net realisable value	232	–	232	–

[#] Included in other income/expenses in the consolidated statement of profit or loss.

E. Notes to the condensed interim financial statements (cont'd)

6. Loss per share

The basic loss per share was calculated using the following data:

	----- Group -----			
	6 months ended 31 Dec 2022 S\$'000	6 months ended 31 Dec 2021 S\$'000	12 months ended 31 Dec 2022 S\$'000	12 months ended 31 Dec 2021 S\$'000
Loss attributable to equity holders of the Company	(328)	(741)	(1,323)	(998)
	Number of shares	Number of shares	Number of shares	Number of shares
Weighted average number of ordinary shares	112,167,377	102,816,879	112,167,377	102,816,879

Diluted loss per share is derived on the basis of assumption 40 million of warrants are exercised as at 31 December 2022. Further information on the warrants, please refer to note 11.

7. Subsidiaries

	----- Company -----	
	31 Dec 2022 S\$'000	31 Dec 2021 S\$'000
Equity investments at FVOCI	21,758	16,720
Quasi equity loan to a subsidiary	—	2,018
	<u>21,758</u>	<u>18,738</u>

The Company designated its subsidiaries as equity investments at FVOCI. The carrying amounts of the equity investments were determined based on the fair value of the net assets of the subsidiaries as at the reporting date. On 1 January 2021, the Company designated a loan of S\$2,018,000 due from Intraco Trading Pte Ltd ("ITPL") as quasi equity in nature. Interest was chargeable at 1.15% - 4.48% (2021: 1.15%) per annum and has no fixed terms of repayment. Full repayment of the quasi equity loan was made on 19 December 2022.

On 19 July 2022, the Company acquired 51% of Taurus Point Capital Pte Ltd ("TPC") for a total consideration of \$255,000.

On 20 July 2022, the Company subscribed an additional 5,999 new shares in Provenance Treasures Pte. Ltd. The company owns 60% of equity interest, thereby increasing its issued and paid-up share capital from \$1 to \$6,000.

E. Notes to the condensed interim financial statements (cont'd)

7. Subsidiaries (Cont'd)

On 1 December 2022, the Company further increased its investment in ITPL from \$2.0 million to \$7.0 million by way of capitalisation of debt owing to the Company by ITPL.

8. Joint venture

	----- Group -----		----- Company -----	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
	S\$'000	S\$'000	S\$'000	S\$'000
Interest in joint venture	—	609	—	550

On 21 September 2022, the Company divested its 40% equity interest or 2,000,000 ordinary shares held in Tat Hong Intraco Pte Ltd for a consideration of US\$838,000 (approximately S\$1.2 million). The divestment resulted in a gain on disposal of S\$396,000.

9. Investments

	----- Group -----		----- Company -----	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets:				
Debt investments – at amortised cost	4,064	—	4,064	—
Debt investments – mandatorily at FVTPL	580	636	—	—
	<u>4,644</u>	<u>636</u>	<u>4,064</u>	<u>—</u>
Current assets:				
Financial assets at fair value through profit or loss	—	24,731	—	24,731
Short-term securities	19,880	—	19,880	—
	<u>19,880</u>	<u>24,731</u>	<u>19,880</u>	<u>24,731</u>

The short-term securities have a maturity of six months or less and is subject to an insignificant risk of changes in value.

E. Notes to the condensed interim financial statements (cont'd)

10. Cash and cash equivalents

	----- Group -----		----- Company -----	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
	S\$'000	S\$'000	S\$'000	S\$'000
Cash at banks and in hand	7,651	12,022	630	3,279
Fixed deposits with banks	10,201	8,899	10,000	7,500
Cash and cash equivalents in the statements of financial position	17,852	22,921	10,630	12,779
Deposits pledged	(162)	(162)	–	–
Cash and cash equivalents in the statement of cash flows	17,690	22,759	10,630	12,779

Deposits pledged represent bank balances of certain subsidiaries pledged as security for issuance of letters of credit.

E. Notes to the condensed interim financial statements (cont'd)

11. Share capital & treasury shares

	----- 31 Dec 2022 -----		----- 31 Dec 2021 -----	
	Number of shares	S\$'000	Number of shares	S\$'000
Share capital				
Balance at 1 January	103,725,879	84,069	103,725,879	84,069
Shares issued	10,000,000	4,426	–	–
Balance at 31 December	<u>113,725,879</u>	<u>88,495</u>	<u>103,725,879</u>	<u>84,069</u>
Treasury shares				
Balance at 1 January	909,000	254	909,000	254
Purchase of treasury shares	333,400	105	–	–
Balance at 31 December	<u>1,242,400</u>	<u>359</u>	<u>909,000</u>	<u>254</u>

	----- Company -----	
	31 Dec 2022	31 Dec 2021
	Number of shares	Number of shares
Total number of issued shares	113,725,879	103,725,879
Less: Treasury shares	<u>(1,242,400)</u>	<u>(909,000)</u>
Total number of issued shares excluding treasury shares	<u>112,483,479</u>	<u>102,816,879</u>

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. On 17 January 2022, the Company allotted and issued 10,000,000 subscription shares at the issuance price of \$0.45 per share.

No share options had been granted under the Intraco Employee Share Option Scheme which was approved at an Extraordinary General Meeting held on 29 April 2013. In this respect, the Company does not have outstanding convertibles as at 31 December 2022 and 31 December 2021. There were no subsidiary holdings as at 31 December 2022 and 31 December 2021.

Treasury shares relate to ordinary shares of the Company that are held by the Company. As at 31 December 2022, the Company held 1,242,400 treasury shares (31 December 2021: 909,000) which represents 1.09% of the total number of issued shares. There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at 31 December 2022 and 31 December 2021.

On 7 July 2022, the Company issued 40 million of warrants which can be exercisable at any time within 4 years from the date of issuance. The exercise price of the warrants is \$0.50 per share, although the warrant holder has undertaken to the Company that it shall not exercise any of its warrants if it, directly or indirectly, holds more than 14.5% of the total issued share capital of the Company from time to time. Each warrant carries the right to subscribe for one ordinary share in the capital of the Company.

E. Notes to the condensed interim financial statements (cont'd)

12. Loans and borrowings

	----- Group -----		----- Company -----	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current liabilities				
Secured bank loans	558	602	—	—
Lease liabilities	52	205	—	73
	<u>610</u>	<u>807</u>	<u>—</u>	<u>73</u>
Current liabilities				
Secured bank loans	47	47	—	—
Unsecured bank loan	2,151	—	—	—
Lease liabilities	153	275	73	199
Trust receipts	6,830	11,569	—	—
	<u>9,181</u>	<u>11,891</u>	<u>73</u>	<u>199</u>

Details of any collateral

The secured bank loans and finance lease liabilities of the Group are secured over the leasehold properties and motor vehicles of the Group with carrying amounts of S\$1,357,000 (31 December 2021: S\$1,398,000).

13. Financial liability

	----- Group -----		----- Company -----	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
	S\$'000	S\$'000	S\$'000	S\$'000
Financial liability, at fair value through profit and loss	830	—	—	—
	<u>830</u>	<u>—</u>	<u>—</u>	<u>—</u>

This relates to a debt security offered to accredited investors via digital tokens to fund the purchase of a portfolio of burgundy wines. The debt security does not carry any interest and it is redeemable at the option of the issuer.

E. Notes to the condensed interim financial statements (cont'd)

14. Net asset value per share

	----- Group -----		----- Company -----	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Net asset value per ordinary share based on issue share capital at the end of the year	0.52	0.55	0.65	0.68

The calculation of the net asset value per ordinary share was based on total number of 112,483,479 (31 December 2021: 102,816,879) ordinary shares.

15. Operating segments

During the financial year ended 31 December 2022, the Group has the following two key business units which are its reportable segments, as described below. The business units offer different products and services and are accordingly managed. For each of the business units, the Group's Key Executives review internal management reports on a monthly basis. The following summary describes the key operations in each of the Group's reportable segments:

- *Trading, distribution and others* *Trading in plastic resins, provision of mobile radio infrastructure management service and corporate advisory services related to digital assets.*
- *Passive fire protection* *Manufacturing, sales and installation of passive fire protection products.*

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's Key Executives. Inter-segment pricing is determined on an arm's length basis.

Geographical information

The Group's business is primarily in Singapore, Vietnam, Malaysia, Indonesia and others.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers and segment assets are based on the geographical location of the assets.

E. Notes to the condensed interim financial statements (cont'd)

15. Operating segments (cont'd) From 2023 change segment

By operating segments

	----- 6 months ended 31 Dec 2022 -----			----- 6 months ended 31 Dec 2021 -----		
	Trading, distribution and others S\$'000	Fire protection S\$'000	Consolidated S\$'000	Trading, distribution and others S\$'000	Fire protection S\$'000	Consolidated S\$'000
External revenue	81,564	6,217	87,781	87,235	3,619	90,854
Interest expense and other finance costs	(152)	(20)	(172)	(74)	(17)	(91)
Depreciation and amortisation	(693)	(110)	(803)	(692)	(159)	(851)
Reportable segment profit/(loss) before tax	(287)	(78)	(365)	2,177	(229)	1,948
Reportable segment assets	26,566	16,457	43,023	27,726	15,743	43,469
Reportable segment liabilities	17,887	3,178	21,065	22,218	2,898	25,116
Other non-cash items:						
- Allowance for impairment on receivables and contract assets	–	(497)	(497)	–	(37)	(37)
- Bad debts written off	–	–	–	–	(4)	(4)
- Foreign exchange (loss)/gain	(187)	1	(186)	37	(1)	36
- Gain on disposal of property, plant and equipment	–	19	19	–	2	2
- Write-down of inventory to net realisable value	(223)	(9)	(232)	–	–	–
Capital expenditure	–	(28)	(28)	(5)	(55)	(60)

E. Notes to the condensed interim financial statements (cont'd)

15. Operating segments (cont'd)

By operating segments

	----- 12 months ended 31 Dec 2022 -----			----- 12 months ended 31 Dec 2021 -----		
	Trading, distribution and others S\$'000	Fire protection S\$'000	Consolidated S\$'000	Trading, distribution and others S\$'000	Fire protection S\$'000	Consolidated S\$'000
External revenue	182,577	10,316	192,893	196,462	7,515	203,977
Interest expense and other finance costs	(269)	(36)	(305)	(152)	(30)	(182)
Depreciation and amortisation	(1,387)	(220)	(1,607)	(1,384)	(337)	(1,721)
Reportable segment (loss)/profit before tax	154	(68)	86	1,147	(453)	694
Reportable segment assets	26,566	16,457	43,023	27,726	15,743	43,469
Reportable segment liabilities	17,887	3,178	21,065	22,218	2,898	25,116
Other non-cash items:						
- Allowance for impairment on receivables and contract assets	–	(491)	(491)	–	(37)	(37)
- Bad debts written off	–	–	–	–	(4)	(4)
- Foreign exchange (loss)/gain	(33)	2	(31)	79	(2)	77
- Gain on disposal of property, plant and equipment	–	19	19	–	(1)	(1)
- Write-down of inventory to net realisable value	(223)	(9)	(232)	–	–	–
Capital expenditure	(10)	(37)	(47)	(7)	(360)	(367)

E. Notes to the condensed interim financial statements (cont'd)

15. Operating segments (cont'd)

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items

	6 months ended 31 Dec 2022 S\$'000	6 months ended 31 Dec 2021 S\$'000	12 months ended 31 Dec 2022 S\$'000	12 months ended 31 Dec 2021 S\$'000
Revenue				
Total revenue for reporting segments and consolidated revenue	87,781	90,854	192,893	203,977
Profit or loss				
Total loss/(profit) for reportable segments	(365)	(52)	86	694
Unallocated amounts:				
- Other corporate expenses, net of income	104	(763)	(1,453)	(1,697)
Share of (loss)/profit of equity-accounted investees, net of tax	(87)	65	18	(6)
Consolidated loss before tax	(348)	(750)	(1,349)	(1,009)
Assets				
Total assets for reportable segments			43,023	43,469
Other unallocated amounts			37,778	40,567
			80,801	84,036
Investments in equity-accounted investees			—	609
Consolidated total assets			80,801	84,645
Liabilities				
Total liabilities for reportable segments			21,065	25,116
Other unallocated amounts			707	3,439
Consolidated total liabilities			21,772	28,555

E. Notes to the condensed interim financial statements (cont'd)

15. Operating segments (cont'd)

Other material items

	----- 6 months ended 31 Dec 2022 -----			----- 6 months ended 31 Dec 2021 -----		
	Reportable segments S\$'000	Adjustments S\$'000	Consolidated S\$'000	Reportable segments S\$'000	Adjustments S\$'000	Consolidated S\$'000
Finance income	–	468	468	–	153	153
Interest expense and other finance costs	(172)	(3)	(175)	(91)	(24)	(115)
Depreciation and amortisation	(803)	(202)	(1,005)	(851)	(164)	(1,015)
Allowance for impairment on receivables and contract assets	(497)	–	(497)	(37)	–	(37)
Bad debts written off	–	–	–	(4)	–	(4)
Change in fair value of contingent consideration	–	–	–	–	25	25
Foreign exchange (loss)/gain	(186)	(46)	(232)	36	(7)	29
Gain on disposal of property, plant and equipment	19	–	19	2	–	2
Gain on disposal of investment in joint venture	–	396	396	–	–	–
Write-down of inventory to net realisable value	(233)	–	(233)	–	–	–
Capital expenditure	(28)	–	(28)	(91)	(24)	(115)

E. Notes to the condensed interim financial statements (cont'd)

15. Operating segments (cont'd)

Other material items

	----- 12 months ended 31 Dec 2022 -----			----- 12 months ended 31 Dec 2021 -----		
	Reportable segments S\$'000	Adjustments S\$'000	Consolidated S\$'000	Reportable segments S\$'000	Adjustments S\$'000	Consolidated S\$'000
Interest income	–	678	678	–	68	68
Interest expense and other finance costs	(305)	(9)	(314)	(182)	(54)	(236)
Depreciation and amortisation	(1,607)	(406)	(2,013)	(1,721)	(324)	(2,045)
Allowance for impairment on receivables and contract assets	(491)	–	(491)	(37)	–	(37)
Bad debts written off	–	–	–	(4)	–	(4)
Change in fair value of contingent consideration	–	2	2	–	75	75
Foreign exchange gain/(loss)	(31)	(99)	(130)	77	(35)	42
Gain on disposal of property, plant and equipment	19	–	19	2	–	2
Gain on disposal of investment in joint venture	–	396	396	–	–	–
Write-down of inventory to net realisable value	(233)	–	(233)	–	–	–
Capital expenditure	(47)	–	(47)	(367)	(115)	(482)

E. Notes to the condensed interim financial statements (cont'd)

15. Operating segments (cont'd)

Geographical information

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

	6 months ended 31 Dec 2022 S\$'000	6 months ended 31 Dec 2021 S\$'000	12 months ended 31 Dec 2022 S\$'000	12 months ended 31 Dec 2021 S\$'000
Revenue				
Singapore	21,292	17,973	42,040	38,611
Vietnam	46,797	54,726	113,222	126,314
Indonesia	7,093	4,880	13,750	16,964
Malaysia	9,005	4,993	16,227	10,084
Others^	3,594	8,282	7,654	12,004
Consolidated revenue	87,781	90,854	192,893	203,977
Non-current assets*				
Singapore			11,182	13,001
Vietnam			28	56
			11,210	13,057

* Non-current assets presented consist of property, plant and equipment.

^ Others include China, Australia and Philippines.

16. Related party transactions

There are no material related party transactions apart from directors' fees and compensation paid to key management personnel

17. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial year.

18. Subsequent event

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

Other Information Required by
Listing Rule Appendix 7.2

F. Other information required by Listing Rule Appendix 7.2

1. Review

The consolidated statement of financial position of Intraco Limited and its subsidiaries as at 31 December 2022 and the related consolidated profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six-month and full year ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

Consolidated Statement of Profit or Loss – H2 FY2022 vs H2 FY2021

Revenue

Revenue from the trading, distribution and other business segment decreased by 6.5% from S\$87.2 million in H2 FY2021 to S\$81.5 million in H2 FY2022. The decrease is due mainly to the lower plastic resin prices during the period under review as compared to H2 FY2021.

Revenue from the passive fire protection business segment increased by 71.8% from S\$3.6 million in H2 FY2021 to S\$6.2million to H2 FY2022. The increase is due mainly to more projects secured and completed due to the resumption of construction activities in Singapore with the relaxation of Covid-19 measures in H2 FY2022 and the availability of more foreign workers to complete the projects.

Revenue derived from digital assets business segment ie advisory of the issuance of short-term debt securities in digital tokens for the period under review was S\$75,000.

Gross profit

Gross profit increased from S\$3.3 million in H2 FY2021 to S\$4.3 million in H2 FY2022 representing an increase of 29.8%. The increase in gross profits is due mainly to improved profit margins from the passive fire protection and trading and distribution and other business segments.

Other income

Increase in other income of S\$0.6 million was mainly due to the gain on disposal of joint venture amounting to S\$0.4 million after the joint venture was divested on 21 September 2022.

The Group also recognised its share of gain from the sale of its burgundy wine tokens to accredited investors of S\$0.1 million.

F. Other information required by Listing Rule Appendix 7.2 (cont'd)

2. Review of performance of the Group (cont'd)

Consolidated Statement of Profit or Loss – H2 FY2022 vs H2 FY2021 (Cont'd)

Administrative expenses

In H2 FY2021, there was a reversal of provisions amounting to approximately S\$0.6 million which resulted in administrative expenses of S\$4.0 million in H2 FY2021 as compared to H2 FY2022 of S\$4.5 million. Taking into consideration this reversal of provisions in H2 FY2021, the decline of approximately S\$0.1 million was due mainly to costs control initiatives in H2 FY2022.

Other expenses

Other expenses in H2 FY2022 of S\$1.0 million mainly comprised of (i) the fair value loss on financial assets of S\$0.1 million, (ii) allowance for impairment on receivables and contract assets of S\$0.5 million, (iii) write down of inventories to estimated net realisable value of S\$0.2 million and (iv) foreign exchange loss amounting to S\$0.2 million. Other expenses in H2 FY2021 of S\$0.2 million comprised of mainly the fair value loss on financial assets.

Finance income

Finance income increased by S\$0.3 million in H2 FY2022 mainly due to the change in the Group's short-term securities such as SGS T-Bills, commercial papers and fixed deposits.

Finance costs

Finance cost increased by S\$61,000 in H2 FY2022 mainly due to the increment of the interest rate for the trust receipts. The interest rates ranging from 2.4% to 5.3% in H2 FY2022 to 0.8% to 1.1% in H2 FY2021, resulting in higher finance cost.

Share of net (loss)/profit of joint venture, net of tax

The Group recorded a share of loss of S\$87,000 in H2 FY2022 from its joint venture in Myanmar, due mainly to the foreign exchange loss on the Myanmar currency the joint venture holds in its bank account. On 21 September 2022, the Group divested its entire equity in the joint venture (please also refer to explanation under "Other income").

Loss before taxation

In H2 FY2022, the Group recorded a loss before tax of S\$0.3 million as compared to a loss of S\$0.7 million in H2 FY2021.

F. Other information required by Listing Rule Appendix 7.2 (cont'd)

2. Review of performance of the Group (cont'd)

Consolidated Statement of Profit or Loss – FY2022 vs FY2021

Revenue

Revenue from the trading, distribution and other business segment decreased by 7.1% from S\$196.5 million in FY2021 to S\$182.6 million in FY2022 due mainly to the lower plastic resins prices compared to FY2021.

Revenue from the passive fire protection business segment increased by 37.3% from S\$7.5 million in FY2021 to S\$10.3 million in FY2022. The increase is due mainly to more projects secured and completed due to the resumption of construction activities in Singapore with the relaxation of Covid-19 measures in the second half of FY2022 and the availability of more foreign workers to complete the projects.

Gross profit

Gross profit increased S\$1.3 million from S\$7.3 million in FY2021 to S\$8.6 million in FY2022 due mainly to the improve profit margins obtained both from the passive fire protection and trading, distribution and other business segments.

Other income

Increase in other income of S\$0.4 million was mainly due to the (i) gain on disposal of joint venture of approximately S\$0.4 million and (ii) the Group's share of its gain from the sale of its burgundy wine tokens to accredited investors of S\$0.1 million. This was offset against the lower Government Grants received in FY2022 as compared to FY2021 of S\$0.2 million.

Administrative expenses

In FY2021, there was a reversal of provisions amounting to S\$0.6 million which resulted in lower administrative expenses. Taking into consideration this reversal of provisions made and the increase of overall staff cost incurred H1 FY2022 amounting to approximately S\$0.5 million, notwithstanding the cost control initiatives in H2 FY2022, the Group's administrative expenses increased by approximately \$1.0 million as compared to FY2021.

Other expenses

Other expenses in FY2022 of S\$1.7 million comprised mainly of (i) allowance for impairment on receivables and contract assets of S\$0.5 million, (ii) fair value loss on financial assets of S\$0.7 million and (iii) write-down for inventories to estimated net realisable value of S\$0.3 million. In FY2021, other expenses comprised mainly of fair value loss on financial assets of S\$0.2 million.

F. Other information required by Listing Rule Appendix 7.2 (cont'd)

2. Review of performance of the Group (cont'd)

Consolidated Statement of Profit or Loss – FY2022 vs FY2021 (Cont'd)

Finance income

Finance income increased by S\$0.4 million in FY2022 due mainly due to the investment returns received from the Group's investments in short-term securities such as SGS T-Bills and commercial papers and as well as interests received from fixed deposits.

Finance costs

Finance cost increased by S\$79,000 in FY2022 mainly due to the increment of the interest rate for the trust receipts. The interest rates ranging from 1.1% to 5.3% in FY2022 to 0.8% to 1.1% in FY2021, resulting in higher finance cost.

Share of (loss)/profit of joint venture, net of tax

Share of results of joint venture in FY2022 of S\$18,000 included mainly the results from the Group's joint venture in Myanmar which the Group had divested on 21 September 2022.

Loss before taxation

In FY2022, the Group recorded a loss before tax of S\$1.3 million as compared to a loss of S\$1.0 million in FY2021.

Consolidated Statement of Financial Position

The decrease in property, plant and equipment from S\$13.1 million in FY2021 to S\$11.2 million in FY2022 is mainly due to the depreciation expense amounting to S\$1.9 million.

The increase in trade and other receivables of S\$4.5 million was mainly due to the increase in upfront payments to its suppliers for its trading, distribution business to secure shipments to customers.

The increase in inventories of S\$1.2 million was mainly due to the purchase of its burgundy wine portfolio ("wines") amounting to S\$0.8 million, funded by an offering of debt securities to accredited investors via digital tokens. The debt securities are interest-free but the holders shall be entitled to any net gains or losses from the disposal of the wines. Please also see section E2, Note 13.

Contract assets mainly relates to the passive fire protection segment for its right to consideration for work completed but not billed at the reporting period. The decrease of S\$1.2 million was due mainly to the Group invoicing its customers for the unbilled completed work and also included allowance for impairment on the contract assets amounting to S\$0.2 million.

F. Other information required by Listing Rule Appendix 7.2 (cont'd)

2. Review of performance of the Group (cont'd)

Consolidated Statement of Cash Flow

The cash flow used in operating activities of S\$5.0 million was mainly due to increase in upfront payments to its suppliers for its trading, distribution business to secure shipments to customers and to reduce its effective financing costs.

The cash flow used in investing activities of S\$1.9 million was due mainly to the placement of corporate bonds and short-term securities such as SGS T-Bills and commercial papers on a short-term basis of S\$23.9 million, settlement of contingent consideration of S\$2.2 million, net off against redemption of bond funds of approximately S\$23.9 million.

The cash flow from financing activities of S\$1.9 million was due mainly to net proceeds from placement of new shares in January 2022 of approximately S\$4.4 million and proceeds from short-term bank borrowings for its Trade and Distribution business of S\$2.1 million, proceeds from financial liability S\$1.0 million net off against the settlement of trust receipts of S\$4.9 million and interest payments, payment of lease liabilities and purchase of treasury shares amounting to S\$0.7 million in aggregate.

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

Not applicable.

4. 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 operating period and the next 12 months

The Group's trading and distribution division will continue to persevere and intensify its efforts to grow and optimize its business operations notwithstanding the persisting challenges it is expected to face, in particular due to the on-going war in Ukraine, geo-political tension between the USA and China, fear of global slow-down and rising interest rates which may adversely affect businesses and trade as a whole. It will strive to expand its product range and increase the number of customers in its principal markets such as Indonesia and Vietnam. In December 2022, the Group through its subsidiary Intraco Prime Pte. Ltd., has also entered into an exclusive distribution agreement and Singapore Co-marketing memorandum with Luzhou Laojiao International Development (HK) Co., Ltd. ("Luzhou Laojiao International") for National Cellar 窖 1573 series of Chinese 白酒 baijiu in Singapore for a period of 5 years from 28 December 2022 to 31 December 2027. Also, the Group will continue to provide mobile radio infrastructure management services to the North-East MRT Line in Singapore. It was awarded an extension of its services up to 31 July 2024.

F. Other information required by Listing Rule Appendix 7.2 (cont'd)

4. 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 operating period and the next 12 months (cont'd)

The Group's passive fire protection products and services division has secured order books of approximately \$5.6 million as at the end of January 2023, a substantial proportion of this order books is expected to be completed in the current financial year. It has alleviated its labour shortage issue as Covid-19 restrictions are removed. It should continue to benefit from the demand for its products and services as the construction industry in Singapore recovers this year. The Group is also considering to expand its production of its passive fire protection products into Johor, Malaysia.

In its digital assets business, the Group will continue to build up its assets tokenisation capabilities and explore opportunities with suitable accredited corporate customers to issue debt securities in a digitised token form, and assets-backed digital tokens to be listed on an approved digital exchange in Singapore.

On 7 February 2022, the Company announced that it had entered into an acquisition agreement to acquire 51% equity interests in MHC Digital SG Pte. Ltd. ("MHC Spore") which own an Australian licenced fund manager of digital assets and is also involved in the trading and sales of digital assets. The completion is conditional upon the fulfilment (or otherwise waived) of certain conditions precedent as set out in the Circular to Shareholders dated 15 May 2022. As at the date of this announcement, certain of the conditions precedent, in particular MHC Spore and its subsidiaries achieving an agreed rolling 12-months net profit target and satisfactory due diligence has not been fulfilled or waived by the Company.

The Group continues to uphold a healthy balance sheet and net cash position. It will continue to manage its investments, costs and risks exposure appropriately given the challenging global environment. The Group will continue to review and apply strict cost management measures and a cautious, prudent and risk-managed approach to capital allocation decisions. The Group will consider appropriate mergers, acquisitions and joint ventures as and when any suitable opportunities arise.

F. Other information required by Listing Rule Appendix 7.2 (cont'd)

5. Dividend information

(a) Current Financial Period Reported On

No dividend is declared/recommended for the current financial year.

(b) Corresponding Period of the Immediately Preceding Financial Year

No dividend was declared for the corresponding period of the preceding financial year.

(c) Date payable.

Not applicable.

(d) Record date.

Not applicable.

No dividend was declared or recommended as the Company recorded a loss for the year ended 31 December 2022.

6. Interested person transactions

The Company does not have a general mandate from shareholders pursuant to Rule 920 of the Listing Manual.

Interested Person Transaction, as defined in Chapter 9 of the Listing Manual of the SGX-ST, entered into by the Group or by the Company during the year ended 31 December 2022 is as follows:

Name and Nature of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than 100,000)
Proceeds receivable from Tat Hong Holdings Pte Ltd ("THH") for the disposal of investment in joint venture. THH is an associate of the Company's controlling shareholders, namely TH Investments Pte Ltd, Tat Hong Investments Pte Ltd, Chwee Cheng & Sons Pte Ltd, Ng San Tiong, Ng Sun Ho, Ng San Wee and Ng Sun Giam.	USD \$838,000 (approximately S\$1.2 million)	-

F. Other information required by Listing Rule Appendix 7.2 (cont'd)**7. A breakdown of sales**

	12 months ended 31 Dec 2022 S\$'000	12 months ended 31 Dec 2021 S\$'000	Increase / (Decrease) %
(a) Sales reported for first half year	105,112	113,123	(7.1)
(b) Operating loss after tax before deducting non-controlling interests reported for first half year	(995)	(257)	n.m.
(c) Sales reported for second half year	87,781	90,854	(3.4)
(d) Operating loss after tax before deducting non-controlling interests reported for second half year	(341)	(741)	(54.0)

8. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:—

	Latest Full Year S\$'000	Previous Full Year S\$'000
Ordinary	-	-

9. 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 hereby confirms that it has procured undertakings from all of its directors and executive officers under Rule 720(1) of the Listing Manual.

10. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Pursuant to Rule 704(13) of the Listing Manual, the Company confirms that there are no persons occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Josephine Toh
Company Secretary
24 February 2023