



INTRACO LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No.: 196800526Z)

**RESPONSE TO SGX REGCO'S QUERIES IN RELATION TO THE COMPANY'S ANNUAL REPORT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

The Board of Directors (the "**Board**") of Intraco Limited (the "**Company**" or together with its subsidiaries, the "**Group**") refers to the query raised by Singapore Exchange Regulation ("SGX RegCo") on 19 June 2023 in relation to the Company's Annual Report for the financial year ended 31 December 2022 ("**FY2022 Annual Report**") and wishes to provide the following information:

SGX-ST Query

1. Listing Rule 716 provides that issuers may appoint different auditing firms for its subsidiaries or significant associated companies (referred to in Rule 715(1)) provided that:—
 - (1) the issuer's board and audit committee are satisfied that the appointment would not compromise the standard and effectiveness of the audit of the issuer; or
 - (2) the issuer's subsidiary or associated company, is listed on a stock exchange."

At page 137 of the FY2022 annual report, the Company disclosed that certain subsidiaries are audited by either Shanghai Mingyu Certified Public Accountants Co. Ltd., People's Republic of China, P.S. Yap, Isma & Associates, Chartered Accountants, Malaysia or CKS Assurance PAC (i.e., not audited by the same audited firm based in Singapore, BDO LLP, Singapore). Please clarify whether the Company had complied with Listing Rules 715 and 716 (i.e., Listing Rule 715 to be read with 716).

Company's response to SGX-ST's query:

Further to the disclosure of different auditing firms for the Group's subsidiaries on page 137 of the Company's FY2022 Annual Report, the Company would like to confirm that it had complied with Listing Rules 712 and 715 (to be read with 716) in respect of the suitability of the auditing firms of the Group's subsidiaries.

The appointment of Shanghai Mingyu Certified Public Accountants Co. Ltd., People's Republic of China was from financial year 2018 and the appointment of P.S Yap, Isma & Associates, Chartered Accountants, Malaysia was from financial year 2004. Both foreign incorporated subsidiaries namely Intraco International (Shanghai) Co., Ltd. and K.A. Vermiculite Spray Sdn. Bhd. were dormant during the year and accounted for 2.5% and -0.08% respectively of the net tangible assets of the Group as at 31 December 2022.

The Company would like to add that the appointment of CKS Assurance PAC was for a newly acquired 51% equity interest of subsidiary Taurus Point Capital Pte. Ltd. ("**TPC**") during the financial year. TPC only accounted for 0.2% of the net tangible assets of the Group as at 31 December 2022.

The Board and Audit Committee are satisfied that the appointment of CKS Assurance PAC as auditor for TPC would not compromise the standard and effectiveness of the audit of the Company.



2. With reference to the audited consolidated statement of cash flow on pages 105 and 106 of the Company's FY2022 annual report, please provide an explanation for the material difference in the amounts of the following item, as compared to the unaudited financial results announcement of the Company for the year ended 31 December 2022:-

i. Net cash flow of S\$364,000 generated from investing activities (as per audited results) as compared to net cash flow of S\$1,887,000 used in investing activities (as per unaudited results for FY2022); and

ii. Net cash flow of S\$354,000 used in financing activities (as per audited results) as compared to net cash flow of S\$1,860,000 generated from financing activities (as per unaudited results for FY2022).

Company's response to SGX-ST's query:

The difference was mainly due to the reclassification for the settlement of contingent consideration amounting to S\$2,254,000 from investing activities to financing activities. The reclassification was made in accordance with SFRS(I) 1-7 para 17 (b) which requires a separate disclosure under financing activities for any cash payments to owners to acquire the entity's shares.

BY ORDER OF THE BOARD

Josephine Toh
Company Secretary
20 June 2023