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

Unaudited Full Year Financial Statement for the Year Ended 31/12/2010

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

1(a)(i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated income statement	Notes	Group Year Ended 31/12/10 S$'000	31/12/09 S$'000	% Change
Revenue		191,029	196,710	(2.9)
Cost of sales		(182,197)	(181,109)	0.6
Gross profit		**8,832**	**15,601**	(43.4)
Other income		1,642	5,358	(69.4)
Distribution expenses		(3,500)	(3,823)	(8.4)
Administration expenses		(7,476)	(8,305)	(10.0)
Other operating expenses		(1,093)	(9,410)	(88.4)
Results from operating activities		**(1,595)**	**(579)**	175.5
Finance income		1,073	1,140	(5.9)
Finance expense		(158)	(163)	(3.1)
Net finance income		915	977	(6.3)
Share of profit of associates, net of tax		1,006	301	234.2
Profit before income tax		**326**	**699**	(53.4)
Income tax credit		52	1,992	(97.4)
Profit for the year		**378**	**2,691**	(86.0)
Attributable to :				
Owners of the Company		378	3,105	(87.8)
Non-controlling interests		-	(414)	100.0
Profit for the year		**378**	**2,691**	(86.0)

1(a)(ii) Notes to the income statement

	Group Year Ended 31/12/10 S$'000	31/12/09 S$'000	% Change
Profit is stated after crediting:			
Commission income	817	1,230	(33.6)
Interest income	509	607	(16.1)
Dividend income from investments	56	390	(85.6)
Distribution from investments	508	143	255.2
Gain from fair valuation of financial assets	13	-	n.m.
Gain from sale of investment	502	-	n.m.
Negative goodwill arising from the acquisition of an associate and the remaining interests of a subsidiary	-	2,689	(100.0)
Writeback of impairment of property, plant and equipment	-	1,056	(100.0)
and after charging:			
Interest expense	158	163	(3.1)
Depreciation and amortisation	5,228	4,586	14.0
Impairment loss on intangible assets	-	243	(100.0)
Impairment of investment in an associate	-	383	(100.0)
Loss from sale of an associate	41	-	n.m.
Foreign exchange losses	1,500	713	110.4
Doubtful debts (write back) / allowance made	(156)	5,376	n.m.
(Write back) / Writedown of inventory to its net realisable value	(251)	2,947	n.m.
Income tax includes:			
Current year	-	60	(100.0)
Over provision in respect of prior years	(52)	(2,052)	n.m.

Note: (i) n.m. denotes not meaningful
(ii) Certain comparative figures have been reclassified to conform with the current period's presentation.

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.

Consolidated statement of financial position

	Notes	Group 31/12/10 S$'000	Group 31/12/09 S$'000	Notes	Company 31/12/10 S$'000	Company 31/12/09 S$'000
Assets						
Property, plant and equipment		**4,093**	9,056		**300**	347
Intangible assets		**110**	140		**-**	-
Subsidiaries		**-**	-		**25,843**	30,318
Amount due from a subsidiary		**-**	-		**3,631**	3,631
Associates		**12,771**	14,016		**10,106**	10,993
Other investments	(a)	**940**	3,071	(a)	**940**	3,064
Other receivables		**735**	-		**735**	-
Total non-current assets		**18,649**	26,283		**41,555**	48,353
Other investments	(a)	**2,461**	20	(a)	**2,424**	-
Inventories	(b)	**5,577**	11,821		**303**	565
Trade and other receivables	(b)	**44,297**	33,171		**13,594**	13,445
Loan to an associate		**-**	400		**-**	400
Cash and cash equivalents		**34,698**	35,768		**25,703**	22,426
Total current assets		**87,033**	81,180		**42,024**	36,836
Total assets		**105,682**	107,463		**83,579**	85,189
Equity						
Share capital		**81,874**	81,874		**81,874**	81,874
Other reserves		**(1,172)**	2,561		**(1,634)**	(1,223)
Accumulated losses		**(4,163)**	(6,074)		**(3,800)**	(5,831)
Total equity attributable to owners of the Company		**76,539**	78,361		**76,440**	74,820
Liabilities						
Loans and borrowings		**2**	10		**-**	-
Total non-current liabilities		**2**	10		**-**	-
Trade and other payables		**24,321**	23,380		**7,139**	10,369
Loans and borrowings	(c)	**4,781**	5,641		**-**	-
Current tax payable		**39**	71		**-**	-
Total current liabilities		**29,141**	29,092		**7,139**	10,369
Total liabilities		**29,143**	29,102		**7,139**	10,369
Total equity and liabilities		**105,682**	107,463		**83,579**	85,189

Notes:

(a) The movement from non-current assets to current assets was due to a Note maturing in Jun 2011.

(b) Reduction in inventories and increase in trade receivables is mainly due to higher volume of deliveries of contracted sales during the last month of 2010.

(c) The decrease in loans and borrowings is due to the settlement of trust receipts during the year.

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

Amount repayable in one year or less, or on demand

As at 31/12/10		As at 31/12/09	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
8	4,773	8	5,633

Amount repayable after one year

As at 31/12/10		As at 31/12/09	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
2	-	10	-

Details of any collateral

The secured borrowings are outstanding obligations under a finance lease.

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

Consolidated Statement of Cash Flows

	Group	
	31/12/10 S$'000	**31/12/09** S$'000
Cash flows from operating activities		
Profit for the year	**378**	2,691
Adjustments for:		
Depreciation of property, plant and equipment	**5,091**	4,442
Amortisation of intangible assets	**137**	144
Impairment loss on intangible assets	**-**	243
Gain from sale of property, plant and equipment	**(2)**	(16)
Property, plant and equipment written off	**-**	3
Gain from sale of investment	**(502)**	-
Loss from sale of an associate	**41**	-
(Writeback)/allowance for doubtful debts	**(156)**	5,376
(Writeback)/write down of inventory to its net realisable value	**(251)**	2,947
Reversal of impairment of property, plant and equipment	**-**	(1,056)
Share-based expense of a subsidiary	**-**	16
Gain from fair valuation of financial assets	**(13)**	-
Negative goodwill arising from acquisition of an associate and the remaining interests of a subsidiary	**-**	(2,689)
Impairment of investment in an associate	**-**	383
Share of profit of associates, net of tax	**(1,006)**	(301)
Net finance income	**(915)**	(977)
Income tax credit	**(52)**	(1,992)
	2,750	9,214
Changes in inventories	**6,495**	14,941
Changes in trade and other receivables	**(10,361)**	4,584
Changes in trade and other payables	**1,003**	(11,856)
Restricted bank deposits	**(2,900)**	-
Cash (used in) / generated from operating activities	**(3,013)**	16,883
Interest received	**103**	274
Interest paid	**(159)**	(164)
Income taxes refunded	**20**	2,914
Net cash (used in) / from operating activities	**(3,049)**	19,907
Cash flows from investing activities		
Dividends received	**56**	390
Distribution from investments	**508**	143
Investment in an associate	**-**	(10,106)
Repayment of loan by an associate	**50**	-
Payment for development cost on intangible assets	**(118)**	(102)
Purchase of property, plant and equipment	**(281)**	(815)
Proceeds from sale of investment	**502**	-
Proceeds from sale of associate	**97**	-
Dividends from an associate	**471**	-
Proceeds from sale of property, plant and equipment	**132**	27
Acquisition of minority interests	**-**	(1,256)
Net cash from / (used in) investing activities	**1,417**	(11,719)
Cash flows from financing activities		
Proceeds from borrowings	**4,773**	653
Repayment of borrowings	**(5,633)**	(5,375)
Payment of finance lease liabilities	**(8)**	(8)
Dividend paid by the Company	**(987)**	-
Deposits pledged	**2,900**	(2,900)
Net cash from / (used in) financing activities	**1,045**	(7,630)
Net (decrease) / increase in cash and cash equivalents	**(587)**	558
Cash and cash equivalents at 1 January	**32,868**	32,538
Effects of exchange rate fluctuations on cash held	**(483)**	(228)
Cash and cash equivalents at 31 December	**31,798**	32,868
Comprising:		
Cash at bank and in hand	**13,954**	15,324
Fixed deposits with banks	**20,744**	20,444
	34,698	35,768
Deposits pledged	**-**	(2,900)
Restricted bank deposits	**(2,900)**	-
	31,798	32,868

1(d)(i)(a) A statement of comprehensive income (for the group), together with a comparative statement for the corresponding period of the immediately preceeding financial year.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	31/12/10 S$'000	31/12/09 S$'000	% Change
Profit for the year	378	2,691	(86.0)
Other comprehensive income			
Change in fair value of available-for-sale financial assets	94	188	(50.0)
Foreign currency translation differences - foreign operations	(1,307)	(698)	87.2
Share of an associate's non distributable reserve	-	12	(100.0)
Share-based expenses of a subsidiary	-	16	(100.0)
Other comprehensive income for the year, net of tax	(1,213)	(482)	151.7
Total comprehensive income for the year	(835)	2,209	(137.8)
Attributable to:			
Owners of the Company	(835)	2,668	(131.3)
Non-controlling interests	-	(459)	(100.0)
Total comprehensive income for the year	(835)	2,209	(137.8)

1(d)(i)(b) 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.

Statement of Changes in Equity:

Group (S$'000)	Share capital	Share option reserve	Capital reserve	Currency translation reserve	Fair value reserve	Accumulated losses	Total attributable to owners of the Company	Non-controlling interests	Total equity
As at 1 January 2010	**81,874**	**168**	**3,453**	**(1,248)**	**188**	**(6,074)**	**78,361**	**-**	**78,361**
Total comprehensive income for the year									
Profit for the year	-	-	-	-	-	378	378	-	378
Other comprehensive income									
Change in fair value of available-for-sale financial assets	-	-	-	-	94	-	94	-	94
Foreign currency translation differences - foreign operations	-	-	-	(1,307)	-	-	(1,307)	-	(1,307)
Total other comprehensive income	-	-	-	(1,307)	94	-	(1,213)	-	(1,213)
Total comprehensive income for the year	-	-	-	(1,307)	94	378	(835)	-	(835)
Transactions with owners, recorded directly in equity									
Distributions to owners									
Dividends paid	-	-	-	-	-	(987)	(987)	-	(987)
Total transactions with owners	-	-	-	-	-	(987)	(987)	-	(987)
Transfer of reserves due to deconsolidation of a subsidiary		-	(2,574)	-	-	2,574	-	-	-
Share of an associate's transfer from accumulated profit		-	54	-	-	(54)	-	-	-
Transfer of reserves	-	-	(2,520)	-	-	2,520	-	-	-
As at 31 December 2010	**81,874**	**168**	**933**	**(2,555)**	**282**	**(4,163)**	**76,539**	**-**	**76,539**
As at 1 January 2009	**81,874**	**178**	**3,364**	**(621)**	**-**	**(9,102)**	**75,693**	**3,138**	**78,831**
Total comprehensive income for the year									
Profit for the period	-	-	-	-	-	3,105	3,105	(414)	2,691
Other comprehensive income									
Change in fair value of available-for-sale financial assets	-	-	-	-	188	-	188	-	188
Foreign currency translation differences - foreign operations	-	-	-	(627)	-	-	(627)	(71)	(698)
Share of an associate's non distributable reserve	-	-	12	-	-	-	12	-	12
Share-based expenses of a subsidiary	-	(10)	-	-	-	-	(10)	26	16
Total other comprehensive income	-	(10)	12	(627)	188	-	(437)	(45)	(482)
Total comprehensive income for the year	-	(10)	12	(627)	188	3,105	2,668	(459)	2,209
Changes in ownership interest in subsidiary that do not result in a loss of control									
Acquisition of minority interest	-	-	-	-	-	-	-	(2,679)	(2,679)
Total changes in ownership interest in subsidiary	-	-	-	-	-	-	-	(2,679)	(2,679)
Share of an associate's transfer from accumulated profit		-	77	-	-	(77)	-	-	-
Transfer of reserves	-	-	77	-	-	(77)	-	-	-
As at 31 December 2009	**81,874**	**168**	**3,453**	**(1,248)**	**188**	**(6,074)**	**78,361**	**-**	**78,361**

Statement of Changes in Equity (cont'd) :

Company (S$'000)	Share capital	Fair value reserve	Accumulated losses	Total equity
As at 1 January 2010	**81,874**	**(1,223)**	**(5,831)**	**74,820**
Total comprehensive income for the year				
Profit for the year	-	-	3,004	3,004
Other comprehensive income				
Change in fair value of available-for-sale financial assets	-	(1,664)	-	(1,664)
Change in fair value of available-for-sale financial assets reclassified to income statement	-	1,267	-	1,267
Total other comprehensive income	-	(397)	-	(397)
Total comprehensive income for the year	-	(397)	3,004	2,607
Transactions with owners, recorded directly in equity				
Distributions to owners				
Dividends paid	-	-	(987)	(987)
Total transaction with owners	-	-	(987)	(987)
Transfer of reserves	-	(14)	14	-
As at 31 December 2010	**81,874**	**(1,634)**	**(3,800)**	**76,440**
As at 1 January 2009	**81,874**	**7,631**	**(7,002)**	**82,503**
Total comprehensive income for the year				
Profit for the period	-	-	1,171	1,171
Other comprehensive income	-	-	-	-
Change in fair value of available-for-sale financial assets	-	(8,854)	-	(8,854)
Total other comprehensive income	-	(8,854)	-	(8,854)
Total comprehensive income for the year	-	(8,854)	1,171	(7,683)
As at 31 December 2009	**81,874**	**(1,223)**	**(5,831)**	**74,820**

1(d)(ii) Details of any changes in the Company's Share Capital

As at 31 December 2010, there were unexercised options for 501,000 (31 December 2009: 669,000) of unissued ordinary shares with exercise price of $0.50 each under the Intraco Limited Share Option Scheme 2000.

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 end of the immediately preceding year.

	As at 31/12/10	As at 31/12/09
Total number of issued shares excluding treasury shares	98,635,879	98,635,879

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

The Company does not have any treasury shares as at 31 December 2010.

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

The figures 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 computation methods used in the preparation of the financial statements for the current reporting period compared with the audited financial statements as at 31 December 2009.

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.

NIL

6 Earnings Per Ordinary Share (EPS)

	Group	
	Full Year 31/12/10	**Full Year 31/12/09**
Earnings per ordinary share for the year based on net profit attributable to shareholders:	cents	cents
(i) Based on number of ordinary shares on issue	0.38	3.15
(ii) On a fully diluted basis	0.38	3.15

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 period reported on and (b) immediately preceding financial year.

	Group		Company	
	As at 31/12/10	As at 31/12/09	As at 31/12/10	As at 31/12/09
Net asset value per ordinary share based on issued share capital at the end of the period	$0.78	$0.79	$0.77	$0.76

8 Review of Performance

Revenue

Despite the economic recovery in Singapore during the year, the Group reported a year on year revenue decrease of 2.9%. The slight decrease in revenue was attributed to stiffer competition in the Semiconductor industry and lower demand in Projects segments. However, the reduction was offset by strong performance in the Trading and Others segment.

Trading and Others

The Trading and Others segment contributed 65% to the total revenue. Plastic trading represents a significant contribution to Trading and Others segment. Plastic trading has continued its good performance in FY 2010, growing by 43% when compared to FY 2009. The increase was mainly due to strong demand in volume, coupled with increased customer base and higher plastic resin prices. As a result, the revenue for the segment has increased to S$124.3 million in FY 2010 from S$94.7 million in FY 2009.

Semiconductors

The Semiconductors segment contributed 28% to the total revenue. This segmental revenue decreased from S$71.8 million in FY 2009 to S$53.1 million in FY 2010 due to stiffer competition in the industry. In addition, delays in the customers' production lines also contributed to the decrease in revenue.

Projects

Revenue from Projects decreased from S$30.2 million in FY 2009 to S$13.6 million in FY 2010. The significant decrease in revenue for Projects was attributed to the completion of a sand project in FY 2009.

Group's profit before tax

For FY 2010, the Group posted a net profit before tax ("NPBT") of about S$0.3 million, a 53% decrease to a NPBT of about S$0.7 million for FY 2009.

Trading and Others segment registered a net profit of S$1.4 million in FY 2010 as compared to a net profit of S$36,000 in FY 2009. The improvement was attributed to higher revenue and lower impairment allowances on trade receivables and inventory.

The Projects segment contributed a net profit before tax of S$0.7 million due to fewer projects secured in 2010.

The net profit before tax from both Trading and Others and Projects segments was offset by net loss from Semiconductors segment of S$1.9 million.

Total expenses as a percentage of revenue declined from 10.9% in FY 2009 to 6.3% in FY 2010. The reduction in total expenses was due to higher impairment allowances for trade receivables of S$5.4 million and write-down of inventory of S$2.9 million in FY 2009 as compared to net writeback of S$$0.4 million in FY 2010. However, this was offset by higher foreign exchange losses of S$1.5 million in FY 2010 as compared to S$0.7 million in FY 2009.

The Group's share of profit in its associates was about S$1.0 million as compared to S$0.3 million in FY2009 due to better performance.

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

Not applicable

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 Group expects the business environment to remain challenging. The Group will continue its strategies by working closely with customers and suppliers as a value-added partner to expand its businesses and customer bases.

11 Dividend

(a) Current Financial Period Reported On

Name of Dividend: First and Final
Dividend Type: Cash
Dividend Rate: 0.3 cents per ordinary share, Exempt one-tier

(b) Corresponding Period of the Immediately Preceding Financial Year

Name of Dividend: First and Final
Dividend Type: Cash
Dividend Rate: 1.0 cent per ordinary share, Exempt one-tier

(c) Date payable

To be announced later.

(d) Books closure date

To be announced later.

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

Not applicable.

13 Business Segmental Information

By operating segments for the year ended 31 December 2010

$'000	Projects	Semi-conductors	Trading and Others	Consolidated
External revenue	13,636	53,060	124,333	191,029
Interest income	-	2	2	4
Interest expense	-	(32)	(126)	(158)
Depreciation and amortisation	-	(235)	(4,923)	(5,158)
Reportable segment profit/(loss) before income tax	684	(1,856)	1,433	261
Reportable segment assets	4,287	19,859	35,040	59,186
Capital expenditure	-	199	177	376
Reportable segment liabilities	1,691	10,729	14,906	27,326

By operating segments for the year ended 31 December 2009

$'000	Projects	Semi-conductors	Trading and Others	Consolidated
External revenue	30,199	71,817	94,694	196,710
Interest income	29	3	121	153
Interest expense	-	(37)	(126)	(163)
Depreciation and amortisation	-	(278)	(4,162)	(4,440)
Reportable segment profit/(loss) before income tax	1,264	(2,038)	36	(738)
Reportable segment assets	5,973	17,247	39,104	62,324
Capital expenditure	-	333	516	849
Reportable segment liabilities	3,175	7,350	16,453	26,978

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

	31/12/10 $'000	31/12/09 $'000
Revenue		
Total revenue for reporting segments	191,029	196,710
Consolidated revenue	191,029	196,710
Profit or loss		
Total profit/(loss) for reporting segments	261	(738)
Unallocated amounts:		
- Other corporate expenses or income	(941)	1,136
Share of profit of associates, net of tax	1,006	301
Consolidated profit before income tax	326	699
Assets		
Total assets for reportable segments	59,186	62,324
Other unallocated amounts	33,725	31,123
	92,911	93,447
Investments in associates	12,771	14,016
Consolidated total assets	105,682	107,463
Liabilities		
Total liabilities for reporting segments	27,326	26,978
Other unallocated amounts	1,817	2,124
Consolidated total liabilities	29,143	29,102

Business Segmental Information (cont'd)

Other material items

	Reportable segment totals $'000	Adjustments $'000	Consolidated totals $'000
2010			
Interest income	4	505	509
Capital expenditure	376	23	399
Depreciation and amortisation	(5,158)	(70)	(5,228)
2009			
Interest income	153	454	607
Capital expenditure	849	68	917
Depreciation and amortisation	(4,440)	(146)	(4,586)

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

Refer to section 8

15 A breakdown of sales

		Group		
		31/12/10 S$'000	31/12/09 S$'000	% Change
(a)	Sales reported for first half year	89,139	102,864	(13.3)
(b)	Operating profit after tax before deducting minority interests reported for first half year	124	845	(85.3)
(c)	Sales reported for second half year	101,890	93,846	8.6
(d)	Operating profit after tax before deducting minority interests reported for second half year	254	1,846	(86.2)

16 A breakdown of the total annual dividend (in dollar value) for the Issuer's latest full year and its previous full year, as follow:

Total Annual dividend	Latest Full Year S$'000	Previous Full Year S$'000
Ordinary	* 296	987

* Based on the total number of issued shares as at 21 February 2011 of 98,635,879.

17 Interested person transactions

Nil

BY ORDER OF THE BOARD

Wee Jee Kin
Company Secretary
21/02/11