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

Unaudited Half Year Financial Statement for the Period Ended 30/06/2012

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	Group Period Ended 30/06/12 S$'000	30/06/11 S$'000	% Change
Continuing operations			
Revenue	81,572	86,594	(5.8)
Cost of sales	(78,502)	(83,346)	(5.8)
Gross profit	**3,070**	**3,248**	(5.5)
Other income	302	14	n.m
Administration expenses	(3,748)	(3,359)	11.6
Other expenses	(199)	(3,181)	93.7
Results from operating activities	**(575)**	**(3,278)**	(82.5)
Finance income	211	275	(23.3)
Finance costs	(128)	(67)	91.0
Net finance income	83	208	(60.1)
Share of profit of associates (net of tax)	573	303	89.1
Profit / (Loss) before income tax	**81**	**(2,767)**	102.9
Income tax expense	-	-	n.m
Profit / (Loss) for the period from continuing operations	**81**	**(2,767)**	102.9
Discontinued operation			
Loss from discontinued operation (net of tax)	-	(1,521)	n.m.
Profit / (Loss) for the period	**81**	**(4,288)**	101.9
Profit / (Loss) attributable to :			
Owners of the Company	81	(4,288)	101.9
Non-controlling interests	-	-	-
Profit / (Loss) for the period	**81**	**(4,288)**	101.9

The profit / (loss) for the period is stated after (charging) / crediting the following:

	Group Period Ended 30/06/12 S$'000	30/06/11 S$'000	% Change
Continuing operations			
Interest income	107	275	(61.1)
Distribution from other investments	104	-	n.m.
Gain on sale of property, plant and equipment	22	-	n.m.
Interest expense from loans and borrowings	(128)	(67)	91.0
Depreciation of property, plant and equipment	(222)	(2,367)	(90.6)
Foreign exchange losses	(187)	(796)	(76.5)
Allowance reversed / (made) for doubtful receivables	224	(2,381)	109.4
Writedown of inventory to its net realisable value	(12)	(4)	200.0

	Group Period Ended		
	30/06/12	30/06/11	%
	S$'000	S$'000	Change
Discontinued operation			
Commission income	-	85	(100.0)
Interest expense from loans and borrowings	-	(14)	(100.0)
Depreciation and amortisation	-	(18)	(100.0)
Foreign exchange losses	-	(162)	(100.0)
Writedown of inventory to its net realisable value	-	(67)	(100.0)
Loss on disposal of subsidiary	-	(587)	(100.0)
Income tax - over provision in respect of prior years	-	40	(100.0)

Note: (i) n.m. denotes not meaningful

	Group Period Ended	
	30/06/12	30/06/11
Results of discontinued operation	S$'000	S$'000
Revenue	-	15,653
Expenses	-	(16,627)
Results from operating activities	-	(974)
Income tax credit	-	40
Results from operating activities, net of tax	-	(934)
Loss on sale of discontinued operation	-	(587) *
Loss for the period	-	(1,521)

* included in the loss on sale of discontinued operation was a reclassification of foreign currency translation differences and share option reserves on disposal of subsidiary to profit or loss as reported in the Consolidated Statement of Comprehensive Income.

The impact of the discontinued operations on the cash flows of the Group is as follows:

	Group Period Ended	
	30/06/12	30/06/11
	S$'000	S$'000
Operating cash outflows	-	(3,436)
Investing cash outflows	-	(26)
Financing cash inflows	-	1,351
Disposal of discontinued operation, net of cash disposed	-	(1,607)
Total cash outflows	-	(3,718)

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.

Statements of financial position

	Group			Company	
	30/06/12	31/12/11		30/06/12	31/12/11
	Notes S$'000	S$'000	Notes	S$'000	S$'000
Assets					
Property, plant and equipment	**2,213**	2,438		**254**	268
Subsidiaries	**-**	-		**17,387**	17,235
Associates	**12,874**	12,952		**10,106**	10,106
Other investments	**800**	551		**800**	551
Trade and other receivables	(a) **3,454**	5,046	(a)	**294**	1,458
Total non-current assets	**19,341**	20,987		**28,841**	29,618
Inventories	**3,937**	3,236		**41**	79
Trade and other receivables	(b) **25,583**	22,783		**11,295**	12,056
Cash and cash equivalents	**47,079**	44,147		**31,218**	29,758
Total current assets	**76,599**	70,166		**42,554**	41,893
Total assets	**95,940**	91,153		**71,395**	71,511
Equity					
Share capital	**81,891**	81,874		**81,891**	81,874
Other reserves	**(743)**	(814)		**(3,996)**	(4,530)
Accumulated losses	**(11,587)**	(11,623)		**(9,415)**	(9,067)
Total equity attributable to owners of the Company	**69,561**	69,437		**68,480**	68,277
Liabilities					
Trade and other payables	(b) **14,459**	9,845		**2,580**	2,899
Provisions	**335**	335		**335**	335
Loans and borrowings	**11,546**	11,497		**-**	-
Current tax payable	**39**	39		**-**	-
Total current liabilities	**26,379**	21,716		**2,915**	3,234
Total equity and liabilities	**95,940**	91,153		**71,395**	71,511

Notes:

(a) The reduction was mainly due to repayment of receivables by external parties pursuant to the disposal of an associate and a subsidiary.

(b) The increase in trade receivables and payables were due to increase in trading activities of plastics and seafood in the beginning of 2012.

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

Amount repayable in one year or less, or on demand

As at 30/06/12		As at 31/12/11	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
-	11,546	-	11,497

Amount repayable after one year

As at 30/06/12		As at 31/12/11	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
-	-	-	-

Details of any collateral

NIL

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**	
	30/06/12	**30/06/11**
Cash flows from operating activities	S$'000	S$'000
Profit / (loss) for the period	**81**	(2,767)
Adjustments for:		
Depreciation of property, plant and equipment	**222**	2,367
(Gain)/loss on sale of:		
- Property, plant and equipment	**(22)**	-
- Discontinued operation, net of tax	**-**	587
Allowance (reversed) / made for doubtful receivables	**(224)**	2,381
Writedown of inventory to its net realisable value	**12**	4
Share of profit of associates, net of tax	**(573)**	(303)
Net finance income	**(83)**	(208)
	(587)	2,061
Changes in inventories	**(713)**	(785)
Changes in trade and other receivables	**(2,913)**	(5,456)
Changes in trade and other payables	**4,587**	4,438
Changes in restricted bank deposits	**-**	1,250
Cash generated from operating activities	**374**	1,508
Interest received	**103**	56
Interest paid	**(125)**	(62)
Income taxes paid	**-**	(4)
Cash flows generated from operating activities	**352**	1,498
Cash flows used in discontinued operation	**-**	(3,436)
	352	(1,938)
Cash flows from investing activities		
Distribution received from other investments	**104**	-
Proceeds from repayment of loan	**1,873**	50
Purchase of property, plant and equipment	**(1)**	-
Deferred consideration received from sale of associate	**97**	97
Dividends from an associate	**471**	314
Proceeds from sale of property, plant and equipment	**26**	-
Disposal of discontinued operation, net of cash disposed	**-**	(1,607)
Cash flows from/(used in) investing activities	**2,570**	(1,146)
Cash flows used in discontinued operation	**-**	(26)
	2,570	(1,172)
Cash flows from financing activities		
Proceeds from borrowings	**11,546**	9,881
Repayment of borrowings	**(11,497)**	(4,773)
Dividends paid to owners of the Company	**-**	(296)
Proceeds from issue of shares	**17**	-
Cash flows from financing activities	**66**	4,812
Cash flows from discontinued operation	**-**	1,351
	66	6,163
Net increase in cash and cash equivalents	**2,988**	3,053
Cash and cash equivalents at 1 January	**42,497**	31,798
Effects of exchange rate fluctuations on cash held	**(56)**	(313)
Cash and cash equivalents at 30 June	**45,429**	34,538
Comprising:		
Cash at bank and in hand	**12,335**	17,944
Fixed deposits with banks	**34,744**	18,244
Cash and cash equivalents in the statement of financial position	**47,079**	36,188
Restricted bank deposits	**(1,650)**	(1,650)
	45,429	34,538

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	Group Period Ended 30/06/12 S$'000	30/06/11 S$'000	% Change
Profit / (Loss) for the period	81	(4,288)	101.9
Other comprehensive income			
Change in fair value of available-for-sale financial assets	249	(47)	629.8
Foreign currency translation differences and share option reserves on disposal of subsidiary reclassified to profit or loss	-	560	(100.0)
Foreign currency translation differences - foreign operations	(223)	(749)	70.2
Share of an associate's non distributable reserve	-	8	(100.0)
Other comprehensive income for the period, net of tax	26	(228)	111.4
Total comprehensive income for the period	107	(4,516)	102.4
Attributable to:			
Owners of the Company	107	(4,516)	102.4
Non-controlling interests	-	-	-
Total comprehensive income for the period	107	(4,516)	102.4

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 equity
As at 1 January 2012	**81,874**	**-**	**941**	**(1,755)**	**-**	**(11,623)**	**69,437**
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	81	81
Other comprehensive income							
Change in fair value of available-for-sale financial assets	-	-	-	-	249	-	249
Foreign currency translation differences - foreign operations	-	-	-	(223)	-	-	(223)
Total other comprehensive income	-	-	-	(223)	249	-	26
Total comprehensive income for the period	-	-	-	(223)	249	81	107
Transactions with owners recognised directly in equity							
Contributions by owners							
Issue of shares under share option scheme	17	-	-	-	-	-	17
Total contributions by owners of the Company	17	-	-	-	-	-	17
Transfer of reserves due to deconsolidation of a subsidiary	-	-	45	-	-	(45)	-
As at 30 June 2012	**81,891**	**-**	**986**	**(1,978)**	**249**	**(11,587)**	**69,561**
As at 1 January 2011	**81,874**	**168**	**933**	**(2,555)**	**282**	**(4,163)**	**76,539**
Total comprehensive income for the period							
Loss for the period	-	-	-	-	-	(4,288)	(4,288)
Other comprehensive income							
Change in fair value of available-for-sale financial assets	-	-	-	-	(47)	-	(47)
Foreign currency translation differences and share option reserves on disposal of subsidiary reclassified to profit or loss	-	(168)	-	728	-	-	560
Foreign currency translation differences - foreign operations	-	-	-	(749)	-	-	(749)
Share of an associate's non distributable reserve	-	-	8	-	-	-	8
Total other comprehensive income	-	(168)	8	(21)	(47)	-	(228)
Total comprehensive income for the period	-	(168)	8	(21)	(47)	(4,288)	(4,516)
Transactions with owners recognised directly in equity							
Distributions to owners							
Dividends paid	-	-	-	-	-	(296)	(296)
Total distributions to owners of the Company	-	-	-	-	-	(296)	(296)
As at 30 June 2011	**81,874**	**-**	**941**	**(2,576)**	**235**	**(8,747)**	**71,727**

Statement of Changes in Equity (cont'd) :

Company (S$'000)	Share capital	Fair value reserve	Accumulated losses	Total equity
As at 1 January 2012	81,874	(4,530)	(9,067)	68,277
Total comprehensive income for the period				
Loss for the period	-	-	(349)	(349)
Other comprehensive income				
Change in fair value of available-for-sale financial assets	-	535	-	535
Total other comprehensive income	-	535	-	535
Total comprehensive income for the period	-	535	(349)	186
Transactions with owners recognised directly in equity				
Contributions by owners				
Issue of shares under share option scheme	17	-	-	17
Total contributions by owners of the Company	17	-	-	17
As at 30 June 2012	**81,891**	**(3,995)**	**(9,416)**	**68,480**
As at 1 January 2011	81,874	(1,634)	(3,800)	76,440
Total comprehensive income for the period				
Loss for the period	-	-	(4,299)	(4,299)
Other comprehensive income				
Change in fair value of available-for-sale financial assets	-	(473)	-	(473)
Total other comprehensive income	-	(473)	-	(473)
Total comprehensive income for the period	-	(473)	(4,299)	(4,772)
Transactions with owners recognised directly in equity				
Distributions to owners				
Dividends paid	-	-	(296)	(296)
Total distributions to owners of the Company	-	-	(296)	(296)
As at 30 June 2011	81,874	(2,107)	(8,395)	71,372

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

As at 30 June 2012, there were unexercised options for 70,000 (30 June 2011: 105,000) 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 30/06/12	As at 31/12/11
Total number of issued shares excluding treasury shares	98,670,879	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 30 June 2012.

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.

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 2011.

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.

Refer to paragraph 4

6 Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group	
	Period ended 30/06/12	Period ended 30/06/11
Earnings/(loss) per ordinary share for the period based on net profit/(loss) attributable to shareholders:	cents	cents
- Based on the weighted average number of ordinary shares in issue		
Continuing operations	0.08	(2.81)
Discontinued operation	-	(1.54)
Total	0.08	(4.35)
- On a fully diluted basis		
Continuing operations	0.08	(2.81)
Discontinued operation	-	(1.54)
Total	0.08	(4.35)

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 30/06/12	As at 31/12/11	As at 30/06/12	As at 31/12/11
Net asset value per ordinary share based on issued share capital at the end of the period	$0.70	$0.70	$0.69	$0.69

8 Review of Performance

Continuing operations

Revenue

The Group reported a decrease in revenue of S$5.0 million (or 5.8%) to S$81.6 million for the first half of 2012.

Revenue for the Trading and Others segment reduced by S$3.1 million (or 3.8%) to S$79.0 million. Revenue for plastics reduced by S$6.5 million compared to the same period last year despite achieving similar sales volume. This was mainly due to lower plastic price. In addition, the lower revenue was attributed to the absence of S$2.9 million from the leasing of the North East Line 2G Telecommunication Infrastructure which ended in June 2011. The reduction in revenue was partially offset by new sales from the Seafood division of S$5.4 million when the Group commenced its business in the last quarter of 2011 and improved performance in trading of other commodities of S$0.9 million.

Revenue from Projects segment decreased by S$1.9 million in the current financial period to S$2.6 million due to fewer projects secured during the period.

Group's profit before tax

For the first half of 2012, the Group posted a profit before tax of S$81,000 as compared to a loss before tax of S$4.3 million for the same period last year.

Trading and Others segment reported a profit before tax of S$0.24 million in the first half of 2012 which was marginally lower than the profit before tax of S$0.29 million in the same period last year due mainly to lower revenue in 2012.

Projects segment reported a profit before tax of S$0.54 million for the first half of 2012 as compared to a loss of S$2.1 million in the same period last year. The loss in the first half of 2011 was mainly due to provision for doubtful debts of S$2.38 million as compared to a write back of impairment loss of S$0.2 million in the first half of 2012.

The Group's share of profit for its associates was S$0.57 million for current financial period as compared to S$0.30 million for the same period last year.

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 continue to be challenging as the global economic outlook remains uncertain.

On 30th May 2012, the Company announced that its controlling shareholder, Hanwell Holdings Limited ("HHL") has informed the Company that HHL has entered into a sale and purchase agreement with TH Investments Pte Ltd to transfer its 29.89% shareholding interest in the issued share capital of the Company.

On 30th Jul 2012, HHL announced that it will convene an Extraordinary General meeting ("EGM") on 17 Aug 2012 to seek its shareholders' approval for the disposal.

11 Dividend

(a) Current Financial Period Reported On

No dividend was declared/recommended for the current financial period.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

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

No dividend was declared/recommended for the current financial period reported on.

13 Business Segmental

By operating segments for the period ended 30 June 2012

$'000	Projects	Semi-conductors (Discontinued)	Trading and Others	Total
External revenue	2,554	-	79,018	81,572
Interest income	-	-	11	11
Interest expense	-	-	(128)	(128)
Depreciation and amortisation	-	-	(207)	(207)
Reportable segment profit before income tax	535	-	236	771
Reportable segment assets	1,181	-	45,983	47,164
Capital expenditure	-	-	-	-
Reportable segment liabilities	2,174	-	22,561	24,735

By operating segments for the period ended 30 June 2011

$'000	Projects	Semi-conductors (Discontinued)	Trading and Others	Total
External revenue	4,440	15,653	82,154	102,247
Interest income	-	-	12	12
Interest expense	-	(14)	(67)	(81)
Depreciation and amortisation	-	(18)	(2,345)	(2,363)
Reportable segment profit/(loss) before income tax	(2,127)	(974)	286	(2,815)
Reportable segment assets	1,859	-	36,781	38,640
Capital expenditure	-	26	-	26
Reportable segment liabilities	2,065	-	15,936	18,001

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

	30/06/12 $'000	30/06/11 $'000
Revenue		
Total revenue for reporting segments	81,572	102,247
Reclassification to discontinued operation	-	(15,653)
Consolidated revenue	81,572	86,594
Profit or loss		
Total profit/(loss) for reporting segments	771	(2,815)
Reclassification to discontinued operation	-	974
	771	(1,841)
Unallocated amounts:		
- Other corporate expenses, net of income	(1,263)	(1,229)
Share of profit of associates, net of tax	573	303
Consolidated profit for continuing operations before income tax	81	(2,767)
Assets		
Total assets for reportable segments	47,164	38,640
Other unallocated amounts	35,902	40,654
	83,066	79,294
Investments in associates	12,874	12,177
Consolidated total assets	95,940	91,471
Liabilities		
Total liabilities for reporting segments	24,735	18,001
Other unallocated amounts	1,644	1,743
Consolidated total liabilities	26,379	19,744

Business Segmental Information (cont'd)

Other material items

	Continuing operations		
	Reportable segment totals $'000	**Adjustments $'000**	**Consolidated totals $'000**
2012			
Interest income	11	96	107
Capital expenditure	-	1	1
Depreciation of property, plant and equipment	(207)	(15)	(222)
2011			
Interest income	12	263	275
Capital expenditure	-	-	-
Depreciation of property, plant and equipment	(2,345)	(22)	(2,367)

Other material items

	Discontinued operation		
	Reportable segment totals $'000	**Adjustments $'000**	**Consolidated totals $'000**
2012			
Interest income	-	-	-
Capital expenditure	-	-	-
Depreciation and amortisation	-	-	-
2011			
Interest income	-	-	-
Capital expenditure	26	-	26
Depreciation and amortisation	(18)	-	(18)

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 Interested person transactions

	Aggregate value of all transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual
	30/06/12
Interested person	$'000
Hanwell Holdings Limited - Rental of office premises	103

NEGATIVE ASSURANCE CONFIRMATION ON INTERIM FINANCIAL RESULTS PURSUANT TO RULE 705(4) OF THE LISTING MANUAL

The Board of Directors has confirmed that, to the best of their knowledge, nothing has come to their attention which may render these interim financial results to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Chong Eng Wee
Company Secretary
07/08/2012