

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 2021

Table of Contents

A. Consolidated statement of profit or loss and other comprehensive income 1

B. Statements of financial position 3

C. Statements of changes in equity 4

D. Consolidated statement of cash flows 7

E. Notes to the condensed interim financial statements 9

F. Other information required by Listing Rule Appendix 7.2 24

A. Consolidated statement of profit or loss

	Note	6 months ended 31 Dec 2021 S$'000	6 months ended 31 Dec 2020 S$'000	Change %	12 months ended 31 Dec 2021 S$'000	12 months ended 31 Dec 2020 S$'000	Change %
Revenue	3	90,854	74,290	*22.3*	203,977	135,942	*50.0*
Cost of sales		(87,543)	(70,234)	*24.6*	(196,673)	(129,651)	*51.7*
Gross profit		3,311	4,056	*(18.4)*	7,304	6,291	*16.1*
Other income		156	531	*(70.6)*	538	955	*(43.7)*
Distribution expenses		(5)	(8)	*(37.5)*	(11)	(17)	*(35.3)*
Administrative expenses		(4,042)	(5,316)	*(24.0)*	(8,546)	(10,041)	*(14.9)*
Other expenses		(273)	(8,685)	*(96.9)*	(273)	(10,814)	*(97.5)*
Results from operating activities		(853)	(9,422)	*(90.9)*	(988)	(13,626)	*(92.7)*
Finance income		153	93	*64.5*	221	264	*(16.3)*
Finance costs		(115)	(94)	*22.3*	(236)	(192)	*22.9*
Net finance income/(costs)	4	38	(1)	*n.m.*	(15)	72	*n.m.*
Share of profit/(loss) of associate and joint venture (net of tax)		65	(29)	*n.m.*	(6)	569	*n.m.*
Loss before taxation	5	(750)	(9,452)	*(92.1)*	(1,009)	(12,985)	*92.2*
Tax credit		9	117	*(92.3)*	11	121	*(90.9)*
Loss for the year		(741)	(9,335)	*(92.1)*	(998)	(12,864)	*92.2*
Earnings/(Loss) per share							
Basic earnings/(loss) per share (SGD in cents)	6	(0.72)	(9.07)		(0.97)	(12.50)	

n.m. denotes not meaningful

A. Consolidated statement of comprehensive income

	6 months ended 31 Dec 2021 S$'000	6 months ended 31 Dec 2020 S$'000	12 months ended 31 Dec 2021 S$'000	12 months ended 31 Dec 2020 S$'000
Loss for the year	(741)	(9,335)	(998)	(12,864)
Other comprehensive income				
Items that are or may be reclassified subsequently to profit or loss				
Foreign currency translation differences of foreign operations*	41	(68)	152	1
Share of other comprehensive income of associate and joint venture *	12	(115)	44	823
Foreign currency translation differences reclassified to profit or loss on divestment of associate	–	–	–	453
Other comprehensive income for the year, net of tax	53	(183)	196	1,277
Total comprehensive income for the year	(688)	(9,518)	(802)	(11,587)

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

B. Statements of financial position

	Note	Group		Company	
		31 Dec 2021 S$'000	31 Dec 2020 S$'000	31 Dec 2021 S$'000	31 Dec 2020 S$'000
Assets					
Non-current assets					
Property, plant and equipment		13,057	14,507	323	446
Intangible assets		158	256	158	256
Subsidiaries	7	–	–	18,738	11,312
Associate and joint venture		609	571	550	550
Other investments	8	636	–	–	–
		14,460	15,334	19,769	12,564
Current assets					
Other investments	8	24,731	–	24,731	–
Inventories		1,702	1,522	–	–
Trade and other receivables		18,069	15,455	15,942	18,494
Contract assets		2,762	2,022	–	–
Cash and cash equivalents	9	22,921	55,355	12,779	39,845
		70,185	74,354	53,452	58,339
Total assets		84,645	89,688	73,221	70,903
Equity					
Share capital	10	84,069	84,069	84,069	84,069
Treasury shares	10	(254)	(254)	(254)	(254)
Reserves		(110)	(306)	13,086	7,678
Accumulated losses		(27,615)	(26,617)	(26,711)	(25,076)
Equity attributable to owners of the Company		56,090	56,892	70,190	66,417
Liabilities					
Non-current liabilities					
Loans and borrowings	11	807	880	73	217
Deferred tax liabilities		493	507	–	–
		1,300	1,387	73	217
Current liabilities					
Loans and borrowings	11	11,891	13,164	199	163
Trade and other payables		15,360	18,189	2,759	4,106
Current tax liabilities		4	56	–	–
		27,255	31,409	2,958	4,269
Total liabilities		28,555	32,796	3,031	4,486
Total equity and liabilities		84,645	89,688	73,221	70,903

C. Statements of changes in equity

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 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 associate and joint venture	–	–	–	44	–	44
Total other comprehensive income	–	–	–	196	–	196
Total comprehensive income 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)

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 2020	84,069	(175)	976	(1,583)	(14,729)	68,558
Total comprehensive income for the year						
Loss for the year	–	–	–	–	(12,864)	(12,864)
Other comprehensive income						
Net change in capital reserve reclassified to accumulated losses	–	–	(976)	–	976	–
Foreign currency translation differences of foreign operations	–	–	–	1	–	1
Share of other comprehensive income of associate and joint venture	–	–	–	823	–	823
Foreign currency translation differences reclassified to profit or loss on divestment of associate	–	–	–	453	–	453
Total other comprehensive income	–	–	(976)	1,277	976	1,277
Total comprehensive income for the year	–	–	(976)	1,277	(11,888)	(11,587)
Transactions with owners, recognised directly in equity						
Contributions by and distributions to owners						
Purchase of treasury shares	–	(79)	–	–	–	(79)
Balance as at 31 December 2020	84,069	(254)	–	(306)	(26,617)	56,892

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 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**
Balance as at 1 January 2020	84,069	(175)	7,651	(24,425)	67,120
Total comprehensive income for the year					
Loss for the year	–	–	–	(651)	(651)
Other comprehensive income					
Net change in fair value of equity investments at FVOCI	–	–	27	–	27
Total comprehensive income for the year	–	–	27	(651)	(624)
Transactions with owners, recognised directly in equity					
Contributions by and distributions to owners					
Purchase of treasury shares	–	(79)	–	–	(79)
Balance as at 31 December 2020	**84,069**	**(254)**	**7,678**	**(25,076)**	**66,417**

D. Consolidated statement of cash flows

	12 months ended 31 Dec 2021 S$'000	12 months ended 31 Dec 2020 S$'000
Cash flows from operating activities		
Loss for the year	(998)	(12,864)
Adjustments for:		
Allowance made for doubtful debts	37	209
Amortisation of intangible assets	114	68
Bad debts written off	4	33
Change in fair value of the contingent consideration	(75)	18
Depreciation of property, plant and equipment	1,931	1,316
Fair value loss of financial assets at FVTPL	232	–
Gain on disposals of property, plant and equipment	(2)	(16)
Gain on interest waiver	–	(5)
Impairment loss on intangible assets	–	6,899
Impairment loss on investment in joint venture	–	1,600
Loss on disposal of investment in associate	–	2,074
Net finance cost/(income)	15	(72)
Share of net loss/(profit) of associate and joint venture, net of tax	6	(569)
Tax credit	(11)	(121)
Unrealised foreign exchange loss	1	–
	1,254	(1,430)
Changes in:		
- inventories	(180)	(413)
- trade and other receivables	(2,319)	133
- contract assets	(740)	498
- trade and other payables	(2,737)	(1,585)
Cash used in operating activities	(4,722)	(2,797)
Taxes paid	(55)	(139)
Net cash flow used in operating activities	(4,777)	(2,936)
Cash flows from investing activities		
Interest received	230	304
Purchase of intangible asset	(16)	(324)
Purchase of property, plant and equipment and software	(167)	(211)
Purchase of bond funds and other investments	(25,624)	–
Proceeds from disposal of an associate	–	19,495
Proceeds from disposals of property, plant and equipment	–	16
Net cash flow (used in)/from investing activities	(25,577)	19,280

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

	Note	12 months ended 31 Dec 2021 S$'000	12 months ended 31 Dec 2020 S$'000
Cash flows from financing activities			
Financing from trust receipts (settled)/obtained		(1,547)	6,504
Interest paid		(201)	(200)
(Increase)/decrease in deposits pledged		(42)	404
Payment of lease liabilities		(286)	(314)
Purchase of treasury shares		–	(79)
Repayment of loans and borrowings		(46)	(46)
Net cash flow (used in)/from financing activities		(2,122)	6,269
Net (decrease)/increase in cash and cash equivalents		(32,476)	22,613
Cash and cash equivalents at 1 January		55,235	32,660
Effects of exchange rate fluctuations on cash held		–	(38)
Cash and cash equivalents at 31 December	9	22,759	55,235

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 2021 comprise the Company and its subsidiaries (collectively, the Group). The Group is primary involved in the trading of plastics products, providing fire protection services and provision of mobile radio infrastructure management services.

2. Basis of Preparation

The condensed interim financial statements for the six months and full year ended 31 December 2021 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 2020.

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.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2020.

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 2021 S$'000	6 months ended 31 Dec 2020 S$'000	12 months ended 31 Dec 2021 S$'000	12 months ended 31 Dec 2020 S$'000
Trading sales	85,710	68,524	193,461	126,759
Revenue from construction contracts	3,393	3,770	7,184	6,207
Service income	1,077	1,322	1,984	2,293
Rental income	674	674	1,348	683
	90,854	74,290	203,977	135,942

4. Net finance income/(costs)

	Group			
	6 months ended 31 Dec 2021 S$'000	6 months ended 31 Dec 2020 S$'000	12 months ended 31 Dec 2021 S$'000	12 months ended 31 Dec 2020 S$'000
Interest income under the effective interest method on cash and cash equivalents	31	93	68	264
Income from financial assets at FVTPL	122	–	153	–
Finance income	153	93	221	264
Financial liabilities measured at amortised cost - interest expense on:				
- secured bank loans	(11)	(10)	(22)	(20)
- unsecured bank loans and trust receipts	(74)	(69)	(152)	(147)
- lease liabilities	(14)	(15)	(27)	(25)
Upfront fee & management fee	(16)	–	(35)	–
Finance costs	(115)	(94)	(236)	(192)
Net finance income/(costs) recognised in profit or loss	38	(1)	(15)	72

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

5. Profit/(Loss) before taxation

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

	Group			
	6 months ended 31 Dec 2021 S$'000	6 months ended 31 Dec 2020 S$'000	12 months ended 31 Dec 2021 S$'000	12 months ended 31 Dec 2020 S$'000
Allowance for doubtful debts	(37)	(209)	(37)	(209)
Amortisation of intangible assets	(58)	(40)	(114)	(68)
Bad debts written off	(4)	–	(4)	(33)
Change in fair value of contingent consideration	25	31	75	(18)
Depreciation of property, plant and equipment	(957)	(973)	(1,931)	(1,316)
Fair value loss of financial assets at FVTPL[#]	(234)	–	(232)	–
Foreign exchange gain	29	32	42	10
Gain on disposals of property, plant and equipment	2	10	2	16
Gain on interest waiver	–	5	–	5
Government grants	121	490	486	905
Impairment loss on intangible assets[#]	–	(6,899)	–	(6,899)
Impairment loss on investment in joint venture[#]	–	(1,600)	–	(1,600)
Loss on disposal of investment in associate[#]	–	–	–	(2,074)
Employee benefits expense				
Salaries, bonuses and other costs	(2,579)	(2,680)	(5,455)	(5,273)
Contributions to defined contribution plans	(256)	(213)	(425)	(452)
	(2,835)	(2,893)	(5,880)	(5,725)

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

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

6. Earnings/(Loss) per share

The basic earnings/(loss) per share was calculated using the following data:

	Group			
	6 months ended 31 Dec 2021 S$'000	6 months ended 31 Dec 2020 S$'000	12 months ended 31 Dec 2021 S$'000	12 months ended 31 Dec 2020 S$'000
Loss attributable to ordinary shareholders	(741)	(9,335)	(998)	(12,864)
	Number of shares	**Number of shares**	**Number of shares**	**Number of shares**
Weighted average number of ordinary shares	102,816,879	102,867,602	102,816,879	102,902,153

There were no dilutive potential ordinary shares in issue during the year.

7. Subsidiaries

	Company	
	31 Dec 2021 S$'000	31 Dec 2020 S$'000
Equity investments at FVOCI	16,720	11,312
Quasi equity loan to a subsidiary	2,018	–
	18,738	11,312

The Company designated its subsidiaries as equity investments at FVOCI. The carrying amounts of the equity investments were based on value in use, determined by discounting the future cash flows to be generated. On 1 January 2021, the Company designated a loan of S$2,018,000 due from Intraco Trading Pte Ltd as quasi equity in nature. Interest is chargeable at 1.15% per annum and has no fixed terms of repayment.

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

8. Other investments

	Group		Company	
	31 Dec 2021 S$'000	31 Dec 2020 S$'000	31 Dec 2021 S$'000	31 Dec 2020 S$'000
Non-current assets:				
Financial assets at fair value through profit or loss	636	–	–	–
Current assets:				
Financial assets at fair value through profit or loss	24,731	–	24,731	–

9. Cash and cash equivalents

	Group		Company	
	31 Dec 2021 S$'000	31 Dec 2020 S$'000	31 Dec 2021 S$'000	31 Dec 2020 S$'000
Cash at banks and in hand	12,022	14,989	3,279	717
Fixed deposits with banks	8,899	40,366	7,500	39,128
Commercial paper	2,000	–	2,000	–
Cash and cash equivalents in the statements of financial position	22,921	55,355	12,779	39,845
Deposits pledged	(162)	(120)	–	–
Cash and cash equivalents in the statement of cash flows	22,759	55,235	12,779	39,845

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)

10. Share capital & treasury shares

	31 Dec 2021		31 Dec 2020	
	Number of shares	S$'000	Number of shares	S$'000
Share capital				
Fully paid ordinary shares, with no par value, in issue	103,725,879	84,069	103,725,879	84,069
Treasury shares				
Balance at 1 January	909,000	254	620,800	175
Purchase of treasury shares	–	–	288,200	79
Balance at 31 December	909,000	254	909,000	254

	Company	
	31 Dec 2021 Number of shares	31 Dec 2020 Number of shares
Total number of issues shares	103,725,879	103,725,879
Less: Treasury shares	(909,000)	(909,000)
Total number of issues shares excluding treasury shares	102,816,879	102,816,879

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 2021 and 31 December 2020.

Treasury shares relate to ordinary shares of the Company that are held by the Company. As at 31 December 2021, the Company held 909,000 treasury shares (31 December 2020: 909,000) which represents 0.9% of the total number of issued shares. There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at 31 December 2021.

There were no subsidiary holdings as at 31 December 2021.

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

11. Loans and borrowings

	Group		Company	
	31 Dec 2021 S$'000	31 Dec 2020 S$'000	31 Dec 2021 S$'000	31 Dec 2020 S$'000
Non-current liabilities				
Secured bank loans	602	648	–	–
Lease liabilities	205	232	73	217
	807	880	73	217
Current liabilities				
Secured bank loans	47	47	–	–
Lease liabilities	275	222	199	163
Trust receipts	11,569	12,895	–	–
	11,891	13,164	199	163

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$1,398,000 (31 December 2020: S$1,455,000).

12. Net asset value

	Group		Company	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Net asset value per ordinary share based on issue share capital at the end of the period	0.55	0.55	0.68	0.65

The calculation of the net asset value per ordinary share was based on total number of 102,816,879 (31 December 2020: 102,816,879) ordinary shares.

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

13. Operating segments

The Group has the following two strategic business units which are its reportable segments, as described below. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Group's CEO (the chief operating decision maker) reviews internal management reports on a monthly basis. The following summary describes the operations in each of the Group's reportable segments:

- *Fire Protection* — *Manufacturing, sales and installation of passive fire protection products.*
- *Trading and others* — *Trading in industrial materials which include plastics and petrochemicals, provision of commercial wireless services and investment holding.*

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 CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Geographical information

The Group's business is managed primarily in Singapore, Vietnam, 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)

13. Operating segments (cont'd)

By operating segments

	6 months ended 31 Dec 2021			6 months ended 31 Dec 2020		
	Fire protection S$'000	Trading and others S$'000	Consolidated S$'000	Fire protection S$'000	Trading and others S$'000	Consolidated S$'000
External revenue	3,619	87,235	90,854	3,924	70,366	74,290
Interest expense and other finance costs	(17)	(74)	(91)	(14)	(69)	(83)
Depreciation and amortisation	(159)	(692)	(851)	(176)	(707)	(883)
Reportable segment (loss)/profit before tax	(229)	177	(52)	(6,539)	29	(6,510)
Reportable segment assets	15,743	27,726	43,469	16,271	29,775	46,046
Reportable segment liabilities	2,898	22,218	25,116	3,310	25,201	28,511
Other non-cash items:						
- Allowance for doubtful debts	(37)	–	(37)	(209)	–	(209)
- Bad debts written off	(4)	–	(4)	–	–	–
- Foreign exchange (loss)/gain	(1)	37	36	(10)	(30)	(40)
- Gain on disposal of property, plant and equipment	2	–	2	10	–	10
- Gain on interest waiver	–	–	–	5	–	5
- Impairment loss on intangible assets	–	–	–	(6,899)	–	(6,899)
- Overprovision of tax in prior years	–	–	–	114	–	114
Capital expenditure	(55)	(5)	(60)	(34)	(54)	(88)

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

13. Operating segments (cont'd)

By operating segments

	12 months ended 31 Dec 2021			12 months ended 31 Dec 2020		
	Fire protection S$'000	Trading and others S$'000	Consolidated S$'000	Fire protection S$'000	Trading and others S$'000	Consolidated S$'000
External revenue	7,515	196,462	203,977	6,425	129,517	135,942
Interest expense and other finance costs	(30)	(152)	(182)	(27)	(147)	(174)
Depreciation and amortisation	(337)	(1,384)	(1,721)	(358)	(718)	(1,076)
Reportable segment (loss)/profit before tax	(453)	1,147	694	(7,533)	88	(7,445)
Reportable segment assets	15,743	27,726	43,469	16,271	29,775	46,046
Reportable segment liabilities	2,898	22,218	25,116	3,310	25,201	28,511
Other non-cash items:						
- Allowance for doubtful debts	(37)	–	(37)	(209)	–	(209)
- Bad debts written off	(4)	–	(4)	(33)	–	(33)
- Foreign exchange (loss)/gain	(2)	79	77	(14)	(59)	(73)
- Gain on disposal of property, plant and equipment	2	–	2	16	–	16
- Gain on interest waiver	–	–	–	5	–	5
- Impairment loss on intangible assets	–	–	–	(6,899)	–	(6,899)
- (Under)/over provision of tax in prior years	(2)	–	(2)	114	–	114
Capital expenditure	(360)	(7)	(367)	(69)	(67)	(136)

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

13. Operating segments (cont'd)

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

	6 months ended 31 Dec 2021 S$'000	6 months ended 31 Dec 2020 S$'000	12 months ended 31 Dec 2021 S$'000	12 months ended 31 Dec 2020 S$'000
Revenue				
Total revenue for reporting segments and consolidated revenue	90,854	74,290	203,977	135,942
Profit or loss				
Total (loss)/profit for reportable segments	(52)	(6,510)	694	(7,445)
Unallocated amounts:				
- Other corporate expenses, net of income	(763)	(2,913)	(1,697)	(6,109)
Share of profit of equity-accounted investees, net of tax	65	(29)	(6)	569
Consolidated loss before tax	(750)	(9,452)	(1,009)	(12,985)
Assets				
Total assets for reportable segments			43,469	46,046
Other unallocated amounts			40,567	43,071
			84,036	89,117
Investments in equity-accounted investees			609	571
Consolidated total assets			84,645	89,688
Liabilities				
Total liabilities for reportable segments			25,116	28,511
Other unallocated amounts			3,439	4,285
Consolidated total liabilities			28,555	32,796

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

13. Operating segments (cont'd)

Other material items

	6 months ended 31 Dec 2021			6 months ended 31 Dec 2020		
	Reportable segments S$'000	Adjustments S$'000	Consolidated S$'000	Reportable segments S$'000	Adjustments S$'000	Consolidated S$'000
Finance income	–	153	153	–	93	93
Interest expense and other finance costs	(91)	(24)	(115)	(83)	(11)	(94)
Depreciation and amortisation	(851)	(164)	(1,015)	(883)	(130)	(1,013)
Allowance for doubtful debts	(37)	–	(37)	(209)	–	(209)
Bad debts written off	(4)	–	(4)	–	–	–
Change in fair value of contingent consideration	–	25	25	–	31	31
Foreign exchange gain/(loss)	36	(7)	29	(40)	72	32
Gain on disposal of property, plant and equipment	2	–	2	10	–	10
Gain on interest waiver	–	–	–	5	–	5
Impairment loss on intangible assets	–	–	–	(6,899)	–	(6,899)
Impairment loss on investment in joint venture	–	–	–	–	(1,600)	(1,600)
Over provision of tax in prior years	–	–	–	114	–	114
Capital expenditure	(60)	–	(60)	(88)	(1)	(89)

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

13. Operating segments (cont'd)

Other material items

	12 months ended 31 Dec 2021			12 months ended 31 Dec 2020		
	Reportable segments S$'000	Adjustments S$'000	Consolidated S$'000	Reportable segments S$'000	Adjustments S$'000	Consolidated S$'000
Finance income	–	221	221	–	264	264
Interest expense and other finance costs	(182)	(54)	(236)	(174)	(18)	(192)
Depreciation and amortisation	(1,721)	(324)	(2,045)	(1,076)	(308)	(1,384)
Allowance for doubtful debts	(37)	–	(37)	(209)	–	(209)
Bad debts written off	(4)	–	(4)	(33)	–	(33)
Change in fair value of contingent consideration	–	75	75	–	(18)	(18)
Foreign exchange gain/(loss)	77	(35)	42	(73)	83	10
Gain on disposal of property, plant and equipment	2	–	2	16	–	16
Gain on interest waiver	–	–	–	5	–	5
Impairment loss on intangible assets	–	–	–	(6,899)	–	(6,899)
Impairment loss on investment in joint venture	–	–		–	(1,600)	(1,600)
Loss on disposal of investment in associate	–	–	–	–	(2,074)	(2,074)
(Under)/over provision of tax in prior years	(2)	–	(2)	114	–	114
Capital expenditure	(367)	(115)	(482)	(136)	(589)	(725)

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

13. 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 2021 S$'000	6 months ended 31 Dec 2020 S$'000	12 months ended 31 Dec 2021 S$'000	12 months ended 31 Dec 2020 S$'000
Revenue				
Singapore	17,973	16,531	38,611	32,227
Vietnam	54,726	44,790	126,314	76,697
Indonesia	4,880	6,617	16,964	13,407
Others	13,275	6,352	22,088	13,611
Consolidated revenue	90,854	74,290	203,977	135,942
Non-current assets*				
Singapore			13,001	14,504
Vietnam			56	3
			13,057	14,507

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

14. Related party transactions

There are no material related party transactions apart from directors' fees and compensation paid to key management personnel and the following which were carried in the normal course of business on terms agreed between the parties during the year:

	31 Dec 2021 S$'000	31 Dec 2020 S$'000
Joint venture – Tat Hong Intraco Pte Ltd		
Net proceeds on sale of cranes to a subsidiary of a controlling shareholder	936	–
Amount attributable to the Group	374	–

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

15. Seasonal operations

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

16. Subsequent event

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

On 24 December 2021, the Company entered into subscription agreements for the proposed subscriptions of 10,000,000 new ordinary shares in the issued and paid-up capital of the Company at an issue price of S$0.45 per share, amounting to an aggregate gross consideration of S$4,500,000. The Company received approval in-principle from SGX-ST for the listing and quotation of the new shares on 13 January 2022. On 17 January 2022, the Company allotted and issued 10,000,000 shares to the subscribers. The new shares were listed and quoted on the Official List of the SGX-ST on 19 January 2022. Following the completion of the subscriptions, the total number of shares has increased from 102,816,879 Shares to 112,816,879 Shares (excluding treasury shares).

On 7 February 2022, the Group entered into an acquisition agreement with Messrs Mark Carnegie and Sergei Sergienko (collectively, the "Sellers") for the acquisition of 51% stake in MHC Singapore. MHC Singapore is to be incorporated in Singapore by the Sellers and will take over the relevant businesses and assets of MHC Digital Group, which is an Australian digital asset platform, combining traditional financial funds management expertise and digital asset expertise and providing end-to-end services, including fund management and trading services. The proposed transaction constitutes a major transaction under Rule 1014 of the Listing Manual of the SGX-ST and is subject to the approval of the shareholders of the Company. Upon completion, the proposed transaction is expected to have a significant impact to the net tangible assets per share and earnings per share of the Group.

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 2021 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 period then 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 FY2021 vs H2 FY2020

Revenue and Cost of Sales

Revenue from the Fire Protection Segment decreased by 7.8% from S$3.9 million in H2 FY2020 to S$3.6m to H2 FY2021. This was mainly due to slower project progress from foreign worker constraints and certain projects not being able to commence work as scheduled.

Revenue from the Trading and Other segment increased by 24.0% from S$70.4 million in H2 FY2020 to S$87.2m in H2 FY2021 due to higher volume and unit price.

Gross profit

Gross profit decreased from S$4.1 million in H2 FY2020 to S$3.3 million in H2 FY2021. Margins for the Group's Fire Protection Segment had taken a hit from reworks on certain project. Trading and Other segment was affected by Vietnam and Indonesia lockdowns as well as supply chain woes when margin was compromised. Supply disruption and escalating ocean freight also add to the reduced gross margin.

Other income

Decrease in other income of S$375k was due to lower cash payouts received from the authorities under the Jobs Support Scheme and other government grants in relation to the COVID-19 outbreak.

Other expenses

Other expenses in H2 FY2021 of S$0.3 million comprised of fair value loss on financial assets and allowance for doubtful debts. Other expenses in H2 FY2020 S$8.7 million included the impairment loss on the goodwill of KA Group S$6.9 million and impairment loss on the Group's investment in Tat Hong Intraco of S$1.6 million.

Administrative expenses

The decrease in administrative expenses of S$1.3 million was due to strict controls on corporate costs.

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

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

Finance income
Finance income increased by S$60,000 or 64.5% mainly due to distributions from bond funds.

Share of net (loss)/profit of associate and joint venture, net of tax
Construction activities in Myanmar had come to a standstill due to the political instability and the COVID pandemic. The Group had taken steps to scale down operations and progressively move the cranes out of Myanmar to sell in Singapore or nearby region. The Group recorded a share of profit of S$65,000 in H2 FY2021 mainly from gain on disposal of cranes by the Myanmar joint venture.

Consolidated Statement of Profit or Loss – FY2021 vs FY2020

Revenue and Cost of Sales
Revenue from the Fire Protection Segment for FY2020 was affected by the halt to all construction activities during COVID-19 outbreak between April and August 2020. While work has resumed since, strict social distancing, safety measures were implemented amidst foreign workers constraints which further impacted work progress.

Revenue from the Trading and Other segment increased by 51.7% from S$129.5 million in FY2020 to S$196.5m in FY2021 due to higher volume, higher unit price, wider product range and better sourcing options.

Gross profit
Gross profit increased S$1.0 million from S$6.3 million in FY2020 to S$7.3 million in FY2021 mainly due to the increased contributions from the Trading segment. Better volumes and improved product mix and reduced expenses resulted in higher margins.

Other income
Decrease in other income of S$417k was due to lower cash payouts received from the authorities under the Jobs Support Scheme and other government grants in relation to the COVID-19 outbreak.

Other expenses
Other expenses in FY2021 of S$0.3 million comprised of fair value loss on financial assets and allowance for doubtful debts. Other expenses in FY2020 comprised loss on divestment of the Group's 41.27% stake in DCL of S$2.1 million, impairment loss on the goodwill of KA Group S$6.9 million and impairment loss on the Group's investment in Tat Hong Intraco of S$1.6 million.

Administrative expenses
The decrease in administrative expenses of S$1.5 million was due to strict controls on corporate costs.

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

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

Depreciation of property, plant and equipment
The increase in depreciation of property, plant and equipment was mainly due to the commencement of depreciation for 4G network equipment from H2 of FY2020.

Finance income
Finance income decreased by S$43,000 or 16.3% as the Company has placed S$25 million of its surplus cash into bond funds and money market fund where coupons are reinvested.

Share of net (loss)/profit of associate and joint venture, net of tax
Share of results of associates and joint venture in FY2020 of S$569,000 included results from DCL which the Group has divested in July 2020.

Consolidated Statement of Financial Position
The Company has placed S$25 million into the money market and bond fund investments on a short-term basis. The money market and bond fund investments are classified as financial assets at fair value through profit or loss.

The increase in trade and other receivables of S$2.6 million was mainly due to the increase in upfront payments to suppliers to secure shipments to customers.

The decrease in trade and other payables of S$2.8 million was partly due to reduction in trade activities in the last month of the financial year and advances from customers.

Review of Consolidated Statement of Cash Flow
The cash flow used in operating activities of S$4.8 million was mainly due to increase in upfront payments to suppliers to secure shipments to customers. The cash flow used in investing activities of S$25.6 million was mainly due to placement of S$25m into money market and bond fund investments on a short-term basis (refer Note 8).

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

Not applicable.

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

Our principal subsidiary and fire protection business, K.A. Group Holdings Pte Ltd ("KA") whose business is predominantly in Singapore continues to be severely and adversely impacted by manpower shortages. This has had an impact on both ongoing projects and pipeline development of new business. There were signs of recovery as our order books had strengthened in the last quarter. Gradual recovery of the business is expected hereon, boosted by increased vaccination rates and the alleviation of the labour shortage as COVID-19 restrictions are gradually eased.

The Group's core Trading segment performed well, delivering a resilient performance despite the challenging trading climate and uncertainty to global supply chains. This arose as a result of better volumes and improved product mix which resulted in higher margins. The outlook of the trading business remains volatile.

Efforts are also being made to expand our mobile infrastructure and communications business as we look to develop an IoT platform to broaden its services and offerings as well as to promote greenmark based ESG subsystems for energy saving and indoor air quality management.

The cranes rental business in Myanmar continues to be affected by the ongoing political situation and the pandemic. Most construction projects have temporarily ceased as a result of the political unrest. The impairment undertaken in 2020 means that the current situation did not have a material financial impact on the Group for the financial year 2021. As of to date, 6 cranes have been sold and the remaining 5 cranes are expected to be fully disposed in the next 12 months.

The Group announced the proposed acquisition of the MHC Digital Group ("MHC") on 7 February 2022. The completion of the MHC acquisition within the next 24 months will allow the Group the opportunity to participate in the growth prospects and deliver scale and capabilities in the digital assets space.

The economic situation with the COVID-19 pandemic evolving is still on the road to recovery. Border closures and movement restrictions will likely continue impacting investment activity and regional expansion of the existing businesses.

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 Group and the Company recorded a loss for the year ended 31 December 2021.

6. Interested person transactions

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

7. A breakdown of sales

	12 months ended 31 Dec 2021 S$'000	12 months ended 31 Dec 2020 S$'000	Increase / Decrease %
(a) Sales reported for first half year	113,123	61,652	83.5
(b) Operating profit/loss after tax before deducting non-controlling interests reported for first half year	(257)	(3,529)	(92.7)
(c) Sales reported for second half year	90,854	74,290	22.3
(d) Operating profit/loss after tax before deducting non-controlling interests reported for second half year	(741)	(9,335)	(92.1)

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

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 2022