



**INTRACO Limited**

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

**Full Year Financial Statement & Dividend Announcement**

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

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

**UNAUDITED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2008**

	Notes	S\$'000		%
		31-12-08	31-12-07	
Turnover		294,511	364,692	(19.2)
Cost of sales		(279,143)	(349,523)	20.1
<b>Gross profit</b>		15,368	15,169	1.3
Other income	(i)	1,470	3,295	(55.4)
Distribution expenses		(3,779)	(3,576)	(5.7)
Administration expenses		(11,403)	(12,520)	8.9
Other expenses	(ii)	(1,581)	-	n.m.
<b>Results from operating activities</b>		75	2,368	(96.8)
Finance income	(iii)	1,521	3,640	(58.2)
Finance expense	(iv)	(511)	(1,297)	60.6
Net finance income		1,010	2,343	(56.9)
Share of loss of an associate (net of tax)		(57)	(144)	(60.4)
<b>Profit before income tax</b>		1,028	4,567	(77.5)
Income tax expense	(v)	(59)	(224)	73.7
<b>Profit for the year</b>	(vi)	969	4,343	(77.7)
<b>Attributable to :</b>				
Equity holders of the Company		1,189	3,777	(68.5)
Minority interests		(220)	566	(138.9)
<b>Profit for the year</b>		969	4,343	(77.7)

n.m.: not meaningful

**Notes: -**

(i) Includes the following:

Commission income  
Net foreign exchange gain  
Gain on re-measurement of investments

S\$'000	
31-12-08	31-12-07
1,003	675
-	250
-	25

(ii) This mainly relates to impairment of available-for-sale financial assets.

(iii) Includes the following:

Dividend Income  
Interest income  
Distribution from investments

S\$'000	
31-12-08	31-12-07
23	21
1,357	1,564
141	2,055

(iv) Includes the following:

Interest expense  
Loss on disposal of investments

S\$'000	
31-12-08	31-12-07
511	1,282
-	15

(v) Taxation includes:

Current  
Over provision of income tax in respect of prior years

S\$'000	
31-12-08	31-12-07
40	299
19	(75)

(vi) Includes the following:

Net foreign exchange loss  
Depreciation and amortisation  
Doubtful debts allowance made  
Write back/(allowance) for inventory obsolescence  
Loss on disposal of property, plant and equipment

S\$'000	
31-12-08	31-12-07
(1,261)	-
(4,221)	(4,173)
(136)	(641)
108	(95)
-	(3)

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

**Balance sheets**

	Notes	Group		Company	
		31/12/08	31/12/07	31/12/08	31/12/07
		\$'000	\$'000	\$'000	\$'000
<b>Non-current assets</b>					
Property, plant and equipment		11,646	12,749	427	499
Intangible assets		656	417	-	-
Subsidiaries		-	-	50,739	54,122
Amount due from a subsidiary		-	-	3,631	3,826
Associates		2,069	1,495	1,036	1,500
Other investments	(a)	2,585	2,290	2,577	2,290
		<b>16,956</b>	<b>16,951</b>	<b>58,410</b>	<b>62,237</b>
<b>Current assets</b>					
Other investments		19	162	-	-
Inventories		29,773	34,837	3,421	2,368
Trade and other receivables	(b)	43,712	49,838	7,771	10,754
Amounts owing by subsidiaries		-	-	9,361	9,390
Loan due from an associate		400	400	400	400
Tax receivable		983	912	660	660
Cash and cash equivalents		32,538	35,664	14,208	13,121
		<b>107,425</b>	<b>121,813</b>	<b>35,821</b>	<b>36,693</b>
<b>Total assets</b>		<b>124,381</b>	<b>138,764</b>	<b>94,231</b>	<b>98,930</b>
<b>Share capital and reserves</b>					
Share capital		81,874	81,874	81,874	81,874
Other reserves		2,921	2,894	7,631	6,976
Accumulated losses		(9,102)	(10,332)	(7,002)	(5,534)
		<b>75,693</b>	<b>74,436</b>	<b>82,503</b>	<b>83,316</b>
<b>Minority interests</b>					
		<b>3,138</b>	<b>3,285</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>		<b>78,831</b>	<b>77,721</b>	<b>82,503</b>	<b>83,316</b>
<b>Non-current liabilities</b>					
Financial liabilities		18	26	-	-
<b>Current liabilities</b>					
Trade and other payables	(c)	35,075	41,903	5,770	5,826
Amounts owing to subsidiaries		-	-	5,958	8,512
Financial liabilities	(d)	10,363	18,748	-	1,276
Current tax payable		94	366	-	-
		<b>45,532</b>	<b>61,017</b>	<b>11,728</b>	<b>15,614</b>
		<b>124,381</b>	<b>138,764</b>	<b>94,231</b>	<b>98,930</b>

**Notes:**

- (a) Increase due to purchase of investments, net of fair valuation.
- (b) Reduction in trade receivables in tandem with decrease in turnover.
- (c) The decrease in trade and other payables is in line with reduction in trade receivables.
- (d) Reduction due to trust receipts substantially repaid.
- (e) Decrease due to settlement of subsidiary dividends declared in 2007.

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

**Amount repayable in one year or less, or on demand**

As at 31-12-08	
Secured	Unsecured
S\$'000	S\$'000
8	10,355

As at 31-12-07	
Secured	Unsecured
S\$'000	S\$'000
8	18,740

**Amount repayable after one year**

As at 31-12-08	
Secured	Unsecured
S\$'000	S\$'000
18	-

As at 31-12-07	
Secured	Unsecured
S\$'000	S\$'000
26	-

**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**

	<b>Group</b>	
	<b>31-12-08</b>	<b>31-12-07</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Operating activities</b>		
Profit for the period	969	4,343
Adjustments for:		
Depreciation	4,058	4,131
Amortisation of intangible assets	163	42
Loss on disposal of property, plant and equipment	-	3
Property, plant and equipment written off	2	-
Impairment of available-for-sale financial asset	1,244	-
Provisions reversed	-	436
Writeback of share-based expense on options expired	80	-
Share-based expense of a subsidiary	43	306
Loss/(gain) on fair valuation of financial assets	196	(24)
Share of loss of an associate, net of tax	57	144
Net finance income	(1,010)	(2,343)
Income tax expense	59	224
	<u>5,861</u>	<u>7,262</u>
Changes in working capital:		
Inventories	5,065	(1,094)
Trade and other receivables	6,277	11,117
Trade and other payables	(7,115)	(20,100)
Cash generated from/(used in) operations	<u>10,088</u>	<u>(2,815)</u>
Interest paid	(507)	(1,226)
Interest received	1,303	1,545
Income taxes paid	(407)	(435)
<b>Cash flows from operating activities</b>	<u>10,477</u>	<u>(2,931)</u>
<b>Investing activities</b>		
Dividend received	23	17
Distribution from investments	141	2,040
Investment in an associate	(596)	-
Loan to an associate	-	(400)
Payment for development cost on intangible assets	(404)	(219)
Purchase of investments	(1,901)	-
Purchase of property, plant and equipment	(3,022)	(418)
Proceeds from disposal of associates and investment	528	-
Proceeds from sale of property, plant and equipment	65	33
<b>Cash flows from investing activities</b>	<u>(5,166)</u>	<u>1,053</u>
<b>Financing activities</b>		
Proceeds from borrowings	3,163	8,587
Repayment of borrowings	(11,548)	(4,184)
Dividend paid by the Company	-	(4,004)
Payment of finance lease liabilities	(8)	(4)
Proceeds from issue of shares	-	10
Dividend paid by a subsidiary to minority shareholder	-	(735)
<b>Cash flows from financing activities</b>	<u>(8,393)</u>	<u>(330)</u>
<b>Net decrease in cash and cash equivalents</b>	<b>(3,082)</b>	<b>(2,208)</b>
Cash and cash equivalents at beginning of the year	35,664	38,438
Effects of exchange rate changes on balances held in foreign currency	(44)	(566)
<b>Cash and cash equivalents at end of the year</b>	<u><b>32,538</b></u>	<u><b>35,664</b></u>

1(d)(i) 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 Shareholders' Equity:**

<b>Group (S\$'000)</b>	Share capital	Share option reserve *	Capital reserve *	Foreign currency translation reserve *	Fair value reserve *	Accumulated losses	Total attributable to equity holders of the Company	Minority interest	Total equity
As at 1 January 2008	81,874	156	3,364	(298)	(328)	(10,332)	74,436	3,285	77,721
Change in fair value of available-for-sale financial assets	-	-	-	-	328	-	328	-	328
Translation difference arising on consolidation	-	-	-	(323)	-	-	(323)	13	(310)
Net gain recognised directly in equity	-	-	-	(323)	328	-	5	13	18
Profit for the year	-	-	-	-	-	1,189	1,189	(220)	969
Total recognised income and expense for the year	-	-	-	(323)	328	1,189	1,194	(207)	987
Share-based expenses of a subsidiary	-	22	-	-	-	-	22	21	43
Writeback of share-based expenses of a subsidiary for options expired	-	-	-	-	-	41	41	39	80
<b>As at 31 December 2008</b>	<b>81,874</b>	<b>178</b>	<b>3,364</b>	<b>(621)</b>	<b>-</b>	<b>(9,102)</b>	<b>75,693</b>	<b>3,138</b>	<b>78,831</b>
As at 1 January 2007	81,864	-	3,364	(108)	(305)	(10,105)	74,710	3,488	78,198
Change in fair value of available-for-sale financial assets	-	-	-	-	(23)	-	(23)	-	(23)
Translation difference arising on consolidation	-	-	-	(190)	-	-	(190)	(184)	(374)
Net losses recognised directly in equity	-	-	-	(190)	(23)	-	(213)	(184)	(397)
Profit for the year	-	-	-	-	-	3,777	3,777	566	4,343
Total recognised income and expense for the year	-	-	-	(190)	(23)	3,777	3,564	382	3,946
Issue of shares under share option scheme	10	-	-	-	-	-	10	-	10
Share-based expenses of a subsidiary	-	156	-	-	-	-	156	150	306
Final dividend paid of 2.03 cents per share for financial year ended 2006	-	-	-	-	-	(2,002)	(2,002)	-	(2,002)
Interim dividend paid of 2.03 cents per share for financial year ended 2007	-	-	-	-	-	(2,002)	(2,002)	-	(2,002)
Dividend paid by a subsidiary to minority shareholder	-	-	-	-	-	-	-	(735)	(735)
<b>As at 31 December 2007</b>	<b>81,874</b>	<b>156</b>	<b>3,364</b>	<b>(298)</b>	<b>(328)</b>	<b>(10,332)</b>	<b>74,436</b>	<b>3,285</b>	<b>77,721</b>

\* These are non-distributable reserves.

**Company (S\$'000)**

	Share capital	Fair value reserve*	Accumulated loss	Total
As at 1 January 2008	81,874	6,976	(5,534)	83,316
Change in fair value of available-for-sale financial assets	-	655	-	655
Net gain recognised directly in equity	-	655	-	655
Loss for the year	-	-	(1,468)	(1,468)
Total recognised income and expense for the year	-	655	(1,468)	(813)
<b>As at 31 December 2008</b>	<b>81,874</b>	<b>7,631</b>	<b>(7,002)</b>	<b>82,503</b>
As at 1 January 2007	81,864	5,164	(12,350)	74,678
Change in fair value of available-for-sale financial assets	-	1,812	-	1,812
Net gain recognised directly in equity	-	1,812	-	1,812
Profit for the year	-	-	10,820	10,820
Total recognised income for the year	-	1,812	10,820	12,632
Issue of shares under share option scheme	10	-	-	10
Final dividend paid of 2.03 cents per share for financial year ended 2006	-	-	(2,002)	(2,002)
Interim dividend paid of 2.03 cents per share for financial year ended 2007	-	-	(2,002)	(2,002)
<b>As at 31 December 2007</b>	<b>81,874</b>	<b>6,976</b>	<b>(5,534)</b>	<b>83,316</b>

\* These are non-distributable reserves.

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

As at 31 December 2008, there were unexercised options for 679,000 (31 December 2007: 997,000) 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.**

	<u>As at 31-12-08</u>	<u>As at 31-12-07</u>
Total number of issued shares excluding treasury shares	<u>98,635,879</u>	<u>98,635,879</u>

**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 31st December 2008.

**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 2007.

**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.**

Not applicable

**6 Earnings Per Ordinary Share (EPS)**

Earnings per ordinary share for the year based on net profit attributable to shareholders:

(i) Based on number of ordinary shares on issue

(ii) On a fully diluted basis

Group	
Full Year 31-12-08	Full Year 31-12-07
cents	cents
1.21	3.83
1.21	3.83

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

**Net Asset Value**

Net asset value per ordinary share based on issued share capital at the end of the period

Group		Company	
As at 31-12-08	As at 31-12-07	As at 31-12-08	As at 31-12-07
\$0.77	\$0.75	\$0.84	\$0.84

**8 Review of Performance**

The Group's turnover in 2008 was S\$294.5 million, a 19.2% decrease from 2007. This was due to weaker sales in the Semiconductors sector, Industrial Materials sector, especially for Petrochemical products, and Agri-business & Food sector. Sales for the first half of 2008 were affected by the weakening of the US dollar while depressed commodity prices due to the global economic slowdown affected sales during the second half of 2008.

The profit after tax and minority interests for the year was S\$1.2 million compared to S\$3.8 million in 2007, after imputing a S\$1.2 million impairment for available-for-sale financial asset. The 2007's profit after tax included a prior year writeback of provision of cost of sales of S\$1.6 million and a S\$2.0 million gain from a return of capital in an investment.

Turnover for Building Materials & Security Solutions sector improved by S\$13.4 million to S\$34.3 million (in comparison with S\$20.9 million in 2007). The segmental profit, at S\$1.36 million, was a marked improvement over 2007 reported profit of S\$0.47 million.

The Industrial Materials sector recorded a lower turnover of S\$131.9 million for 2008 as compared to the same period in 2007 at S\$205.7 million. The reduction in turnover was mainly due to the weakened sales in some Petrochem products and the reduction in Plastics sales due to 30% to 40% reduction in plastics prices in the second half of the year. The segmental profit was S\$0.24 million as compared to S\$2.12 million in 2007 due to lower margin and lower turnover.

Turnover for the seafood and coffee businesses within the Agri-business & Food sector was S\$17.6 million, a reduction of 26.1% from the same period in 2007. The sector reported a segmental loss of S\$0.2 million in 2008 compared to a profit of S\$1.36 million reported in the same period in 2007. Included in the sector's 2007 profit was a prior year writeback of provision of cost of sales of S\$1.6 million which turned around the operational loss incurred.

Turnover for the Semiconductors' sector was S\$99.6 million compared to S\$107.2 million in 2007, a reduction of 7.1%. This was due mainly to increasing competition in the semiconductors industry which also resulted in a dip in profit margin. The sector reported a loss of S\$0.09 million in 2008 compared to a profit of S\$1.3 million for the same period in 2007, due to the reduction in profit margin and a foreign exchange loss of S\$0.68 million.

**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.**

With the slowdown in the global business environment, the slump in commodity prices and the competitive market condition in the semiconductors industry, the Group expects the next 12 months to be challenging. However, the Group will remain vigilant and stay focus in its strategies to meet the challenges ahead.

**11 Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? Nil

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Name of Dividend :	Interim (paid on 26 Dec 2007)
Dividend Type :	Cash
Dividend Rate:	2.03 cents per share, net of tax
Tax Rate :	18%

**(c) Date payable**

Not applicable

**(d) Books closure date**

Not applicable

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

No dividend was recommended for the present financial period.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

**13 Business Segmental Information**

**By industries for the year ended 31 December 2008**

<b>\$'000</b>	Building Materials & Security Solutions (excl. IWave)	Semi- conductors	Industrial Materials	Building Materials & Security Solutions (IWave only)	Energy & Enviornment	Agri-business & Food	Others	Consolidated
<b>2008</b>								
Segment revenue	34,339	99,580	131,878	7,300	3,806	17,608	-	294,511
Segment results	1,356	(92)	235	1,864	199	(197)	(147)	3,218
Unallocated expense								(2,190)
<b>Profit before taxation</b>								1,028
Taxation								(59)
Minority interests, net of taxes								220
<b>Net Profit</b>								<b>1,189</b>
Segment assets	9,792	22,216	14,895	14,286	340	19,829	-	81,358
Unallocated assets								43,023
<b>Total assets</b>								<b>124,381</b>
Segment liabilities	4,131	11,223	5,008	1,583	170	140	6	22,261
Unallocated liabilities								23,289
<b>Total liabilities</b>								<b>45,550</b>
Other segment information:								
Capital expenditure	-	582	50	2,698	-	-	96	3,426
Depreciation and amortisation	-	308	22	3,722	-	1	168	4,221

<b>\$'000</b>	Building Materials & Security Solutions (excl. IWave)	Semi- conductors	Industrial Materials	Building Materials & Security Solutions (IWave only)	Energy & Enviornment	Agri-business & Food	Others	Consolidated
<b>2007</b>								
Segment revenue	20,914	107,232	205,658	6,096	956	23,836	-	364,692
Segment results	465	1,304	2,117	276	(375)	1,360	(10)	5,137
Unallocated expense								(570)
<b>Profit before taxation</b>								4,567
Taxation								(224)
Minority interests, net of taxes								(566)
<b>Net profit</b>								<b>3,777</b>
Segment assets	10,844	26,235	19,971	12,141	370	23,917	-	93,478
Unallocated assets								45,286
<b>Total assets</b>								<b>138,764</b>
Segment liabilities	3,783	14,800	13,267	132	140	638	6	32,766
Unallocated liabilities								28,277
<b>Total liabilities</b>								<b>61,043</b>
Other segment information:								
Capital expenditure	-	434	41	-	-	3	159	637
Depreciation and amortisation	-	115	19	3,737	-	1	301	4,173

**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**

- (a) Sales reported for first half year
- (b) Operating profit after tax before deducting minority interests reported for first half year
- (c) Sales reported for second half year
- (d) Operating profit after tax before deducting minority interests reported for second half year

<b>Group</b>		
31-12-08	31-12-07	Change %
S\$'000	S\$'000	
179,329	191,600	(6.4)
925	3,032	(69.5)
115,182	173,092	(33.5)
44	1,311	(96.6)

**16 Interested person transactions**

Nil

**BY ORDER OF THE BOARD**

**Annie Wong Sook Cheng**  
**Company Secretary**  
 26/02/2009