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

Full Year Financial Statement for the Year Ended 31/12/2007

1(a) Consolidated Statement of Profit and Loss

	Notes	S$'000		%
		31/12/07	31/12/06	Change
Turnover		364,692	407,710	(10.6)
Cost of sales		(349,523)	(392,033)	10.8
Gross profit		15,169	15,677	(3.2)
Other income	(i)	3,295	4,735	(30.4)
Distribution expenses		(3,576)	(3,143)	(13.8)
Administration expenses		(12,520)	(11,711)	(6.9)
Other expenses		-	(7)	n.m.
Results from operating activities		2,368	5,551	(57.3)
Finance income	(ii)	3,640	2,927	24.4
Finance expense	(iii)	(1,297)	(885)	(46.6)
Net finance income		2,343	2,042	14.7
Share of (loss)/profit of an associate (net of tax)		(144)	139	(203.6)
Profit before income tax		4,567	7,732	(40.9)
Income tax expense	(iv)	(224)	(573)	60.9
Profit for the year	(v)	4,343	7,159	(39.3)
Attributable to :				
Equity holders of the Company		3,777	6,074	(37.8)
Minority interests		566	1,085	(47.8)
Profit for the year		4,343	7,159	(39.3)

n.m.: not meaningful

Notes: -

(i) Includes the following:

	S$'000	
	31/12/07	31/12/06
Commission income	675	818
Net foreign exchange gain	250	-
Gain on re-measurement of investments	25	127
Gain on disposal of associates and investments	-	2,839
Sale of brand user rights	-	24

(ii) Includes the following:

	S$'000	
	31/12/07	31/12/06
Interest income	1,564	1,481
Distribution from investments	2,055	835

(iii) Includes the following:

	S$'000	
	31/12/07	31/12/06
Interest expense	1,282	885
Loss on disposal of investments	15	-

(iv) Taxation includes:

	S$'000	
	31/12/07	31/12/06
Current	300	581
Over provision of income tax in respect of prior years	(76)	(8)

(v) Includes the following:

	S$'000	
	31/12/07	31/12/06
Depreciation and amortisation	(4,173)	(4,132)
Provision of doubtful debts	(641)	(679)
Provision of inventory obsolescence	(95)	(24)

1(b)(i) Balance sheets

	Notes	Group 31/12/07 $'000	Group 31/12/06 $'000		Company 31/12/07 $'000	Company 31/12/06 $'000
Non-current assets						
Property, plant and equipment	(a)	**12,749**	16,514		**499**	642
Intangible assets		**417**	253		**-**	-
Subsidiaries		**-**	-		**54,122**	56,403
Amount due from a subsidiary		**-**	-		**3,826**	3,826
Associates		**1,495**	1,639		**1,500**	1,500
Other investments	(b)	**2,290**	4,436		**2,290**	4,436
		16,951	22,842		**62,237**	66,807
Current assets						
Other investments		**162**	146		**-**	-
Inventories		**34,837**	33,718		**2,368**	3,428
Trade and other receivables	(c)	**49,838**	58,496		**10,754**	11,591
Amounts owing by subsidiaries		**-**	-		**7,570**	4,773
Loan due from an associate		**400**	-		**400**	-
Tax receivable		**912**	934		**2,480**	682
Cash and cash equivalents		**35,664**	38,438		**13,121**	18,914
		121,813	131,732		**36,693**	39,388
Total assets		**138,764**	154,574		**98,930**	106,195
Share capital and reserves						
Share capital		**81,874**	81,864		**81,874**	81,864
Other reserves		**2,894**	2,951		**6,976**	5,164
Accumulated losses		**(10,332)**	(10,105)	(f)	**(5,534)**	(12,350)
		74,436	74,710		**83,316**	74,678
Minority interests		**3,285**	3,488		**-**	-
Total equity		**77,721**	78,198		**83,316**	74,678
Non-current liabilites						
Financial liabilities		**26**	31		**-**	-
Current liabilities						
Trade and other payables	(d)	**41,903**	60,912		**5,826**	6,662
Provisions		**-**	443		**-**	443
Amounts owing to subsidiaries		**-**	-	(g)	**8,512**	23,522
Financial liabilities	(e)	**18,748**	14,344		**1,276**	890
Current tax payable		**366**	646		**-**	-
		61,017	76,345		**15,614**	31,517
		138,764	154,574		**98,930**	106,195

Notes:

(a) Decrease due to depreciation of infrastructure costs for North East Line Radio Wave project.

(b) Reduction due to reclassification of an investment to other receivables.

(c) Reduction in trade receivables due to different nature of trade and product mix, and in tandem with decrease in turnover.

(d) The decrease in trade and other payables is mainly due to shorter terms extended by suppliers.

(e) Due to increase in trust receipts to finance trade payables.

(f) Increase due to dividends received from subsidiaries.

(g) Decrease due to settlement of subsidiary dividends declared in 2006 & 2007.

1(b)(ii) Group Borrowings

Amount repayable in one year or less, or on demand

As at 31/12/07		As at 31/12/06	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
8	18,740	7	14,337

Amount repayable after one year

As at 31/12/07		As at 31/12/06	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
26	-	31	-

Details of any collateral

The secured borrowings are outstanding obligations under a finance lease.

1(c) **Consolidated Statement of Cash Flows**

	Group	
	31/12/07	**31/12/06**
	S$'000	**S$'000**
Operating activities		
Profit for the period	**4,343**	7,159
Adjustments for:		
Depreciation	**4,131**	4,113
Amortisation of Intangible assets	**42**	19
Loss/(gain) on disposal of property, plant and equipment	**3**	(3)
Property, plant and equipment written off	**-**	2
Gain on disposal of associates	**-**	(2,288)
Gain on disposal of brand user rights	**-**	(24)
Share-based expenses of a subsidiary	**306**	-
Gain on fair valuation of financial assets	**(24)**	(120)
Share of loss/(profit) of an associate, net of tax	**144**	(139)
Net finance income	**(2,343)**	(2,042)
Income tax expense	**224**	573
	6,826	7,250
Changes in working capital:		
Inventories	**(1,094)**	(17,022)
Trade and other receivables	**11,117**	(14,679)
Trade and other payables	**(19,664)**	18,084
Cash used in operations	**(2,815)**	(6,367)
Income taxes paid	**(435)**	(374)
Interest received	**1,545**	1,441
Interest paid	**(1,226)**	(827)
Cash flows from operating activities	**(2,931)**	(6,127)
Investing activities		
Dividend received	**17**	54
Distribution from investments	**2,040**	843
Loan to an associate	**(400)**	-
Payment for development cost on intangible assets	**(219)**	(148)
Purchase of investments	**-**	(3,903)
Purchase of property, plant and equipment	**(418)**	(267)
Proceeds from disposal of associates and investment	**-**	1,729
Proceeds from disposal of brand user rights	**-**	24
Proceeds from sale of property, plant and equipment	**33**	3
Cash flows from investing activities	**1,053**	(1,665)
Financing activities		
Proceeds from borrowings	**8,587**	12,896
Repayment of borrowings	**(4,184)**	(3,236)
Dividend paid by the Company	**(4,004)**	-
Payment of finance lease liabilities	**(4)**	(12)
Proceeds from issue of shares	**10**	-
Dividend paid by a subsidiary to minority shareholder	**(735)**	(490)
Cash flows from financing activities	**(330)**	9,158
Net (decrease) / increase in cash and cash equivalents	**(2,208)**	1,366
Cash and cash equivalents at beginning of the year	**38,438**	38,195
Effects of exchange rate changes on balances held in foreign currency	**(566)**	(1,123)
Cash and cash equivalents at end of the year	**35,664**	38,438

1(d)(i) Statement of Changes in Shareholders' Equity:

Group (S$'000)	Share capital	Share premium *	Share option reserve *	Capital reserve *	Fair value reserve *	Foreign currency translation reserve *	Accumulated losses	Total attributable to equity holders of the Company	Minority interest	Total equity
As at 1 January 2007	81,864	-	-	3,364	(305)	(108)	(10,105)	74,710	3,488	78,198
Issue of shares under share option scheme	10	-	-	-	-	-	-	10	-	10
Net change in fair value of available-for-sale financial assets, net of tax	-	-	-	-	(23)	-	-	(23)	-	(23)
Translation difference arising on consolidation	-	-	-	-	-	(190)	-	(190)	(184)	(374)
Net losses recognised directly in equity	-	-	-	-	(23)	(190)	-	(213)	(184)	(397)
Net profit for the year	-	-	-	-	-	-	3,777	3,777	566	4,343
Total recognised income and expense for the year	-	-	-	-	(23)	(190)	3,777	3,564	382	3,946
Share-based expenses of a subsidiary	-	-	156	-	-	-	-	156	150	306
Dividend paid	-	-	-	-	-	-	(4,004)	(4,004)	-	(4,004)
Dividend paid by a subsidiary to minority shareholder	-	-	-	-	-	-	-	-	(735)	(735)
As at 31 December 2007	**81,874**	**-**	**156**	**3,364**	**(328)**	**(298)**	**(10,332)**	**74,436**	**3,285**	**77,721**
As at 1 January 2006	49,308	32,638	-	3,282	-	221	(16,179)	69,270	3,215	72,485
Net change in fair value of available-for-sale financial assets, net of tax	-	-	-	-	(305)	-	-	(305)	-	(305)
Translation difference arising on consolidation	-	-	-	-	-	(329)	-	(329)	(322)	(651)
Net losses recognised directly in equity	-	-	-	-	(305)	(329)	-	(634)	(322)	(956)
Net profit for the year	-	-	-	-	-	-	6,074	6,074	1,085	7,159
Total recognised income and expense for the year	-	-	-	-	(305)	(329)	6,074	5,440	763	6,203
Transfer from share premium account to share capital upon implementation of the Companies (Amendment) Act 2005	32,556	(32,556)	-	-	-	-	-	-	-	-
Transfer to capital reserve	-	(82)	-	82	-	-	-	-	-	-
Dividend paid by a subsidiary to minority shareholder	-	-	-	-	-	-	-	-	(490)	(490)
As at 31 December 2006	81,864	-	-	3,364	(305)	(108)	(10,105)	74,710	3,488	78,198

* These are non-distributable reserves.

1(d)(i) Statement of Changes in Shareholders' Equity: (cont'd)

Company (S$'000)	Share capital	Share premium *	Fair value reserve*	Accumulated loss	Total
As at 1 January 2007	81,864	-	5,164	(12,350)	74,678
Issue of shares under share option scheme	10	-	-	-	10
Net change in fair value of available-for-sale financial assets, net of tax	-	-	1,812	-	1,812
Net gain recognised directly in equity	-	-	1,812	-	1,812
Net profit for the year	-	-	-	10,820	10,820
Total recognised income and expense for the year	-	-	1,812	10,820	12,632
Dividend paid	-	-	-	(4,004)	(4,004)
As at 31 December 2007	**81,874**	**-**	**6,976**	**(5,534)**	**83,316**
As at 1 January 2006	49,308	32,556	9,422	(14,389)	76,897
Net change in fair value of available-for-sale financial assets, net of tax	-	-	(4,258)	-	(4,258)
Net loss recognised directly in equity	-	-	(4,258)	-	(4,258)
Net profit for the year	-	-	-	2,039	2,039
Total recognised income and expense for the year	-	-	(4,258)	2,039	(2,219)
Transfer from share premium account to share capital upon implementation of the Companies (Amendment) Act 2005	32,556	(32,556)	-	-	-
As at 31 December 2006	81,864	-	5,164	(12,350)	74,678

* These are non-distributable reserves.

1(d)(ii) Changes in Company's Share Capital

As at 31 December 2007, there were unexercised options for 997,000 (31 December 2006: 1,092,000) of unissued ordinary shares with exercise price of $0.50 each under the Intraco Limited Share Option Scheme 2000.

2 Audit

The figures have not been audited nor reviewed by our auditors.

3 Auditor's Report

Not applicable

4 Changes in Accounting Policies

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 2006.

5 Earnings Per Ordinary Share (EPS)

	Group	
	Full Year 31/12/07	**Full Year 31/12/06**
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	3.83	6.16
(ii) On a fully diluted basis	3.83	6.16

6 Net Asset Value

	Group		Company	
	As at 31/12/07	**As at 31/12/06**	**As at 31/12/07**	**As at 31/12/06**
Net asset value per ordinary share based on issued share capital at the end of the period	$0.75	$0.76	$0.84	$0.76

7 Review of Performance

The Group's turnover in 2007 was S$364.7 million, a 10.6% decrease from 2006. This was due to weaker sales in the Semiconductors, Building Material & Security Solutions, and Industrial Materials sectors and a significant decline in the US dollar. The profit after tax for the year was S$4.3 million compared to S$7.2 million in 2006. 2006's profit after tax included a gain of S$2.3 million arising from the disposal of non-core associates while 2007's profit after tax included a S$2.0 million gain from a return of capital in an investment.

The overall performance of the Industrial Materials sector was better even though the turnover fell by S$4.4 million to S$205.7 million. Plastics improved its performance both in price and volume while Metals & Minerals' turnover was also boosted by trading in a new product item. Despite the reduction in turnover, the sector turned in an operating profit of S$2.1 million for the year, a marked 90.9% improvement over 2006's reported S$1.1 million.

The overall performance of the Building Materials & Security Solutions sector also improved despite a lower turnover of S$20.9 million in the current reporting year (as compared to 2006's S$26.4 million). A loss was reported in 2006 but for 2007, the sector turned in an operating profit of S$0.5 million.

The expansion of seafood and coffee businesses saw the growth of the Agri-business & Foods sector's turnover in the region of 43.4% from S$16.6 million in 2006 to S$23.8 million in 2007. Included in the Sector's operating profit of S$1.1 million was a prior year writeback of provision of cost of sales of S$1.6 million which turned around the operation loss incurred due to high interest and other costs.

Turnover for the Semiconductors' sector was S$147.9 million in 2006 and S$107.2 million in 2007. This was due mainly to increasing competition in the semiconductors industry. Nevertheless, the sector still generated an operating profit of S$1.4 million for the year. For the same period in 2006, the operating profit was S$2.8 million.

8 Variance From Prospect Statement

Not applicable

9 Prospects

The Industrial Materials sector should ride on its current momentum to deliver better results. The Building Materials & Security Solutions sector is expected to deliver good results as it has substantial orders in hand and the Agri-business & Foods sector is expected to improve as well. However, the Semiconductors sector is facing an increasingly difficult environment. The Group will strive to strengthen its performance and growth in various sectors in 2008.

The Group is mindful of the current turbulence and uncertainties in the global business environment. It is keeping a close watch on the markets and will constantly seek to improve its business models and focus its strategies to meet the challenges ahead.

10 Dividend

No final dividend was recommended for the present financial period.

(a) Current Financial Period Reported On

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

(b) Corresponding Period of the Immediately Preceding Financial Year

Name of Dividend	First & Final
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

11 Business Segmental Information

By industries for the period ended 31 December 2007

$'000	Building Materials & Security Solutions (excl. IWave)	Semi-conductors	Industrial Materials	Building Materials & Security Solutions (IWave only)	Energy & Enviornment	Agri-business & Food	Others	Consolidated
2007								
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)
Profit before taxation								4,567
Taxation								(224)
Minority interests, net of taxes								(566)
Net Profit								**3,777**
Segment assets	10,844	26,235	19,971	12,141	370	23,917	-	93,478
Unallocated assets								45,286
Total assets								**138,764**
Segment liabilities	3,783	14,800	13,267	132	140	638	6	32,766
Unallocated liabilities								28,277
Total liabilities								**61,043**
Other segment information:								
Capital expenditure	-	434	41	-	-	3	159	637
Depreciation and amortisation	-	115	19	3,737	-	1	301	4,173

11 Business Segmental Information (cont'd)

$'000	Building Materials & Security Solutions (excl. IWave)	Semi-conductors	Industrial Materials	Building Materials & Security Solutions (IWave only)	Energy & Enviornment	Agri-business & Food	Others	Consolidated
2006								
Segment revenue	26,405	147,850	210,054	6,074	682	16,645	-	407,710
Segment results	(12)	2,832	1,120	676	(358)	859	242	5,359
Unallocated income								2,373
Profit before taxation								7,732
Taxation								(573)
Minority interests, net of taxes								(1,085)
Net profit								**6,074**
Segment assets	14,826	49,224	26,823	20,554	-	15,162	1,068	127,657
Unallocated assets								26,917
Total assets								**154,574**
Segment liabilities	5,303	32,567	8,198	5,225	29	7,155	1,063	59,540
Unallocated liabilities								16,836
Total liabilities								**76,376**
Other segment information:								
Capital expenditure	-	225	7	-	-	-	183	415
Depreciation and amortisation	-	49	7	3,760	-	-	316	4,132

12 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 7

13 A breakdown of sales

		Group		
		31/12/07	**31/12/06**	**Change %**
		S$'000	**S$'000**	
(a)	Sales reported for first half year	191,600	207,735	(7.8)
(b)	Operating profit after tax before deducting minority interests reported for first half year	3,032	4,229	(28.3)
(c)	Sales reported for second half year	173,092	199,975	(13.4)
(d)	Operating profit after tax before deducting minority interests reported for second half year	1,311	2,930	(55.3)

14 Interested person transactions

Nil

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.

BY ORDER OF THE BOARD

Michael Lee Thiam Chye
Chief Financial Officer
14/02/2008