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

Unaudited Full Year Financial Statement for the Year Ended 31/12/2013

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 Year Ended**		
	31/12/13 S$'000	**31/12/12** S$'000	**%** Change
Revenue	127,917	161,155	(20.6)
Cost of sales	(123,963)	(155,363)	(20.2)
Gross profit	**3,954**	**5,792**	(31.7)
Other income	2,185	101	n.m
Distribution expenses	(29)	(210)	(86.2)
Administration expenses	(6,726)	(5,994)	12.2
Other expenses	(164)	(9,930)	(98.3)
Results from operating activities	**(780)**	**(10,241)**	(92.4)
Finance income	1,024	729	40.5
Finance costs	(145)	(262)	(44.7)
Net finance income	**879**	**467**	88.2
Share of profit of associates (net of tax)	1,044	858	21.7
Profit/(Loss) before tax	**1,143**	**(8,916)**	n.m
Tax credit	-	39	(100.0)
Profit/(Loss) for the year	**1,143**	**(8,877)**	n.m

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

		Group Year Ended		
		31/12/13 S$'000	**31/12/12** S$'000	**%** Change
Interest income		118	199	(40.7)
Accretion of interest income on non-current receivables		-	202	(100.0)
Distribution from other investments		43	328	(86.9)
Proceeds from liquidation of other investment	(a)	863	-	n.m.
Gain on sale of property, plant and equipment		9	23	(60.9)
Gain on disposal of an associate	(b)	63	-	n.m.
Interest expense from loans and borrowings	(c)	(145)	(262)	(44.7)
Depreciation of property, plant and equipment	(d)	(527)	(443)	19.0
Provision for warranty made		(164)	-	n.m.
Foreign exchange gains / (losses)	(e)	214	(435)	n.m.
Impairment loss on investment in associate		-	(111)	(100.0)
Allowance reversed / (made) for doubtful receivables		83	(7,072)	(101.2)
Bad debts recovered		-	24	(100.0)
Write-back / (Write-down) of inventory to net realisable value	(f)	1,313	(1,458)	n.m.
Provision for onerous contract reversed/(made)		91	(91)	n.m.
Provision for claims reversed/(made)	(g)	218	(786)	n.m.
Tax credit includes:				
Over provision in respect of prior years		-	39	(100.0)

Notes to Consolidated Statement of Comprehensive Income

(a) A final distribution of S$863,000 was received from an investment that was liquidated in FY2013.

(b) A gain of S$63,000 was recorded following the disposal of an associate, which was classified as asset held for sale in FY2012.

(c) Lower interest expense was due to lower utilisation of trade financing facilities from the banks as a result of reduced plastic sales.

(d) Depreciation was higher due to higher capital expenditure incurred in respect of the office relocation.

(e) The foreign exchange gain of S$214,000 arose from the strengthening of the USD against the SGD.

(f) The sale of seafood inventory by a subsidiary resulted in a write-back of inventory of S$1.3 million.

(g) The provision for claims of S$218,000 was reversed following settlement with a customer.

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	
		31/12/13	31/12/12		31/12/13	31/12/12
	Notes	S$'000	S$'000	Notes	S$'000	S$'000
Assets						
Property, plant and equipment	(a)	**2,174**	2,000	(a)	**816**	247
Subsidiaries		**-**	-		**14,870**	13,906
Associates	(b)	**17,010**	11,779	(b)	**14,542**	10,106
Other investments	(c)	**1,082**	800		**1,082**	800
Non-current assets		**20,266**	14,579		**31,310**	25,059
Asset classified as held for sale		**-**	720		**-**	-
Inventories	(d)	**459**	2,760		**87**	59
Trade and other receivables	(e)	**9,498**	15,885		**3,260**	3,949
Cash and cash equivalents		**51,303**	49,139		**26,962**	33,325
Current assets		**61,260**	68,504		**30,309**	37,333
Total assets		**81,526**	83,083		**61,619**	62,392
Equity						
Share capital		**81,919**	81,919		**81,919**	81,919
Reserves		**(484)**	(1,382)		**1,755**	509
Accumulated losses		**(19,402)**	(20,545)		**(24,087)**	(23,888)
Total equity		**62,033**	59,992		**59,587**	58,540
Liabilities						
Trade and other payables	(e)	**7,570**	11,775		**1,868**	2,731
Provisions		**164**	1,212		**164**	1,121
Loans and borrowings	(f)	**11,759**	10,104		**-**	-
Current liabilities		**19,493**	23,091		**2,032**	3,852
Total equity and liabilities		**81,526**	83,083		**61,619**	62,392

Notes:

(a) The increase in property, plant and equipment was due mainly to additional costs incurred for renovation of the new office premises.

(b) The increase in associates was due mainly to the acquisition of an additional interest of 10.75% in Dynamic Colours Limited for S$4.2 million and a new investment of 40% interest in Tat Hong Intraco Pte Ltd for US$200,000.

(c) The increase in other investments was due to the appreciation in fair value of available-for-sale quoted equity securities.

(d) The decrease in inventories was due mainly to the reduction in seafood inventory at the subsidiary level.

(e) The decrease in trade and other receivables and trade and other payables was in line with the reduction in sales and purchases.

(f) The increase in loans and borrowings was due mainly to higher usage of trade financing facilities at end of the year.

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

Amount repayable in one year or less, or on demand

As at 31/12/13		As at 31/12/12	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
-	11,759	-	10,104

Amount repayable after one year

As at 31/12/13		As at 31/12/12	
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**	
	31/12/13	**31/12/12**
Cash flows from operating activities	S$'000	S$'000
Profit/(Loss) for the year	**1,143**	(8,877)
Adjustments for:		
Depreciation of property, plant and equipment	**527**	443
Gain on sale of property, plant and equipment	**(9)**	(23)
Property, plant and equipment written off	**1**	-
Allowance (reversed)/made for doubtful receivables	**(83)**	7,072
(Write-back) / writedown of inventory to net realisable value	**(1,313)**	1,458
Provision for onerous contract (reversed)/made	**(91)**	91
Provision for warranty made	**164**	-
Provision for claims (reversed)/made	**(218)**	786
Impairment loss on investment in associate	**-**	111
Gain on disposal of an associate	**(63)**	-
Share of profit of associates, net of tax	**(1,044)**	(858)
Net finance income	**(879)**	(467)
Tax credit	**-**	(39)
	(1,865)	(303)
Change in inventories	**3,614**	(982)
Change in trade and other receivables	**5,789**	1,355
Change in trade and other payables	**(4,465)**	1,920
Change in provisions	**(903)**	-
Changes in restricted bank deposits	**-**	1,650
	2,170	3,640
Interest received	**118**	196
Interest paid	**(139)**	(261)
Net cash flows generated from operating activities	**2,149**	3,575
Cash flows from investing activities		
Distribution received from other investments	**43**	328
Proceeds from liquidation of other investment	**863**	-
Investment in associates	**(4,435)**	-
Proceeds from repayment of loan	**-**	3,714
Proceeds from disposal of an associate	**783**	-
Purchase of property, plant and equipment	**(701)**	(11)
Deferred consideration received from sale of an associate	**465**	162
Dividends from an associate	**942**	471
Proceeds from sale of property, plant and equipment	**8**	28
Net cash flows (used in) / from investing activities	**(2,032)**	4,692
Cash flows from financing activities		
Proceeds from borrowings	**11,759**	10,104
Repayment of borrowings	**(10,104)**	(11,497)
Proceeds from issue of shares	**-**	45
Net cash flows from / (used in) financing activities	**1,655**	(1,348)
Net increase in cash and cash equivalents	**1,772**	6,919
Cash and cash equivalents at 1 January	**49,139**	42,497
Effects of exchange rate fluctuations on cash held	**392**	(277)
Cash and cash equivalents at 31 December	**51,303**	49,139
Comprising:		
Cash at bank and in hand	**20,159**	11,395
Fixed deposits with banks	**31,144**	37,744
Cash and cash equivalents in the statement of financial position	**51,303**	49,139

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

Consolidated statement of comprehensive income	Group Year Ended 31/12/13 S$'000	31/12/12 S$'000	% Change
Profit/(Loss) for the year	1,143	(8,877)	(112.9)
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Net change in fair value of available-for-sale financial assets	282	249	13.3
Foreign currency translation reserves of an associate tranferred to profit or loss on disposal	(26)	-	n.m.
Foreign currency translation differences of foreign operations	642	(862)	(174.5)
Total items that may be reclassified subsequently to profit or loss	898	(613)	(246.5)
Other comprehensive income for the year, net of tax	898	(613)	(246.5)
Total comprehensive income for the year	2,041	(9,490)	(121.5)

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.

Consolidated statements of changes in equity

Group (S$'000)	Share capital	Capital reserve	Translation reserve	Fair value reserve	Accumulated losses	Total equity
As at 1 January 2013	**81,919**	**986**	**(2,617)**	**249**	**(20,545)**	**59,992**
Total comprehensive income for the year						
Profit for the year	-	-	-	-	1,143	1,143
Other comprehensive income						
Net change in fair value of available-for-sale financial assets	-	-	-	282	-	282
Foreign currency translation reserves of an associate tranferred to profit or loss on disposal	-	-	(26)	-	-	(26)
Foreign currency translation differences of foreign operations	-	-	642	-	-	642
Total other comprehensive income	-	-	616	282	-	898
Total comprehensive income for the year	-	-	616	282	1,143	2,041
As at 31 December 2013	**81,919**	**986**	**(2,001)**	**531**	**(19,402)**	**62,033**
As at 1 January 2012	**81,874**	**941**	**(1,755)**	**-**	**(11,623)**	**69,437**
Total comprehensive income for the year						
Loss for the year	-	-	-	-	(8,877)	(8,877)
Other comprehensive income						
Net change in fair value of available-for-sale financial assets	-	-	-	249	-	249
Foreign currency translation differences of foreign operations	-	-	(862)	-	-	(862)
Total other comprehensive income	-	-	(862)	249	-	(613)
Total comprehensive income for the year	-	-	(862)	249	(8,877)	(9,490)
Transactions with owners, recognised directly in equity						
Contributions by owners						
Share options exercised	45	-	-	-	-	45
Transfer between reserves	-	45	-	-	(45)	-
Total transactions with owners	45	45	-	-	(45)	45
As at 31 December 2012	**81,919**	**986**	**(2,617)**	**249**	**(20,545)**	**59,992**

Consolidated statements of changes in equity (cont'd):

Company (S$'000)	Share capital	Fair value reserve	Accumulated losses	Total equity
As at 1 January 2013	**81,919**	**509**	**(23,888)**	**58,540**
Total comprehensive income for the year				
Loss for the year	-	-	(199)	(199)
Other comprehensive income				
Net change in fair value of available-for-sale financial assets	-	1,246	-	1,246
Total other comprehensive income	-	1,246	-	1,246
Total comprehensive income for the year	-	1,246	(199)	1,047
As at 31 December 2013	**81,919**	**1,755**	**(24,087)**	**59,587**
As at 1 January 2012	**81,874**	**(4,530)**	**(9,067)**	**68,277**
Total comprehensive income for the year				
Loss for the year	-	-	(14,821)	(14,821)
Other comprehensive income				
Net change in fair value of available-for-sale financial assets	-	509	-	509
Impairment loss on available-for-sale financial assets reclassified to profit or loss	-	4,530	-	4,530
Total other comprehensive income	-	5,039	-	5,039
Total comprehensive income for the year	-	5,039	(14,821)	(9,782)
Transactions with owners, recognised directly in equity				
Contributions by owners				
Share options exercised	45	-	-	45
Total transactions with owners	45	-	-	45
As at 31 December 2012	**81,919**	**509**	**(23,888)**	**58,540**

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

There are no changes in the Company's share capital.

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 2013.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at end of the immediately preceding year.

	As at 31/12/13	As at 31/12/12
Total number of issued shares excluding treasury shares	98,725,879	98,725,879

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

The Company does not have any treasury shares as at 31 December 2013.

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

The figures have not been audited or 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 2012, except for the adoption of the new and revised Financial Reporting Standards (FRS) which become effective for the financial year beginning on or after 1 January 2013.

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.

The adoption of the new and revised accounting standards referred to in paragraph 4 did not give rise to any significant changes to the financial statements.

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	
	Year ended 31/12/13	Year ended 31/12/12
Earnings per ordinary share for the period based on net profit attributable to shareholders:	cents	cents
- based on the weighted average number of ordinary shares in issue and on a fully diluted basis		
Continuing operations	1.16	(9.00)

The weighted average number of ordinary shares in issue for the year ended 31 December 2013 was 98,725,879 (31 December 2012: 98,670,879).

7 **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year.**

	Group		Company	
	As at 31/12/13	As at 31/12/12	As at 31/12/13	As at 31/12/12
Net asset value per ordinary share based on issued share capital at the end of the year	$0.63	$0.61	$0.60	$0.59

8 **Review of Performance**

Revenue

Group revenue for FY2013 was S$127.9 million, a decline of S$33 million or 20.6% from FY2012.

Revenue from the Trading & Others segment decreased by S$30.9 million or 19.8 % to S$125.4 million in FY2013. The Plastics Division recorded a significant decreased in revenue of S$ 21.6 million due mainly to a shortage of resin supplies in the first half of FY2013. This shortage of raw materials, coupled with the falling selling prices of plastic products, continued to impact sales in the second half of the year and further contributed to the decline in revenue in FY2013.

Revenue from the Projects segment of S$2.6 million was S$2.2 million lower as a result of fewer projects secured in the face of keen market competition.

Other income

Other income increased by S$2.1 million to S$2.2 million in FY2013. It comprised a write-back of seafood inventory to net realisable value of S$1.3 million, a reversal of provision for claims of S$0.4 million and a foreign exchange gain of S$0.2 million.

Administrative expenses

Group administrative expenses increased by S$0.7 million or 12.2% to S$6.7 million in FY2013. The increase was due mainly to professional fees of S$ 0.5 million incurred in respect of the mandatory general offer of an associate and an increase in Director/staff salary-related costs of approximately S$0.2 million .

Finance income

Group finance income increased by S$0.3 million to S$1.0 million in FY2013. It comprised investment income of S$0.9 million and interest income of S$0.1 million.

Finance cost

Interest expense decreased by S$0.1 million in FY2013 due to the lower utilisation of trade financing facilities from the banks as a result of reduced plastic sales during the year.

Share of profit of associates

Share of profit of associates increased by S$0.1 million to S$1.0 million in FY2013. It comprised share of profit from an associate of S$1.1 million and share of loss from a newly formed joint venture of S$46,000.

Group profit before tax

The Group recorded a profit before tax of S$1.1 million, reversing the loss of S$8.9 million in FY2012.

The Trading and Others segment reported a profit before tax of S$1.4 million reversing the loss of S$7.1 million in FY2012 as a result of the write-back in seafood inventory to its net realisable value of S$1.3 million.

The Projects segment recorded a profit before tax of S$0.5 million reversing the loss of S$0.3 million in FY2012 as a result of the recognition of project profit S$0.4 million and a write-back of provision for a claim of S$0.2 million.

Consolidated statement of cash flow

The Group's cash & bank balances increased by S$2.2 million or 3.9% to S$51.3 million as at 31 December 2013.

The decreased revenue contribution from the Plastic Division had caused a drop in year-end inventory and trade & other receivables by S$3.7 million and S$5.8 million respectively. Trade and other payables correspondingly contracted by S$4.5 million.

Cash used in investing activities in FY2013 totalled S$5.1 million, which included additional investment in an associate of S$4.2 million, a new investment of S$0.2 million and S$0.7 million for renovation of the new office premises. This was partially offset by cash from investing activities of S$3.1 million comprising dividend income of S$0.9 million and income from disposal of investments of S$2.1 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.

The Group expects the business environment to remain challenging because of the uncertain global economy and intense competition in the industries and markets it operates in.

FY2013 was a year of consolidation for INTRACO and Management had devoted major effort and resources to streamline and restructure the operations of the Group to ensure its long term sustainability and prepare for future opportunities.

On 28 August 2013, INTRACO announced that it had set up a joint venture company with Tat Hong Holdings Ltd and prominent Myanmar businessman, Mr Aung Moe Kyaw, for the purpose of operating a crane rental and distribution business in Myanmar. The joint venture company is expected to commence business in 2014.

Moving forward, the Group will continue to explore new business opportunities for growth and profitability by leveraging on its Brand name and its established regional network.

11 Dividend

(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.

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

No dividend is declared/recommended for the current financial year.

13 Business Segmental Information

By operating segments for the year ended 31 December 2013

S$'000	Projects	Trading and Others	Total
External revenue	2,558	125,359	127,917
Interest income	-	34	34
Interest expense	-	(145)	(145)
Depreciation and amortisation	-	(408)	(408)
Reportable segment profit before tax	492	1,392	1,884
Reportable segment assets	551	34,817	35,368
Other material non-cash items:			
Allowance made for doubtful receivables	-	59	59
Provision for warranty	164	-	164
Write-back of inventory to net realisable value	-	(1,313)	(1,313)
Provision for onerous contract reversed	-	(91)	(91)
Provision for claims reversed	(218)	-	(218)
Capital expenditure	-	14	14
Reportable segment liabilities	656	17,480	18,136

By operating segments for the year ended 31 December 2012

S$'000	Projects	Trading and Others	Total
External revenue	4,798	156,357	161,155
Interest income	-	228	228
Interest expense	-	(262)	(262)
Depreciation and amortisation	-	(412)	(412)
Reportable segment profit before tax	(260)	(7,121)	(7,381)
Reportable segment assets	803	34,848	35,651
Other material non-cash items:			
Allowance made/(reversed) for doubtful receivables	(200)	6,294	6,094
(Write-back)/write-down of inventory to net realisable value	(52)	1,510	1,458
Provision for onerous contract	-	91	91
Provision for claims	786	-	786
Reportable segment liabilities	2,668	19,258	21,926

Business Segmental Information (cont'd)

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

	31/12/13 S$'000	31/12/12 S$'000
Revenue		
Total revenue for reporting segments	127,917	161,155
Profit or loss		
Total profit/(loss) for reporting segments	1,884	(7,381)
Unallocated amounts:		
- Other corporate expenses, net of income	(1,785)	(2,393)
Share of profit of associates, net of tax	1,044	858
Consolidated profit/(loss) for continuing operations before tax	1,143	(8,916)
Assets		
Total assets for reportable segments	35,368	35,651
Other unallocated amounts	29,148	34,933
	64,516	70,584
Investments in associates	17,010	12,499
Consolidated total assets	81,526	83,083
Liabilities		
Total liabilities for reporting segments	18,136	21,926
Other unallocated amounts	1,357	1,165
Consolidated total liabilities	19,493	23,091

Other material items	Continuing operations		
	Reportable segment totals	**Adjustments**	**Consolidated totals**
	S$'000	**S$'000**	**S$'000**
2013			
Interest income	34	84	118
Capital expenditure	14	687	701
Depreciation and amortisation	(408)	(119)	(527)
Allowance (made)/reversed for doubtful receivables	(59)	142	83
Provision for warranty made	(164)	-	(164)
Write-back of inventory to net realisable value	1,313	-	1,313
Provision for onerous contract reversed	91	-	91
Provision for claims reversed	218	-	218
2012			
Interest income	228	173	401
Capital expenditure	-	11	11
Depreciation and amortisation	(412)	(31)	(443)
Allowance made for doubtful receivables	(6,094)	(978)	(7,072)
Write-down of inventory to net realisable value	(1,458)	-	(1,458)
Provision for onerous contract made	(91)	-	(91)
Provision for claims made	(786)	-	(786)

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

Refer to section 8

15 A breakdown of sales

		Group		
		31/12/13 S$'000	**31/12/12 S$'000**	**% Change**
(a)	Sales reported for first half year	63,781	81,572	(21.8)
(b)	Operating profit after tax before deducting non-controlling interests reported for first half year	389	81	n.m.
(c)	Sales reported for second half year	64,136	79,583	(19.4)
(d)	Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year	754	(8,958)	n.m.

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

Total Annual dividend	Latest Full Year S$'000	Previous Full Year S$'000
Ordinary	-	-

17 Interested person transactions

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

18 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

There are no persons occupying managerial positions in the Company or any of its principal subsidiaries who are relatives of a director or chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Yvonne Choo
Company Secretary
24/02/2014