



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

**Unaudited Full Financial Statement for the Year Ended 31/12/2019**

**Appendix 7.2 Financial Statements and Dividend Announcement**

**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		% Change
	31/12/19 S\$'000	31/12/18 S\$'000	
Revenue	137,200	153,863	(10.8)
Cost of sales	(127,993)	(143,966)	(11.1)
<b>Gross profit</b>	<b>9,207</b>	<b>9,897</b>	(7.0)
Other income	246	668	(63.2)
Distribution expenses	(34)	(51)	(33.3)
Administrative expenses	(10,122)	(8,858)	14.3
Other expenses	(17)	(198)	(91.4)
<b>Results from operating activities</b>	<b>(720)</b>	<b>1,458</b>	(149.4)
Finance income	556	643	(13.5)
Finance costs	(388)	(455)	(14.7)
<b>Net finance income</b>	<b>168</b>	<b>188</b>	(10.6)
Share of net profit of equity-accounted investees, net of tax	1,667	994	67.7
<b>Profit before tax</b>	<b>1,115</b>	<b>2,640</b>	(57.8)
Tax expense	(114)	(119)	(4.2)
<b>Profit for the year</b>	<b>1,001</b>	<b>2,521</b>	(60.3)

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

		Group Year Ended		% Change
		31/12/19 S\$'000	31/12/18 S\$'000	
Gain on disposal of property, plant and equipment	(1)	-	108	(100.0)
Depreciation	(2)	(765)	(523)	46.3
Amortisation of intangible assets		(14)	(13)	7.7
Foreign exchange loss	(3)	(15)	(57)	(73.7)
Write-back of trade payables		-	28	(100.0)
Reversal of allowance for doubtful receivables		20	4	n.m.
(Write-down)/Reversal of write-down of inventory to net realisable value, net		(1)	(1)	n.m.
Impairment loss on debt investments at fair value through other comprehensive income ("FVOCI")	(4)	-	(139)	(100.0)
Change in fair value of contingent consideration	(5)	(461)	427	(208.0)
Overprovision of tax in prior years	(6)	145	40	262.5

Notes to Consolidated Statement of Comprehensive Income

- (1) The gain on disposal of property, plant and equipment for FY2018 was mainly due to sale of our properties located in Dalian, China
- (2) The increase in depreciation of property, plant and equipment was mainly due to recognition of right-of-use ("ROU") assets under SFRS(I) 16 Leases.
- (3) Foreign exchange loss arose mainly from the revaluation of certain receivables and cash and bank balances which are denominated in USD.
- (4) Nil balance is due to the redemption of debt investments at FVOCI in FY2018. Impairment loss on debt investments at FVOCI were recognised by reclassifying the losses accumulated in the fair value reserve in equity to profit or loss in view of a prolonged decline in its fair value below its cost.
- (5) The fair value of contingent consideration payable has decreased due to the exercise of the Put Option for 20% equity interest in KA Group during the year by the founders.
- (6) The overprovision of tax in prior years was mainly due to reversal of over provision of income tax for prior years.

n.m. - denotes not meaningful

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

	Notes	Group		Notes	Company	
		31/12/19 S\$'000	31/12/18 S\$'000		31/12/19 S\$'000	31/12/18 S\$'000
<b>Assets</b>						
Property, plant and equipment		15,098	15,131		128	158
Intangible assets		6,899	6,913		-	-
Subsidiaries		-	-		21,285	22,037
Associate and joint venture		21,750	20,741		16,694	16,748
<b>Non-current assets</b>		<b>43,747</b>	<b>42,785</b>		<b>38,107</b>	<b>38,943</b>
Other investments, including derivatives		-	-		1,208	2,494
Inventories		1,109	1,542		-	-
Trade and other receivables	(a)	15,781	16,419		16,191	12,492
Contract assets	(b)	2,520	1,165		-	-
Cash and cash equivalents		33,184	40,586		14,432	18,354
<b>Current assets</b>		<b>52,594</b>	<b>59,712</b>		<b>31,831</b>	<b>33,340</b>
<b>Total assets</b>		<b>96,341</b>	<b>102,497</b>		<b>69,938</b>	<b>72,283</b>
<b>Equity</b>						
Share capital		84,069	84,069		84,069	84,069
Treasury shares		(175)	-		(175)	-
Reserves		(607)	(338)		7,652	8,403
Accumulated losses		(14,729)	(15,249)		(24,425)	(23,635)
<b>Equity attributable to owners of the Company</b>		<b>68,558</b>	<b>68,482</b>		<b>67,121</b>	<b>68,837</b>
<b>Liabilities</b>						
Loans and borrowings	(c)	751	777		-	-
Trade and other payables	(d)	-	2,208		-	-
Deferred tax liabilities		538	554		-	-
<b>Total non-current liabilities</b>		<b>1,289</b>	<b>3,539</b>		<b>-</b>	<b>-</b>
Loans and borrowings	(c)	6,887	8,820		72	-
Trade and other payables	(d)	19,323	21,336		2,745	3,446
Current tax liabilities		284	320		-	-
<b>Current liabilities</b>		<b>26,494</b>	<b>30,476</b>		<b>2,817</b>	<b>3,446</b>
<b>Total liabilities</b>		<b>27,783</b>	<b>34,015</b>		<b>2,817</b>	<b>3,446</b>
<b>Total equity and liabilities</b>		<b>96,341</b>	<b>102,497</b>		<b>69,938</b>	<b>72,283</b>

Notes:

- (a) The decrease in trade and other receivables was mainly attributable to the decrease in receivables for the plastic resin trading business as a result of lower sales in FY2019.
- (b) The increase in contract assets was mainly due to more projects in progress as at end of the current financial year for the KA Group.
- (c) The decrease in loans and borrowings was mainly due to improved cashflow management and lower revenue leading to lower utilisation of trade financing facilities in FY2019.
- (d) The decrease in trade and other payables was mainly attributable to the decrease in purchases for the plastic resin trading business.

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

Amount repayable in one year or less, or on demand

As at 31/12/19	
Secured	Unsecured
S\$'000	S\$'000
246	6,641

As at 31/12/18	
Secured	Unsecured
S\$'000	S\$'000
102	8,718

Amount repayable after one year

As at 31/12/19	
Secured	Unsecured
S\$'000	S\$'000
751	-

As at 31/12/18	
Secured	Unsecured
S\$'000	S\$'000
777	-

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\$1,528,000 (31 Dec 2018: S\$1,636,000).

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>31/12/19</b>	<b>31/12/18</b>
	S\$'000	S\$'000
<b>Cash flows from operating activities</b>		
Profit for the year	1,001	2,521
Adjustments for:		
Depreciation	765	523
Amortisation of intangible assets	14	13
Gain on disposal of property, plant and equipment	-	(108)
Property, plant and equipment written off	1	1
Write-back of trade payables	-	(28)
Reversal of allowance for doubtful receivables	(20)	(4)
Write-down/(Reversal of write-down) of inventory to net realisable value, net	1	1
Share of net profit of equity-accounted investees, net of tax	(1,667)	(994)
Impairment loss on debt investments at FVOCI	-	139
Change in fair value of the contingent consideration	461	(427)
Net finance income	(168)	(188)
Tax expense	113	119
	<b>501</b>	<b>1,568</b>
Changes in inventories	432	(116)
Changes in trade and other receivables	527	(4,283)
Changes in contract assets	(1,355)	967
Changes in trade and other payables	306	7,393
Cash generated from operating activities	<b>411</b>	<b>5,529</b>
Taxes paid	(165)	(354)
<b>Net cash flow from operating activities</b>	<b>246</b>	<b>5,175</b>
<b>Cash flows from investing activities</b>		
Interest received	630	741
Additional investment in subsidiary	(4,773)	-
Purchase of property, plant and equipment	(222)	(4,474)
Dividends from an associate	433	1,300
Proceeds from redemption of available-for-sale debt securities	-	9,500
Proceeds from disposals of property, plant and equipment	-	291
<b>Net cash flow (used in)/ from investing activities</b>	<b>(3,932)</b>	<b>7,358</b>
<b>Cash flows from financing activities</b>		
Interest paid	(392)	(453)
Proceeds from loans and borrowings	6,714	8,743
Repayment of loans and borrowings	(8,713)	(9,428)
Purchase of treasury shares	(175)	-
Payment of finance lease liabilities	(347)	(58)
Dividends paid to selling shareholder of a subsidiary	(783)	(1,427)
Deposits pledged	(163)	9
<b>Net cash flow used in financing activities</b>	<b>(3,859)</b>	<b>(2,614)</b>
Net (decrease)/increase in cash and cash equivalents	(7,545)	9,919
Cash and cash equivalents at 1 January	40,225	30,304
Effects of exchange rate fluctuations on cash held	(20)	2
<b>Cash and cash equivalents at 31 December</b>	<b>32,660</b>	<b>40,225</b>
<b>Comprising:</b>		
Cash at bank and in hand	8,131	13,213
Fixed deposits with banks	25,053	27,373
Cash and cash equivalents in the statement of financial position	<b>33,184</b>	<b>40,586</b>
Deposits pledged	(524)	(361)
	<b>32,660</b>	<b>40,225</b>

Please refer to paragraph 8 for detailed explanation.

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

	<b>Group</b>	
	<b>Year Ended</b>	
	<b>31/12/19</b>	<b>31/12/18</b>
	S\$'000	S\$'000
<b>Consolidated statement of comprehensive income</b>		
Profit for the year	1,001	2,521
<b>Other comprehensive income</b>		
<b>Items that are or may be reclassified subsequently to profit or loss:</b>		
Foreign currency translation differences of foreign operations	(255)	250
Share of other comprehensive income of associate	(14)	(87)
<b>Other comprehensive income for the year, net of tax</b>	<b>(269)</b>	<b>163</b>
<b>Total comprehensive income for the year</b>	<b>732</b>	<b>2,684</b>

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	Treasury shares	Capital reserve	Translation reserve	Fair value reserve	Accumulated losses	Total equity
<b>Balance as at 1 January 2019</b>	<b>84,069</b>	<b>-</b>	<b>976</b>	<b>(1,314)</b>	<b>-</b>	<b>(15,249)</b>	<b>68,482</b>
<b>Total comprehensive income for the year</b>							
Profit for the year	-	-	-	-	-	1,001	1,001
<b>Other comprehensive income</b>							
Foreign currency translation differences of foreign operations	-	-	-	(255)	-	-	(255)
Share of other comprehensive income of associate	-	-	-	(14)	-	-	(14)
Total other comprehensive income	-	-	-	(269)	-	-	(269)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(269)</b>	<b>-</b>	<b>1,001</b>	<b>732</b>
<b>Transactions with owners, recognised directly in equity</b>							
<b>Contributions by and distributions to owners</b>							
Purchase of treasury shares	-	(175)	-	-	-	-	(175)
Dividends payable to selling shareholder of a subsidiary*	-	-	-	-	-	(481)	(481)
<b>Total contributions by and distributions to owners</b>	<b>-</b>	<b>(175)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(481)</b>	<b>(656)</b>
<b>Total transactions with owners</b>	<b>-</b>	<b>(175)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(481)</b>	<b>(656)</b>
<b>Balance as at 31 December 2019</b>	<b>84,069</b>	<b>(175)</b>	<b>976</b>	<b>(1,583)</b>	<b>-</b>	<b>(14,729)</b>	<b>68,558</b>
<b>Balance as at 1 January 2018</b>	<b>84,069</b>	<b>-</b>	<b>976</b>	<b>(1,477)</b>	<b>-</b>	<b>(16,849)</b>	<b>66,719</b>
<b>Total comprehensive income for the year</b>							
Profit for the year	-	-	-	-	-	2,521	2,521
<b>Other comprehensive income</b>							
Foreign currency translation differences of foreign operations	-	-	-	250	-	-	250
Share of other comprehensive income of associate	-	-	-	(87)	-	-	(87)
Total other comprehensive income	-	-	-	163	-	-	163
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>163</b>	<b>-</b>	<b>2,521</b>	<b>2,684</b>
<b>Transactions with owners, recognised directly in equity</b>							
<b>Contributions by and distributions to owners</b>							
Dividends paid to selling shareholder of a subsidiary**	-	-	-	-	-	(590)	(590)
Dividends payable to selling shareholder of a subsidiary*	-	-	-	-	-	(331)	(331)
<b>Total contributions by and distributions to owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(921)</b>	<b>(921)</b>
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(921)</b>	<b>(921)</b>
<b>Balance as at 31 December 2018</b>	<b>84,069</b>	<b>-</b>	<b>976</b>	<b>(1,314)</b>	<b>-</b>	<b>(15,249)</b>	<b>68,482</b>

Company (S\$'000)	Share capital	Treasury shares	Fair value reserve	Accumulated losses	Total equity
<b>Balance as at 1 January 2019</b>	<b>84,069</b>	<b>-</b>	<b>8,403</b>	<b>(23,635)</b>	<b>68,837</b>
<b>Total comprehensive income for the year</b>					
Loss for the year	-	-	-	(790)	(790)
<b>Other comprehensive income</b>					
Net change in fair value of equity investments at FVOCI	-	-	(751)	-	(751)
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>(751)</b>	<b>-</b>	<b>(751)</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(751)</b>	<b>(790)</b>	<b>(1,541)</b>
<b>Transactions with owners, recognised directly in equity</b>					
<b>Contributions by and distributions to owners</b>					
Purchase of treasury shares	-	(175)	-	-	(175)
<b>Total contributions by and distributions to owners</b>	<b>-</b>	<b>(175)</b>	<b>-</b>	<b>-</b>	<b>(175)</b>
<b>Total transactions with owners</b>	<b>-</b>	<b>(175)</b>	<b>-</b>	<b>-</b>	<b>(175)</b>
<b>Balance as at 31 December 2019</b>	<b>84,069</b>	<b>(175)</b>	<b>7,652</b>	<b>(24,425)</b>	<b>67,121</b>
<b>Balance as at 1 January 2018</b>	<b>84,069</b>	<b>-</b>	<b>5,203</b>	<b>(21,403)</b>	<b>67,869</b>
<b>Total comprehensive income for the year</b>					
Loss for the year	-	-	-	(2,232)	(2,232)
<b>Other comprehensive income</b>					
Net change in fair value of equity investments at FVOCI	-	-	3,200	-	3,200
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>3,200</b>	<b>-</b>	<b>3,200</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>3,200</b>	<b>(2,232)</b>	<b>968</b>
<b>Balance as at 31 December 2018</b>	<b>84,069</b>	<b>-</b>	<b>8,403</b>	<b>(23,635)</b>	<b>68,837</b>

1(d)(ii) Details of any changes in the Company's Share Capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the immediately preceding year.

The changes in the Company's issued share capital as at 31 December 2019 were as follows:

	<u>No. of Shares</u>
Balance as at 1 January 2019	103,725,879
Purchase of shares during the year held as treasury shares	<u>(620,800)</u>
Balance as at 31 December 2019	<u><u>103,105,079</u></u>

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 share options as at 31 December 2019.

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 31/12/19</u>	<u>As at 31/12/18</u>
Total number of issued shares excluding treasury shares	<u><u>103,105,079</u></u>	<u><u>103,725,879</u></u>

As at 31 December 2019, the Company held 620,800 treasury shares (31 December 2018: Nil) which represents 0.6% of the total number of issued shares (excluding treasury shares).

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

There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at 31 December 2019.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings at the end of the current financial period reported on.

There were no subsidiary holdings as at 31 December 2019.

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 by the Company's auditors.

3 Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).

Not applicable.

3A Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

(a) Updates on the efforts taken to resolve each outstanding audit issues

Not applicable.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statement have been adequately disclosed

Not applicable.

This is not required for any audit issue that is a material uncertainty relating to going concern

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Other than the adoption of the new and revised Singapore Financial Reporting Standards (SFRS) which took effect from the current financial year, there were no changes in accounting policies and methods of computation adopted in the financial statements for the current reporting period as compared to the most recent audited annual financial statements as at 31 December 2018.

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.

On 1 January 2019, the Group adopted the new/revised SFRS(I)s that are effective for annual periods beginning on or after 1 January 2019. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I)s, SFRS(I) Interpretations and amendments to SFRS(I)s.

Other than the adoption of SFRS(I) 16, as disclosed below. The adoption of these new/revised SFRS(I)s, SFRS(I) Interpretations and amendments to SFRS(I)s did not result in substantial changes to the Group's and Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

The Group has adopted the new Singapore Financial Reporting Standards (International) ("SFRS(I)") 16 Leases, which took effect on 1 January 2019, using the modified retrospective approach. SFRS(I) 16 introduces a single, on-balance sheet lease accounting model. It requires a lessee to recognise a "ROU" asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

In compliance with SFRS(I) 16, the Group and the Company has applied the practical expedient to recognise the amount of ROU assets equal to the lease liabilities as at 1 January 2019. Subsequent to initial recognition, the Group and the Company depreciate the ROU assets over the lease term, and recognise interest expenses on the lease liabilities.

The ROU assets as at 31 December 2019 were mainly related to leases of the property, plant and equipment occupied by the Group. Accordingly, there was a corresponding increase in lease liabilities of approximately S\$0.2 million as at 31 December 2019.

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 31/12/19 cents	Year ended 31/12/18 cents
0.97	2.43

Earnings per ordinary share for the year based on net profit attributable to shareholders:  
- based on the weighted average number of ordinary shares in issue and on a fully diluted basis

The weighted average number of ordinary shares in issue for the year ended 31 December 2019 was 103,105,079 (31 December 2018: 103,725,879).

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 31/12/19	As at 31/12/18	As at 31/12/19	As at 31/12/18
\$0.66	\$0.66	\$0.65	\$0.66

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

The calculation of the net asset value per ordinary share was based on total number of 103,105,079 (31 December 2018: 103,725,879) ordinary shares.

8 **Review of Performance**

**Revenue and cost of sales**

The Group's revenue decreased by 10.8% from S\$153.8 million in FY2018 to S\$137.2 million during the financial year under review. . The decrease in revenue was attributable to the Group's Trading and Other Segment which declined by 12.7% to S\$127 million in FY 2019. The segment's trading business saw its revenue contribution decline mainly due to challenging market conditions for plastic resin business during the Year.

Meanwhile, the Fire Protection Segment saw its revenue contribution increase by 21.5% to S\$10.2 million in FY 2019, mainly due to more projects secured and completed during the financial year under review.

Revenue contribution from the Trading and Other segment made up 92.6% of the Group's revenue in FY 2019, while the Fire Protection Segment made up the remaining 7.4%.

Cost of sales decreased by S\$16 million or 11.1% to S\$128 million, largely in tandem with the decrease in revenue.

**Gross profit**

Gross profit decreased by 7% to S\$9.2 million in FY 2019, mainly due to lower sales from both the Trading and Other segment.

**Other income**

Other income mainly comprises forfeited advance payments from a customer of S\$0.1 million and government grants of S\$0.1 million.

**Administrative expenses**

Administrative expenses increased by 14.3% from S\$8.9 million in FY 2018 to S\$10.2 million mainly due to higher staff-related costs and recognition of fair value loss on the exercise of the Put Option for 20% equity interest in KA Group during the year by the founders.

**Other expenses**

The decrease in other expenses mainly due to there was no impairment loss on debts investment at FVOCI in FY2019 as the debts investment was fully redeemed in FY2018.

**Finance income**

Finance income relates to interest income derived from fixed deposits.

**Finance costs**

Finance costs decreased by S\$67,000 or 14.7% to S\$388,000 mainly due to improved cashflow management leading to lower utilisation of trade financing facilities in FY2019.

**Share of net profit of equity-accounted investees, net of tax**

The Group's share of results from associate and joint venture increased by 67.7% to S\$1.7 million in FY 2019, due mainly to higher contribution from its associate which saw an increase in demand from its customers.

**Group profit before tax**

The Group registered a profit before tax of S\$1.1 million in FY2019 compared to a profit before tax of S\$2.6 million in FY 2018. The decrease was mainly due to increase in administrative expenses of S\$1.3m in FY2019.

**Tax expense**

The decrease in tax expenses was due to lower taxable income for the Group.

**Review of consolidated statement of cash flow**

The cash flow from operating activities of S\$0.2 million was mainly due to increase in contract assets of S\$1.4 million, which partially offset by decrease in inventories, trade and other receivables of S\$1 million.

The cash flow used in investing activities amounted to S\$4 million was mainly due to the exercise of the Put Option for 20% equity interest in KA Group during the year by the founders.

The cash flow used in financing activities of S\$3.9 million was mainly due to the repayment of loans and borrowings of S\$8.7 million, dividends paid to shareholder of a subsidiary of S\$0.8 million, which was partially offset by proceeds from loans and borrowings drawn down during the year of S\$6.7 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.**

Global economic uncertainties as a result of the continuing trade war and the impact of the COVID-19 virus have affected trading activities worldwide. Supply chain disruption and the contraction in trading activities is reflected in the overall business performance of many companies including Intraco's. Despite the challenging market conditions in which our businesses operate, the Group continues its endeavour in respect of its regional expansion initiatives into new products and new markets.

As an investment holding company with diversified businesses, we are constantly reviewing and managing our investment portfolio to bring long-term and sustainable value to our shareholders. We continue to actively explore new opportunities for growth and expansion.

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.

**(c) Date payable**

Not applicable.

**(d) Record date**

Not applicable.

12 **If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.**

No dividend is declared/recommended for the current financial year. The available funds will be retained for operational and expansion requirements in view of the continued challenges faced by our businesses.

13 **Business Segmental Information**

**(a) By operating segments for the Year ended 31 December 2019**

<b>S\$'000</b>	Fire Protection	Trading and Other	Total
External revenue	10,175	127,025	137,200
Interest income	14	171	185
Interest expense	(32)	(348)	(380)
Depreciation and amortisation	(430)	(19)	(449)
Reportable segment profit before tax	1,803	(144)	1,659
Reportable segment assets	17,032	33,500	50,532
Other material non-cash items:			
- Reversal of allowance for doubtful receivables	20	-	20
- Foreign exchange gain	-	(7)	(7)
- Overprovision of tax in prior years	145	-	145
Capital expenditure	(251)	(196)	(447)
Reportable segment liabilities	3,306	21,375	24,681

**By operating segments for the Year ended 31 December 2018**

<b>S\$'000</b>	Fire Protection	Trading and Other	Total
External revenue	8,376	145,487	153,863
Interest income	15	71	86
Interest expense	(61)	(394)	(455)
Depreciation and amortisation	(365)	(18)	(383)
Reportable segment profit before tax	1,111	1,137	2,248
Reportable segment assets	17,083	36,836	53,919
Other material non-cash items:			
- Reversal of allowance for doubtful receivables	4	-	4
- Gain on disposal of property, plant and equipment	10	-	10
- Property, plant and equipment written off	(1)	-	(1)
- Reversal of write-down/(Written-down) of inventory to net realisable value	-	(1)	(1)
- Foreign exchange loss	-	(51)	(51)
- Overprovision of tax in prior years	40	-	40
Capital expenditure	(62)	(4,408)	(4,470)
Reportable segment liabilities	2,177	23,877	26,054

## Business Segmental Information (cont'd)

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

	31/12/19 S\$'000	31/12/18 S\$'000
<b>Revenue</b>		
Total revenue for reporting segments	137,200	153,863
<b>Profit or loss</b>		
Total profit for reporting segments	1,659	2,248
Unallocated amounts:		
- Other corporate expenses, net of income	(2,211)	(602)
Share of net profit of equity-accounted investees, net of tax	1,667	994
Consolidated profit before tax	<u>1,115</u>	<u>2,640</u>
<b>Assets</b>		
Total assets for reportable segments	50,532	53,919
Other unallocated amounts	24,059	27,837
	<u>74,591</u>	<u>81,756</u>
Investments in equity-accounted investees	21,750	20,741
Consolidated total assets	<u>96,341</u>	<u>102,497</u>
<b>Liabilities</b>		
Total liabilities for reporting segments	24,681	26,054
Other unallocated amounts	3,102	7,961
Consolidated total liabilities	<u>27,783</u>	<u>34,015</u>

### Other material items

	Reportable segment totals S\$'000	Adjustments S\$'000	Consolidated totals S\$'000
<b>31 December 2019</b>			
Interest income	185	371	556
Interest expense	(380)	(8)	(388)
Depreciation and amortisation	(449)	(330)	(779)
Reversal of allowance for doubtful receivables	20	-	20
Change in fair value of contingent consideration	-	(461)	(461)
Foreign exchange loss	(7)	(8)	(15)
Overprovision of tax in prior years	145	-	145
Capital expenditure	(447)	(286)	(733)
<b>31 December 2018</b>			
Interest income	86	557	643
Interest expense	(455)	-	(455)
Depreciation and amortisation	(383)	(153)	(536)
Reversal of allowance for doubtful receivables	4	-	4
Gain on disposal of property, plant and equipment	10	98	108
Write-back of trade payables	-	28	28
Change in fair value of contingent consideration	-	427	427
Impairment loss on debt investments at FVOCI	-	(139)	(139)
Foreign exchange loss	(51)	(6)	(57)
Over provision of tax in prior years	40	-	40
Capital expenditure	(4,470)	(4)	(4,474)

### (b) By geographical segments

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.

	Revenue		Non-current assets *	
	31/12/19 S\$'000	31/12/18 S\$'000	31/12/19 S\$'000	31/12/18 S\$'000
Singapore	28,244	30,034	15,098	15,131
Vietnam	75,335	97,050	-	-
Others	33,621	26,779	-	-
	<u>137,200</u>	<u>153,863</u>	<u>15,098</u>	<u>15,131</u>

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



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 paragraph 8

15 A breakdown of sales

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

	Group		
	31/12/19 S\$'000	31/12/18 S\$'000	% Change
(a)	57,932	76,206	(24.0)
(b)	30	1,441	n.m.
(c)	79,268	77,657	2.1
(d)	971	1,080	(10.1)

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 Confirmation that the issuer has procured undertakings from all of 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.

19 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

Josephine Toh  
Company Secretary  
26/02/2020