



INTRACO LIMITED

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

Condensed interim financial statements
For the six months ended 30 June 2021



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INTRACO LIMITED
CONDENSED INTERIM FINANCIAL STATEMENTS 30 JUNE 2021

A. Consolidated statement of profit or loss

	Note	H1 ended 30 June 2021 S\$'000	H1 ended 30 June 2020 S\$'000	Change %
Revenue	3	113,123	61,652	83.5
Cost of sales		(109,130)	(59,417)	83.7
Gross profit		3,993	2,235	78.7
Other income		382	424	(9.9)
Distribution expenses		(6)	(9)	(33.3)
Administrative expenses		(4,504)	(4,725)	(4.7)
Other expenses		–	(2,129)	(100.0)
Results from operating activities		(135)	(4,204)	(96.8)
Finance income		68	171	(60.2)
Finance costs		(121)	(98)	23.5
Net finance (costs)/income	4	(53)	73	n.m.
Share of (loss)/profit of associate and joint venture (net of tax)		(71)	598	n.m.
Loss before taxation	5	(259)	(3,533)	(92.7)
Tax credit		2	4	(50.0)
Loss for the year		(257)	(3,529)	(92.7)
Loss per share				
Basic and diluted earnings per share (SGD in cents)	6	(0.25)	(3.43)	

n.m. denotes not meaningful



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A. Consolidated statement of comprehensive income

	H1 ended 30 June 2021 S\$'000	H1 ended 30 June 2020 S\$'000
Loss for the year	(257)	(3,529)
Other comprehensive income		
Items that are or may be reclassified subsequently to profit or loss		
Foreign currency translation differences of foreign operations*	111	1,460
Share of other comprehensive income of associate and joint venture *	32	–
Other comprehensive income for the year, net of tax	<u>143</u>	<u>1,460</u>
Total comprehensive income for the year	<u>(114)</u>	<u>(2,069)</u>

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



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B. Statements of financial position

	Note	----- Group -----		----- Company -----	
		30 June 2021 S\$'000	31 December 2020 S\$'000	30 June 2021 S\$'000	31 December 2020 S\$'000
Assets					
Non-current assets					
Property, plant and equipment		13,955	14,507	443	446
Intangible assets		214	256	214	256
Subsidiaries	7	–	–	7,176	11,312
Associate and joint venture		532	571	550	550
Financial assets at FVTPL	8	612	–	–	–
		<u>15,313</u>	<u>15,334</u>	<u>8,383</u>	<u>12,564</u>
Current assets					
Financial assets at FVTPL	8	24,966	–	24,966	–
Inventories		1,299	1,522	–	–
Trade and other receivables		29,211	15,455	19,001	18,494
Contract assets		2,982	2,022	–	–
Cash and cash equivalents	9	18,648	55,355	10,816	39,845
		<u>77,106</u>	<u>74,354</u>	<u>54,783</u>	<u>58,339</u>
Total assets		<u>92,419</u>	<u>89,688</u>	<u>63,166</u>	<u>70,903</u>
Equity					
Share capital	10	84,069	84,069	84,069	84,069
Treasury shares	10	(254)	(254)	(254)	(254)
Reserves		(163)	(306)	1,524	7,678
Accumulated losses		(26,874)	(26,617)	(25,977)	(25,076)
Equity attributable to owners of the Company		<u>56,778</u>	<u>56,892</u>	<u>59,362</u>	<u>66,417</u>
Liabilities					
Non-current liabilities					
Loans and borrowings	11	956	880	173	217
Deferred tax liabilities		503	507	–	–
		<u>1,459</u>	<u>1,387</u>	<u>173</u>	<u>217</u>
Current liabilities					
Loans and borrowings	11	15,483	13,164	193	163
Trade and other payables		18,695	18,189	3,438	4,106
Current tax liabilities		4	56	–	–
		<u>34,182</u>	<u>31,409</u>	<u>3,631</u>	<u>4,269</u>
Total liabilities		<u>35,641</u>	<u>32,796</u>	<u>3,804</u>	<u>4,486</u>
Total equity and liabilities		<u>92,419</u>	<u>89,688</u>	<u>63,166</u>	<u>70,903</u>



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C. Statements of changes in equity

Group	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Translation reserve S\$'000	Accumulated losses S\$'000	Total equity S\$'000
Balance as at 1 January 2021	84,069	(254)	–	(306)	(26,617)	56,892
Total comprehensive income for the period						
Loss for the period	–	–	–	–	(257)	(257)
Other comprehensive income						
Foreign currency translation differences of foreign operations	–	–	–	111	–	111
Share of other comprehensive income of associate and joint venture	–	–	–	32	–	32
Total other comprehensive income	–	–	–	143	–	143
Total comprehensive income for the period	–	–	–	143	(257)	(114)
Balance as at 30 June 2021	84,069	(254)	–	(163)	(26,874)	56,778



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C. Statements of changes in equity (cont'd)

Group	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Translation reserve S\$'000	Accumulated losses S\$'000	Total equity S\$'000
Balance as at 1 January 2020	84,069	(175)	976	(1,583)	(14,729)	68,558
Total comprehensive income for the period						
Loss for the period	–	–	–	–	(3,529)	(3,529)
Other comprehensive income						
Net change in capital reserve reclassified to accumulated losses	–	–	(976)	–	976	–
Foreign currency translation differences of foreign operations	–	–	–	1,460	–	1,460
Total other comprehensive income	–	–	(976)	1,460	976	1,460
Total comprehensive income for the period	–	–	(976)	1,460	(2,553)	(2,069)
Transactions with owners, recognised directly in equity						
Contributions by and distributions to owners						
Purchase of treasury shares	–	(52)	–	–	–	(52)
Balance as at 30 June 2020	84,069	(227)	–	(123)	(17,282)	66,437



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C. Statements of changes in equity (cont'd)

Company	Share capital S\$'000	Treasury shares S\$'000	Fair value reserve S\$'000	Accumulated losses S\$'000	Total equity S\$'000
Balance as at 1 January 2021	84,069	(254)	7,678	(25,076)	66,417
Total comprehensive income for the period					
Loss for the period	–	–	–	(901)	(901)
Other comprehensive income					
Net change in fair value of equity investments at FVOCI	–	–	(6,154)	–	(6,154)
Total comprehensive income for the period	–	–	(6,154)	(901)	(7,055)
Balance as at 30 June 2021	84,069	(254)	1,524	(25,977)	59,362
Balance as at 1 January 2020	84,069	(175)	7,651	(24,425)	67,120
Total comprehensive income for the period					
Profit for the period	–	–	–	3,757	3,757
Other comprehensive income					
Net change in fair value of equity investments at FVOCI	–	–	147	–	147
Total comprehensive income for the period	–	–	147	3,757	3,904
Transactions with owners, recognised directly in equity					
Contributions by and distributions to owners					
Purchase of treasury shares	–	(52)	–	–	(52)
Balance as at 30 June 2020	84,069	(227)	7,798	(20,668)	70,972



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D. Consolidated statement of cash flows

	H1 ended 30 June 2021 S\$'000	H1 ended 30 June 2020 S\$'000
Cash flows from operating activities		
Loss for the year	(257)	(3,529)
Adjustments for:		
Amortisation of intangible assets	56	28
Bad debts written off	–	33
Change in fair value of the contingent consideration	(50)	49
Depreciation of property, plant and equipment	974	343
Fair value gain of financial assets at FVTPL	(2)	–
Gain on disposals of property, plant and equipment	–	(6)
Loss on disposal of investment in associate	–	2,074
Net finance cost/(income)	53	(73)
Share of net loss/(profit) of associate and joint venture, net of tax	71	(598)
Tax credit	(2)	(4)
Unrealised foreign exchange gain	(29)	(3)
	<u>814</u>	<u>(1,686)</u>
Changes in:		
- inventories	223	(1,173)
- trade and other receivables	(13,317)	(5,003)
- contract assets	(960)	613
- trade and other payables	401	1,995
Cash used in from operating activities	<u>(12,839)</u>	<u>(5,254)</u>
Taxes paid	(54)	(2)
Net cash flow used in operating activities	<u>(12,893)</u>	<u>(5,256)</u>
Cash flows from investing activities		
Interest received	75	211
Purchase of property, plant and equipment and software	(136)	(411)
Purchase of bond funds and other investments	(25,624)	–
Proceeds from disposals of property, plant and equipment	–	6
Net cash flow used in investing activities	<u>(25,685)</u>	<u>(194)</u>
Cash flows from financing activities		
Financing from trust receipts obtained	2,120	7,011
Interest paid	(100)	(102)
Increase in deposits pledged	(35)	(12)
Payment of lease liabilities	(148)	(159)
Purchase of treasury shares	–	(52)
Repayment of loans and borrowings	(22)	(23)
Net cash flow from financing activities	<u>1,815</u>	<u>6,663</u>
Net (decrease)/increase in cash and cash equivalents	<u>(36,763)</u>	<u>1,213</u>
Cash and cash equivalents at 1 January	55,235	32,660
Effects of exchange rate fluctuations on cash held	21	64
Cash and cash equivalents at 30 June	<u>18,493</u>	<u>33,937</u>



E. Notes to the condensed interim financial statements

1. Corporate information

Intraco Limited (the Company) is incorporated and domiciled in Singapore and the Company's shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim financial statements as at and for the six months ended 30 June 2021 comprise the Company and its subsidiaries (collectively, the Group). The Group is primarily involved in the trading of plastics products, providing fire protection solutions and services relating to wireless telecommunication related infrastructure.

2. Basis of Preparation

The condensed interim financial statements for the six months ended 30 June 2021 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant for an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2020.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

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



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

2.2 Use of judgements and estimates (cont'd)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3. Revenue

	----- Group -----	
	H1 ended 30 June 2021 S\$'000	H1 ended 30 June 2020 S\$'000
Trading sales	107,751	58,235
Revenue from construction contracts	3,791	2,437
Service income	907	971
Rental income	674	9
	113,123	61,652

4. Net finance (costs)/income

	----- Group -----	
	H1 ended 30 June 2021 S\$'000	H1 ended 30 June 2020 S\$'000
Interest income under the effective interest method on:		
- cash and cash equivalents	37	171
Income from financial assets at FVTPL	31	-
Finance income	68	171
Financial liabilities measured at amortised cost - interest expense on:		
- secured bank loans	(13)	(10)
- unsecured bank loans and trust receipts	(78)	(78)
- lease liabilities	(11)	(10)
Upfront fee & management fee	(19)	-
Finance costs	(121)	(98)
Net finance (costs)/income recognised in profit or loss	(53)	73



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

5. Loss before taxation

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

	----- Group -----	
	H1 ended 30 June 2021 S\$'000	H1 ended 30 June 2020 S\$'000
Fair value gain of financial assets at FVTPL	2	-
Gain on disposals of property, plant and equipment	-	6
Government grants	365	415
Amortisation of intangible assets	(56)	(28)
Bad debts written off	-	(33)
Change in fair value of contingent consideration	50	(49)
Depreciation of property, plant and equipment	(974)	(343)
Foreign exchange gain/(loss)	13	(22)
Loss on disposal of investment in associate#	-	(2,074)

Included in Other Expenses

6. Loss per share

The basic loss per share was calculated using the following data:

	----- Group -----	
	H1 ended 30 June 2021 S\$'000	H1 ended 30 June 2020 S\$'000
Loss attributable to ordinary shareholders	(257)	(3,529)
	30 June 2021	30 June 2020
	Number of	Number of
	shares	shares
Weighted average number of ordinary shares	102,816,879	102,937,083

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



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

7. Subsidiaries

	----- Company -----	
	30 June 2021	31 December 2020
	S\$'000	S\$'000
Equity investments at FVOCI	5,158	11,312
Quasi equity loan to a subsidiary	2,018	–
	<u>7,176</u>	<u>11,312</u>

The Company designated its subsidiaries as equity investments as FVOCI. The carrying amounts of the equity investments were determined based on the fair value of the net assets of the subsidiaries as at the reporting date. On 1 January 2021, the Company designated a loan of S\$2,018,000 due from Intraco Trading Pte Ltd as quasi equity in nature. Interest is chargeable at 1.15% per annum and has no fixed terms of repayment.

8. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss comprise the following:

	----- Group -----		----- Company -----	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets:				
Chongqing Liangjiang Sino-Singapore Fintech RMB Equity Investment Fund	612	–	–	–
Current assets:				
United SGD Money Market Fund – Class B SGD	5,002	–	5,002	–
United SGD Fund Class A Dist	4,958	–	4,958	–
Lion Global Short Duration Fund A	5,000	–	5,000	–
Fullerton Short Term Fund C	4,994	–	4,994	–
Fidelity Enhanced Reserve A	5,012	–	5,012	–
	<u>24,966</u>	<u>–</u>	<u>24,966</u>	<u>–</u>



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

9. Cash and cash equivalents

	----- Group -----		----- Company -----	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Cash at banks and in hand	8,501	14,989	1,814	717
Fixed deposits with banks	10,147	40,366	9,002	39,128
Cash and cash equivalents in the statements of financial position	18,648	55,355	10,816	39,845
Deposits pledged	(155)	(120)	–	–
Cash and cash equivalents in the statement of cash flows	18,493	55,235	10,816	39,845

Deposits pledged represent bank balances of certain subsidiaries pledged as security for issuance of letters of credit.



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

10. Share capital & treasury shares

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

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

No share options had been granted under the Intraco Employee Share Option Scheme which was approved at an Extraordinary General Meeting held on 29 April 2013. In this respect, the Company does not have outstanding convertibles as at 30 June 2021 and 30 June 2020.

Treasury shares relate to ordinary shares of the Company that are held by the Company. As at 30 June 2021, the Company held 909,000 treasury shares (30 June 2020: 800,000) which represents 0.9% of the total number of issued shares. There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at 30 June 2021.

There were no subsidiary holdings as at 30 June 2021.



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

11. Loans and borrowings

	----- Group -----		----- Company -----	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current liabilities				
Secured bank loans	625	648	–	–
Lease liabilities	331	232	173	217
	<u>956</u>	<u>880</u>	<u>173</u>	<u>217</u>
Current liabilities				
Secured bank loans	47	47	–	–
Lease liabilities	276	222	193	163
Trust receipts	15,160	12,895	–	–
	<u>15,483</u>	<u>13,164</u>	<u>193</u>	<u>163</u>

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\$1,426,000 (31 December 2020: S\$1,455,000).

12. Net asset value

	----- Group -----		----- Company -----	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
Net asset value per ordinary share based on issue share capital at the end of the period	0.55	0.55	0.58	0.65

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



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

13. Operating segments

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

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

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Geographical information

The Group's business is managed primarily in Singapore, Vietnam, Indonesia and others.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers and segment assets are based on the geographical location of the assets.



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

13. Operating segments (cont'd)

By operating segments

	Fire protection S\$'000	Trading and others S\$'000	Consolidated S\$'000
For the period ended 30 June 2021			
External revenue	3,896	109,227	113,123
Interest expense and other finance costs	(13)	(78)	(91)
Depreciation and amortisation	(178)	(692)	(870)
Reportable segment (loss)/profit before tax	(224)	970	746
Reportable segment assets	15,864	37,037	52,901
Reportable segment liabilities	2,938	28,710	31,648
Other non-cash items:			
- Foreign exchange (loss)/gain	(1)	42	41
Capital expenditure	(305)	(2)	(307)



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

13. Operating segments (cont'd)

	Fire protection S\$'000	Trading and others S\$'000	Consolidated S\$'000
For the period ended 30 June 2020			
External revenue	2,501	59,151	61,652
Finance income	–	53	53
Interest expense and other finance costs	(13)	(78)	(91)
Depreciation and amortisation	(182)	(11)	(193)
Reportable segment (loss)/profit before taxation	(994)	59	(935)
Reportable segment assets	23,425	31,743	55,168
Reportable segment liabilities	4,134	29,245	33,379
Other non-cash items:			
- Gain on disposal of property, plant and equipment	6	–	6
- Bad debts written off	(33)	–	(33)
- Foreign exchange loss	(4)	(29)	(33)
Capital expenditure	(35)	(13)	(48)



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

13. Operating segments (cont'd)

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

	H1 ended 30 June 2021 S\$'000	H1 ended 30 June 2020 S\$'000
Revenue		
Total revenue for reporting segments and consolidated revenue	113,123	61,652
Profit or loss		
Total profit/(loss) for reportable segments	746	(935)
Unallocated amounts:		
- Other corporate expenses, net of income	(934)	(3,196)
Share of profit of equity-accounted investees, net of tax	(71)	598
Consolidated loss before tax	(259)	(3,533)
Assets		
Total assets for reportable segments	52,901	55,168
Other unallocated amounts	38,986	46,236
	91,887	101,404
Investments in equity-accounted investees	532	2,314
Consolidated total assets	92,419	103,718
Liabilities		
Total liabilities for reportable segments	31,648	33,379
Other unallocated amounts	3,993	3,902
Consolidated total liabilities	35,641	37,281



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

13. Operating segments (cont'd)

Other material items

	Reportable segments S\$'000	Adjustments S\$'000	Consolidated S\$'000
30 June 2021			
Finance income	–	68	68
Interest expense and other finance costs	(91)	(30)	(121)
Depreciation and amortisation	(870)	(160)	(1,030)
Change in fair value of contingent consideration	–	50	50
Foreign exchange gain/(loss)	41	(28)	13
Capital expenditure	(307)	(115)	(422)

Other material items

	Reportable segments S\$'000	Adjustments S\$'000	Consolidated S\$'000
30 June 2020			
Finance income	53	118	171
Interest expense and other finance costs	(91)	(7)	(98)
Depreciation and amortisation	(193)	(178)	(371)
Bad debts written off	(33)	–	(33)
Change in fair value of contingent consideration	–	(49)	(49)
Foreign exchange (loss)/gain	(33)	11	(22)
Gain on disposal of property, plant and equipment	6	–	6
Loss on disposal of investment in associate	–	(2,074)	(2,074)
Capital expenditure	(48)	(588)	(636)



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

13. Operating segments (cont'd)

Geographical information

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

	H1 ended 30 June 2021 S\$'000	H1 ended 30 June 2020 S\$'000
Revenue		
Singapore	20,638	15,696
Vietnam	71,588	31,907
Indonesia	12,084	6,790
Others	8,813	7,259
Consolidated revenue	<u>113,123</u>	<u>61,652</u>
Non-current assets*		
Singapore	13,884	15,374
Vietnam	71	18
	<u>13,955</u>	<u>15,392</u>

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

14. Related party transactions

There are no material related party transactions apart from directors' fees and compensation paid to key management personnel.

15. Seasonal operations

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

16. Subsequent event

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



Other Information Required by
Listing Rule Appendix 7.2



F. Other information required by Listing Rule Appendix 7.2

1. Review

The consolidated statement of financial position of Intraco Limited and its subsidiaries as at 30 June 2021 and the related consolidated profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

Revenue and Cost of Sales

Revenue from the Fire Protection Segment increased by 55.8% from S\$2.5 million in H1 FY2020 to S\$3.9m to H1 FY2021. This was due to the significantly lower revenue contribution from projects between April and August 2020 as the Government ordered a halt to all construction activities (except for essential services) during this period due to the COVID-19 outbreak. Strict social distancing and safety measures were implemented when work resumed thereafter, further impacting work progress.

Revenue from the Trading and Other segment increased by 84.7% from S\$59.2 million in H2 FY2020 to S\$109.2m in H1 FY2021 due to increased demand from the hygiene, healthcare and packaging sectors.

Gross profit

Gross profit increased by 78.7% from S\$2.2 million in H1 FY2020 to S\$4.0 million in H1 FY2021. Margins for the Group's Fire Protection Segment remained under pressure during the half year under review, attributable to the increase in labour cost due to manpower shortage as well as higher material costs as a result of supply chain disruptions.

Other income

Other income comprised job support scheme payouts, grants and other co-funding from the Government in relation to the COVID-19 outbreak.

Other expenses

Other expenses in H1 FY2020 included a loss on divestment of the Group's 41.27% stake in Dynamic Colours Limited ("DCL").

Depreciation of property, plant and equipment

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



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

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

Finance income

Interest income decreased by S\$134,000 or 78.4% mainly due to the reduction in average interest rates from 1.8% to 0.3% p.a. for 3-month Fixed Deposit.

Share of net (loss)/profit of associate and joint venture, net of tax

The Group recorded a share of loss of S\$71,000 in H1 FY2021, due mainly to operating and foreign exchange losses of the Group's joint venture in Myanmar. The political instability in Myanmar has resulted in the closure of construction sites and weakening of MMK (Myanmar Kyat) against the US dollar. Share of results of associates and joint venture in H1 FY2020 of S\$598,000 included results from DCL which the Group has divested in July 2020.

Review of consolidated statement of financial position

As at 30 June 2021, the Company has placed S\$25 million into the money market and bond fund investments on a short-term basis to generate higher-than-fixed deposit returns. The money market and bond fund investments are classified as financial assets at fair value through profit or loss.

The increase in trade and other receivables of S\$13.8 million was mainly due to the increase of trade receivables, in line with the increase in revenue of trading and other segment.

Review of consolidated statement of cash flow

The cash flow used in operating activities of S\$12.9 million was mainly due to increase in trade debtors as a result of higher sales and increase in upfront payments to suppliers to secure shipments to customers. The cash flow used in investing activities of S\$25.7 million was mainly due to placement of S\$25m into money market and bond fund investments on a short-term basis (refer Note 8) .

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

Not applicable.



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

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

The economic situation with the COVID-19 pandemic, whilst improving with high vaccination rates locally, is still on the road to recovery. Border closures and movement restrictions have hampered investment activity, specifically in terms of identifying, reviewing and performing due diligence on investment opportunities both locally and regionally.

Our principal subsidiary and fire protection business, K.A. Group Holdings Pte Ltd ("KA") whose business is predominantly in Singapore continues to be severely and adversely impacted by manpower shortages. This has had an impact on both ongoing projects and pipeline development of new business. The recovery of the business will largely be dependent on the return to normality of foreign workers supply.

The impact from KA's results has been mitigated by the performance of the Group's trading segment, which has held up well for the first six months. However, pockets of disruptions (such as unexpected lockdowns in recent weeks) have impacted both supply and demand. As a result, the outlook for the trading business and the Group overall for H2 2021 remains cautious.

Further to the Company's announcement released via SGXNet on 1 April 2021, the cranes rental business in Myanmar continues to be affected by the ongoing political situation and the pandemic. Most construction projects have temporarily ceased as a result of the political unrest. The impairment undertaken in 2020 means that the current situation is not likely to have any further significant financial impact on the Group for the financial year 2021.

5. Dividend information

(a) Current Financial Period Reported On

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

(b) Corresponding Period of the Immediately Preceding Financial Year

No dividend was declared for the corresponding period of the preceding financial year.

(c) Date payable.

Not applicable.

(d) Record date.

Not applicable.



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

5. Dividend information (cont'd)

No dividend was declared or recommended as both the Group and the Company recorded a loss for the half year ended 30 June 2021.

6. Interested person transactions

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

7. Negative confirmation pursuant to Rule 705(5).

The Board of Directors of Intraco Limited has confirmed that, to the best of their knowledge, nothing has come to their attention which may render the interim financial statements for the half year ended 30 June 2021 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Mak Lye Mun
Chairman and Independent Director

Dr Tan Boon Wan
Independent Director

8. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company hereby confirms that it has procured undertakings from all of its directors and executive officers under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Josephine Toh
Company Secretary
2 August 2021