



INTRACO LIMITED

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

Condensed interim financial statements
For the six months ended 30 June 2023



Table of Contents

| | |
|--|----|
| A. Consolidated statement of profit or loss and other comprehensive income | 1 |
| B. Statements of financial position | 3 |
| C. Statements of changes in equity | 4 |
| D. Consolidated statement of cash flows | 7 |
| E. Notes to the condensed interim financial statements | 8 |
| F. Other information required by Listing Rule Appendix 7.2 | 21 |



A. Consolidated statement of profit or loss

| | Note | H1 ended 30 June 2023 S\$'000 | H1 ended 30 June 2022 S\$'000 | Change % |
|---|------|-------------------------------------|-------------------------------------|----------------|
| Revenue | 3 | 78,659 | 105,112 | (25.2) |
| Cost of sales | | (74,307) | (100,810) | (26.3) |
| Gross profit | | <u>4,352</u> | <u>4,302</u> | <u>1.2</u> |
| Other income | 4 | 148 | 288 | (48.6) |
| Distribution expenses | | (1) | (7) | (85.7) |
| Administrative expenses | | (4,523) | (5,045) | (10.3) |
| Other expenses | 5 | (13) | (715) | (98.2) |
| Results from operating activities | | <u>(37)</u> | <u>(1,177)</u> | <u>(96.9)</u> |
| Finance income | | 799 | 210 | 280.5 |
| Finance costs | | (378) | (139) | 171.9 |
| Net finance income | 6 | <u>421</u> | <u>71</u> | <u>493.0</u> |
| Share of profit of joint venture (net of tax) | | - | 105 | (100.0) |
| Profit/(loss) before taxation | 7 | <u>384</u> | <u>(1,001)</u> | <u>n.m.</u> |
| Tax credit | | 7 | 6 | 16.7 |
| Profit/(loss) for the period | | <u>391</u> | <u>(995)</u> | <u>(139.3)</u> |
| Profit/(loss) attributable to: | | | | |
| Equity holders of the Company | | 369 | (995) | n.m. |
| Non-controlling interests | | 22 | - | 100.0 |
| | | <u>391</u> | <u>(995)</u> | <u>(139.3)</u> |
| Profit/(loss) per share | | | | |
| Basic and diluted profit/(loss) per share (cents) | 8 | <u>0.33</u> | <u>(0.89)</u> | |

n.m. denotes not meaningful

n.a. denotes not applicable



A. Consolidated statement of comprehensive income

| | H1 ended 30 June 2023 S\$'000 | H1 ended 30 June 2022 S\$'000 |
|---|--|--|
| Profit/(Loss) for the period | 391 | (995) |
| Other comprehensive income | | |
| Items that are or may be reclassified subsequently to profit or loss | | |
| Foreign currency translation differences of foreign operations* | 15 | 187 |
| Share of other comprehensive income of joint venture * | - | 66 |
| Other comprehensive income for the period, net of tax | <u>15</u> | <u>253</u> |
| Total comprehensive income for the period | <u><u>406</u></u> | <u><u>(742)</u></u> |

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



B. Statements of financial position

| | Note | ----- Group ----- | | ----- Company ----- | |
|---|------|-------------------------|-----------------------------|-------------------------|-----------------------------|
| | | 30 June 2023 S\$'000 | 31 December 2022 S\$'000 | 30 June 2023 S\$'000 | 31 December 2022 S\$'000 |
| Assets | | | | | |
| Non-current assets | | | | | |
| Property, plant and equipment | | 10,847 | 11,210 | 539 | 87 |
| Intangible assets | | 229 | 248 | 19 | 39 |
| Subsidiaries | 9 | – | – | 21,758 | 21,758 |
| Joint venture | | – | – | – | – |
| Other investments | 10 | 2,593 | 4,644 | 2,032 | 4,064 |
| | | <u>13,669</u> | <u>16,102</u> | <u>24,348</u> | <u>25,948</u> |
| Current assets | | | | | |
| Inventories | | 3,295 | 2,902 | – | – |
| Trade and other receivables | | 28,344 | 22,467 | 30,763 | 19,343 |
| Contract assets | | 1,157 | 1,540 | – | – |
| Other investments | 10 | 13,988 | 19,880 | 13,988 | 19,880 |
| Cash and cash equivalents | 11 | 20,727 | 17,852 | 14,000 | 10,630 |
| | | <u>67,511</u> | <u>64,641</u> | <u>58,751</u> | <u>49,853</u> |
| Total assets | | <u>81,180</u> | <u>80,743</u> | <u>83,099</u> | <u>75,801</u> |
| Equity | | | | | |
| Share capital | 12 | 88,495 | 88,495 | 88,495 | 88,495 |
| Treasury shares | 12 | (359) | (359) | (359) | (359) |
| Reserves | | (189) | (204) | 12,864 | 12,864 |
| Accumulated losses | | (28,569) | (28,938) | (27,546) | (27,621) |
| Equity attributable to owners of the Company | | <u>59,378</u> | <u>58,994</u> | <u>73,454</u> | <u>73,379</u> |
| Non-controlling interests | | 57 | 35 | – | – |
| Total equity | | <u>59,435</u> | <u>59,029</u> | <u>73,454</u> | <u>73,379</u> |
| Liabilities | | | | | |
| Non-current liabilities | | | | | |
| Loans and borrowings | 13 | 326 | 610 | 310 | – |
| Deferred tax liabilities | | 473 | 480 | – | – |
| | | <u>799</u> | <u>1,090</u> | <u>310</u> | <u>–</u> |
| Current liabilities | | | | | |
| Loans and borrowings | 13 | 2,206 | 9,181 | 175 | 73 |
| Financial liabilities | | 834 | 830 | – | – |
| Trade and other payables | | 17,902 | 10,609 | 9,160 | 2,349 |
| Current tax liabilities | | 4 | 4 | – | – |
| | | <u>20,946</u> | <u>20,624</u> | <u>9,335</u> | <u>2,422</u> |
| Total liabilities | | <u>21,745</u> | <u>21,714</u> | <u>9,645</u> | <u>2,422</u> |
| Total equity and liabilities | | <u>81,180</u> | <u>80,743</u> | <u>83,099</u> | <u>75,801</u> |



C. Statements of changes in equity

| Group | Share capital S\$'000 | Treasury shares S\$'000 | Translation reserve S\$'000 | Accumulated losses S\$'000 | Equity attributable to equity holders of the Company S\$'000 | Non- controlling interests S\$'000 | Total equity S\$'000 |
|--|-----------------------------|-------------------------------|-----------------------------------|----------------------------------|---|---|----------------------------|
| Balance as at 1 January 2023 | 88,495 | (359) | (204) | (28,938) | 58,994 | 35 | 59,029 |
| Total comprehensive income for the period | | | | | | | |
| Profit for the period | – | – | – | 369 | 369 | 22 | 391 |
| Other comprehensive income | | | | | | | |
| Foreign currency translation differences of foreign operations | – | – | 15 | – | 15 | – | 15 |
| Total comprehensive income for the period | – | – | 15 | 369 | 384 | 22 | 406 |
| Balance as at 30 June 2023 | 88,495 | (359) | (189) | (28,569) | 59,378 | 57 | 59,435 |



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

| Group | Share capital S\$'000 | Treasury shares S\$'000 | Translation reserve S\$'000 | Accumulated losses S\$'000 | Total equity S\$'000 |
|--|--------------------------|----------------------------|--------------------------------|-------------------------------|-------------------------|
| Balance as at 1 January 2022 | 84,069 | (254) | (110) | (27,615) | 56,090 |
| Total comprehensive income for the period | | | | | |
| Loss for the period | – | – | – | (995) | (995) |
| Other comprehensive income | | | | | |
| Foreign currency translation differences of foreign operations | – | – | 187 | – | 187 |
| Share of other comprehensive income of joint venture | – | – | 66 | – | 66 |
| Total other comprehensive income | – | – | 253 | – | 253 |
| Total comprehensive income for the period | – | – | 253 | (995) | (742) |
| Transactions with owners, recognised directly in equity | | | | | |
| Contributions by and distributions to owners | | | | | |
| Issuance of shares, net of expenses | 4,426 | – | – | – | 4,426 |
| Purchase of treasury shares, net of expenses | – | (41) | – | – | (41) |
| Balance as at 30 June 2022 | 88,495 | (295) | 143 | (28,610) | 59,733 |



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 2023 | 88,495 | (359) | 12,864 | (27,621) | 73,379 |
| Total comprehensive income for the period | | | | | |
| Profit for the period | – | – | – | 75 | 75 |
| Balance as at 30 June 2023 | 88,495 | (359) | 12,864 | (27,546) | 73,454 |
| Balance as at 1 January 2022 | 84,069 | (254) | 13,086 | (26,711) | 70,190 |
| Total comprehensive income for the period | | | | | |
| Loss for the period | – | – | – | (1,399) | (1,399) |
| Other comprehensive income | | | | | |
| Net change in fair value of equity investments at FVOCI | – | – | (222) | – | (222) |
| Total other comprehensive income for the period | – | – | (222) | – | (222) |
| Total comprehensive income for the period | – | – | (222) | (1,399) | (1,621) |
| Transactions with owners, recognised directly in equity | | | | | |
| Contributions by and distributions to owners | | | | | |
| Issuance of shares | 4,426 | – | – | – | 4,426 |
| Purchase of treasury shares, net of expenses | – | (41) | – | – | (41) |
| Balance as at 30 June 2022 | 88,495 | (295) | 12,864 | (28,110) | 72,954 |



D. Consolidated statement of cash flows

| | H1 ended 30 June 2023 S\$'000 | H1 ended 30 June 2022 S\$'000 |
|--|-------------------------------------|-------------------------------------|
| Cash flows from operating activities | | |
| Profit/(loss) for the period | 391 | (995) |
| Adjustments for: | | |
| Allowance for obsolete stock | 8 | – |
| Amortisation of intangible assets | 29 | 60 |
| Change in fair value of contingent consideration | – | (2) |
| Depreciation of property, plant and equipment | 936 | 948 |
| Fair value loss of financial assets at FVTPL | 5 | 715 |
| Net finance income | (421) | (71) |
| Reversal of allowance for impairment loss on receivables and contract assets | (32) | (6) |
| Share of profit of joint venture, net of tax | – | (105) |
| Tax credit | (7) | (6) |
| Unrealised foreign exchange gain | (25) | (82) |
| | <hr/> | <hr/> |
| | 884 | 456 |
| Changes in: | | |
| - inventories | (401) | (362) |
| - trade and other receivables | (5,840) | (8,966) |
| - contract assets | 383 | 72 |
| - trade and other payables | 7,301 | 1,920 |
| Cash used in operating activities | <hr/> | <hr/> |
| | 2,327 | (6,880) |
| Taxes paid | – | – |
| Net cash flow from/(used in) operating activities | <hr/> | <hr/> |
| | 2,327 | (6,880) |
| Cash flows from investing activities | | |
| Interest received | 799 | 78 |
| Dividends received from financial assets at FVTPL | – | 113 |
| Purchase of property, plant and equipment and software | (74) | (19) |
| Redemption of other investment | 7,919 | (4,049) |
| Redemption of bond funds | – | 14,570 |
| Net cash flow from investing activities | <hr/> | <hr/> |
| | 8,644 | 10,693 |
| Cash flows from financing activities | | |
| Decrease in deposit pledged | 13 | – |
| Financing from trust receipts settled | (4,820) | (1,393) |
| Interest paid | (386) | (136) |
| Issuance of shares, net of expenses | – | 4,426 |
| Payment of lease liabilities | (137) | (136) |
| Purchase of treasury shares | – | (41) |
| Repayment of loans and borrowings | (2,756) | (23) |
| Settlement of contingent consideration | – | (2,254) |
| Net cash flow (used in)/from financing activities | <hr/> | <hr/> |
| | (8,086) | 443 |
| Net increase in cash and cash equivalents | 2,885 | 4,256 |
| Cash and cash equivalents at 1 January | 17,690 | 22,921 |
| Effects of exchange rate fluctuations on cash held | 3 | 1 |
| Cash and cash equivalents at 30 June | <hr/> | <hr/> |
| | 20,578 | 27,178 |



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 2023 comprise the Company and its subsidiaries (collectively, the Group). The Group is primarily involved in the trading and distribution of plastics resin and liquors, provision of passive fire protection products and services, provision of mobile radio infrastructure management services and corporate advisory services related to digital assets.

2. Basis of Preparation

The condensed interim financial statements for the six months ended 30 June 2023 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 2022.

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

During the current financial period, the Group and the Company have adopted the amendments to SFRS(I)s which took effect from financial year beginning 1 January 2023. The adoption of these amendments to SFRS(I)s is assessed to have no material financial effect on the results and financial position of the Group and of the Company for the financial year ending 31 December 2023. Accordingly, it has no material impact on the earnings per share of the Group and of the Company.

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.



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 2023 S\$'000 | H1 ended 30 June 2022 S\$'000 |
| Trading and distribution | 73,245 | 99,656 |
| Passive fire protection products and services | 3,394 | 3,916 |
| Management services | 1,163 | 866 |
| Communication equipment rental income | 674 | 674 |
| Corporate advisory | 183 | – |
| | <u>78,659</u> | <u>105,112</u> |

4. Other income

| | ----- Group ----- | |
|---|-------------------------------------|-------------------------------------|
| | H1 ended 30 June 2023 S\$'000 | H1 ended 30 June 2022 S\$'000 |
| Government grants | 33 | 172 |
| Sundry income | 48 | 8 |
| Foreign exchange gain | 35 | 102 |
| Reversal of allowance for impairment loss on receivables and contract assets (net) | 32 | 6 |
| | <u>148</u> | <u>288</u> |

5. Other expenses

| | ----- Group ----- | |
|--|-------------------------------------|-------------------------------------|
| | H1 ended 30 June 2023 S\$'000 | H1 ended 30 June 2022 S\$'000 |
| Fair value loss on financial assets at FVTPL | 5 | 715 |
| Allowance for obsolete stock | 8 | – |
| | <u>13</u> | <u>715</u> |



6. Net finance income

| | ----- Group ----- | |
|---|-------------------------------------|-------------------------------------|
| | H1 ended 30 June 2023 S\$'000 | H1 ended 30 June 2022 S\$'000 |
| Interest income under the effective interest method on: | | |
| - cash and cash equivalents | 183 | 27 |
| - short-term securities | 557 | 53 |
| - corporate bonds | 59 | 17 |
| Dividend income from financial assets at FVTPL | – | 113 |
| Finance income | <u>799</u> | <u>210</u> |
| Financial liabilities measured at amortised cost - interest expense on: | | |
| - secured bank loans | (16) | (11) |
| - unsecured bank loans and trust receipts | (213) | (117) |
| - lease liabilities | (8) | (11) |
| - commercial papers | (141) | – |
| Finance costs | <u>(378)</u> | <u>(139)</u> |
| Net finance income recognised in profit or loss | <u>421</u> | <u>71</u> |

7. Profit/(Loss) before taxation

The following items have been included in arriving at profit/(loss) before taxation:

| | ----- Group ----- | |
|--|-------------------------------------|-------------------------------------|
| | H1 ended 30 June 2023 S\$'000 | H1 ended 30 June 2022 S\$'000 |
| Reversal of allowance for impairment loss on receivables and contract assets | (32) | (6) |
| Amortisation of intangible assets | 29 | 60 |
| Change in fair value of contingent consideration | – | (2) |
| Cost of inventories recognised in cost of sales | 70,992 | 99,589 |
| Depreciation of property, plant and equipment | 936 | 948 |
| Fair value loss of financial assets at FVTPL* | 5 | 715 |
| Foreign exchange gain | 35 | 102 |
| Government grants | <u>(33)</u> | <u>(172)</u> |

*Included in the other income/(expenses) in the consolidated statement of profit or loss.



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

8. Profit/(Loss) per share

The basic profit/(loss) per share was calculated using the following data:

| | ----- Group ----- | |
|---|--|--|
| | H1 ended 30 June 2023 S\$'000 | H1 ended 30 June 2022 S\$'000 |
| Profit/(Loss) attributable to equity holders of the Company | 369 | (995) |
| | 30 June 2023 Number of shares | 30 June 2022 Number of shares |
| Weighted average number of ordinary shares | 112,167,377 | 111,816,827 |

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

9. Subsidiaries

| | ----- Company ----- | |
|-----------------------------|-------------------------|-----------------------------|
| | 30 June 2023 S\$'000 | 31 December 2022 S\$'000 |
| Equity investments at FVOCI | 21,758 | 21,758 |

The Company designated its subsidiaries as equity investments as at 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.



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

10. Other investments

Other investments comprise the financial assets at amortised cost and at fair value through profit or loss as per following:

| | ----- Group ----- | | ----- Company ----- | |
|----------------------------|-------------------|------------------|---------------------|------------------|
| | 30 June 2023 | 31 December 2022 | 30 June 2023 | 31 December 2022 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Non-current assets: | | | | |
| Corporate bonds | 2,032 | 4,064 | 2,032 | 4,064 |
| Financial assets at FVTPL | 561 | 580 | – | – |
| | <u>2,593</u> | <u>4,644</u> | <u>2,032</u> | <u>4,064</u> |
| Current assets: | | | | |
| Corporate bonds | 2,027 | – | 2,027 | – |
| Short-term securities | 11,961 | 19,880 | 11,961 | 19,880 |
| | <u>13,988</u> | <u>19,880</u> | <u>13,988</u> | <u>19,880</u> |

The short-term securities have a maturity of six months or less and is subject to an insignificant risk of changes in value.

11. Cash and cash equivalents

| | ----- Group ----- | | ----- Company ----- | |
|---|-------------------|------------------|---------------------|------------------|
| | 30 June 2023 | 31 December 2022 | 30 June 2023 | 31 December 2022 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Cash at banks and in hand | 7,606 | 7,651 | 2,540 | 630 |
| Fixed deposits with banks | 13,121 | 10,201 | 11,460 | 10,000 |
| Cash and cash equivalents in the statements of financial position | <u>20,727</u> | <u>17,852</u> | <u>14,000</u> | <u>10,630</u> |
| Deposits pledged | (149) | (162) | – | – |
| Cash and cash equivalents in the statement of cash flows | <u>20,578</u> | <u>17,690</u> | <u>14,000</u> | <u>10,630</u> |

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)

12. Share capital & treasury shares

| | ----- Company ----- | | | |
|-----------------------------|--------------------------|------------------------------|--------------------|---------------|
| | ----- 30 June 2023 ----- | ----- 31 December 2022 ----- | | |
| Share capital | | | | |
| Balance at 1 January | 113,725,879 | 88,495 | 103,725,879 | 84,069 |
| Shares issued | - | - | 10,000,000 | 4,500 |
| Share issued expenses | - | - | - | (74) |
| Balance at end of period | <u>113,725,879</u> | <u>88,495</u> | <u>113,725,879</u> | <u>88,495</u> |
| Treasury shares | | | | |
| Balance at 1 January | 1,242,400 | 359 | 909,000 | 254 |
| Purchase of treasury shares | - | - | 333,400 | 105 |
| Balance at end of period | <u>1,242,400</u> | <u>359</u> | <u>1,242,400</u> | <u>359</u> |

| | ----- Company ----- | |
|---|---------------------|--------------------|
| | 30 June 2023 | 31 December 2022 |
| | Number of shares | Number of shares |
| Total number of issues shares | 113,725,879 | 113,725,879 |
| Less: Treasury shares | <u>(1,242,400)</u> | <u>(1,242,400)</u> |
| Total number of issues shares excluding treasury shares | <u>112,483,479</u> | <u>112,483,479</u> |

No share options had been granted under the Intraco Employee Share Option Scheme which was approved at an Extraordinary General Meeting held on 25 April 2023. In this respect, the Company does not have outstanding convertibles as at 30 June 2023 and 31 December 2022.

Treasury shares relate to ordinary shares of the Company that are held by the Company. As at 30 June 2023, the Company held 1,242,400 treasury shares (31 December 2022: 1,242,400) which represents 1.09% of the total number of issued shares. There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at 30 June 2023.



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

13. Loans and borrowings

| | ----- Group ----- | | ----- Company ----- | |
|--------------------------------|-------------------|------------------|---------------------|------------------|
| | 30 June 2023 | 31 December 2022 | 30 June 2023 | 31 December 2022 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Non-current liabilities | | | | |
| Secured bank loans | – | 558 | – | – |
| Lease liabilities | 326 | 52 | 310 | – |
| | <u>326</u> | <u>610</u> | <u>310</u> | <u>–</u> |
| Current liabilities | | | | |
| Secured bank loans | – | 47 | – | – |
| Unsecured bank loans | – | 2,151 | – | – |
| Lease liabilities | 251 | 153 | 175 | 73 |
| Trust receipts | 1,955 | 6,830 | – | – |
| | <u>2,206</u> | <u>9,181</u> | <u>175</u> | <u>73</u> |

Details of any collateral

The secured bank loans of the Group are secured over the leasehold properties of the Group with carrying amounts of S\$1,357,000 on 31 December 2022. The secured bank loans are fully settled on 8 May 2023.

14. Net asset value

| | ----- Group ----- | | ----- Company ----- | |
|--|-------------------|------------------|---------------------|------------------|
| | 30 June 2023 | 31 December 2022 | 30 June 2023 | 31 December 2022 |
| | S\$ | S\$ | S\$ | S\$ |
| Net asset value per ordinary share based on issue share capital at the end of the period | 0.52 | 0.52 | 0.65 | 0.65 |

The calculation of the net asset value per ordinary share was based on total number of 113,725,879 (31 December 2022: 113,725,879) ordinary shares.



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

15. Operating segments

The Group has the following two key 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 Key Executives reviews internal management reports on a monthly basis. The following summary describes the operations in each of the Group's reportable segments:

- *Trading and Distribution* *Trading in industrial materials which include plastics resin and liquors.*

- *Fire Protection* *Provision of passive fire protection products and services.*

- *Mobile Radio Infrastructure Management and corporate advisory services* *Provision of mobile radio infrastructure management services and provision of corporate advisory services related to digital assets.*

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 Key Executive. 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)

15. Operating segments (cont'd)

By operating segments

| | Trading and Distribution S\$'000 | Fire Protection S\$'000 | Mobile Radio Infrastructure Management and Corporate Advisory Services S\$'000 | Consolidated S\$'000 |
|---|--|-------------------------------|--|-------------------------|
| For the period ended 30 June 2023 | | | | |
| External revenue | 73,138 | 3,469 | 2,052 | 78,659 |
| Interest expense and other finance costs | (212) | (16) | – | (228) |
| Depreciation and amortisation | (2) | (150) | (676) | (828) |
| Reportable segment profit/(loss) before tax | 316 | (22) | 213 | 507 |
| Reportable segment assets | 22,260 | 12,358 | 5,837 | 40,455 |
| Reportable segment liabilities | 5,599 | 2,046 | 4,791 | 12,436 |
| Other non-cash items: | | | | |
| - Foreign exchange gain/(loss) | 10 | (4) | – | 6 |
| - Reversal of allowance for impairment loss on receivables and contract assets | – | 32 | – | 32 |
| Capital expenditure | (52) | (12) | – | (64) |



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

15. Operating segments (cont'd)

| | Trading and Distribution S\$'000 | Fire Protection S\$'000 | Mobile Radio Infrastructure Management and Corporate Advisory Services S\$'000 | Consolidated S\$'000 |
|---|--|-------------------------------|--|-------------------------|
| For the period ended 30 June 2022 | | | | |
| External revenue | 99,389 | 4,099 | 1,624 | 105,112 |
| Interest expense and other finance costs | (117) | (16) | – | (133) |
| Depreciation and amortisation | (3) | (150) | (675) | (830) |
| Reportable segment profit/(loss) before tax | 681 | 10 | (240) | 451 |
| Reportable segment assets | 30,240 | 16,653 | 7,129 | 54,022 |
| Reportable segment liabilities | 16,714 | 3,174 | 6,235 | 26,123 |
| Other non-cash items: | | | | |
| - Foreign exchange gain | 164 | 1 | 1 | 166 |
| - Reversal of allowance for impairment loss on receivables and contract assets | – | 6 | – | 6 |
| Capital expenditure | – | (9) | (10) | (19) |



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

15. Operating segments (cont'd)

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

| | H1 ended 30 June 2023 S\$'000 | H1 ended 30 June 2022 S\$'000 |
|---|-------------------------------------|-------------------------------------|
| Revenue | | |
| Total revenue for reporting segments and consolidated revenue | 78,659 | 105,112 |
| Profit or loss | | |
| Total profit for reportable segments | 507 | 451 |
| Unallocated amounts: | | |
| - Other corporate expenses, net of income | (123) | (1,557) |
| Share of profit of joint venture, net of tax | - | 105 |
| Consolidated profit/(loss) before tax | 384 | (1,001) |
| Assets | | |
| Total assets for reportable segments | 40,455 | 54,022 |
| Other unallocated amounts | 40,725 | 31,915 |
| | 81,180 | 85,937 |
| Investments in joint venture | - | 780 |
| Consolidated total assets | 81,180 | 86,717 |
| Liabilities | | |
| Total liabilities for reportable segments | 12,436 | 26,123 |
| Other unallocated amounts | 9,309 | 861 |
| Consolidated total liabilities | 21,745 | 26,984 |



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

15. Operating segments (cont'd)

Other material items

| | Reportable segments S\$'000 | Adjustments S\$'000 | Consolidated S\$'000 |
|---|-----------------------------------|------------------------|-------------------------|
| 30 June 2023 | | | |
| Capital expenditure | (64) | – | (64) |
| Depreciation and amortisation | (746) | (219) | (965) |
| Foreign exchange gain | 2 | 33 | 35 |
| Finance income | 20 | 779 | 799 |
| Interest expense and other finance costs | (228) | (150) | (378) |
| Reversal of allowance for impairment loss on receivables and contract assets | 32 | – | 32 |

| | Reportable segments S\$'000 | Adjustments S\$'000 | Consolidated S\$'000 |
|---|-----------------------------------|------------------------|-------------------------|
| 30 June 2022 | | | |
| Capital expenditure | (19) | – | (19) |
| Change in fair value of contingent consideration | – | 2 | 2 |
| Depreciation and amortisation | (804) | (204) | (1,008) |
| Foreign exchange gain/(loss) | 166 | (64) | 102 |
| Finance income | – | 210 | 210 |
| Reversal of allowance for impairment loss on receivables and contract assets | 6 | – | 6 |



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

15. 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 2023 S\$'000 | H1 ended 30 June 2022 S\$'000 |
|----------------------------|-------------------------------------|-------------------------------------|
| Revenue | | |
| Singapore | 17,679 | 20,748 |
| Vietnam | 33,754 | 66,426 |
| Indonesia | 17,128 | 6,657 |
| Malaysia | 8,424 | 7,195 |
| Others^ | 1,674 | 4,086 |
| Consolidated revenue | <u>78,659</u> | <u>105,112</u> |
| Non-current assets* | | |
| Singapore | 10,784 | 12,087 |
| Vietnam | 63 | 41 |
| | <u>10,847</u> | <u>12,128</u> |

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

^ Others include China, Australia and Philippines.

16. Related party transactions

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

17. Seasonal operations

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

18. 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 2023 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

Consolidated Statement of Profit or Loss – H1 FY2023 vs H1 FY2022

Revenue

Revenue declined 25.2% from S\$105.1 million in H1 FY2022 to \$78.7 million in H1 FY2023 due mainly to lower revenue from the trading and distribution business and provision of fire protection products and services.

Revenue from the trading and distribution decreased by 26.4% from S\$99.3 million in H1 FY2022 to S\$73.1 million in H1 FY2023 due mainly to the lower demand for plastics resin in Vietnam in H1 FY2023 as compared with H1 FY2022.

Revenue from the fire protection business decreased by 15.3% from S\$4.1 million in H1 FY2022 to S\$3.5 million in H1 FY2023. The revenue decreased due mainly to the delay of certain projects, which is scheduled to commence only in the second half of FY2022 during the financial period under review.

Revenue from the mobile radio infrastructure management and corporate advisory services increased by 25% from S\$1.6 million in H1 FY2022 to S\$2.0 million in H1 FY2023 due mainly to revenue generated from corporate advisory income earned from assisting corporate clients on their respective digital commercial paper programme and issuance of digital commercial papers under such programme.

Gross profit

Gross profit increased by 1.4% from S\$4.3 million in H1 FY2022 to S\$4.4 million in H1 FY2023 mainly due to the improve gross profit margins obtained from the passive fire protection and trading and distribution business segments.

Other income

Decrease in other income of S\$0.1 million was mainly due to the lower government grant. The government grant in H1 FY2022 comprise of the receipt of foreign worker levy rebate of approximate S\$73k, which was no longer received in H1 FY2023.



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

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

Administrative expenses

Administrative expenses decreased from S\$5.0 million in H1 FY2022 to S\$4.5 million in H1 FY2023 was mainly due to costs savings arising from costs management initiatives. The main reduction of the administrative expenses was due to salary and related costs savings of approximately S\$0.4 million and write back of provision of staff related costs amounting to S\$0.1 million in H1 FY2023 compared with H1 FY2022.

Other expenses

Other expenses decreased from S\$0.7 million in H1 FY2022 to S\$21,000 in H1 FY2023. Other expenses in H1 FY2022 comprised mainly of realised mark to market losses in relation to the investments that the Company had invested in which was held at fair value through profit and loss.

Finance income

Finance income increased by S\$0.6 million in H1 FY2023 mainly due to the investment returns received from the Group's investment in short terms securities as well as interest received from fixed deposits.

Finance costs

Finance cost in H1 FY2023 of S\$0.4 million mainly comprises interest expense on unsecured bank loans and trust receipt of S\$0.2million and interest expenses incurred for issuance of short-term commercial papers to fund our working capital requirements for our trading and distribution business of S\$0.1million. The increase in finance cost in H1 FY2023 was mainly due to higher borrowing costs during the financial period under review.

Profit for the period

The Group recorded a profit S\$0.4 million for the period in H1 FY2023 compared to a loss of S\$1 million in H1 FY2022. This improvement was mainly due to better management of its balance sheet, cost savings arising from our cost management initiatives and wrote back some provisions previously made in H1 FY2022.



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

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

Consolidated Statement of Financial Position

Increase in inventory of S\$0.3 million was mainly due to the purchase of liquors from the principal for the Baijiu business during the financial period.

The increase in trade and other receivables of approximately S\$6.0 million was mainly due to the increase of trade receivables amounting to S\$3.0 million with longer credit terms as compared with December 2022 and a S\$2.9 million trade-backed commercial paper receivable.

Other investments decreased from S\$19.90 million as at 31 December 2022 to S\$12.0 million as at 30 June 2023 mainly due to the reduction of investments in short-term securities and increase in fixed deposits, which resulted in an increase in cash and cash equivalents.

The increase in trade and other payables of S\$7.0 million was mainly due to the amount payable to commercial paper subscribers which was raised mainly to fund our working capital requirements for our trading and distribution business in lieu of bank borrowings which has a higher borrowing cost. As a result, loans and borrowings decreased S\$7.0 million as at 30 June 2023.

Consolidated Statement of Cash Flow

The cash flows from operating activities of S\$2.3 million was mainly due to better operating cash flow management during the financial period under review.

The cash flows from investing activities of S\$8.6 million was due mainly to the redemption of the short-term securities.

The cash flows used in financing activities of S\$8.1 million relates to the settlement of the trust receipts of S\$4.8 million and the Group's repayment of loans and borrowings amounting to S\$2.8 million.

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

The Group's unaudited results for the financial period ended 30 June 2023 are in line with the Company's profit guidance announcement on 20 July 2023.



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 Group's trading and distribution division will continue to persevere and intensify its efforts to grow and optimize its business operations notwithstanding the persisting challenges it is expected to face, in particular due to the on-going war in Ukraine, geo-political tension between the USA and China, and rising interest rates which may adversely affect businesses and trade as a whole. It will strive to expand its product range and increase the number of customers in its principal markets such as Indonesia and Vietnam.

The Group's passive fire protection products and services division has secured order books of approximately \$5.2 million as at 30 June 2023, approximate half of which is expected to be completed in the second half of the current financial year. The Group is also considering to expand its production of its passive fire protection products overseas in Malaysia and/or China.

In its digital assets business, the Group will continue to build up its assets tokenisation capabilities and explore opportunities with suitable accredited corporate customers to issue debt securities in a digitised token form, and assets-backed digital tokens to be listed on an approved digital exchange in Singapore. On 2 March 2023, the Company launched a S\$50 million commercial paper programme and on 22 June 2023, the Company also launched its S\$50 million commercial paper facility on a recognised licenced digital platform in Singapore operated by SDAX Exchange Pte. Ltd. to diversify the Group's funding source beyond bank borrowings. The Group is also planning to go into digital wholesale money services.

The completion of the proposed acquisition of 51% equity interests in MHC Digital SG Pte. Ltd. ("MHC Spore") as announced on 7 February 2022 is still subject to the fulfilment of certain conditions precedent, in particular MHC Spore and its subsidiaries achieving an agreed rolling 12-months net profit target and satisfactory due diligence. The acquisition agreement shall terminate on or prior to the date falling 29 months from the agreement date (or such other date as may be agreed between the parties) in the event the conditions precedent stated in the agreement are not fulfilled or otherwise waived.

The Group continues to uphold a healthy balance sheet and net cash position. It will continue to manage its businesses, investments, costs and risks exposure appropriately given the prevailing market condition. The Group will continue to review and apply strict cost management measures and a cautious, prudent and risk-managed approach to capital allocation decisions. The Group will consider appropriate mergers, acquisitions and/or joint ventures as and when any suitable opportunities arise.



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

5. Dividend information

(a) Current Financial Period Reported On

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

(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.

No dividend has been declared or recommended for the financial period ended 30 June 2023 as the Company's net profits for 1H 2023 is S\$75,000. Please refer to Para C on page 6 of this announcement.

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 2023 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Mak Lye Mun

Executive Chairman and Director

Dr Tan Boon Wan

Lead Independent Director



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

- 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.

For and on behalf of the Board

Mak Lye Mun

Executive Chairman and Director

7 August 2023