



INTRACO LIMITED

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

Condensed interim financial statements
For the six months ended 30 June 2022



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A. Consolidated statement of profit or loss

	Note	H1 ended 30 June 2022 S\$'000	H1 ended 30 June 2021 S\$'000	Change %
Revenue	3	105,112	113,123	(7.1)
Cost of sales		(100,810)	(109,130)	(7.6)
Gross profit		<u>4,302</u>	<u>3,993</u>	<u>7.7</u>
Other income		288	382	(24.6)
Distribution expenses		(7)	(6)	16.7
Administrative expenses		(5,045)	(4,504)	12.0
Other expenses		(715)	–	n.a.
Results from operating activities		<u>(1,177)</u>	<u>(135)</u>	<u>771.9</u>
Finance income		210	68	208.8
Finance costs		(139)	(121)	14.9
Net finance income/(costs)	4	<u>71</u>	<u>(53)</u>	<u>n.m.</u>
Share of profit/(loss) of joint venture (net of tax)		<u>105</u>	<u>(71)</u>	<u>n.m.</u>
Loss before taxation	5	<u>(1,001)</u>	<u>(259)</u>	<u>286.5</u>
Tax credit		6	2	200.0
Loss for the period		<u>(995)</u>	<u>(257)</u>	<u>287.2</u>
Loss per share				
Basic and diluted loss per share (SGD in cents)	6	<u>(0.89)</u>	<u>(0.25)</u>	

n.m. denotes not meaningful
n.a. denotes not applicable



A. Consolidated statement of comprehensive income

	H1 ended 30 June 2022 S\$'000	H1 ended 30 June 2021 S\$'000
Loss for the period	(995)	(257)
Other comprehensive income		
Items that are or may be reclassified subsequently to profit or loss		
Foreign currency translation differences of foreign operations*	187	111
Share of other comprehensive income of joint venture *	66	32
Other comprehensive income for the period, net of tax	<u>253</u>	<u>143</u>
Total comprehensive income for the period	<u>(742)</u>	<u>(114)</u>

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



B. Statements of financial position

	Note	----- Group -----		----- Company -----	
		30 June 2022 S\$'000	31 December 2021 S\$'000	30 June 2022 S\$'000	31 December 2021 S\$'000
Assets					
Non-current assets					
Property, plant and equipment		12,128	13,057	204	323
Intangible assets		98	158	98	158
Subsidiaries	7	–	–	18,516	18,738
Joint venture		780	609	550	550
Other investments	8	4,690	636	4,066	–
		<u>17,696</u>	<u>14,460</u>	<u>23,434</u>	<u>19,769</u>
Current assets					
Other investments	8	9,446	24,731	9,446	24,731
Inventories		2,064	1,702	–	–
Trade and other receivables		27,643	18,069	27,383	15,942
Contract assets		2,690	2,762	–	–
Cash and cash equivalents	9	27,178	22,921	15,415	12,779
		<u>69,021</u>	<u>70,185</u>	<u>52,244</u>	<u>53,452</u>
Total assets		<u>86,717</u>	<u>84,645</u>	<u>75,678</u>	<u>73,221</u>
Equity					
Share capital	10	88,495	84,069	88,495	84,069
Treasury shares	10	(295)	(254)	(295)	(254)
Reserves		143	(110)	12,864	13,086
Accumulated losses		(28,610)	(27,615)	(28,110)	(26,711)
Equity attributable to owners of the Company		<u>59,733</u>	<u>56,090</u>	<u>72,954</u>	<u>70,190</u>
Liabilities					
Non-current liabilities					
Loans and borrowings	11	686	807	14	73
Deferred tax liabilities		487	493	–	–
		<u>1,173</u>	<u>1,300</u>	<u>14</u>	<u>73</u>
Current liabilities					
Loans and borrowings	11	10,759	11,891	159	199
Trade and other payables		15,048	15,360	2,551	2,759
Current tax liabilities		4	4	–	–
		<u>25,811</u>	<u>27,255</u>	<u>2,710</u>	<u>2,958</u>
Total liabilities		<u>26,984</u>	<u>28,555</u>	<u>2,724</u>	<u>3,031</u>
Total equity and liabilities		<u>86,717</u>	<u>84,645</u>	<u>75,678</u>	<u>73,221</u>



C. Statements of changes in equity

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)

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 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 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



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 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
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	(227)	1,524	(25,977)	59,362



D. Consolidated statement of cash flows

	H1 ended 30 June 2022 S\$'000	H1 ended 30 June 2021 S\$'000
Cash flows from operating activities		
Loss for the period	(995)	(257)
Adjustments for:		
Amortisation of intangible assets	60	56
Change in fair value of the contingent consideration	(2)	(50)
Depreciation of property, plant and equipment	948	974
Fair value loss/(gain) of financial assets at FVTPL	715	(2)
Net finance (income)/cost	(71)	53
Reversal of allowance for doubtful receivables	(6)	–
Share of (profit)/loss of joint venture, net of tax	(105)	71
Tax credit	(6)	(2)
Unrealised foreign exchange gain	(82)	(29)
	<u>456</u>	<u>814</u>
Changes in:		
- inventories	(362)	223
- trade and other receivables	(8,966)	(13,317)
- contract assets	72	(960)
- trade and other payables	1,920	401
Cash used in operating activities	<u>(6,880)</u>	<u>(12,839)</u>
Taxes paid	–	(54)
Net cash flow used in operating activities	<u>(6,880)</u>	<u>(12,893)</u>
Cash flows from investing activities		
Interest received	78	44
Dividends received from financial assets at FVTPL	113	31
Purchase of property, plant and equipment and software	(19)	(136)
Purchase of bond funds and other investments	(4,049)	(25,624)
Redemption of bond funds	14,570	–
Settlement of contingent consideration	(2,254)	–
Net cash flow from/(used in) investing activities	<u>8,439</u>	<u>(25,685)</u>
Cash flows from financing activities		
Financing from trust receipts (settled)/obtained	(1,393)	2,120
Interest paid	(136)	(100)
Issuance of shares, net of expenses	4,426	–
Increase in deposits pledged	–	(35)
Payment of lease liabilities	(136)	(148)
Purchase of treasury shares	(41)	–
Repayment of loans and borrowings	(23)	(22)
Net cash flow from financing activities	<u>2,697</u>	<u>1,815</u>
Net increase/(decrease) in cash and cash equivalents	4,256	(36,763)
Cash and cash equivalents at 1 January	22,921	55,235
Effects of exchange rate fluctuations on cash held	1	21
Cash and cash equivalents at 30 June	<u>27,178</u>	<u>18,493</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 2022 comprise the Company and its subsidiaries (collectively, the Group). The Group is primary 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 2022 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 2021.

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 2022. 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 2022. 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.

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 2021.



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 2022 S\$'000	H1 ended 30 June 2021 S\$'000
Trading sales	99,656	107,751
Revenue from construction contracts	3,916	3,791
Service income	866	907
Rental income	674	674
	105,112	113,123

4. Net finance income/(costs)

	----- Group -----	
	H1 ended 30 June 2022 S\$'000	H1 ended 30 June 2021 S\$'000
Interest income under the effective interest method on:		
- cash and cash equivalents	80	37
Income from financial assets at amortised cost	17	-
Income from financial assets at FVTPL	113	31
Finance income	210	68
Financial liabilities measured at amortised cost - interest expense on:		
- secured bank loans	(11)	(13)
- unsecured bank loans and trust receipts	(117)	(78)
- lease liabilities	(11)	(11)
Upfront fee & management fee	-	(19)
Finance costs	(139)	(121)
Net finance income/(costs) recognised in profit or loss	71	(53)



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 2022 S\$'000	H1 ended 30 June 2021 S\$'000
Amortisation of intangible assets	60	56
Change in fair value of contingent consideration	(2)	(50)
Cost of inventories recognised in cost of sales	99,589	105,118
Depreciation of property, plant and equipment	948	974
Fair value loss/(gain) of financial assets at FVTPL	715	(2)
Foreign exchange loss	102	13
Government grants	(172)	(365)
Reversal of allowance made for doubtful receivables	(6)	-

6. Loss per share

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

	----- Group -----	
	H1 ended 30 June 2022 S\$'000	H1 ended 30 June 2021 S\$'000
Loss attributable to ordinary shareholders	(995)	(257)
	30 June 2022	30 June 2021
	Number of	Number of
	shares	shares
Weighted average number of ordinary shares	111,816,827	102,816,879

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 2022	31 December 2021
	S\$'000	S\$'000
Equity investments at FVOCI	16,498	16,720
Non-current loan to a subsidiary*	2,018	2,018
	<u>18,516</u>	<u>18,738</u>

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.

*On 1 January 2021, the Company designated a loan of S\$2,018,000 due from its subsidiary, Intraco Trading Pte Ltd as quasi equity in nature. Interest is chargeable at 1.25% plus Singapore Overnight Rate Average per annum (31 December 2021: 1.15% per annum) and has no fixed terms of repayment.

8. 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 2022	31 December 2021	30 June 2022	31 December 2021
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets:				
Debt investments – at amortised cost	4,066	–	4,066	–
Debt investments – mandatorily at FVTPL	624	636	–	–
	<u>4,690</u>	<u>636</u>	<u>4,066</u>	<u>–</u>
Current assets:				
Debt investments – mandatorily at FVTPL	9,446	24,731	9,446	24,731



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

9. Cash and cash equivalents

	----- Group -----		----- Company -----	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
	S\$'000	S\$'000	S\$'000	S\$'000
Cash at banks and in hand	12,314	12,022	1,927	3,279
Fixed deposits with banks	4,376	8,899	3,000	7,500
Commercial paper and MAS bills	10,488	2,000	10,488	2,000
Cash and cash equivalents in the statements of financial position	27,178	22,921	15,415	12,779
Deposits pledged	(162)	(162)	–	–
Cash and cash equivalents in the statement of cash flows	27,016	22,759	15,415	12,779

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

The commercial paper and MAS bills are readily convertible to known amount of cash and has a maturity of three months or less and is subject an insignificant risk of changes in value.



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

10. Share capital & treasury shares

	----- 30 June 2022 -----		----- 31 December 2021 -----	
	Number of shares	S\$'000	Number of shares	S\$'000
Share capital				
Fully paid ordinary shares, with no par value, in issue	113,725,879	88,495	103,725,879	84,069
Treasury shares				
Balance at 1 January	909,000	254	909,000	254
Purchase of treasury shares	131,700	41	–	–
Balance at end of period	1,040,700	295	909,000	254

	----- Company -----	
	30 June 2022	31 December 2021
	Number of shares	Number of shares
Total number of issued shares	113,725,879	103,725,879
Less: Treasury shares	(1,040,700)	(909,000)
Total number of issued shares excluding treasury shares	112,685,179	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 2022 and 30 June 2021.

Treasury shares relate to ordinary shares of the Company that are held by the Company. As at 30 June 2022, the Company held 1,040,700 treasury shares (30 June 2021: 909,000) 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 2022.

There were no subsidiary holdings as at 30 June 2022.



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

11. Loans and borrowings

	----- Group -----		----- Company -----	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current liabilities				
Secured bank loans	579	602	–	–
Lease liabilities	107	205	14	73
	<u>686</u>	<u>807</u>	<u>14</u>	<u>73</u>
Current liabilities				
Secured bank loans	47	47	–	–
Lease liabilities	237	275	159	199
Trust receipts	10,475	11,569	–	–
	<u>10,759</u>	<u>11,891</u>	<u>159</u>	<u>199</u>

Details of any collateral

The secured bank loans and finance lease liabilities of the Group are secured over the leasehold properties of the Group with carrying amounts of S\$1,377,000 (31 December 2021: S\$1,398,000).

12. Net asset value

	----- Group -----		----- Company -----	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
Net asset value per ordinary share based on issue share capital at the end of the period	0.53	0.55	0.65	0.68

The calculation of the net asset value per ordinary share was based on total number of 112,685,179 (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 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 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:

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

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 2022			
External revenue	4,099	101,013	105,112
Interest expense and other finance costs	(16)	(117)	(133)
Depreciation and amortisation	(11)	(694)	(804)
Reportable segment profit before tax	10	441	451
Reportable segment assets	16,653	37,369	54,022
Reportable segment liabilities	3,174	22,949	26,123
Other non-cash items:			
- Foreign exchange gain	1	154	155
- Reversal of allowance made for doubtful receivables	6	-	6
Capital expenditure	(9)	(10)	(19)
	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)

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

	H1 ended 30 June 2022 S\$'000	H1 ended 30 June 2021 S\$'000
Revenue		
Total revenue for reporting segments and consolidated revenue	105,112	113,123
Profit or loss		
Total profit for reportable segments	451	746
Unallocated amounts:		
- Other corporate expenses, net of income	(1,557)	(934)
Share of profit/(loss) of equity-accounted investees, net of tax	105	(71)
Consolidated loss before tax	(1,001)	(259)
Assets		
Total assets for reportable segments	54,022	52,901
Other unallocated amounts	31,915	38,986
	85,937	91,887
Investments in equity-accounted investees	780	532
Consolidated total assets	86,717	92,419
Liabilities		
Total liabilities for reportable segments	26,123	31,648
Other unallocated amounts	861	3,993
Consolidated total liabilities	26,984	35,641



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 2022			
Capital expenditure	(19)	–	(19)
Change in fair value of contingent consideration	–	2	2
Depreciation and amortisation	(805)	(203)	(1,008)
Foreign exchange gain/(loss)	155	(53)	102
Finance income	–	210	210
Interest expense and other finance costs	(133)	(6)	(139)
Reversal of allowance made for doubtful receivables	6	–	6

	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)



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 2022 S\$'000	H1 ended 30 June 2021 S\$'000
Revenue		
Singapore	20,748	20,638
Vietnam	66,426	71,588
Indonesia	6,657	12,084
Others	11,281	8,813
Consolidated revenue	<u>105,112</u>	<u>113,123</u>
Non-current assets*		
Singapore	12,087	13,884
Vietnam	41	71
	<u>12,128</u>	<u>13,955</u>

* Non-current assets presented consists 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 2022 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

Revenue declined 7.1% from S\$113.1 million in H1 FY2021 to \$105.1 million in H1 FY2022 due mainly to lower revenue from the Trading business.

Revenue from the Trading and Other segment saw a slight decrease by 7.4% from S\$109.2 million in H1 FY2021 to S\$101.0m in H1 FY2022. The demand from the hygiene, healthcare and packaging sectors remain constant with the border reopening from the COVID-19 related measures. Revenue from the mobile radio infrastructure management services also remain relatively constant at S\$1.6 million for both H1 FY2022 and H1 FY2021.

Revenue from the Fire Protection Segment increased slightly from S\$3.9 million in H1 FY2021 to S\$4.1 million in H1 FY2022. Strict social distancing and safety measures were implemented when work resumed in 1HY 2022, further impacting work progress, including the recruitment of foreign labour to complete the works.

Gross profit

Gross profit increased by 7.7% from S\$4.0 million in H1 FY2021 to S\$4.3 million in H1 FY2022. Margins for the Trading business contributed to the increase in the gross profit with higher contribution from Vietnam. Margins for the Group's Fire Protection business 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 FY2022 comprised mainly of realised and unrealised mark to market losses in relation to the debt investments that the Company had invested in which is held at fair value through profit and loss.

Depreciation of property, plant and equipment

Depreciation of property, plant and equipment was mainly due to 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 increased to S\$210,000 mainly due to interest income from financial assets at FVTPL from S\$31,000 in H1 FY2021 to S\$113,000 in H1 FY2022. The increase in average interest rates for 3-month Fixed Deposits also contributed to the increase in interest income from placement of Fixed Deposits.

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

The Group recorded a share of profit of S\$105,000 in H1 FY2022 as compared to a share of loss of S\$71,000 in H1 FY2021, mainly due to the sales of cranes. The political instability in Myanmar has resulted in the closure of construction sites and weakening of MMK (Myanmar Kyat) against the US dollar.

Loss for the period

The Group recorded a loss for the period of S\$995,000 in H1 FY2022 as compared to a loss of S\$257,000 in H1 FY2021. This is mainly due to the higher administrative expenses and other expenses incurred during H1 FY2021 offset against the higher net finance income and share of profit of joint venture.

Review of consolidated statement of financial position

As at 30 June 2022, the Company has placed S\$16 million into the money market, bond funds and other investments 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 corporate bond fund investments and treasury bills are classified as financial assets at amortised cost.

The increase in trade and other receivables of S\$9.6 million was mainly due to the increase of trade receivables for the Group's Trading business as a result of higher business volume and revenue in June 2022.

Review of consolidated statement of cash flow

The cash flows used in operating activities of S\$6.9 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 flows from investing activities of S\$5.9 million was mainly due to placement of S\$6.5 million of bond funds, settlement of contingent consideration of S\$2.2 million and off-set against the redemption of bond funds in 1H 2022 amounting to S\$14.6 million. The cash flows from financing activities of S\$2.7 million was also mainly due to the issuance of shares, net of expenses, amounting to S\$4.4 million and settlement of trust receipts of S\$1.4 million.



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

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

Not applicable.

- 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**

While the business activities in general are gradually showing signs of improvement upon easing of the current Covid-19 related restrictions and border reopening, the effects and impact of the pandemic on the Singapore economy remained slow in recovery. Global supply chain disruptions and challenges continue to persist due to the China's zero Covid-19 policy, the war in Ukraine, potential onset of global recession and rising interest rates which is affecting businesses and trade as a whole. However, the Group will continue to persevere and intensify its effort in optimizing its business operations amidst this challenging time.

On 7 February 2022, the Company announced that it had entered into an acquisition agreement to acquire 51% equity interests in MHC Singapore which own the MHC Digital Group in Australia. MHC Digital Group is an Australian licenced fund manager of digital assets and the team is also involved in the trading and sales of digital assets. At the same time, the Company has also announced its intentions to diversify into businesses related to digital assets. This diversification into the growing digital assets industry will enable the Group to capture new business opportunities and increase its revenue base. In this regard, on 19 July 2022, the Company acquired a 51% equity interests in Taurus Point Capital Pte. Ltd. ("TPC"), a boutique corporate finance advisory outfit focusing on the digital assets industry so as to leverage on TPC's existing resources to enable the Group to build a suite of corporate finance capabilities and bring investment banking advisory activities to the digital assets industry.

On 25 July 2022, the Company also announced that the Group, through its 60% owned subsidiary Provenance Treasures Pte. Ltd., will be venturing into the wholesale of wine and liquor and will explore opportunities to trade and/or securitise the underlying portfolio of wine and/or liquor via digital tokenisation.

The Company divested its debt investments held at FVTPL and has placed the proceeds mainly in short term securities such as MAS bills and commercial papers. In addition, the Group through its wholly owned subsidiary Intrawave Pte. Ltd., has been awarded an extension of its mobile radio infrastructure management services up to 31 July 2024. The Group will also refocus its business to continue to provide mobile radio infrastructure management services.

The Group will continue to manage its investments, costs and risks exposure appropriately given the uncertain global environment.



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 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.

No dividend was declared or recommended as both the Group and the Company recorded a loss for the half year ended 30 June 2022.

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 2022 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
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

6 August 2022