


INTRACO Limited

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

Unaudited Half Year Financial Statement for the Period Ended 30/06/2013
PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

- 1(a)(i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated income statement

	Group Period Ended		%
	30/06/13	30/06/12	Change
	S\$'000	S\$'000	
Revenue	63,781	81,572	(21.8)
Cost of sales	(61,871)	(78,502)	(21.2)
Gross profit	1,910	3,070	(37.8)
Other income	1,513	302	401.0
Distribution expenses	(44)	-	n.m.
Administration expenses	(3,393)	(3,748)	(9.5)
Other expenses	-	(199)	n.m.
Results from operating activities	(14)	(575)	(97.6)
Finance income	111	211	(47.4)
Finance costs	(78)	(128)	(39.1)
Net finance income	33	83	(60.2)
Share of profit of associates (net of tax)	370	573	(35.4)
Profit before tax	389	81	380.2
Tax	-	-	-
Profit for the period	389	81	380.2

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

	Group Period Ended		%
	30/06/13	30/06/12	Change
	S\$'000	S\$'000	
Interest income	69	107	(35.5)
Distribution from other investments	42	104	(59.6)
Gain on sale of property, plant and equipment	4	22	(81.8)
Interest expense from loans and borrowings	(78)	(128)	(39.1)
Depreciation of property, plant and equipment	(219)	(222)	(1.4)
Foreign exchange gains / (losses)	220	(187)	n.m.
Allowance reversed for doubtful receivables	-	224	n.m.
Write-back / (Write-down) of inventory to net realisable value	1,103	(12)	n.m.

1(b)(i) **A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

Statements of financial position

		Group			Company	
		30/06/13	31/12/12		30/06/13	31/12/12
	Notes	S\$'000	S\$'000	Notes	S\$'000	S\$'000
Assets						
Property, plant and equipment	(a)	2,324	2,000	(a)	773	247
Subsidiaries		-	-		14,355	13,906
Associate	(b)	15,493	11,779	(b)	13,849	10,106
Other investments	(c)	1,035	800		1,035	800
Non-current assets		18,852	14,579		30,012	25,059
Asset classified as held for sale		753	720		-	-
Inventories	(d)	691	2,760		45	59
Trade and other receivables	(e)	13,387	15,885		3,764	3,949
Cash and cash equivalents		45,492	49,139		28,486	33,325
Current assets		60,323	68,504		32,295	37,333
Total assets		79,175	83,083		62,307	62,392
Equity						
Share capital		81,919	81,919		81,919	81,919
Reserves		(677)	(1,382)		1,194	509
Accumulated losses		(20,156)	(20,545)		(23,996)	(23,888)
Total equity		61,086	59,992		59,117	58,540
Liabilities						
Trade and other payables	(e)	8,997	11,775		2,069	2,731
Provisions		1,121	1,212		1,121	1,121
Loans and borrowings	(f)	7,971	10,104		-	-
Current liabilities		18,089	23,091		3,190	3,852
Total equity and liabilities		79,175	83,083		62,307	62,392

Notes:

- (a) The increase in property, plant and equipment was due mainly to the cost of renovating the new office premise.
- (b) The increase in associate was due mainly to the acquisition of an additional interest of 9.63% in Dynamic Colours Limited during the period.
- (c) The increase in other investment was due to the fair value appreciation of available-for-sale quoted equity securities.
- (d) The decrease in inventories was due mainly to the reduction in seafood inventory as part of the ongoing effort to reduce seafood stock.
- (e) The decrease in trade and other receivables / payables was in line with the reduction in sales and purchases.
- (f) The decrease in loans and borrowings was due mainly to repayment of loans.

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

Amount repayable in one year or less, or on demand

As at 30/06/13	
Secured	Unsecured
S\$'000	S\$'000
-	7,971

As at 31/12/12	
Secured	Unsecured
S\$'000	S\$'000
-	10,104

Amount repayable after one year

As at 30/06/13	
Secured	Unsecured
S\$'000	S\$'000
-	-

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

Details of any collateral

NIL

- 1(c) **A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Consolidated statement of cash flows

	Group	
	30/06/13	30/06/12
	S\$'000	S\$'000
Cash flows from operating activities		
Profit for the period	389	81
Adjustments for:		
Depreciation of property, plant and equipment	219	222
Gain on sale of property, plant and equipment	(4)	(22)
Allowance reversed for doubtful receivables	-	(224)
(Write-back) / Write-down of inventory to net realisable value	(1,103)	12
Share of profit of associates, net of tax	(370)	(573)
Net finance income	(33)	(83)
	(902)	(587)
Change in inventories	3,172	(713)
Change in trade and other receivables	1,938	(2,913)
Change in trade and other payables	(3,739)	4,587
Change in provisions	(91)	-
Cash generated from operating activities	378	374
Interest received	73	103
Interest paid	(79)	(125)
Cash flows generated from operating activities	372	352
	372	352
Cash flows from investing activities		
Distribution received from other investments	42	104
Additional investment in an associate	(3,742)	-
Proceeds from repayment of loan	142	1,873
Purchase of property, plant and equipment	(542)	(1)
Deferred consideration received from sale of an associate	323	97
Dividends from an associate	942	471
Proceeds from sale of property, plant and equipment	3	26
Consideration received in advance on asset classified as held for sale	787	-
Cash flows (used in) / from investing activities	(2,045)	2,570
	(2,045)	2,570
Cash flows from financing activities		
Proceeds from borrowings	7,971	11,546
Repayment of borrowings	(10,104)	(11,497)
Proceeds from issue of shares	-	17
Cash flows (used in) / from financing activities	(2,133)	66
	(2,133)	66
Net (decrease) / increase in cash and cash equivalents	(3,806)	2,988
Cash and cash equivalents at 1 January	49,139	42,497
Effects of exchange rate fluctuations on cash held	159	(56)
Cash and cash equivalents at 30 June	45,492	45,429
Comprising:		
Cash at bank and in hand	28,348	12,335
Fixed deposits with banks	17,144	34,744
Cash and cash equivalents in the statement of financial position	45,492	47,079
Restricted bank deposits	-	(1,650)
	45,492	45,429

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

Consolidated statement of comprehensive income	Group Period Ended		% Change
	30/06/13 S\$'000	30/06/12 S\$'000	
Profit for the period	389	81	380.2
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Net change in fair value of available-for-sale financial assets	235	249	(5.6)
Foreign currency translation differences of foreign operations	470	(223)	n.m.
Total items that may be reclassified subsequently to profit or loss	705	26	>100%
Other comprehensive income for the period, net of tax	705	26	>100%
Total comprehensive income for the period	1,094	107	>100%

1(d)(i)(b) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated statements of changes in equity

Group (S\$'000)	Share capital	Capital reserve	Translation reserve	Fair value reserve	Accumulated losses	Total equity
As at 1 January 2013	81,919	986	(2,617)	249	(20,545)	59,992
Total comprehensive income for the period						
Profit for the period	-	-	-	-	389	389
Other comprehensive income						
Net change in fair value of available-for-sale financial assets	-	-	-	235	-	235
Foreign currency translation differences of foreign operations	-	-	470	-	-	470
Total other comprehensive income	-	-	470	235	-	705
Total comprehensive income for the period	-	-	470	235	389	1,094
As at 30 June 2013	81,919	986	(2,147)	484	(20,156)	61,086
As at 1 January 2012	81,874	941	(1,755)	-	(11,623)	69,437
Total comprehensive income for the period						
Profit for the period	-	-	-	-	81	81
Other comprehensive income						
Net change in fair value of available-for-sale financial assets	-	-	-	249	-	249
Foreign currency translation differences of foreign operations	-	-	(223)	-	-	(223)
Total other comprehensive income	-	-	(223)	249	-	26
Total comprehensive income for the period	-	-	(223)	249	81	107
Transactions with owners, recognised directly in equity						
Contributions by owners						
Issue of shares under share option scheme	17	-	-	-	-	17
Transfer between reserves	-	45	-	-	(45)	-
Total transactions with owners	17	45	-	-	(45)	17
As at 30 June 2012	81,891	986	(1,978)	249	(11,587)	69,561

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

Company (S\$'000)	Share capital	Fair value reserve	Accumulated losses	Total equity
As at 1 January 2013	81,919	509	(23,888)	58,540
Total comprehensive income for the period				
Loss for the period	-	-	(108)	(108)
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss:				
Net change in fair value of available-for-sale financial assets	-	685	-	685
Total items that may be reclassified subsequently to profit or loss	-	685	-	685
Total other comprehensive income	-	685	-	685
Total comprehensive income for the period	-	685	(108)	577
As at 30 June 2013	81,919	1,194	(23,996)	59,117
As at 1 January 2012	81,874	(4,530)	(9,067)	68,277
Total comprehensive income for the period				
Loss for the period	-	-	(349)	(349)
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss:				
Net change in fair value of available-for-sale financial assets	-	535	-	535
Total items that may be reclassified subsequently to profit or loss	-	535	-	535
Total other comprehensive income	-	535	-	535
Total comprehensive income for the period	-	535	(349)	186
Transactions with owners, recognised directly in equity				
Contributions by owners				
Issue of shares under share option scheme	17	-	-	17
Total transactions with owners	17	-	-	17
As at 30 June 2012	81,891	(3,995)	(9,416)	68,480

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

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

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

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

	<u>As at 30/06/13</u>	<u>As at 31/12/12</u>
Total number of issued shares excluding treasury shares	<u>98,725,879</u>	<u>98,725,879</u>

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

The Company does not have any treasury shares as at 30 June 2013.

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

The figures have not been audited or reviewed.

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

Not applicable

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

The Group has applied the same accounting policies and computation methods used in the preparation of the financial statements for the current reporting period compared with the audited financial statements as at 31 December 2012.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Refer to paragraph 4

- 6 Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

Group	
Period ended 30/06/13	Period ended 30/06/12
cents	cents
0.39	0.08

Earnings per ordinary share for the period based on net profit attributable to shareholders:

- based on the weighted average number of ordinary shares in issue and on a fully diluted basis

Continuing operations

The weighted average number of ordinary shares in issue for the period ended 30 June 2013 was 98,725,879 (30 June 2012: 98,670,879).

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

Group		Company	
As at 30/06/13	As at 31/12/12	As at 30/06/13	As at 31/12/12
\$0.62	\$0.61	\$0.60	\$0.59

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

8 Review of Performance

Revenue

The Group reported a revenue of S\$63.8 million for the first half of 2013 ("HY 2013"), a decrease of S\$17.8 million (or 21.8%).

Revenue from the Trading and Others segment decreased by S\$16.3 million (or 20.6%) to S\$62.7 million for HY 2013. Revenue from the Plastics Division decreased by S\$12.2 million to S\$57.6 million due mainly to lower sales volume as the suppliers' allocation was lower than planned due to a temporary production downtime from suppliers. The decrease in revenue was also due to the absence of S\$2.4 million revenue from trading of other commodities, which ended in Jan 2013.

Revenue from the Projects segment decreased by S\$1.5 million to S\$1.0 million due to fewer projects secured during the period.

Group's profit before tax

The Group posted a profit before tax of S\$389,000 compared to a profit of S\$81,000 for the same period last year.

The Trading and Others segment reported a profit before tax of S\$1.1 million for HY 2013 compared to S\$0.2 million in the prior period. This was due mainly to a write-back of inventory to net realisable value of S\$1.1 million.

The Projects segment reported a loss before tax of S\$53,000 compared to a profit before tax of S\$535,000. This was due mainly to lower sales as fewer projects were secured. In HY 2012, the Group recorded a write-back of impairment loss of S\$0.2 million.

The Group's share of profit from its associates decreased from S\$573,000 to S\$370,000.

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

Not applicable

- 10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group expects the business environment to continue to be challenging as the global economic outlook remains uncertain.

The Group will continue to focus on identifying new business opportunities for growth and will leverage on its long established brand name and its extensive regional network.

On 16 May 2013, the Company had entered into a non-binding Heads of Agreement with Tat Hong Holdings Ltd and Mr Aung Moe Kyaw for the purpose of establishing a joint-venture company in Singapore to carry out the business of rental of cranes and distribution of cranes and excavators in Myanmar.

11 Dividend

(a) Current Financial Period Reported On

No dividend was 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.

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

No dividend was declared/recommended for the current financial period reported on.

13 **Business Segmental Information**
By operating segments for the period ended 30 June 2013

S\$'000	Projects	Trading and Others	Total
External revenue	1,042	62,739	63,781
Interest income	-	14	14
Interest expense	-	(78)	(78)
Depreciation and amortisation	-	(204)	(204)
Reportable segment (loss) / profit before tax	(53)	1,109	1,056
Reportable segment assets	722	31,657	32,379
Other material non-cash items:			
Write-back of inventory to net realisable value	-	(1,103)	(1,103)
Capital expenditure	-	2	2
Reportable segment liabilities	1,789	14,120	15,909

By operating segments for the period ended 30 June 2012

S\$'000	Projects	Trading and Others	Total
External revenue	2,554	79,018	81,572
Interest income	-	11	11
Interest expense	-	(128)	(128)
Depreciation and amortisation	-	(207)	(207)
Reportable segment profit before tax	535	236	771
Reportable segment assets	1,181	45,983	47,164
Other material non-cash items:			
Allowance reversed for doubtful receivables	(224)	-	(224)
(Write-back) / write-down of inventory to net realisable value	(35)	47	12
Reportable segment liabilities	2,174	22,561	24,735

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

	30/06/13 S\$'000	30/06/12 S\$'000
Revenue		
Total revenue for reporting segments	63,781	81,572
Profit or loss		
Total profit for reporting segments	1,056	771
Unallocated amounts:		
- Other corporate expenses, net of income	(1,037)	(1,263)
Share of profit of associates, net of tax	370	573
Consolidated profit for continuing operations before tax	389	81
Assets		
Total assets for reportable segments	32,379	47,164
Other unallocated amounts	30,550	35,902
	62,929	83,066
Investments in associates	16,246	12,874
Consolidated total assets	79,175	95,940
Liabilities		
Total liabilities for reporting segments	15,909	24,735
Other unallocated amounts	2,180	1,644
Consolidated total liabilities	18,089	26,379

Business Segmental Information (cont'd)**Other material items****Continuing operations**

	Reportable segment totals	Adjustments	Consolidated totals
	S\$'000	S\$'000	S\$'000
2013			
Interest income	14	55	69
Capital expenditure	2	540	542
Depreciation and amortisation	(204)	(15)	(219)
Write-back of inventory to net realisable value	1,103	-	1,103
2012			
Interest income	11	96	107
Capital expenditure	-	1	1
Depreciation and amortisation	(207)	(15)	(222)
Allowance reversed for doubtful receivables	224	-	224
Write-down of inventory to net realisable value	(12)	-	(12)

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

Refer to section 8

- 15 Interested person transactions**

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

NEGATIVE ASSURANCE CONFIRMATION ON INTERIM FINANCIAL RESULTS PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

The Board of Directors has confirmed that, to the best of their knowledge, nothing has come to their attention which may render these interim financial results to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Yvonne Choo
Company Secretary
06/08/2013