



INTRACO Limited

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

Full Year Financial Statement for the Period Ended 31/12/2004

**PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3),
HALF-YEAR AND FULL YEAR RESULTS**

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

Full-year financial statement on consolidated results for the period ended 31 December 2004.

	Notes	Group		
		S\$'000		%
		31/12/2004	31/12/2003	Change
Turnover		394,567	285,340	38.3
Cost of Sales		(381,901)	(263,311)	(45.0)
Gross Profit	(i)	12,666	22,029	(42.5)
Other revenue		1,135	1,248	(9.1)
Distribution costs	(i)	(8,429)	(19,645)	57.1
Administrative costs	(i)	(6,964)	(9,377)	25.7
Finance costs		(601)	(541)	(11.1)
Operating Loss		(2,193)	(6,286)	65.1
Investment income		191	339	(43.7)
Exceptional items	(ii)	3,483	(1,602)	317.4
Profit/(Loss) before tax and minority interests		1,481	(7,549)	119.6
Taxation		(474)	255	(285.9)
Profit/(Loss) after tax before minority interests		1,007	(7,294)	113.8
Minority interests, net of taxes		639	1,780	(64.1)
Profit/(Loss) attributable to members of Intraco Limited		1,646	(5,514)	129.9

Notes: -

(i) Reduction in gross profit, distribution and administrative costs was mainly due to the deconsolidation of Teledata (Singapore) Limited after the Group's divestment.

(ii) Exceptional items mainly comprise:

Gain on disposal/liquidation of investments and associates
Recovery/Gain on closure/disposal of subsidiaries
(Provision)/Write-up in value of investments
Provision for impairment of fixed assets
Impairment loss on intangible assets
Provision for paging recovery
Profit on disposal of a leasehold property

Group	
S\$'000	
31/12/2004	31/12/2003
3,350	2,382
1,418	904
(1,285)	191
-	(4,685)
-	(1,302)
-	(539)
-	1,447
3,483	(1,602)

(iii)

Depreciation and amortisation	(4,554)	(4,089)	(11.4)
Write-back of doubtful debts (net of provision and write-off)	910	195	366.7
Provision of inventory obsolescence and write-off.	(899)	(3,421)	73.7
Write-back of claims and warranty	594	442	34.4
Net foreign exchange loss	(144)	(48)	(200.0)

Group		
S\$'000		%
31/12/2004	31/12/2003	Change
(4,554)	(4,089)	(11.4)
910	195	366.7
(899)	(3,421)	73.7
594	442	34.4
(144)	(48)	(200.0)

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

	Notes	Group		Notes	Company	
		31/12/2004 S\$'000	31/12/2003 S\$'000		31/12/2004 S\$'000	31/12/2003 S\$'000
Balance Sheet						
Fixed assets	(a)	26,613	32,466		903	425
Intangible assets	(c)	-	1,042		-	-
Subsidiaries		-	-	(f)	55,439	47,708
Investments	(b)	960	8,083		840	6,771
Current Assets						
Inventories	(c)	11,144	15,570		20	100
Jobs-in-progress	(c)	1,926	3,786		1,926	764
Trade and other debtors	(d)	38,872	36,306	(g)	8,736	2,731
Amounts owing by subsidiaries		-	-		12,064	14,696
Tax receivable		2,500	2,499		2,499	2,499
Cash and cash equivalents	(e)	34,260	52,982		22,123	22,153
		<u>88,702</u>	<u>111,143</u>		<u>47,368</u>	<u>42,943</u>
Current Liabilities						
Trade and other creditors	(c)	43,298	57,323		10,676	9,529
Provisions and other liabilities		14	631		14	631
Amounts owing to subsidiaries		-	-		20,613	20,880
Amount owing to an associate		1,110	-		1,110	-
Interest bearing loans and borrowings	(e)	1,881	6,555		-	-
Provision for taxation		741	604		-	-
		<u>47,044</u>	<u>65,113</u>		<u>32,413</u>	<u>31,040</u>
Net current assets		41,658	46,030		14,955	11,903
Interest bearing loans and borrowings	(e)	(3,763)	(17,841)		-	-
Deferred taxation		-	(104)		-	-
		<u>65,468</u>	<u>69,676</u>		<u>72,137</u>	<u>66,807</u>
Capital and Reserves						
Share capital		49,308	49,308		49,308	49,308
Reserves		14,229	12,539		22,829	17,499
		<u>63,537</u>	<u>61,847</u>		<u>72,137</u>	<u>66,807</u>
Minority interests		1,931	7,829		-	-
		<u>65,468</u>	<u>69,676</u>		<u>72,137</u>	<u>66,807</u>

Notes:

- (a) Reduction was mainly due to the deconsolidation of Teledata (Singapore) Limited after the disposal of the company's interest and depreciation of infrastructure costs for North East Line Radio Wave project.
- (b) Reduced balance following divestment of passive investments during the year.
- (c) Reduction in these balances was mainly due to the deconsolidation of Teledata (Singapore) Limited after the disposal of the company's interest.
- (d) Higher trade debtors was due to increased sales in Commodities Trading and Semiconductors.
- (e) Reduction in cash and cash equivalents was mainly used to repay an interest bearing term loan.
- (f) Increase in subsidiaries was mainly due to loan extended to a subsidiary.
- (g) Increase in Company's trade and other debtors was mainly for outstanding proceeds from the disposal of a subsidiary received after year end and assignment of outstanding proceeds for sales of leasehold property by a subsidiary.

1(b)(ii) Aggregate amount of group's borrowing and debt securities**Amount repayable in one year or less, or on demand**

As at 31/12/2004		As at 31/12/2003	
Secured	Unsecured	Secured	Unsecured
-	1,881,000	911,000	5,644,000

Amount repayable after one year

As at 31/12/2004		As at 31/12/2003	
Secured	Unsecured	Secured	Unsecured
-	3,763,000	909,000	16,932,000

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.

	Group	
	31/12/2004	31/12/2003
	S\$'000	S\$'000
Cash flow from operating activities :-		
Profit/(Loss) before taxation	1,481	(7,549)
Adjustments for:		
Depreciation of fixed assets	4,534	4,030
Amortisation of goodwill	20	59
Impairment loss on intangible assets	-	1,302
Foreign exchange translation differences	16	158
Fixed assets written-off/written-down	88	7
Loss/(Gain) on disposal of fixed assets	11	(1,386)
Provision for impairment/diminution in value of fixed assets	-	4,685
Provision for paging recovery	-	539
Gain on disposal of investments	(3,350)	(1,470)
Recovery on closure/gain on disposal of subsidiaries	(1,418)	(1,483)
Provision/(Write-up) in value of investments	1,285	(191)
Dividend income	(191)	(339)
Net interest expense	1,421	163
Profit/(Loss) before reinvestment in working capital	3,897	(1,475)
Increase in debtors	(14,551)	(76)
Increase in inventories	(2,459)	(3,825)
Decrease/(Increase) in jobs-in-progress	1,071	(672)
(Decrease)/Increase in creditors	(2,657)	7,694
Cash (used in)/generated from operations	(14,699)	1,646

Interest received	531	378
Interest paid	(1,051)	(541)
Income taxes (paid)/refunded	(405)	166
Net cash (used in)/provided by operating activities	(15,624)	1,649
Cash flow from investing activities :-		
Purchase of fixed assets	(984)	(3,835)
Proceeds received/receivable from disposal of fixed assets	5	8,146
Disposal of a subsidiary company, net of cash disposed	2,420	-
Proceeds received from partial disposal of a subsidiary	1,557	-
Dividend received from investments	181	323
Increase in loan from an associate	1,110	-
Proceeds received/receivable from disposal of investments	4,353	4,204
Distribution from investments	3,653	-
Net cash provided by investing activities	12,295	8,838
Cash flow from financing activities :-		
Decrease in bank loans and borrowings	(15,369)	(5,664)
Proceeds received from minority interest for shares issue of a subsidiary	66	25
Decrease in obligations under hire purchase	(90)	(324)
Net cash used in financing activities	(15,393)	(5,963)
Net (decrease)/increase in cash and cash equivalents	(18,722)	4,524
Cash and cash equivalents at beginning of the year	52,982	48,458
Cash and cash equivalents at end of the year	34,260	52,982

The disposal of Teledata (Singapore) Limited has been shown in the Group cash flow statement as a single item. The effect on the individual assets and liabilities is set out below :

	S\$'000
Fixed assets	2,199
Goodwill on consolidation	1,022
Other investment	1,192
Current assets	26,457
Current liabilities	(13,043)
Unsecured loan - Short Term	(2,263)
Unsecured loan - Long Term	(900)
Net assets	<u>14,664</u>
Less : Minority interests	<u>(7,237)</u>
	7,427
Profit on disposal of a subsidiary	<u>1,791</u>
Net proceeds from the disposal	9,218
Less : Cash disposed	<u>(6,798)</u>
Cashflow on disposal, net of cash disposed	<u><u>2,420</u></u>

1(d)(i) A statement (for the issuer and the 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.

Statements of changes in equity

S\$'000	Share Capital	Share Premium	Capital Reserve on Consolidation	Translation Reserve	Revenue Reserve	Total
Group						
Balance as at 1 Jan 2004	49,308	32,642	5,634	225	(25,962)	61,847
Net profit for the year	-	-	-	-	1,646	1,646
Changes in group structure	-	(4)	-	(9)	23	10
Translation difference arising on consolidation	-	-	-	34	-	34
Transfer from capital reserve to revenue reserve	-	-	(2,352)	-	2,352	-
Balance as at 31 Dec 2004	49,308	32,638	3,282	250	(21,941)	63,537
Balance as at 1 Jan 2003	49,308	32,640	5,634	110	(20,448)	67,244
Net loss for the year	-	-	-	-	(5,514)	(5,514)
Share of a subsidiary's share premium on exercise of its share options	-	2	-	-	-	2
Translation difference arising on consolidation	-	-	-	115	-	115
Balance as at 31 Dec 2003	49,308	32,642	5,634	225	(25,962)	61,847
S\$'000	Share Capital	Share Premium	Revaluation of subsidiaries	Revenue Reserve	Total	
Company						
Balance as at 1 Jan 2004	49,308	32,556	-	(15,057)	66,807	
Net profit for the year	-	-	-	306	306	
Surplus on revaluation of subsidiaries	-	-	5,024	-	5,024	
Balance as at 31 Dec 2004	49,308	32,556	5,024	(14,751)	72,137	
Balance as at 1 Jan 2003	49,308	32,556	-	(10,731)	71,133	
Net loss for the year	-	-	-	(4,326)	(4,326)	
Balance as at 31 Dec 2003	49,308	32,556	-	(15,057)	66,807	

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

As at 31 December 2004, there were unexercised options for 1,314,000 of unissued ordinary shares of \$0.50 each under the Intraco Limited Share Option Scheme 2000.

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

The figures have not been audited nor reviewed by our auditors.

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 statement have been applied.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with audited financial statements as at 31 December 2003.

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

None

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

Earning per ordinary share

Earnings per Ordinary Share for the year based on net profit attributable to shareholders:

(i) Based on weighted average number of ordinary shares on issued

(ii) On a fully diluted basis

Group Figures	
Latest full year to 31/12/2004	Previous full year to 31/12/2003
1.67 cts	(5.59) cts
1.67 cts	(5.59) cts

7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the :-

- (a) current financial period reported on; and
- (b) immediately preceding financial year.

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

Group		Company	
As at 31/12/2004	As at 31/12/2003	As at 31/12/2004	As at 31/12/2003
\$0.64	\$0.63	\$0.73	\$0.68

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following :-

- a) any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

The Group's turnover in 2004 was S\$394.6 million representing a 38.3% increase compared to 2003's turnover of S\$285.3 million. The improvement was achieved despite its divestment of Teledata (Singapore) Limited in May 2004. The better performance was partly due to new businesses generated in the Commodities business unit and partly riding on the improved market condition for Semiconductor industry during the year.

At operating level, group loss for 2004 was S\$2.2 million compared to a group loss of S\$6.3 million in 2003. The Group turned in a profit after tax and minority interests of S\$1.6 million in 2004 compared to a loss of S\$5.5 million in 2003. The improved operating result was mainly due to contribution from Commodities and Semiconductors business units. Divestment of loss-making Info-Communications business unit during the year also helped in stemming the Group's operating losses. Gains from the disposal of investments and subsidiaries helped the Group turn in a profit attributable to its shareholders for the year.

The turnover of Projects business unit was S\$19.8 million in 2004 compared to S\$17.8 million in 2003, an increase of 11%. The business unit reduced its loss for the year to S\$0.3 million from a loss of S\$0.9 million a year ago. The improvement included write back of warranty provision after expiry during the year.

The Semiconductors business unit's turnover surged by 21% in 2004, registering S\$84.7million sales in 2004 compared to S\$70.1 million in 2003. The unit also registered a profit of S\$0.5 million in 2004 compared to a loss of S\$1.2 million in 2003.

Turnover for Commodities business unit registered a growth of 71%, from S\$157.8 million in 2003 to S\$270.6 million in 2004. The significant growth was partly the result of new products and markets developed during the year and partly due to the escalating commodities prices in 2004. The profit for 2004 was S\$1.6 million compared to S\$1.1 million in 2003.

Following the divestment of 29.9% interest in Teledata (Singapore) Limited, the Group has ceased consolidating their results from May 2004. The Group has fully divested its interest in Teledata (Singapore) Limited in December 2004.

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 conditions in 2005 to be challenging, with the softening of Commodities prices after they peaked at the end of 2004. Industrial outlook for Semiconductor market is also expected to slow down in 2005.

After a year of consolidation and divesting loss-making business, the Group will seek out new business and investment opportunities to strengthen its growth in the coming year.

11 Dividend

(a) Current Financial Period Reported on

Any dividend declared for the current financial period reported on? None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? None

(c) Date Payable

Not applicable as no dividend has been declared for the present financial year.

(d) Books closure date

Not applicable as no dividend has been declared for the present financial year.

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

No dividend was recommended for the present financial year.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

	Projects	Semi- Conductors	Commodities Trading	Info- Communications	Others	Eliminations	Consolidated
2004							
Segment revenue							
Sales to external customers	19,796	84,692	270,556	16,655	2,868	-	394,567
Intersegment sales	-	-	-	-	-	-	-
Total revenue	19,796	84,692	270,556	16,655	2,868	-	394,567
Segment result	(260)	537	1,587	(1,928)	4,370	-	4,306
Unallocated expenses							(2,825)
Profit before taxation							1,481
Taxation							(474)
Minority interests, net of taxes							639
Net Profit							1,646
Segment assets	5,841	22,148	30,054	26,344	28,428	-	112,815
Investments	-	120	-	-	840	-	960
Tax receivable	-	-	-	-	2,500	-	2,500
Total assets	5,841	22,268	30,054	26,344	31,768	-	116,275
Segment liabilities	6,087	7,548	16,683	10,462	8,081	1,205	50,066
Current and deferred tax	-	444	-	-	297	-	741
Total liabilities	6,087	7,992	16,683	10,462	8,378	1,205	50,807
Other segment information:							
Capital expenditure	-	11	1	282	690	-	984
Depreciation	-	13	12	4,298	211	-	4,534
Amortisation	-	-	-	20	-	-	20

	Projects	Semi- Conductors	Commodities Trading	Info- Communications	Others	Eliminations	Consolidated
2003							
Segment revenue							
Sales to external customers	17,805	70,081	157,775	35,369	4,310	-	285,340
Intersegment sales	-	-	-	-	74	(74)	-
Total revenue	17,805	70,081	157,775	35,369	4,384	(74)	285,340
Segment result	(931)	(1,205)	1,137	(12,791)	8,054	-	(5,736)
Unallocated expenses							(1,813)
Loss before taxation							(7,549)
Taxation							255
Minority interests, net of taxes							1,780
Net loss							(5,514)
Segment assets	2,671	29,016	27,759	55,114	28,208	(616)	142,152
Investments	-	120	-	1,192	6,771	-	8,083
Tax receivable	-	-	-	-	2,499	-	2,499
Total assets	2,671	29,136	27,759	56,306	37,478	(616)	152,734
Segment liabilities	5,408	11,582	16,026	40,629	8,141	564	82,350
Current and deferred tax	-	137	28	27	516	-	708
Total liabilities	5,408	11,719	16,054	40,656	8,657	564	83,058
Other segment information:							
Capital expenditure	-	5	2	3,773	55	-	3,835
Depreciation	-	55	6	3,190	779	-	4,030
Amortisation	-	-	-	59	-	-	59

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.

Nil

15 A breakdown of sales

		Group		
		31-12-04	31-12-03	Change %
(a)	Sales reported for first half year	176,296	139,384	26.5%
(b)	Operating profit/(loss) after tax before deducting minority interests reported for first half year	438	(1,504)	129.1%
(c)	Sales reported for second half year	218,271	145,956	49.5%
(d)	Operating profit/(loss) after tax before deducting minority interests reported for second half year	569	(5,790)	109.8%

16 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

	Latest Full Year 2004	Previous Full Year 2003
Ordinary	-	-
Preference	-	-
Total	-	-

17 Interested person transactions

Nil

BY ORDER OF THE BOARD

Lu Ling Ling
Company Secretary
02/02/2005