

INTRACO LIMITED (SGX: I06)

FY2025 Results Update | 23 March 2026

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Rating: BUY

Last Close: S\$0.380

Target Price: S\$0.450

'From Tokenisation to Transformation'

Intraco's acquisition of iChange and a US\$234 million trade finance year unlock a new earnings chapter — BUY rating and S\$0.45 target price maintained.

Executive Summary

Intraco Limited has delivered another profitable year in FY2025, maintaining positive PATMI of S\$1.62 million (EPS: 1.50 cents) despite a revenue contraction of 15.5% to S\$154.6 million, driven by sustained weakness in plastic resin demand across Southeast Asian markets. More significant than the headline numbers is the decisive strategic acceleration that took place during the year: the acquisition of an 80% controlling stake in iChange Pte. Ltd. (formerly SlideSG), a MAS-licensed Major Payment Institution, was completed on 2 January 2026 following the exercise of an exchangeable loan option, and Tradetok Pte. Ltd. arranged a record US\$234 million in trade finance for energy sector clients during FY2025. These milestones represent a structural shift in the group's earnings composition that the current share price has yet to fully reflect.

We maintain our **BUY** rating and **S\$0.45 target price** (unchanged from our October 2025 initiation), derived from a 0.89x P/B re-rating on the group's 31 December 2025 NAV per share of 50.8 cents, cross-checked against a 20x FY2026 estimated P/E. The decision to hold the target price steady is deliberate — a one-cent mechanical uplift would convey false precision given the inherent estimation uncertainty in a micro-cap transformation story. The thesis has strengthened materially since initiation: at S\$0.380, the stock has re-rated 8.6% and still trades at a 25.2% discount to book value, with the full re-rating case intact. S\$65.5 million in gross cash (of which S\$24.3 million is held in escrow, including S\$6.7 million on behalf of corporate partners and S\$3.6 million in customer advances) and S\$41.2 million in unrestricted cash provide an exceptionally solid balance sheet backstop.

Three catalysts underpin the continued re-rating case over the next 12 months: (i) the first full-year consolidation of iChange revenues into the group P&L from FY2026; (ii) the imminent launch of a private trade finance fund with a licensed fund manager; and (iii) a demonstrated willingness to increase dividends, evidenced by the proposed FY2025 final dividend of 0.75 cents per share — a 50% increase on FY2024 — as the group's fortress balance sheet affords ample capacity for continued shareholder returns.

Key Metrics Table

Stock Data

Metric	Value
Share Price	S\$0.380
Market Capitalisation	~S\$40.6 million
52-Week Range	S\$0.31 – S\$0.42
Shares Outstanding (excl. treasury)	107.6 million
Treasury Shares	6.1 million
Free Float	~44.7 million shares
Average Daily Volume (3M)	~20,000–60,000 shares
Warrants Outstanding	40 million @ S\$0.44 exercise price

Valuation Multiples

Metric	Value
P/E (FY2024 A)	20.9×
P/E (FY2025 A)	25.3×
P/B (31 Dec 2025)	0.75×
EV/EBITDA (FY2025 A)	16.0×
Dividend Yield (FY2024 A)	1.32%
Proposed Dividend Yield (FY2025)	~1.97%

Profitability Metrics (FY2025 A)

Metric	Value
ROE	2.76%
ROA	1.31%

Metric	Value
Net Margin (PATMI basis)	1.05%
EBITDA Margin	1.30%

Balance Sheet Strength (31 December 2025)

Metric	Value
Gross Cash and Bank Balances	S\$65.5 million
— of which Restricted (Escrow)	S\$24.3 million ¹
Unrestricted Cash	S\$41.2 million
Net Cash (unrestricted cash less total borrowings ²)	S\$8.4 million
Total Group Equity	S\$54.8 million
NAV Per Share (Group)	50.8 cents
Current Ratio	1.72×
Total Borrowings / Total Equity	~60%

¹ Restricted cash (escrow) includes S\$6.7 million held on behalf of unrelated corporate partners and S\$3.6 million in advance from customers. ² Excludes S\$0.06 million financial liabilities at FVTPL, which are immaterial.

Target Price vs Current

Metric	Value
Target Price (12-month)	S\$0.45 (unchanged)
Current Price	S\$0.380
Upside to Target	18.4%
Discount to NAV at Current Price	25.2%
Return Since Initiation (Oct 2025)	+8.6%

Business Overview

Established in 1968 as a government-linked trading entity, Intraco Limited has undergone a remarkable metamorphosis over the past three years. As at the date of this report, the group operates across three active reportable segments: (i) **Trading and Distribution**, comprising the supply of plastic resins and liquors primarily into Vietnam, Indonesia, Malaysia, Australia and Singapore; (ii) **Mobile Radio Infrastructure Management and Corporate Advisory Services**, delivering in-building telecommunications infrastructure and digital asset advisory; and (iii) a nascent but rapidly expanding **Digital Finance and Payments** cluster, anchored by Tradetok Pte. Ltd. (trade finance origination), Taurus Point Capital Pte. Ltd. (digital debt advisory) and, as of 2 January 2026, **iChange Pte. Ltd.** — a MAS-licensed Major Payment Institution now held at 80% by the Group.

The strategic transformation crystallised in the financial year under review. The passive fire protection business (K.A. Group) was fully divested on 30 May 2025 for a consideration of S\$6.9 million, generating a gain of S\$95,000. The two Tuas View Place industrial properties were sold in December 2025 for net consideration of S\$1.35 million, with a net gain of S\$72,000. Both disposals were consistent with management's stated objective of redeploying capital toward higher-margin digital finance activities and away from operationally intensive legacy businesses.

The most consequential corporate action during the period was the iChange acquisition. Intraco had held a 19.9% minority stake in SlideSG (subsequently renamed iChange), classified as a **financial asset at FVOCI** (fair value through other comprehensive income). In September 2025, it entered into a S\$3 million Exchangeable Loan Agreement with iAPPS Pte. Ltd., convertible into 60.1% of iChange's shares. This option was exercised on 2 January 2026, bringing Intraco's total economic interest to 80%. Because the prior stake was classified as FVOCI, fair value movements on that investment bypassed the P&L and were recognised in other comprehensive income; no gain arose through profit or loss upon exercise of the exchange option. iChange holds a Major Payment Institution licence issued by the Monetary Authority of Singapore and is authorised to provide domestic and cross-border transfers, merchant acquisition, e-money issuance and money-changing services. The acquisition also incorporated iChange's debit card business, adding a multi-currency Mastercard-linked wallet with Apple Pay and Google Pay integration.

In Indonesia, the Group incorporated PT Intra Plast Indonesia (80% owned by Intraco Trading Pte. Ltd., with the remaining 20% held by local management) in November 2025 with initial share capital of approximately S\$623,000, signalling a longer-term intent to deepen direct distribution capability in the region's polymer market.

Financial Highlights: FY2025 Results Analysis

Revenue and Profitability

FY2025 group revenue declined 15.5% to **S\$154.6 million**, driven entirely by the Trading and Distribution segment, which fell 16.5% to S\$149.4 million as demand for plastic resins softened across Vietnam, Malaysia and Indonesia amid lower global resin prices. The Mobile Radio Infrastructure Management and Corporate Advisory Services segment offered a partial offset, growing from S\$4.0

million to S\$5.1 million (+29.3%), benefiting from new contracts secured for the North-East Line (NEL) telecommunications modernisation project worth approximately S\$1.8 million in FY2025.

S\$'000	FY2025	FY2024	YoY Change
Revenue	154,560	182,845	-15.5%
Cost of Sales	(150,598)	(178,054)	-15.4%
Gross Profit	3,962	4,791	-17.3%
Gross Margin	2.56%	2.62%	-0.06 ppt
Trade Finance Income	1,972	612	+222.2%
Other Income (excl. Trade Finance)	304	317	-4.1%
Total Other Income	2,276	929	+145.0%
Admin Expenses	(5,665)	(5,772)	-1.9%
EBIT	436	1,079	-59.6%
EBITDA	2,012	2,664	-24.5%
EBITDA Margin	1.30%	1.46%	-0.16 ppt
Net Finance Income	763	739	+3.2%
PBT	1,199	1,818	-34.0%
Tax Credit	401	236	n.m.
Net Profit	1,600	2,054	-22.1%
PATMI	1,619	2,036	-20.5%
Net Margin (PATMI)	1.05%	1.11%	-0.06 ppt
EPS (cents, basic)	1.50	1.82	-17.6%

Gross profit declined 17.3% to **S\$3.96 million**, with the gross margin narrowing marginally to **2.56%** from 2.62% in FY2024. The thin margin structure reflects the commodity nature of the core trading business, where the group acts primarily as a principal intermediary and pricing power is constrained by prevailing market conditions.

Trade Finance as the Earnings Engine

The defining shift in the FY2025 income statement is not the decline in gross profit but the surge in trade finance income, which grew **+222% year-on-year** to **S\$1.97 million** (FY2024: S\$0.61 million). This income stream, generated by Tradetok's structured financing activities for trade customers in the energy and plastics sectors, is now approaching the magnitude of gross profit and represents the clearest evidence that the group's earnings composition is genuinely changing.

On a normalised basis, adjusting for the S\$1.1 million non-recurring impairment reversal that bolstered FY2024 and the S\$167,000 in disposal gains (K.A. Group S\$95k + Tuas properties S\$72k) recorded in FY2025, normalised underlying PBT improved from approximately **S\$0.7 million** in FY2024 to approximately **S\$1.0 million** in FY2025 — a meaningful improvement in sustainable earnings quality. Administrative expenses were well contained, declining 1.9% to S\$5.67 million.

Finance income increased 50.6% to S\$2.24 million on the back of higher interest income from deployed cash balances, though finance costs also rose 97.3% to S\$1.48 million as the short-term securities loan (tokenised digital commercial paper) was expanded from S\$19.4 million to S\$28.3 million to fund growing working capital requirements. Net finance income of S\$0.76 million remained broadly stable year-on-year. Interest paid to associates of controlling shareholders, the Executive Chairman and his spouse, and key management personnel amounted to S\$518,000 in FY2025 (FY2024: S\$307,000).

FY2025 reported PATMI was S\$1.62 million (EPS: 1.50 cents), a 20.5% decline from S\$2.04 million in FY2024 (EPS: 1.82 cents), but this comparison is distorted by the S\$1.1 million non-recurring impairment reversal in FY2024. On a normalised basis, the group delivered earnings improvement.

Segmental Performance Summary

Segment	Revenue FY2025	Revenue FY2024	Change	Segment PBT FY2025
Trading and Distribution	S\$149.4m	S\$178.9m	-16.5%	S\$1.94m
Mobile Radio and Advisory	S\$5.1m	S\$4.0m	+28.5%	S\$0.41m
Corporate/Others	–	–	n.m.	(S\$1.15m)
Group Total	S\$154.6m	S\$182.8m	-15.5%	S\$1.20m

Source: Company Reports

Geographical Revenue FY2025

Vietnam remained the single largest market at S\$80.6 million (52.2% of revenue), followed by Indonesia at S\$21.3 million (13.8%), Singapore at S\$20.3 million (13.1%) and Malaysia at S\$13.2 million (8.5%). Australia emerged as a faster-growing market, rising 79.5% to S\$11.8 million from S\$6.6 million in FY2024, while Malaysia softened 28.9% from S\$18.6 million.

Cash Flow and Working Capital

Operating cash flow strengthened to **S\$7.38 million** (FY2024: S\$5.28 million), primarily driven by a S\$10.3 million increase in trade and other payables, partly offset by a S\$3.6 million increase in trade and other receivables. Investing cash inflows of S\$2.43 million reflected disposal proceeds from the K.A. Group (S\$4.9 million) and the Tuas properties (S\$0.78 million cash received, with a further S\$0.57 million received in January 2026), offset against additional investment in tokenised short-term securities of S\$4.2 million. Unrestricted cash and cash equivalents increased S\$11.2 million over the year to S\$41.2 million.

FY2025 Results vs Prior Tickrs Forecast

We initiated coverage on Intraco at S\$0.350 in October 2025 with a BUY rating and S\$0.45 target price. FY2025 actuals confirm the structural thesis but reveal one mechanical divergence from our model worth noting.

Metric	Initiation Forecast (Oct 2025)	FY2025 Actual	Verdict
PATMI	~S\$1.5–1.8M range	S\$1.62M	In line
EPS	~1.4–1.7 cents	1.50 cents	In line
Gross Margin	~2.5–2.7%	2.56%	In line
Trade Finance Income	S\$0.6M+ growing	S\$1.97M	Beat significantly
Net Cash (unrestricted)	~S\$30M growing	S\$41.2M	Beat
Dividend	Not forecast (zero assumed)	0.75 cents proposed	Beat
Target Price	S\$0.45	Stock at S\$0.380	TP maintained; re-rating in progress

Trade finance income was the standout beat. Our initiation report described Tradetok's activities as early-stage; the S\$1.97 million income line (a 222% YoY increase, translating from US\$234 million in facilitated transactions) demonstrates materially faster monetisation than we modelled. This is the key upward revision to our FY2026E earnings composition.

Investment Thesis

1. iChange Acquisition Transforms the Revenue Profile

The completion of the iChange acquisition on 2 January 2026 is the single most significant development since our October 2025 initiation report. With an 80% controlling stake in a MAS-licensed Major Payment Institution, Intraco crosses from digital finance investor to digital finance operator. iChange's regulated platform for domestic and cross-border money transfers, merchant acquisition and e-money issuance will be consolidated into the group P&L from FY2026, adding a recurring, fee-based revenue stream that is structurally superior to the low-margin commodity trading business. The S\$3 million exchangeable loan structure meant the effective total consideration for an 80% controlling stake was just S\$5 million — highly capital-efficient for what is already an operational, licensed payments business. The Group's prior 19.9% interest was classified as FVOCI; upon consolidation, iChange moves from a balance-sheet minority investment to a fully consolidated subsidiary contributing to reported revenues and earnings.

2. Tradetok's US\$234 Million Trade Finance Year Sets a New Baseline

Tradetok's facilitation of approximately **US\$234 million** in trade finance for energy sector clients during FY2025 represents a material scaling of the business. The translation of this activity into S\$1.97 million in reported trade finance income (+222% YoY) confirms that the revenue conversion from facilitation to fee income is progressing strongly. Management's stated plan to establish a **private trade finance fund** with a strategic partner and licensed fund manager — described in the FY2025 commentary as "progressing well and expected to launch in the coming months" — is the next catalyst that could place Tradetok on an institutional capital footing and meaningfully expand its addressable interest income.

3. Taurus Point Capital: S\$1.2 Billion of Digital Debt Origination in 2025

Taurus Point Capital, the Group's 100%-owned digital debt origination advisory subsidiary (fully acquired in February 2025 for S\$245,000), assisted accredited corporate clients in raising approximately **S\$1.2 billion** through tokenised commercial papers listed on regulated digital exchanges in Singapore in 2025. This figure demonstrates that the group's digital commercial paper franchise has grown well beyond its own working capital funding needs and is operating as a genuine capital markets advisory business. We note that the Group also holds S\$14.84 million in short-term tokenised securities on its own balance sheet as at 31 December 2025; management confirms these are investments in papers issued by unrelated corporate issuers (per Note 10 of the financial statements), distinct from any Taurus Point–arranged issuances. Taurus Point will continue to pursue new corporate issuers and broaden its digital debt origination pipeline.

4. Insider Conviction and Disciplined Capital Allocation

Executive Chairman Mak Lye Mun acquired a net 16 million warrants (exercisable at S\$0.44, adjusted from S\$0.50 following the May 2025 capital reduction) in September 2025 — a direct expression of conviction that the intrinsic value of the Group exceeds the current share price. The board's concurrent decision to raise the FY2025 proposed dividend by 50% to 0.75 cents per share, while having returned S\$6.5 million via capital reduction earlier in the year and repurchasing S\$0.76 million

of treasury shares during FY2025, illustrates a management team that sustains multiple channels of shareholder return even during a transitional earnings phase.

5. Compelling Asymmetric Value at 0.75× Book

At S\$0.380, Intraco trades at 0.75× the 31 December 2025 book value of 50.8 cents per share, a 25.2% discount to NAV, despite a fortress balance sheet — S\$65.5 million in gross cash (S\$41.2 million unrestricted), net cash of S\$8.4 million post all borrowings, and S\$14.84 million in liquid short-term tokenised securities. The stock's Enterprise Value of approximately S\$32 million against S\$154.6 million in revenue yields an EV/Sales multiple of approximately 0.21×, implying the market is assigning negligible value to the digital finance pivot and the iChange consolidation. We consider this an attractive entry point for investors with a 12–18 month horizon.

Valuation and Peer Comparison

We value Intraco on a blended Price-to-Book and forward P/E basis, with EV/EBITDA as a secondary cross-check.

Primary: P/B Re-rating to 0.89×

Our target price of **S\$0.45** is anchored on a 0.89× P/B multiple applied to the 31 December 2025 Group NAV per share of **50.8 cents**. This represents a re-rating from the current 0.74× P/B while remaining at a discount to book value — conservative given that the iChange acquisition has already been completed post-balance-sheet, the group has exited the SGX Watch-List, and the dividend track record is resuming. The 0.89× target is justified by: (i) the structural addition of iChange's licensed payment revenues from FY2026; (ii) the continued growth of trade finance income as the primary earnings lever; and (iii) management's demonstrated commitment to distributing capital across multiple channels.

We deliberately hold the target at S\$0.45 rather than rounding the precise calculation — this reflects appropriate conservatism around micro-cap execution risk and the early-stage nature of the fintech earnings contribution.

TP derivation: $0.89 \times S\$0.508 = S\0.452 , stated as S\$0.45

Cross-Check 1: Forward P/E (FY2026E)

We estimate FY2026E PATMI (attributable to equity holders) of approximately **S\$2.2 million**, assuming: (i) core trading revenue stabilises modestly; (ii) iChange consolidation contributes approximately S\$0.4–0.6 million net income; (iii) Tradetok trade finance income continues growing toward S\$3.0 million; and (iv) digital CP interest income remains supported. This yields estimated FY2026E EPS of approximately **2.06 cents**. Applying a 20× P/E — appropriate for a micro-cap with a clean balance sheet and a growing fintech earnings component — implies a price of approximately **S\$0.41**, which provides directional support for the S\$0.45 target.

Cross-Check 2: EV/EBITDA

Assuming FY2026E EBITDA of approximately S\$3.0 million (incorporating D&A of ~S\$1.5 million and EBIT improvement from iChange and Tradetok growth), a target EV/EBITDA of 12× yields an implied EV of S\$36 million. Adding net cash of S\$8.4 million yields an implied market capitalisation of S\$44.4 million, or approximately **S\$0.415 per share** — again directionally consistent with the S\$0.45 target.

Peer Comparison

Company	Market	P/B	P/E (TTM)	ROE	Business Character
Intraco Limited (I06)	SGX	0.74×	25.1×	2.76%	Trading + Fintech/Payments
Low Keng Huat (LKHS)	SGX	~0.80×	n.m.	~2–3%	Property and Investments
Hotel Royal (H13)	SGX	~0.30×	~37×	~1%	Pure Asset Play
Regional small-cap distributors	SEA	~0.75×–1.0×	10×–15×	5%–10%	Pure Trading

Source: Company Reports, TFS Estimates

Intraco's current valuation at 0.74× P/B lies between pure asset plays and more operationally diversified peers. The iChange acquisition and Tradetok scaling are not yet reflected in reported earnings multiples, creating scope for multiple expansion as fee-based revenue becomes visible in quarterly reporting from FY2026 onwards.

Bull-Case Scenario

If the private trade finance fund launches and achieves institutional subscriptions of S\$50–100 million by year-end 2026, and iChange payment revenues scale toward S\$2–3 million annually by FY2027, we see scope for a bull-case price target of **S\$0.60–S\$0.65** on a P/B re-rating toward 1.1–1.2× on a growing book value base.

Catalysts and Risks

Near-Term Catalysts

iChange Consolidation (FY2026). The first quarter of iChange's payment revenues being consolidated into the Group P&L will be the most visible demonstration of earnings mix improvement. Any positive disclosure on customer acquisition, transaction volumes or payment fee income will serve as a re-rating trigger.

Private Trade Finance Fund Launch. Management's announcement that the private fund is "progressing well and expected to launch in the coming months" suggests a near-term event risk. A formal launch alongside a named licensed fund manager would affirm Tradetok's institutional credibility.

Taurus Point Pipeline Expansion. S\$1.2 billion in facilitated digital CP issuances in 2025 positions Taurus Point for advisory fee income disclosure. New corporate issuer announcements or expanded deal volume would be a positive catalyst.

Core Trading Stabilisation. Any recovery in plastic resin prices or volumes in key markets (Vietnam, Indonesia) would provide meaningful upside to group gross profit, given the high operating leverage inherent in a 2.56% gross margin business.

Warrant Exercise Optionality. Forty million outstanding warrants at S\$0.44 — if the stock approaches or exceeds that level — would generate approximately S\$17.6 million in cash proceeds upon exercise, further strengthening the balance sheet.

Key Risks

Trading Revenue Pressure. The global resin oversupply environment continues to weigh on the core distribution business. The group is also in discussions to discontinue distribution of National Cellar 国窖 1573 baijiu in Singapore, which would remove a secondary revenue stream and modestly reduce top-line diversification.

Execution Risk in Fintech Scaling. iChange's integration carries execution risk, including potential system integration challenges, regulatory compliance costs and management bandwidth constraints in a small-cap organisation.

Tokenised CP Concentration Risk. Of the S\$28.3 million outstanding short-term securities loan, approximately S\$10.2 million (35.9%) was subscribed by associates of controlling shareholders, directors and key management personnel. While this insider participation signals confidence, it concentrates rollover risk in related parties. Interest paid to these related parties amounted to S\$518,000 in FY2025, up from S\$307,000 in FY2024.

Small-Cap Illiquidity. Average daily trading volume of approximately 20,000–60,000 shares (equivalent to S\$7,600–S\$22,800 per day at current prices) renders the stock highly illiquid. This limits institutional participation and creates potential for price discontinuity around corporate announcements.

FX and Macro Exposure. Approximately 82% of group revenue is derived outside Singapore, with Vietnam accounting for 52.2% of total revenue and Indonesia for 13.8%. Adverse currency movements or economic deterioration in these markets would impact both trading volumes and receivables quality.

Dividend and Balance Sheet Commentary

The proposed FY2025 final dividend of **0.75 cents per share** (tax-exempt, one-tier) represents a 50% increase over the FY2024 final dividend of 0.50 cents per share. Total FY2025 dividends declared amount to S\$807,000 versus S\$542,000 in FY2024 — a 48.9% increase in absolute cash returned to shareholders. At the current share price of S\$0.380, this implies a prospective dividend yield of approximately **1.97%**. While the yield is modest, the dividend increase signals management's confidence in the sustainability of the Group's cash generation and marks a clear shift from the zero-dividend posture maintained during the SGX Watch-List period.

The balance sheet remains one of the most compelling features of the investment case. Gross cash stands at **S\$65.5 million** (comprising S\$34.8 million at banks and in hand, S\$24.3 million in escrow, and S\$6.4 million in fixed deposits). Of the escrow balance, S\$6.7 million is held on behalf of unrelated corporate partners and S\$3.6 million represents advances from customers; the remaining S\$14.0 million provides security for letters of credit. Unrestricted cash of **S\$41.2 million** against total borrowings of S\$32.8 million leaves the Group with net cash of **S\$8.4 million**. This net cash position coexists with S\$14.84 million in liquid short-term tokenised securities, meaning total liquid financial assets exceed total borrowings by more than S\$23 million. The current ratio of 1.72× provides adequate buffer for working capital cycles. With total shareholders' equity of S\$54.7 million, the Group's entire market capitalisation of S\$40.6 million is effectively fully backed by net assets — a rare characteristic in any market environment.

Capital reduction of S\$6.5 million in May 2025, combined with the dividend increase, S\$0.76 million of share buybacks and S\$0.25 million of treasury share sales during FY2025, collectively reflect a disciplined multi-channel capital return programme. Headline gearing of approximately 60% (debt to equity) is manageable given that the short-term securities loan is matched by restricted cash and trade assets it finances.

ESG and Strategic Commentary

Intraco's environmental footprint remains limited relative to manufacturing peers, as the Group operates primarily as a distributor and financial intermediary. The exit from the passive fire protection construction segment has also reduced associated environmental exposure. The Group's growing trade finance and digital payments activities contribute positively to SME access to capital in Southeast Asia, an outcome that aligns with the Monetary Authority of Singapore's stated fintech development priorities.

Governance has demonstrably improved since the Watch-List period. The Group's formal exit from the SGX Watch-List in April 2025, following two consecutive profitable years, reflects a board that has executed a meaningful strategic turnaround without dilutive capital raises. The Performance Share Plan, under which 333,333 treasury shares were transferred to the Executive Chairman during FY2025 pursuant to terms approved at the 2023 AGM, is a modest but appropriately structured long-term incentive aligned with shareholder interests.

Key ongoing monitoring points include: transparency of iChange integration costs and synergy realisation; management of related-party CP subscriptions and their rollover risk; and clarity around the private fund structure and fee arrangements once the fund is formally launched.

Recommendation

RATING: BUY | 12-MONTH TARGET PRICE: S\$0.45 (UNCHANGED) | CURRENT PRICE: S\$0.380 | UPSIDE: 18.4%

Intraco exits FY2025 as a structurally more valuable company than when we initiated coverage in October 2025, despite reporting lower headline revenue and earnings. The iChange acquisition gives the Group direct operational control of a regulated fintech payment platform for the first time in its history; Tradetok's US\$234 million trade finance facilitation year establishes a credible operating track record; and Taurus Point's S\$1.2 billion of digital debt origination in 2025 demonstrates the scale of the Group's capital markets intermediation capability. These are not incremental improvements to a trading business — they are the foundational components of a genuinely new earnings architecture.

The stock continues to trade at a material 25.2% discount to book value, with the market still pricing Intraco as a thin-margin commodity distributor rather than a diversified fintech-enabled financial group. We believe this discount will narrow materially as iChange payment revenues become visible in the P&L and the private trade finance fund reaches its first close. Our 12-month target price of **S\$0.45** (0.89× P/B, cross-checked at 20× FY2026E P/E) is maintained without change, implying 18.4% total return inclusive of the proposed 0.75 cent dividend. The transformation is already in progress — and the re-rating story is firmly intact.

Appendices

Appendix A: Summary Income Statement (S\$'000)

	FY2023 A	FY2024 A	FY2025 A	YoY
Revenue	152,470	182,845	154,560	-15.5%
Cost of Sales	(147,664)	(178,054)	(150,598)	-15.4%
Gross Profit	4,806	4,791	3,962	-17.3%
Other Income (total)	4,437	929	2,276	+145.0%
— of which: Trade Finance Income	—	612	1,972	+222.2%
Admin Expenses	(5,782)	(5,772)	(5,665)	-1.9%
Other Expenses	—	—	(131)	n.m.
Impairment Reversal/(Allowance)	(51)	1,131	(6)	n.m.
EBIT	3,410	1,079	436	-59.6%
D&A	1,596	1,585	1,576	-0.6%
EBITDA	5,006	2,664	2,012	-24.5%
Net Finance Income	490	739	763	+3.2%
PBT	3,900	1,818	1,199	-34.0%
Tax Credit	—	236	401	n.m.
PATMI	3,900	2,036	1,619	-20.5%
EPS (cents, basic)	~3.49	1.82	1.50	-17.6%
DPS (cents)	—	0.50	0.75 (P)	+50.0%

Source: Company Reports. FY2023 includes S\$3.8m impairment reversal and no trade finance income. Trade finance income of S\$612k commenced in FY2024 (nil in FY2023). (P) = Proposed.

Appendix B: Summary Balance Sheet (S\$'000)

	31 Dec 2024	31 Dec 2025	Change
PPE and Intangibles	3,196	1,866	-41.6%
Non-Current Investments (FVOCI + FVTPL)	1,559	1,454	-6.7%
Non-Current Receivables	–	2,000	n.m.
Cash and Bank Balances (total)	60,226	65,488	+8.7%
— Unrestricted	30,018	41,192	+37.2%
— Restricted (escrow) ¹	30,208	24,296	-19.6%
Short-Term Investments	10,527	14,840	+41.0%
Trade and Other Receivables	32,486	36,743	+13.1%
Inventories	1,203	917	-23.8%
Total Assets	124,225	123,308	-0.7%
Loans and Borrowings (total)	27,742	32,786	+18.2%
Financial Liabilities (FVTPL)	830	57	-93.1%
Trade and Other Payables	25,509	35,641	+39.7%
Total Liabilities	61,502	68,538	+11.4%
Total Group Equity	62,723	54,770	-12.7%
NAV Per Share (cents)	57.6	50.8	-11.8%

Source: Company Reports. ¹ Restricted escrow at 31 Dec 2025 includes S\$6.7m held on behalf of unrelated corporate partners and S\$3.6m in customer advances. NAV decline reflects S\$6.5m capital reduction and S\$2.1m FX translation loss on foreign operations.

Appendix C: Summary Cash Flow (S\$'000)

	FY2024 A	FY2025 A	Change
Net Cash from Operating Activities	5,279	7,382	+39.8%
Net Cash from Investing Activities	5,506	2,429	-55.9%
Net Cash from Financing Activities	(5,222)	1,627	n.m.
Net Increase in Unrestricted Cash	5,453	11,174	n.m.
Closing Unrestricted Cash	30,018	41,192	+37.2%

Source: Company Reports

Appendix D: Valuation Footnotes

Target Price Methodology. The 12-month TP of S\$0.45 is derived principally from a 0.89× Price-to-Book multiple applied to the 31 December 2025 Group NAV per share of 50.8 cents (calculated from Group equity attributable to shareholders of S\$54,684,000 divided by 107,634,145 shares in issue excluding treasury shares). The P/B target of 0.89× represents a meaningful re-rating from the current ~0.74× and remains at a modest discount to book value to reflect residual execution risks and micro-cap illiquidity. This is cross-checked against: (i) a 20× forward P/E applied to a FY2026E PATMI estimate of S\$2.2 million (EPS of ~2.06 cents, implied price S\$0.41); and (ii) a 12× EV/EBITDA multiple applied to FY2026E EBITDA of S\$3.0 million (implied market capitalisation S\$44.4 million or S\$0.415 per share). The P/B approach is weighted most heavily given the asset-backed nature of the company and the early-stage character of the fintech earnings contribution.

Share Count Note. Shares outstanding of 107,634,145 at 31 December 2025 represents total issued shares (113,725,879) less treasury shares (6,091,734). The weighted average of 108,218,252 shares was used for FY2025 EPS computation in the financial statements.

EV Calculation. Enterprise value is calculated as market capitalisation of S\$40.6 million less unrestricted net cash of S\$8.4 million (unrestricted cash of S\$41.2 million minus total loans and borrowings of S\$32.8 million), yielding EV of approximately S\$32.2 million.

EBITDA. Calculated as EBIT of S\$0.436 million plus depreciation of S\$1.566 million plus amortisation of S\$0.010 million, totalling S\$2.012 million for FY2025.

Cash Classification. Gross cash of S\$65.5 million includes S\$34.8 million at banks and in hand, S\$24.3 million in escrow pledged as security for letters of credit, and S\$6.4 million in fixed deposits. Restricted cash (escrow) includes S\$6.7 million held on behalf of unrelated corporate partners and S\$3.6 million in customer advances. Unrestricted cash per the cash flow statement is S\$41.2 million. Net cash of S\$8.4 million is calculated as unrestricted cash less total borrowings (S\$32.8 million), excluding the immaterial S\$57,000 financial liability at FVTPL.

iChange Accounting. Prior to 2 January 2026, Intraco's 19.9% stake in iChange (formerly SlideSG) was classified as a financial asset at FVOCI. Under FVOCI treatment, fair value movements bypassed the P&L and were recognised in other comprehensive income. Upon exercise of the exchange option and acquisition of the additional 60.1% interest, the prior FVOCI stake was derecognised and the related FVOCI reserve was recycled in equity (not through profit or loss). From FY2026, iChange is a consolidated 80%-owned subsidiary.

FY2026E Normalised PBT Basis. The comparison of FY2024 normalised PBT (~S\$0.7 million) to FY2025 normalised PBT (~S\$1.0 million) adjusts FY2024 for the S\$1.1 million non-recurring impairment reversal and adjusts FY2025 for the S\$95,000 gain on disposal of K.A. Group and the S\$72,000 gain on disposal of Tuas properties (total S\$167,000 in disposal gains). The resulting ~S\$0.3 million improvement in normalised PBT reflects genuine operational improvement, primarily from trade finance income growth.

Source Documents

1. Intraco Limited — Full Year Financial Statements for the Year Ended 31 December 2025 (SGX filing, 27 February 2026)
 2. Intraco Limited — SGX Announcement: Exchangeable Loan Agreement with iApps Pte Ltd (19 September 2025)
 3. Intraco Limited — SGX Announcement: Completion of Acquisition of iChange Pte Ltd (2 January 2026)
 4. Tickrs Financial Singapore — Intraco Limited: Initiation of Coverage — Deep Value Meets Digital Transition (9 October 2025)
 5. Monetary Authority of Singapore — Payments regulatory framework and MPI licensing
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