



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

INTRACO ACHIEVES FY2016 NET PROFIT OF S\$786,000 AMID CHALLENGING OPERATING ENVIRONMENT

Highlights:

- Strong balance sheet with cash & marketable securities of S\$53.8 million
- Net asset value per share of 64 cents
- Seeks growth via M&A

Full year ended 31 Dec (S\$'000)	FY2016	FY2015	YoY Change (%)
Revenue	107,409	116,639	(7.9)
Gross Profit	9,918	10,227	(3.0)
Profit Before Tax	910	3,287	(72.3)
Profit After Tax	786	3,039	(74.1)
Net asset value (S\$)	0.64	0.64	-

SINGAPORE, 28 February 2017 – SGX Mainboard-listed investment management company **Intraco Limited** (“**INTRACO**”, or together with its subsidiaries the “**Group**”), today announced a net profit of S\$786,000 for the full year ended 31 December 2016 (“**FY2016**”).

Revenue was lower by 7.9% year on year at S\$107.4 million in FY2016 mainly due to lower revenue from the trading segment, caused by a lower allocation of resin supplies and lower selling prices. The trading segment contributed 88.6% of the Group’s revenue. The projects segment (KA Group) contributed 11.4% of the Group’s revenue, which increased by 10.4% to S\$12.2 million in FY2016 due to the higher number of completed projects despite the slowdown in the construction industry for the year under review. The trading and projects segments registered a combined operating segment profit before tax of S\$2.9 million in FY2016, an increase of 27.7%.

Financial Position

Our financial position remains healthy, with a net asset value of 64 cents per share and cash and marketable securities of S\$53.8 million as at 31 December 2016.

Mr Will Hoon, Chief Executive Officer of Intraco, said: *“The strength of the Group’s balance sheet and sustained profitability against challenges in our key operating segments attest to the effectiveness of our ongoing restructuring and transformation exercise. We will continue to strive to improve and grow revenue and net income by seeking to invest in profitable businesses to create sustainable value for shareholders.”*

Outlook

The trading segment is expected to be affected by the resin market, which is dependent on crude oil prices and supplier allocations. The projects segment, which is the Fire Protection business, is expected to continue to contribute to the Group’s profitability. However, the rising labour cost due to tight foreign labour control policy and the higher rental cost will result in higher operating cost. With the uncertain outlook of the global economy, the Group expects its businesses to be challenging for the next financial year. The Group will continue to explore new avenues for growth and acquisitions.

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This news release is to be read in conjunction with the Company’s announcement posted on the SGX website on 28 February 2017.

ABOUT INTRACO LIMITED

Intraco Limited is an investment management company listed on the mainboard of the Singapore Exchange. The Group seeks to invest in profitable businesses worldwide to create value for shareholders and generate recurrent net income. The Group is committed to help its investee companies develop their business strategies and achieve sustainable growth by tapping on its resources, network and expertise.

Started in 1968 as a trading company by the Singapore government, Intraco is recognised regionally as a reliable partner with an established international network of partnerships and alliances.

Currently, we have five lines of business:

- (1) KA Group, a leading one-stop provider of fire protection products in Singapore;
- (2) SGX Mainboard-listed Dynamic Colours Limited, a leading manufacturer of compounded resins and packaging materials;
- (3) IntraWave, an infrastructure service provider of commercial wireless services to the mobile telecommunications operators in the North East MRT Line (NEL).
- (4) Tat Hong Intraco, a provider of crane rental and other related services in Myanmar; and
- (5) Intraco Trading, a trader and distributor of plastic resin products.

For more information, please visit the company website at www.intraco.com.sg

Issued on behalf of **INTRACO LIMITED** by:

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