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

INTRACO focuses on new business expansion amidst challenging operating environment

- *Myanmar crane leasing business commenced in June 2014*
- *Proposed acquisition of KA Group on track*
- *Healthy balance sheet with cash and cash equivalents of S$54.1 million provides a sizeable warchest to pursue new business opportunities*

Financial Highlights

Half-year ended 30 Jun (S$'million)	HY2014	HY2013	% Change
Revenue	**68.4**	63.8	7.2
Gross profit	**1.6**	1.9	(16.3)
Net (loss) / profit	**(0.6)**	0.4	n.m.
NAV per share* (S$)	**0.61** (as at 30 June 2014)	0.63 (as at 31 December 2013)	(3.2)

Based on weighted average number of 98,725,879 issued shares.

SINGAPORE – 11 August 2014 – SGX Mainboard-listed leading trading company **INTRACO Limited** ("**INTRACO**", or together with its subsidiaries the "**Group**") has achieved a 7.2% growth in its top-line to S$68.4 million for the half-year ended 30 June 2014 ("**HY2014**") as compared to S$63.8 million for the same period last year ("**HY2013**").

The revenue growth was mainly attributed to the Plastics Division within the Group's Trading & Others segment, which attained better performance as it had access to a much more adequate supply of raw materials as compared to the shortage of plastic resins faced by the industry in 2013.

Despite the improvement in its revenue, the Group registered a net loss of S$0.6 million in HY2014 compared to a net profit of S$0.4 million in HY2013 due to a challenging and highly competitive operating environment as well as rising costs and expenses.

Healthy Balance Sheet

As at 30 June 2014, the Group's cash and cash equivalents stood at a healthy S$54.1 million, which will enable it to focus on its strategy to seek new business opportunities for growth and profitability. Cash per share was S$0.55.

Outlook and Strategy

The Group expects the business environment to remain challenging because of the uncertain global economy and intense competition in the industries and markets it operates in.

The Group's Joint Venture company, Tat Hong Intraco Heavy Equipment Co., Ltd has commenced the crane rental business in Myanmar in the month of June 2014. The company is a joint venture between INTRACO, SGX Mainboard-listed crane specialist Tat Hong Holdings Ltd, and prominent Myanmar businessman, Mr Aung Moe Kyaw. The Group believes the company will be able to take advantage of Myanmar's increasing infrastructure needs as the country opens its doors to more investments and trade.

On 8 May 2014, INTRACO announced it had entered into a term sheet to acquire a 70.0% interest in KA Group, which is a one-stop provider of fire protection products for buildings, for an aggregate consideration of S$16.6 million. The Share Purchase Agreement was signed on 4 July 2014 and the Group obtained the approval in-principle from the Singapore Securities Exchange Trading Limited ("SGX-ST") on 8 August 2014 for the listing and quotation of the Consideration Shares on the Main Board of the SGX-ST. The transaction, subject to, inter alia, shareholders' approval, is expected to close by September 2014. INTRACO believes KA Group will provide the Group with an immediate entry point into the niche specialised building-related products industry and a good platform to further expand into other related activities and products.

KA Group is expected to contribute to the Group's earnings for the financial year ending 31 December 2014.

- End -

About INTRACO Limited—(www.intraco.com.sg)

Incorporated on 5 November 1968, INTRACO's original mission was to source competitively priced raw materials, commodities and manufactured goods to support Singapore's early industrialisation programme, which included the creation of new export markets for locally manufactured products, and the promotion of external trade.

INTRACO was successfully listed on the Singapore Exchange in December 1972. Over the years, the Group has evolved to meet the demands of the global marketplace by tranforming into a leading trading company through global partnerships focusing on two main sectors, namely trading & others, and projects.

Today, INTRACO's integrated global market network spans across ASEAN and China. While each serves as a strong platform for INTRACO's business, they also act as the Group's launch pads for companies seeking regional expansion. This is further bolstered by INTRACO's established international network of partnerships and alliances.

In February 2014, the Group together with Singapore Mainboard-listed crane specialist Tat Hong Holdings Ltd and leading Myanmar businessman, Mr Aung Moe Kyaw, via their joint venture company Tat Hong Intraco Pte Ltd, incorporated Tat Hong Intraco Heavy Equipment Co., Ltd,. The company is involved in crane rental and other related businesses in Myanmar.

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