INTRACO LIMITED

(Incorporated in Singapore)
(Company Registration No.: 196800526Z)

ENTRY INTO JOINT VENTURE AGREEMENT WITH AUTHENTIC COFFEE HOLDINGS PTE. LTD.

The Board of Directors (the "**Board**" or the "**Directors**") of Intraco Limited (the "**Company**", and together with its subsidiaries, the "**Group**") is pleased to announce that the Company's wholly-owned subsidiary, Intraco Trading Pte. Ltd. ("**ITPL**") has entered into a joint venture agreement (the "**JV Agreement**") dated 6 September 2022 with Authentic Coffee Holdings Pte. Ltd. ("**ACH**", together with ITPL, the "**Parties**").

ACH is a private company limited by shares incorporated under the laws of Singapore. It focuses on the wholesale, distribution and retail of coffee and coffee-related products in the People's Republic of China (the "**PRC**"), carefully sourced from the rich and dynamic coffee landscape of Southeast Asia and leverages on the coffee production capabilities in the Southeast Asian region. Its proprietary *kurious 酷奇熊* coffee products are sold in over 30 cities in 20 provinces in the PRC via its largest online, community group-buying and video commerce platforms including Tmall, Meituan and Douyin. It has partnered with a Top 5 Chinese Internet company to launch a co-branded coffee product in September 2022.

Pursuant to the JV Agreement, ITPL and ACH will establish a joint venture company in Singapore (the "**JV Company**") (the "**Joint Venture**"). It is intended for the JV Company to hold 100% of the shareholding interest in a foreign wholly-owned enterprise (the "**PRC Company**") to be incorporated under the laws of the PRC. The JV Company and the PRC Company will be primarily engaged in the business of distribution, wholesale and retail of a variety of food and beverage products, except for coffee, coffee-related products, coconut water, coconut milk, and coconut water/milk related products and the provision of other related services (the "**Business**"). The JV Company leverages on both Parties' collective capabilities, ITPL's global supply chain management and international trade capabilities with exclusive distribution agreement with a local consumer chain, and ACH's knowledge of the Chinese consumers and sales and marketing channels in the PRC. This joint venture is also part of ITPL's strategy to expand its distribution and trading businesses in the region and into food and beverage products.

Upon incorporation of the JV Company, the JV Company will have an initial issued and paid-up share capital of S$100,000, divided into 100,000 ordinary shares ("**Shares**"), of which 70,000 Shares shall be issued and allotted to ITPL and 30,000 Shares shall be issued and allotted to ACH (the "**Initial Share Capital**"). The Parties agree that the consideration by each of them in relation to the Initial Share Capital shall be satisfied (a) in respect of ITPL's share of the Initial Share Capital, by a cash consideration of S$100,000, and (b) in respect of ACH's share of the Initial Share Capital, by contribution in kind, namely, of ACH's resources and expertise, know-how and capabilities, in particular, in relation to the platform set up by ACH for the sale of food-related products in the PRC and as required in connection with performing the Business ("**ACH's in kind contribution**"). As such, on incorporation, the JV Company will become an indirect 70%-owned subsidiary of the Company, through ITPL.

If required and agreed between the Parties, they shall:

(a) within 12 months after the incorporation of the JV Company procure an increase in the issued and paid-up share capital of the JV Company to S$250,000 divided into 250,000 Shares, of which 105,000 Shares shall be issued and allotted to ITPL and 45,000 Shares shall be issued and allotted to ACH (the "**Increased Share Capital**"). The Parties agree that the consideration by each of them in relation to the Increased Share Capital shall be satisfied (a) in respect of ITPL's share of the Increased Share Capital, by a cash contribution of S$150,000, and (b) in respect of ACH's share of the Increased Share Capital, by ACH's in kind contribution; and

(b) thereafter, procure an increase in the issued and paid-up share capital of the JV Company to S$1,000,000 divided into 1,000,000 Shares, of which 525,000 Shares shall be issued and allotted to ITPL and 225,000 Shares shall be issued and allotted to ACH (the "**Further Increased Share Capital**"). The Parties agree that the consideration by each of them in relation to the Further Increased Share Capital shall be satisfied (a) in respect of ITPL's share of the Further Increased Share Capital, by a cash contribution of S$525,000, and (b) in respect of ACH's share of the Further Increased Share Capital, by cash consideration of S$225,000.

Under the JV Agreement, ITPL shall nominate two members while ACH shall nominate one member to the board of the JV Company. Concurrently, ITPL shall provide assistance to ACH in global supply chain management, international trade capabilities and vendor management pursuant to a separate distribution agreement. ITPL also owns a minority interest of less than 5% in ACH.

None of the directors or substantial shareholders of the Company has any interest, direct or indirect (other than through their shareholdings in the Company), in the above.

A copy of the JV Agreement will be available for inspection during normal business hours at the registered office of the Company at 60 Albert Street, #07-01, OG Albert Complex, Singapore 189969 for a period of 3 months from the date of this announcement.

FOR AND ON BEHALF OF THE BOARD

Josephine Toh
Company Secretary

6 September 2022