



INTRACO LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 196800526Z)

PROPOSED SUBSCRIPTION OF 10,000,000 NEW ORDINARY SHARES AT THE ISSUE PRICE OF S\$0.45 PER SHARE

1. INTRODUCTION

The board of directors (the “**Board**” or “**Directors**”) of Intraco Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has entered into separate subscription agreements dated 24 December 2021 (the “**Subscription Agreements**”) with each of the subscribers listed in the schedule of this announcement (the “**Subscribers**”), pursuant to which the Company has agreed to issue an aggregate number of 10,000,000 new ordinary shares in the issued and paid-up capital of the Company (the “**Subscription Shares**”) at an issue price of S\$0.45 per Subscription Share (the “**Issue Price**”), amounting to an aggregate consideration of S\$4,500,000 (collectively, the “**Subscriptions**”).

The number of Subscription Shares to be issued to each of the Subscribers is set out in the schedule of this announcement.

The Subscriptions are not underwritten and there is no placement agent appointed in relation to the Subscriptions.

The Subscriptions will be undertaken pursuant to Section 272B of the Securities and Futures Act, Chapter 289 of Singapore. As such, no prospectus or offer information statement will be lodged with the Monetary Authority of Singapore in connection with the Subscriptions.

2. GENERAL MANDATE

The shareholders of the Company (the “**Shareholders**”) had, at the annual general meeting of the Company held on 28 April 2021, approved a general share issue mandate by way of an ordinary resolution (the “**General Mandate**”). The Subscription Shares will be allotted and issued pursuant to the General Mandate.

The total number of ordinary shares in the capital of the Company (the “**Shares**”) (excluding treasury shares and subsidiary holdings) as at the time of passing of the resolution approving the General Mandate was 102,816,879 Shares.

As at the date of this announcement, the Company has not issued any Shares under the General Mandate, and no event has occurred which would result in any adjustment in the number of Shares on which the General Mandate is based. Accordingly, the total number of Shares that may be issued pursuant to the General Mandate is 51,408,439 Shares, of which the maximum number of shares that can be issued other than on a pro-rata basis is 20,563,375 Shares. The issuance of 10,000,000 Subscription Shares will therefore fall within the limits of the General Mandate.



3. ADDITIONAL LISTING APPLICATION

The Company will be making an application to the Singapore Exchange Securities Trading Limited (the "SGX-ST") for the admission and the listing and quotation of the Subscription Shares on the Official List of the SGX-ST. A further announcement will be made upon the receipt of the approval in-principle from the SGX-ST.

4. THE SUBSCRIPTIONS

4.1 Issue Price

The Issue Price was arrived at pursuant to discussions between the Company and each of the Subscribers, taking into account, *inter alia*, the prevailing market price of the Shares, and it represents a discount of approximately 3.2% to S\$0.465, which is the volume weighted average price per Share based on trades done on the SGX-ST on 22 December 2021 (being the full market day preceding the date on which the Subscription Agreements are signed).

4.2 Subscription Shares

As at the date of this announcement, the issued and paid-up share capital of the Company comprises 102,816,879 Shares (excluding treasury shares and subsidiary holdings). The Company holds 909,000 treasury shares, and there are no subsidiary holdings.

Assuming that all 10,000,00 Subscription Shares are issued, the Subscription Shares represent approximately 9.73% of the existing issued and paid-up share capital of the Company comprising 102,816,879 Shares (excluding treasury shares and subsidiary holdings) as at the date of this announcement, and approximately 8.86% of the enlarged issued and paid-up share capital of the Company comprising 112,816,879 Shares (excluding treasury shares and subsidiary holdings) upon completion of the Subscriptions.

The Subscription Shares shall be issued by the Company free from all claims, charges, liens and other encumbrances whatsoever and shall in all respects rank *pari passu* with the then existing issued Shares, save that they shall not rank for any entitlements, distributions, dividends or right (if any), the record date in respect of which falls before the date of completion.

4.3 Conditions

Completion of each Subscription is conditional upon the following conditions (the "Conditions") having been fulfilled:

- (a) the receipt of the approval in-principle being granted by the SGX-ST pursuant to the additional listing application by the Company for the listing of and quotation for the Subscription Shares on the Official List of the SGX-ST, and such approval not having been revoked or amended, and if the approval is granted subject to conditions, such conditions being satisfied or waived by the SGX-ST and the SGX-ST not having made any ruling the effect of which is to restrict or impede the listing and quotation of the Subscription Shares; and



- (b) the allotment and issue of the Subscription Shares not being prohibited by any statute, order, rule, regulation, directive or request promulgated or issued after the date of the Subscription Agreement by any legislative, executive or regulatory body or authority of Singapore or elsewhere, which is applicable to the Company.

If the Conditions are not fulfilled on or before 28 February 2022, the Subscription Agreements shall *ipso facto* cease and determine, and none of the parties shall have any claim against the other for costs, damages, compensation or otherwise.

5. THE SUBSCRIBERS

Information on each of the Subscribers is set out in the schedule of this announcement.

The Subscribers were introduced to the Company through the Directors. There is no introducer fee or commission paid or payable by the Company in relation to the Subscriptions.

The issuance of the Subscription Shares will not result in any transfer of controlling interest in the Company to any of the Subscribers.

None of the Subscribers is a person to whom the Company is prohibited from issuing shares to, as provided by Rule 812 of the listing manual of the SGX-ST ("**Listing Manual**").

Under the Subscription Agreements, save for Harvest Advisors Investment Management Pte. Ltd. ("**HAIM**"), each of the Subscribers has represented and warranted to the Company that he or it is acquiring the Subscription Shares as principal and is not acting as a trustee for or a nominee of a third party.

HAIM is the investment manager of Harvest Private Wealth Thematic Fund SPC ("**HPWTF**"), a segregated portfolio company registered under the laws of the Cayman Islands. Pursuant to its Subscription Agreement, HAIM will procure HPWTF to subscribe for the Subscription Shares.

6. RATIONALE AND USE OF PROCEEDS

The Board is of the view that the Subscription is beneficial to the Group as it will strengthen its financial and cash position and enlarge its capital base to fund the growth of its existing and new businesses and to pursue new business opportunities as and when they arise (including the facilitation of the Company's proposed investment in the MHC Digital Group as announced on 13 December 2021 and 22 December 2021), as part of its strategy for long-term business growth (collectively, the "**Business Expansion**").

Based on the Issue Price of S\$0.45 per Subscription Share and assuming all the 10,000,000 Subscription Shares will be issued, the Subscriptions will allow the Company to raise net cash proceeds of approximately S\$4,440,000 (after deducting estimated expenses of approximately S\$60,000) (the "**Net Proceeds**").

The Company intends to use 100% of the Net Proceeds to fund the Business Expansion.



Pending the deployment of the Net Proceeds, such Net Proceeds may be deposited with banks or financial institutions, invested in short-term money markets or marketable securities, or used for any other purpose on a short-term basis, as the Company may, in its absolute discretion, deem fit from time to time.

The Company will announce the use of the Net Proceeds as and when the Net Proceeds are materially disbursed, and whether the use of Net Proceeds is in accordance with the stated use and in accordance with the percentage allocated. Where there is any material deviation from the stated use, the Company will announce the reasons for such deviation. The Company will also provide a status report on the use of the Net Proceeds in the interim and full-year financial statements and annual report of the Company. If the Net Proceeds are used for working capital purposes, the Company will provide a breakdown with specific details on how the Net Proceeds have been applied in the announcements and the annual report.

7. FINANCIAL EFFECTS

The pro forma financial effects of the Subscriptions on the Group are set out below and have been prepared based on the audited financial statements of the Group for the financial year ended 31 December 2020 and the following assumptions:

- (a) all 10,000,000 Subscription Shares are issued based on the Issue Price of S\$0.45 per Subscription Share, amounting to an aggregate consideration of S\$4,500,000;
- (b) for purposes of computing the effect of the Subscriptions on the net tangible asset (the "NTA") per Share of the Group, it is assumed that the Subscription had been completed on 31 December 2020; and
- (c) for purposes of computing the effect of the Subscriptions on the earnings per Share (the "EPS") of the Group, it is assumed that the Subscriptions had been completed on 1 January 2020.

	Before Subscriptions	After Subscriptions
Issued share capital (S\$)	84,068,519	88,568,519
Number of Shares	102,816,879	112,816,879
NTA per Share (Singapore cents)	55.08	54.10
Profits attributable to the Shareholders (S\$'000)	(12,864)	(12,924)
Weighted average number of Shares	102,902,153	112,902,153
EPS (Singapore cents)	(12.50)	(11.45)

The financial effects of the Subscriptions are presented for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of the Company and the Group after completion of the Subscriptions.



8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Mr. Mak Lye Mun, the chairman and independent director of the Company, is also an independent director of SC Global Developments Pte. Ltd. (“**SCGD**”). SCGD holds 100% of the shares in the capital of Simmic Investments Pte. Ltd., which is one of the Subscribers.

Save as disclosed above, none of the Directors or the substantial shareholders of the Company has any interest, direct or indirect, in the Subscriptions (other than through their shareholdings in the Company).

9. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of each of the Subscription Agreements may be inspected at the registered office of the Company at 60 Albert Street, #07-01 OG Albert Complex, Singapore 189969 during normal business hours for a period of three (3) months commencing from the date of this announcement.

10. DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Subscriptions and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the announcement in its proper form and context.

11. CAUTION IN TRADING

Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. The Subscriptions are subject to, *inter alia*, fulfilment of the Conditions. There is no certainty or assurance as at the date of this announcement that the Subscriptions will be completed or that no changes will be made to the terms thereof. Shareholders and potential investors should exercise caution when trading in Shares, and where in doubt as to the action they should take, they should consult their financial, tax or other professional adviser immediately.

FOR AND ON BEHALF OF THE BOARD

Nicholas Yoong
Chief Executive Officer

24 December 2021



SCHEDULE

Name of Subscribers	Number of Subscription Shares	Number of Subscription Shares as a percentage of total number of Subscription Shares	Information on Subscribers
Alpha Securities Pte. Ltd.	2,000,000	20%	Alpha Securities Pte. Ltd. is an investment holding company incorporated in Singapore.
Guthrie Venture Pte. Ltd.	2,000,000	20%	Guthrie Venture Pte. Ltd. is an investment holding company incorporated in Singapore.
Harvest Advisors Investment Management Pte. Ltd.	1,500,000	15%	Harvest Advisors Investment Management Pte. Ltd. is a fund management company incorporated in Singapore and holds a capital markets licence issued by the Monetary Authority of Singapore.
Mr. Teo Yi-Dar	1,500,000	15%	Mr. Teo Yi-Dar is the chairman of a public company listed on the Mainboard of the SGX-ST.
Cluny Capital Limited	1,000,000	10%	Cluny Capital Limited is an investment holding company incorporated in the British Virgin Islands.
Mr. Wong Fong Fui	1,000,000	10%	Mr. Wong Fong Fui is the chairman and group chief executive officer of a public company listed on the Mainboard of the SGX-ST.
Simmic Investments Pte. Ltd.	500,000	5%	Simmic Investments Pte. Ltd. is an investment holding company incorporated in Singapore.
Mr. Yeo Boon Chye	500,000	5%	Mr. Yeo Boon Chye is a senior partner at a public accounting firm in Singapore.

Shareholders should note that the information relating to the Subscribers in this schedule were provided by the Subscribers. The Company and the Directors have not independently verified the accuracy and correctness of such information.