

ACQUISITION OF A 70% STAKE IN THE KA GROUP – RESTRUCTURING

The Board of Directors (the “**Board**”) of INTRACO Limited (the “**Company**”) refers to the announcements made by the Company on 4 July 2014 and 5 September 2014 (the “**Earlier Announcements**”) with regards to the acquisition (the “**Acquisition**”) by the Company (through its wholly-owned subsidiary, INTRACO International Pte Ltd (“**IPL**”)) of shares constituting 70% of the total issued share capital of each of the following companies:

- (a) K.A. Building Construction Pte Ltd (“**KABC**”);
- (b) K. A. FireLite Pte. Ltd. (formerly known as Firespray International (Singapore) Pte Ltd) (“**KAFL**”);
- (c) K.A. Fireproofing Pte Ltd (“**KAFP**”);
- (d) K.A. Fabric Shutters Pte Ltd (“**KAFS**”); and
- (e) K.A. Firespray Sdn Bhd (“**KAFSB**”).

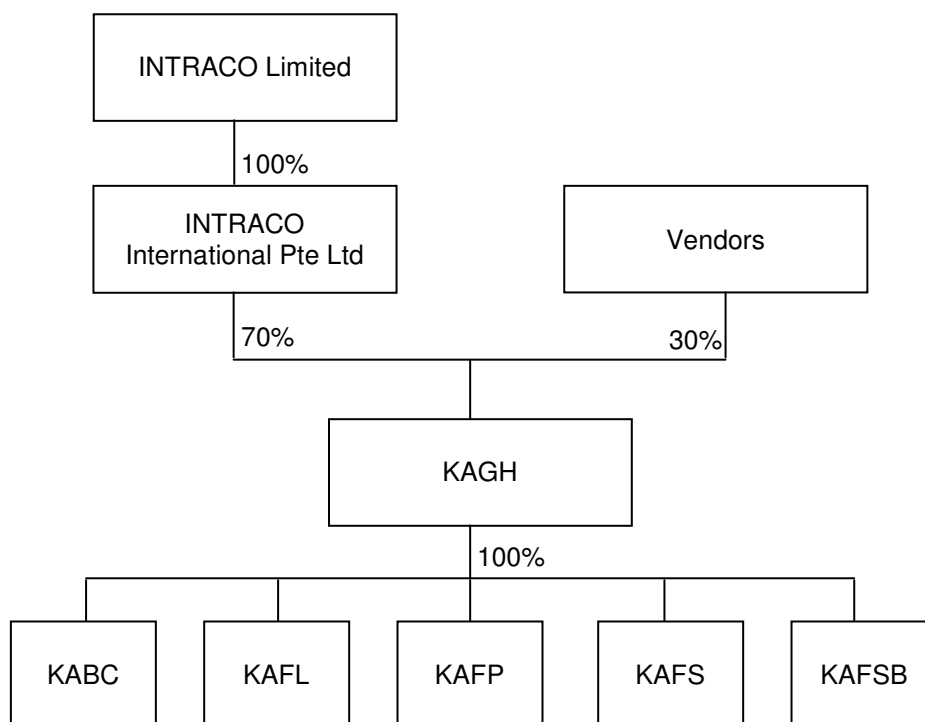
Unless otherwise defined, all capitalised terms used herein shall have the same meanings as ascribed to them in the Earlier Announcements.

The Board wishes to announce that, following the completion of the Acquisition on 5 September 2014 and to rationalise the structure of the KA Group, the Company and the Vendors has reorganised the KA Group Companies pursuant to a restructuring exercise (the “**Restructuring Exercise**”), whereby the following steps were taken:

- (1) IPL had incorporated a subsidiary, K. A. Group Holdings Pte. Ltd. (“**KAGH**”), in Singapore on behalf of IPL and the Vendors, with an initial issued and paid-up capital of S\$1.00 comprising 1 ordinary share; and
- (2) pursuant to a share swap agreement entered into between KAGH, IPL and the Vendors, IPL and the Vendors transferred their entire interest in the KA Group Companies to KAGH. In consideration, KAGH issued and allotted 6 ordinary shares to IPL and 3 ordinary shares to the Vendors.

Following the completion of the Restructuring Exercise, KAGH has an issued and paid-up share capital of S\$11,023,178.11, which is based on the consolidated net asset value of the KA Group Companies as at 5 September 2014. The equity interest of IPL and the Vendors in the KA Group Companies (through KAGH) remains at 70% and 30%, respectively.

The shareholding structure of the KA Group Companies after the Restructuring Exercise is as follows:



The Restructuring Exercise is not expected to have a material effect on the consolidated earnings per share and consolidated net tangible assets per share of the Company for the financial year ending 31 December 2015.

Other than through their respective shareholdings in the Company, none of the directors or substantial shareholders of the Company has any interests, direct or indirect, in the Restructuring Exercise.

By Order of the Board
INTRACO LIMITED

Foo Der Rong
Managing Director and Chief Executive Officer
9 February 2015