

**EXERCISE OF PUT OPTION BY THE VENDORS IN RESPECT OF
SHARES IN THE CAPITAL OF KAGH**

Where capitalised terms are used in this announcement and not otherwise defined, such capitalised terms shall bear the same meanings as ascribed to them in the announcements of the Company dated 8 May 2014, 6 June 2014, 4 July 2014, 9 August 2014, 5 September 2014 and 9 February 2015 (collectively, the “Announcements”) in relation to the acquisition of 70% stake in K.A. Group Holdings Pte Ltd (“KAGH”) from, and the grant of a put option (“Put Option”) and call option (“Call Option”) in respect of the remaining 30% stake to Mr Soh Yong Sin and Ms. Soh Ying Sin (collectively, the “Vendors”).

The Board of Directors (the “Board”) of INTRACO Limited (the “Company”) refers to the Announcements and wishes to announce that its wholly-owned subsidiary, INTRACO International Pte Ltd (“IPL”), has received from the Vendors a notice of exercise of the Put Option previously granted by the IPL in respect of the Vendors’ 20% stake in KAGH.

In accordance with the exercise of the Put Option, IPL will acquire 2 ordinary shares (each, an “Option Share”), (representing 20% of the issued and paid-up capital) in KAGH from the Vendors pursuant to the provisions of the share purchase agreement dated 4 July 2014 (the “SPA”). Upon completion of the exercise of the Put Option, IPL will own 9 ordinary shares (representing 90% of the issued and paid-up capital), and the Vendors, through Ms. Soh Ying Sin, will own 1 ordinary share (representing 10% of the issued and paid-up capital) of KAGH.

As provided in the SPA, the exercise price of the Put Option in respect of each Option Share shall be the amount determined based on the Entry Price per Option Share and adjusted by the RNTA¹ as follows:

- (i) in the event the RNTA is positive, the exercise price shall be based on the Entry Price and increased by the numerical value of the RNTA; and
- (ii) in the event the RNTA is negative, the exercise price shall be based on the Entry Price and decreased by the numerical value of the RNTA.

For the purposes of determining the RNTA, any revaluation of any land, building or other property shall be determined by a reputable and internationally recognised valuer jointly agreed upon by the Company and the Vendors (“Valuer”). A Valuer has now been jointly appointed by the Company and the Vendors for the purposes of determining the RNTA.

The acquisition of Option Shares by IPL pursuant to the exercise of the Put Option is expected to complete on or around 15 October 2019. The Company will make further announcement(s) when there are material developments to the exercise of the Put Option. Shareholders and potential investors should exercise caution when trading in the Company’s securities, and where in doubt as to the action they should take, they should consult their financial, tax or other advisors.

¹ “RNTA” means the net tangible asset value of each ordinary share of KAGH determined based on the latest available monthly financial statements of KAGH (on a consolidated group basis), immediately prior to the exercise of the Put and Call Options (the “Latest NTA”), less the net tangible asset value of each such ordinary share as at 31 December 2013 (based on the FY2013 Proforma Accounts). In determining the Latest NTA and the net tangible asset value of each ordinary share as at 31 December 2013, any revaluation surplus or deficit in respect of any land, building or other property shall be included.

The completion of the exercise of the Put Option, where IIPL will increase its shareholding in KAGH from 70% to 90%, 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 2019.

None of the Directors and to the best of the Directors' knowledge, none of the controlling shareholders of the Company or their respective associates has any interest, direct or indirect, in the foregoing transaction, other than that arising from their respective shareholdings and/or directorships, as the case may be, in the Company.

By Order of the Board
INTRACO LIMITED

Josephine Toh
Company Secretary
27 September 2019