



**INTRACO Limited**

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

## **INTRACO extends offer period for Dynamic Colours**

- *Offer period extended to 5.30 p.m. on 2 July 2013 with no revision to offer price of S\$0.185 per Offer Share*

**SINGAPORE – 18 Jun 2013** – SGX Mainboard-listed **INTRACO Limited** (“**INTRACO**”, or the “**Group**”), a leading trading company established in 1968, is extending its mandatory conditional cash offer (the “**Offer**”) for its listed associated company Dynamic Colours Limited (“**DCL**”), by another 14 days to close at 5.30 p.m. on 2 July 2013. There will be no further extensions or any revisions to the previously announced Offer Price of S\$0.185 per Offer Share (“**Offer Price**”), unless a competitive situation arises.

The Group had first announced the Offer on 3 May 2013 following its acquisition of 20.1 million DCL shares at S\$0.185 each, which together with its existing stake of 29.91%, raised its combined shareholding in DCL to 39.48%.

As at 5.00 p.m. on 17 June 2013, the total number of DCL shares owned, controlled or agreed to be acquired by INTRACO and persons acting in concert with it, and valid acceptances to the Offer, amounted to an aggregate of 83,717,000 DCL shares, representing approximately 39.87% of the DCL shares in issue. All acceptances will be returned if the Offer does not turn unconditional.

DMG & Partners Securities Pte Ltd (“**DMG**”), the independent financial adviser to the independent directors of DCL, had on 4 June 2013 issued its advice on the Offer, stating that “the Offer Price, while reasonable in the context of the recent historical market prices of the Shares and the Group’s earning-based valuation, does not appear to be fair from a Revalued NTA perspective. Accordingly, we are of the opinion that the financial terms of the Offer are reasonable but not compelling”.

INTRACO Managing Director and CEO, Mr Foo Der Rong, said: “INTRACO, having regard to the recent historical market prices of DCL’s shares and DCL’s earning-based valuation, is of the view that the Offer Price is reasonable. INTRACO would like to urge DCL’s shareholders to carefully consider DMG’s evaluation, analysis and recommendation set out under the sections

titled 'Assessment of the Financial Terms of the Offer' and 'Our Recommendation' of its 4 June 2013 advice, respectively, and to read its 4 June 2013 advice in its entirety."

For INTRACO, the acquisition and the Offer is an opportunity to acquire an increased stake in DCL as part of its strategic investments and reap synergistic benefits by making it a subsidiary. If successful, both parties will be able to streamline their resources and leverage on each other's distribution network to cross-market in their respective key markets.

The extension of the offer period is to allow all shareholders of DCL ample time to properly consider the Offer, DMG's advice and better evaluate their individual investment in DCL.

It is envisaged that DCL will continue to operate in its current form after the Offer as INTRACO presently has no intention to make changes to its management team. The Group intends to engage with the Board of Directors and management team of DCL to undertake a strategic and operational review of its business.

INTRACO is funding the acquisition of DCL shares and the Offer from its internal cash resources.

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***This Press Release should be read in conjunction with the full text of the Offer Document. The Group's Directors (including any who may have delegated detailed supervision of this Press Release) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Press Release are fair and accurate and that no material facts have been omitted from this Press Release, and jointly and severally accept responsibility accordingly.***

*Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, information relating to DCL), the sole responsibility of the Group's Directors has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Press Release.*

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

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 transforming 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.

**About Dynamic Colours Limited**

**(<http://en.dynamiccolours.com/newEbiz1/EbizPortalFG/portal/html/index.html>)**

Established in 1993, Dynamic Colours Limited is principally engaged in the business of colour compounding and modified compounding of resins, which are used in the manufacture of external casings or component parts of electrical appliances and electronic devices.

The DCL Group supplies its resin compounding products to plastic injection moulders ("PIMs") and original equipment manufacturers ("OEMs") who in turn serve customers such as Hewlett-Packard, Toshiba, Dell, BenQ, Avison, Sony, Microsoft and Asus. Its production facilities in Suzhou are amongst the largest in Jiangsu Province, PRC, and are strategically located near existing and potential clients. The DCL Group's other production facilities are located in Malaysia and Vietnam.

In Singapore, Dynamic Colours' production facilities manufacture heavy-duty polyethylene bags and other plastic packaging materials. Presently, the DCL Group serves mainly the petrochemical hub on Jurong Island and count amongst its customers leading companies such as ExxonMobil, Chevron Phillips and The Polyolefin Company (Singapore) Pte Ltd.

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