

**INTRACO LIMITED**  
(Company Registration No. 196800526Z)  
Incorporated in the Republic of Singapore

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**RESPONSE TO SGX-ST'S QUERY IN RELATION TO THE ANNOUNCEMENT OF THE UNAUDITED FULL YEAR RESULTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

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The Board of Directors of Intraco Limited (the "**Company**") refers to its unaudited full year results for the financial year ended 31 December 2016 released to Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 28 February 2017 (the "**Announcement**").

In relation to the Announcement, SGX-ST has raised the following query and the response by the Company to the said query is set out below.

SGX-ST's query:

Rule 705(1) of the Listing Manual stipulates that an issuer must announce the financial statements for the full financial year (as set out in Appendix 7.2) immediately after the figures are available, but in any event not later than 60 days after the relevant financial period. As set out in paragraph 8 of Appendix 7.2, a review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business, must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and*
- (b) **any material factors that affected the cash flow**, working capital, assets or liabilities of the group during the current financial period reported on.*

- a. With reference to the cash flow statement in the Company's FY2016 Full Year Financial Statements, please provide **reasonable explanation(s)** for the following:-
- i. The increase in "Net cash flows from financing activities".

Company's response to SGX-ST's query:

The increase in "Net cash flows from financing activities" was mainly due to increase in bank borrowings, from \$21 million in FY2015 to \$26 million in FY2016, for purchases of goods during the year.

By Order of the Board

Josephine Toh  
Company Secretary  
10 March 2017