



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

INTRACO'S FY2017 NET PROFIT INCREASES 164.4% To S\$2.1 MILLION

Highlights:

- Revenue up 13.0% to S\$121.3 million due to improvements by all five businesses
- Financial and cost discipline pays off, amidst challenging environment
- Group continues to invest in talent; will balance between growing current businesses and searching for new growth platforms

Full year ended 31 Dec (S\$'000)	FY2017	FY2016	YoY Change (%)
Revenue	121,327	107,409	13.0
Gross Profit	11,090	9,918	11.8
Operating Profit/(Loss) Before Interest and Tax	282	(950)	-
Share of Profit from Assoc. and JV	1,735	1,499	15.7
Profit Before Tax	2,374	910	160.9
Profit After Tax	2,078	786	164.4
Net Asset Value (S\$)	0.64	0.64	-

SINGAPORE, 1 March 2018 – SGX Mainboard-listed investment management company **Intraco Limited** (“Intraco”, or together with its subsidiaries the “**Group**”), today announced a 164.4% increase in net profit to S\$2.1 million for the full year ended 31 December 2017 (“**FY2017**”) mainly due to higher revenue and lower administrative expenses.

The Group’s revenue grew 13.0% to S\$121.3 million in FY2017 due to improved contribution from all its business units. Trading and Other Segment revenue rose 14.2% to S\$108.7 million in FY2017 mainly driven by the plastic trading business, which benefitted from higher allocation of plastic resin. The Fire Protection Segment saw revenue increasing by 3.3% to S\$12.6 million due to a higher number of contracts secured during the year in spite of slower pace of activities in the construction sector.

Apart from higher revenue, a 6.4% decrease in administrative expenses to S\$10.4 million and other cost management initiatives augmented the Group's Operating Profit Before Interest and Tax to S\$282,000 in FY2017 from a loss of S\$950,000 in FY2016.

Mr Nicholas Yoong, Chief Executive Officer of Intraco, said: *"We are pleased to report a significant improvement in revenue and profitability across the board. All of our five lines of businesses have delivered positive underlying earnings despite the challenging environment. The positive results are due to a strong focus on driving top line, whilst keeping costs under control."*

The Group has now recorded its third consecutive year of growth in underlying earnings in FY2017 and its strongest in almost a decade.

Going forward, our strategy is to continue to grow our existing businesses while identifying new platforms for growth."

Financial Position

The Group's financial position remained healthy and steady, with a net asset value of 64.3 cents per share as at 31 December 2017, compared to 64.2 cents per share in the previous year.

Investing in New Talent

In February 2018, the Group welcomed Mr Edmond Lee as Senior Vice President, Plastics Division for Intraco Trading Pte Ltd. His role will be to drive improvements across all aspects of the Plastics Trading business, including identifying new and complementary revenue streams, establishing new supply and developing new markets.

Mr Lee was previously the Director of Asia Peak Pte Ltd, the Asia Pacific sourcing and procurement arm of Pact Group, the largest manufacturer of rigid plastic packaging products in Australia & New Zealand. Prior to Asia Peak, he spent 14 years at General Electric and 3 years at Chevron Phillips primarily in the areas of sourcing and procurement in the petrochemicals and packaging divisions.

Intraco plans to hire more experienced talent this year, to support the Group's push into regional markets and to unlock the full potential of products and services being offered.

Outlook for FY2018

Mr Yoong added that the key markets within which the Group operates remain challenging.

“The operating environment of the Group remains challenging. Despite the challenges, Management will adopt a disciplined approach to expand the Group’s fire protection business regionally and penetrate new markets for the Group’s plastics trading business.” Mr Yoong said.

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This news release is to be read in conjunction with the Company’s announcement posted on the SGX website on 1 March 2018.

About Intraco

Intraco was founded in 1968 by the Singapore Government and was the country's trading arm to explore overseas markets and identify new sources of raw materials. It played a key role in the growth of Singapore as a young nation, which then had to rely on an export-oriented industrialisation strategy.

Intraco has been listed on the Singapore Exchange since 1972 and for three decades from 1974 to 2003, Intraco was incorporated as part of the investment portfolio of Temasek Holdings, the state investment arm. Today, Intraco has evolved into a reputable investment holding company, with an experienced board and substantial major shareholders.

The Intraco Group invests in five lines of businesses with presence in the key emerging markets of Asia: Vietnam, Malaysia, Myanmar and China, in addition to its home base in Singapore.

Intraco, through its subsidiaries, associate and joint venture, is mainly engaged in: the trading of plastic resins; provision of passive fire protection services; manufacturing of heavy-duty polyethylene packaging materials and colour & modified resins compounds; provision of mobile radio infrastructure management services; and the provision of crane rental services.

Intraco actively partners its portfolio companies by providing both financial and operational expertise and helping these companies chart their strategic direction and growth initiatives.

Intraco's strong regional network and culture of integrity, professionalism and performance have helped ensured an enduring brand reputation over the years.

With strengthening financials, improving liquidity and low gearing, Intraco will strive to continually create shareholder value by growing the businesses in its portfolio and driving long-term growth and sustainability through new investments.

For more information, please visit www.intraco.com.sg

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