



**INTRACO Limited**

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

## Contribution from newly acquired subsidiary boosts INTRACO FY2014 earnings, narrows losses for the year

- 18.2% increase in Group revenue to S\$151.2 million
- New subsidiary KA Group to contribute to Group profitability in FY2015
- Healthy balance sheet with cash reserves of S\$48.0 million to pursue strategic business opportunities

### Financial Highlights

Year ended 31 Dec (S\$'million)	FY2014	FY2013	% Change
Revenue	151.2	127.9	18.2
Gross profit	5.8	4.0	46.3
(Loss) / profit before tax	(0.9)	1.1	n.m.
Net (loss) / profit	(0.9)	1.1	n.m.
Cash and cash equivalents	48.0	51.3	(6.4)
NAV per share* (S\$)	0.61	0.63	(3.2)

\*Based on 103,725,879 issued shares in FY2014 and 98,725,879 issued shares in FY2013.

**SINGAPORE – 27 February 2015** – SGX Mainboard-listed **INTRACO Limited** (“INTRACO”, or together with its subsidiaries the “**Group**”) has achieved a 18.2% growth in its top-line to S\$151.2 million for the full year ended 31 December 2014 (“**FY2014**”) on the back of revenue growth from both its business segments, as compared to S\$127.9 million generated in the previous year (“**FY2013**”).

The Projects segment also reported stronger earnings as a result of revenue contribution by its new 70%-owned group of subsidiaries, KA Group, which boosted revenue contribution by S\$3.6 million to S\$6.1 million in FY2014. Acquired in September 2014, KA Group is a niche building materials provider specialising in fire protection solutions.

The Trading & Others segment, which is the Group's main revenue generator, achieved a 15.7% increase in revenue to S\$145.0 million in FY2014. This is mainly attributable to an improvement in the segment's Plastics business as a result of a new supply source for plastic resins during the year as compared to the previous year when there was a shortage of the material.

According to INTRACO, although KA Group only contributed to the Group's performance in the last quarter of FY2014, it had already shown encouraging results and proven itself a sound investment.

The Group registered a loss before tax of S\$0.9 million in FY2014 compared to a profit before tax of S\$1.1 million in FY2013.

### **Healthy Balance Sheet**

As at 31 December 2014, INTRACO's cash and cash equivalents (including debt securities held for sale) stood at a healthy S\$48.0 million, which will enable the Group to continue its growth strategy through the acquisition of profitable entities that will contribute towards the long term sustainability and viability of its business.

### **Outlook and Strategy**

The slowdown in key growth economies and the volatility in crude oil prices have increased economic uncertainty. In line with this, the Group expects its operating environment to continue to be challenging in the next 12 months, especially for its plastics resin trading business.

INTRACO Managing Director and CEO, Mr Foo Der Rong, said: "Barring unforeseen circumstances, the Group is cautiously optimistic that its new acquisition will turn in a better performance with full-year earnings contribution from KA Group in FY2015. Although the Singapore's building and construction industry is slowing down due to the government's property cooling measures, the Group believes that there is growing demand for the niche passive fire-protection solutions supplied by KA Group in Singapore and abroad. Looking ahead, the Group intends to focus on its strategy to consolidate and grow through partnerships and acquisitions."

- End -

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

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.

In February 2014, the Group together with Singapore Mainboard-listed crane specialist Tat Hong Holdings Ltd and leading Myanmar businessman, Mr Aung Moe Kyaw, via their joint venture company Tat Hong Intraco Pte Ltd, incorporated Tat Hong Intraco Heavy Equipment Co., Ltd,. The company is involved in crane rental and other related businesses in Myanmar.

In September 2014, the group successfully acquired 70% of homegrown fire protection specialist KA Group. Founded in 1987, KA Group is a leading one-stop provider of fire protection products and one of the few players in Singapore's construction industry that is both a manufacturer and applicator of such solutions.

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