

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

PROPOSED ACQUISITION OF 51% OF TAURUS POINT CAPITAL PTE. LTD.

1. INTRODUCTION

The board of directors (the “**Board**” or “**Directors**”) of Intraco Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that it has today entered into a sale and purchase agreement (the “**Agreement**”) with Mr Hoon Chee Wai and Mr Tan Kong Yew (collectively the “**Vendors**”) for the acquisition of 2,040 ordinary shares in Taurus Point Capital Pte. Ltd. (Company Registration No. 202035944K), a private company incorporated under the laws of Singapore (“**Taurus Point**”), representing 51% of the total issued and paid-up share capital of Taurus Point (the “**Sale Shares**”) for an aggregate consideration of S\$255,000 (the “**Consideration**”) (the “**Proposed Acquisition**”).

Following completion of the Proposed Acquisition, Taurus Point shall be a 51% owned subsidiary of the Company.

2. INFORMATION ON TAURUS POINT AND THE VENDORS

Taurus Point is a private company limited by shares incorporated in Singapore on 8 November 2020. Taurus Point is in the business of providing exempt corporate finance advisory services. Since its incorporation, it has successfully advised two corporate issuers on their respective digital commercial paper programme in a digitised token format, quoted on an approved digital private exchange in Singapore.

As at the date of this announcement, Taurus Point has an issued and paid-up share capital of S\$200,002 comprising 4,000 ordinary shares in the proportion as set out below:

Shareholder	Number of Shares in the Target	Percentage of Share Capital of the Target
Hoon Chee Wai	1,020	25.50%
Tan Kong Yew	1,020	25.50%
Fushia Investments Pte. Ltd. ⁽¹⁾	1,960	49.00%
Total	4,000	100.00%

Note:

(1) Fushia Investments Pte. Ltd. is an investment holding company incorporated in Singapore. To the best of the Company’s knowledge, none of the directors and shareholders of Fushia Investments Pte. Ltd. are related to any of the Directors, controlling shareholders of the Company and/or their respective associates.

Based on the latest available unaudited accounts of Taurus Point for the financial year ended 30 June 2022, the net book value of the Sale Shares is approximately S\$80,000. There is no open market value for the Sale Shares as they are not publicly traded. No independent valuation of the Sale Shares was carried out for the purposes of the Proposed Acquisition as it involves an acquisition of shares and not assets.

As at the date of this announcement, the Vendors are directors and shareholders of Taurus Point.

Mr Hoon Chee Wai, one of the Vendors, is the Chief Operating Officer of the Company. As Mr Hoon Chee Wai is not a Director, the Chief Executive Officer and/or a controlling shareholder of the Company, the Proposed Acquisition does not constitute an “interested person transaction” for the purposes of Chapter 9 of the SGX-ST Listing Manual.

3. RATIONALE FOR THE ACQUISITION

On 6 June 2022, the shareholders of the Company approved the proposed diversification of the Company’s existing business into new businesses related to digital assets. The Proposed Acquisition will enable the Company to build a suite of corporate finance capabilities within the Group to bring traditional investment banking advisory activities to the digital asset industry.

The Board has considered the terms of the Proposed Acquisition and the prospects of Taurus Point and is of the view that the Proposed Acquisition is in the best interests of the Company.

4. CONSIDERATION AND OTHER SALIENT TERMS

The Consideration was arrived at following arm’s length negotiations, on a willing-seller, willing-buyer basis and after taking into account the business plans and expected earnings of Taurus Point. The Consideration shall be wholly satisfied in cash from the Company’s internal resources.

Conditions Precedent

The completion of the Proposed Acquisition (the “**Completion**”) is subject to the Company, Vendors and Taurus Point obtaining all necessary approvals, acknowledgements, authorisations, consents or waivers, and if such approvals, consents or waivers are granted subject to conditions, such conditions being acceptable to the relevant party, and if any conditions are required to be satisfied by Completion, such conditions being so satisfied.

Option

Pursuant to the Agreement, at any time during the period commencing from the date of Completion to the date falling 15 months from the date of the Agreement, the Company shall have the option to require the Vendors to repurchase all of the Sale Shares from the Company at the aggregate consideration of S\$255,000 less any capital distributions (including any dividends) to the Company, by giving not less than 30 days’ notice in writing to the Vendors.

5. NON-DISCLOSEABLE TRANSACTION

Based on the latest announced financial statements of the Company for the financial year ended 31 December 2021 (“**FY2021**”), the relative figures of the Proposed Acquisition as computed on the applicable bases set out in Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**Listing Manual**”) do not exceed 5%.

As the Proposed Acquisition involves the acquisition of a loss-making asset by the Group (which is also loss-making), the computation of the relative figure under Rule 1006(b) involves negative figures in both the numerator and denominator. In accordance with paragraph 4.3(a) of Practice Note 10.1, given that (a) the absolute relative figure computed on the basis of Rule 1006(c) is less than 5%; and (b) the net loss attributable to the Sale Shares amounts to less than 5% of the consolidated net loss of the Group, no announcement and shareholders’ approval of the Proposed Acquisition is required.

The Company is however making this announcement pursuant to Rule 1008(2).

6. FINANCIAL EFFECTS

The Proposed Acquisition is not expected to have any material impact on the net tangible assets per share or earnings per share of the Company for the current financial year ending 31 December 2022.

7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition, other than through their respective shareholding interests in the Company.

8. FURTHER ANNOUNCEMENT(S)

The Company will make further announcements on the Proposed Acquisition as and when appropriate in compliance with the requirements of the Listing Manual and/or when there are material developments on the Proposed Acquisition.

FOR AND ON BEHALF OF THE BOARD

Mak Lye Mun
Executive Chairman and Director

19 July 2022