



## **ENGRO CORPORATION LIMITED**

(Registration no: 197302229H)

---

### **THE ENTRY INTO A MEMORANDUM OF UNDERSTANDING BY SUBSIDIARY**

---

The Board of Directors (“**Board**” or “**Directors**”) of EnGro Corporation Limited (“**Company**”, and together with its subsidiaries, “**Group**”) is pleased to announce that the Company’s 98.57% owned subsidiary, R&P (Pte.) Ltd. has signed a Memorandum of Understanding (“**MOU**”) with the shareholders of Shanghai Hop Zenith Chemical Trading Co., Ltd., a planned collaboration agreement setting out key commercial terms in anticipation of the formation of a joint venture company by all parties with the intent to produce, distribute and market compounded specialty polymer products in China to target primarily at the automotive industry. It is envisaged that a Joint Venture Agreement (“**JV Agreement**”) will be completed within six months or earlier from the date of the MOU, or such other date as mutually agreed by the parties.

As at the date of this announcement, no definitive or binding agreement has been entered into or reached in respect of the transaction contemplated by the MOU. The proposed JV Agreement will be subject to conditions that include, *inter alia*, satisfactory legal and financial due diligence and may further be subject to necessary or requisite approvals by relevant authorities.

None of the Directors (other than in his capacity as a Director or a shareholder of the Company, as the case may be) and controlling shareholders of the Company has any interest, direct or indirect, in the MOU.

The Company will make appropriate announcements in the event there are any material developments in the transaction contemplated by the MOU.

**By Order of the Board**  
**Tan Cheng Gay**  
**Executive Chairman & CEO**  
**25 May 2015**