

ENGRO CORPORATION LTD

(Registration no: 197302229H)

RESPONSE TO SGX REQUEST FOR FURTHER INFORMATION ON THE FULL YEAR RESULTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

Further to the announcement of EnGro Corporation Limited (the “Company”) on the full year results released on 25 February 2014, and in response to the query by SGX in its e-mail dated 20 March 2014, the Board of Directors of the Company hereby provides the following additional information:

SGX Query:

Pursuant to paragraph 8 of Appendix 7.2 of the Listing Manual, a discussion on significant factors affecting the turnover, costs and earnings of the group which have any material changes should be included. Please provide a discussion which resulted in the material changes for other income, staff costs, other expenses and share of profit of associates.

Company’s Response:

The decline of other income by S\$1.25 million in 2013 was due to higher income generated in 2012 from Specialty Polymer’s laboratory fees where higher product development activities occurred and other miscellaneous income of Dry Mix businesses. In terms of higher staff cost which increased by S\$1.9 million, it was mainly due to new hires to cater for the expansion of Ready-mix Concrete businesses and overall increase in 2013 for salary and bonus compared to 2012. Under the other expenses, the increase of S\$6.2 million was due to high demurrages incurred and sub-contracting expenses. The share of profits of associates increased by S\$13.6 million resulting from the disposal of the shares in Chongbang Holdings (International) Limited.

BY ORDER OF THE BOARD

Joanna Lim
Company Secretary
24 March 2014