



ENGRO CORPORATION LIMITED
(Registration no: 197302229H)

ANNOUNCEMENT PURSUANT TO RULE 703 OF THE LISTING MANUAL – PROFIT GUIDANCE IN RELATION TO THE GROUP’S FINANCIAL PERFORMANCE FOR FY2022

Pursuant to Rule 703 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “Listing Manual”), the Board of Directors of EnGro Corporation Limited (the “Company”) together with its subsidiaries (the “Group”) wish to inform that based on a preliminary review of the unaudited consolidated results of the Group and the information currently available to the Company, the Group is expected to report a net loss for 2H2022 with a significant deterioration in profit for FY2022 compared to FY2021, whereby even a marginal loss may be possible.

In 1H2022 interim results announcement, the Group has guided that its China GGBS JVs were expecting poorer performance in 2H2022. In line with the given guidance, the China GGBS JVs experienced a decline in demand and profitability as a result of prolonged disruption to the construction industry brought about by China’s zero-COVID policy, exacerbated by the across-the-board slumping property market in China with demand stalling.

Following the abrupt tech sector slowdown, losses in 2H2022 was attributed significantly to the Group’s venture capital investment unrealized fair value loss, which was a non-cash item. Excluding this, the Group’s operational net profit remains stable.

Despite the above, the fundamentals and the cash position of the Group remain strong.

The Group is in the process of finalizing the unaudited consolidated financial results for FY2022 and may be subject to possible adjustments. Further details will be disclosed when the Group announces its unaudited financial results for the full year ended 31 December 2022.

In the meantime, shareholders and investors are advised to exercise caution when dealing in the shares of the Company. In the event of any doubt, they should consult their stockbrokers, bankers, solicitors, accountants or other professional advisors.

On behalf of the Board
EnGro Corporation Limited

Tan Cheng Gay
Chairman and Chief Executive Officer

Date: 19 January 2023