



## ENGRO CORPORATION LIMITED

(Registration no: 197302229H)

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### THE ENTRY INTO A JOINT VENTURE AGREEMENT BY A SUBSIDIARY

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The Board of 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. ("**R&P**") has entered into a joint venture agreement ("**JV Agreement**") with Shanghai Hop Zenith Chemical Trading Co., Ltd., to form a joint venture company ("**JV**") with the intent to research and develop, manufacture and distribute thermoplastic compounds to serve the automotive industry in China.

R&P will subscribe to 40% of the registered capital of the JV in the form of technical knowhow, valued at SGD1 million. It is envisaged that the incorporation of the JV will be completed within six months or earlier from the date of JV Agreement, or such other date as mutually agreed by the parties. The details of the JV are as below:

Company name : Kunshan R&P Co., Ltd.  
Registered capital : SGD2.5 million  
Principal activity : Research and development, manufacturing and distribution of thermoplastic compounds for the automotive industry  
Place of incorporation : Kunshan, China

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 above transaction.

The above joint venture is not expected to have any material effect on the consolidated net tangible assets per share and earnings per share of the Company and the Group for the financial year ending 31 December 2016.

BY ORDER OF THE BOARD

Joanna Lim  
Company Secretary  
29 June 2016