



NEWS RELEASE

Execution of Joint Venture Agreement with Tangshan Iron & Steel Group Co., Ltd in relation to the Establishment of a Joint Venture Company to be named “Tangshan Tang-Ang Materials Co., Ltd”

29 March 2006

The Board of Directors of EnGro Corporation Limited (the “Company”) is pleased to announce that the Company had, on 28 March 2006, executed a Joint Venture Agreement with Tangshan Iron & Steel Group Co., Ltd (“Tanggang”) in relation to the establishment of a second joint venture company (“JV”) to be named “Tangshan Tang-Ang Materials Co Ltd” in Wangtan Town of Leting County (around 8 km from Jingtang Port), Hebei province in the People’s Republic of China.

The JV has a registered share capital of RMB 45.0 million and is principally engaged in the production of Ground Granulated Blastfurnace Slag (“GGBS/GGBFS”), a green cementitious material for producing high performance concrete. Being strategically located near Jingtang Port, the JV is poised to take advantage of the savings in transportation costs in order to secure a meaningful share of its main target market, namely, overseas market. The initial planned capacity of the JV is 600,000 MT of GGBS/GGBFS per annum.

The Company will invest RMB 18.0 million, representing 40% of the registered share capital in the JV and Tanggang will invest RMB 27.0 million, representing 60% of the registered share capital in the JV. The investment will be financed from internally generated funds.

The aforesaid transaction is not expected to have a material impact on the net tangible assets and earnings per share of the Company for the current financial year.

None of the directors or controlling shareholders of the Company have any interest in the above transaction other than through their shareholding in the Company.

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About EnGro

Incorporated in 1973, EnGro is a manufacturing firm headquartered in Singapore with two core businesses, namely the specialty cement and the specialty polymer. The two core businesses are supplemented by evergreen venture capital (VC) investment activity in technology-driven businesses.

Further information on EnGro, please visit www.engro-global.com.

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