



**ENGRO CORPORATION LIMITED**  
(Incorporated in the Republic of Singapore)  
Co. Reg. No. 197302229H

**UNAUDITED SECOND QUARTER FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2013**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group			Group		
	2Q13 S\$'000	2Q12 S\$'000	% Change	YTD13 S\$'000	YTD12 S\$'000	% Change
<b>Continuing operations</b>						
<b>Revenue</b>	<b>41,039</b>	<b>32,540</b>	26.1	<b>79,948</b>	<b>62,474</b>	28.0
Changes in inventories of finished goods and work-in-progress	(1,860)	(1,735)	7.2	(2,905)	(4,096)	(29.1)
Raw materials	(27,403)	(21,075)	30.0	(54,213)	(39,594)	36.9
Gain/ (Loss) on disposal of property, plant and equipment	1	-	n.m.	1	(1)	n.m.
Loss on disposal of investments held for trading	(26)	(1)	n.m.	(39)	(1)	n.m.
Investment income	106	138	(23.2)	164	138	18.8
Interest income	47	78	(39.7)	79	149	(47.0)
Dividend income	62	1,128	(94.5)	114	1,164	(90.2)
Other income	369	224	64.7	498	526	(5.3)
Exchange gain/ (loss)	656	575	14.1	802	(502)	n.m.
Allowance for doubtful receivables and bad debts written off	(8)	-	n.m.	(9)	-	n.m.
Depreciation of property, plant and equipment	(640)	(587)	9.0	(1,303)	(1,116)	16.8
Gain on disposal of investment on financial assets available for sales	38	135	(72.3)	38	135	(72.3)
Allowance for impairment on investments	(9)	(118)	(92.8)	(152)	(118)	28.1
Net change in fair value of financial assets held for trading	357	(303)	n.m.	827	421	96.4
Staff costs	(3,738)	(3,432)	8.9	(7,459)	(6,486)	15.0
Rental expenses	(491)	(489)	0.4	(975)	(975)	0.0
Other expenses	(6,059)	(5,341)	13.4	(13,626)	(9,814)	38.8
Interest expenses	(5)	(12)	(58.3)	(11)	(28)	(60.7)
<b>Profit before share of profit of associates</b>	<b>2,436</b>	<b>1,725</b>	41.2	<b>1,779</b>	<b>2,276</b>	(21.8)
Share of profit of associates (net of tax)	3,375	3,166	6.6	17,633	3,256	n.m.
<b>Profit from ordinary activities before taxation</b>	<b>5,811</b>	<b>4,891</b>	18.8	<b>19,412</b>	<b>5,532</b>	n.m.
Income tax (expense)	(283)	(37)	n.m.	(553)	(91)	n.m.
<b>Net profit for the period ended</b>	<b>5,528</b>	<b>4,854</b>	13.9	<b>18,859</b>	<b>5,441</b>	n.m.

**Attributable to:**

Equity holders of the Company	5,530	4,865	13.7	18,868	5,461	n.m.
Non-controlling interests	(2)	(11)	(81.8)	(9)	(20)	(55.0)
<b>Net profit for the period ended</b>	<b>5,528</b>	<b>4,854</b>	13.9	<b>18,859</b>	<b>5,441</b>	n.m.

n.m. - not meaningful

**Statement of Comprehensive Income**

	Group			Group		
	2Q13 S\$'000	2Q12 S\$'000	% Change	YTD13 S\$'000	YTD12 S\$'000	% Change
<b>Net profit for the period ended</b>	<b>5,528</b>	<b>4,854</b>	13.9	<b>18,859</b>	<b>5,441</b>	n.m.
<b>Other comprehensive income:</b>						
Exchange differences on translation of financial statements of foreign subsidiaries and associates	1,065	222	n.m.	2,278	(1,250)	n.m.
Exchange differences on monetary items forming part of net investment	853	(1)	n.m.	1,376	(527)	n.m.
Net change in fair value of equity securities available for sale transferred to profit or loss	(29)	118	n.m.	114	118	(3.6)
Net change in fair value of equity securities available for sale	(165)	(46)	n.m.	383	434	(11.7)
<b>Other comprehensive income/ (loss) for the period, net of tax</b>	<b>1,724</b>	<b>293</b>	n.m.	<b>4,151</b>	<b>(1,225)</b>	n.m.
<b>Total comprehensive income for the period</b>	<b>7,252</b>	<b>5,147</b>	40.9	<b>23,010</b>	<b>4,216</b>	n.m.

**Total comprehensive income attributable to:**

Equity holders of the Company	7,254	5,158	40.6	23,019	4,236	n.m.
Non-controlling interests	(2)	(11)	(81.8)	(9)	(20)	(55.0)
	<b>7,252</b>	<b>5,147</b>	40.9	<b>23,010</b>	<b>4,216</b>	n.m.

n.m. - not meaningful

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company		Group	Company
	30.06.2013 S\$'000	31.12.2012 S\$'000	30.06.2013 S\$'000	31.12.2012 S\$'000	% Change	% Change
<b>Non-current assets</b>						
Property, plant and equipment	12,511	11,291	1,854	1,483	10.8	25.0
Subsidiaries	-	-	44,915	40,580	0.0	10.7
Associates	92,784	87,940	60,243	60,243	5.5	0.0
Amount due from associates	2,734	2,881	-	-	(5.1)	0.0
Other investments	17,408	16,448	1,275	1,275	5.8	0.0
Other financial assets	172	172	172	172	0.0	0.0
	<b>125,609</b>	<b>118,732</b>	<b>108,459</b>	<b>103,753</b>	5.8	4.5
<b>Current assets</b>						
Inventories	4,755	12,316	3,062	10,791	(61.4)	(71.6)
Trade and other receivables	41,429	48,247	38,317	49,132	(14.1)	(22.0)
Other investments	7,496	9,691	493	506	(22.6)	(2.6)
Cash and cash equivalents	60,256	27,730	45,251	16,965	n.m.	n.m.
	<b>113,936</b>	<b>97,984</b>	<b>87,123</b>	<b>77,394</b>	16.3	12.6
<b>Total assets</b>	<b>239,545</b>	<b>216,716</b>	<b>195,582</b>	<b>181,147</b>	10.5	8.0
<b>Equity</b>						
Share capital	84,489	84,158	84,489	84,158	0.4	0.4
Reserves	125,425	102,521	89,303	71,936	22.3	24.1
<b>Equity attributable to equity holders of the Company</b>	<b>209,914</b>	<b>186,679</b>	<b>173,792</b>	<b>156,094</b>	12.4	11.3
Non-controlling interests	157	166	-	-	(5.4)	0.0
<b>Total equity</b>	<b>210,071</b>	<b>186,845</b>	<b>173,792</b>	<b>156,094</b>	12.4	11.3
<b>Non-current liabilities</b>						
Loans and borrowings	3,105	2,556	191	191	21.5	0.0
Deferred tax liabilities	831	709	-	-	17.2	0.0
	<b>3,936</b>	<b>3,265</b>	<b>191</b>	<b>191</b>	20.6	0.0
<b>Current liabilities</b>						
Trade and other payables	23,854	25,108	13,005	16,518	(5.0)	(21.3)
Loans and borrowings	928	975	8,594	8,344	(4.8)	3.0
Current tax liabilities	756	523	-	-	44.6	0.0
	<b>25,538</b>	<b>26,606</b>	<b>21,599</b>	<b>24,862</b>	(4.0)	(13.1)
<b>Total liabilities</b>	<b>29,474</b>	<b>29,871</b>	<b>21,790</b>	<b>25,053</b>	(1.3)	(13.0)
<b>Total equity and liabilities</b>	<b>239,545</b>	<b>216,716</b>	<b>195,582</b>	<b>181,147</b>	10.5	8.0

### **Explanatory Notes to Balance Sheet**

Shareholders' equity of the Group grew by S\$23.3 million to S\$210.1 million as at 30 June 2013 as compared to S\$186.8 as at 31 December 2012. This was mainly attributed to current year profit of S\$18.9 million, gain in fair value of equity securities of S\$0.5 million, increase in share capital resulted from shares under share option scheme of S\$0.1 million and foreign currency translation gain of S\$3.7 million.

Total assets for the Group amounted to S\$239.5 million as at 30 June 2013, representing S\$22.8 million or 10.5% increase in the asset base of S\$216.7 million as at 31 December 2012.

#### **Non-Current Assets**

Property, plant and equipment increased by S\$1.2 million due to addition plant and machinery in line with business expansion of S\$2.4 million offset by depreciation of S\$1.3 million.

Other investments increased by S\$1.0 million mainly due to additional funds invested.

#### **Current Assets**

Inventories fell by S\$7.6 million as of 30 June 2013 as compared to 31 December 2012 due to lesser goods-in-transit.

Trade and other receivables reduced by S\$6.8 million due to repayment of loan by an associates of S\$5.4 million and improvement in collection mainly from our Singapore Integral Cement/Ready-mix concrete businesses.

Other investments were S\$2.2 million lower mainly due to sale of equity securities S\$3.0 million offset by fair value gain in financial assets held for trading by S\$0.8 million.

#### **Current Liabilities**

Trade and other payables decreased by S\$1.3 million due mainly to lesser imported raw materials.

### **1(b)(ii) Aggregate amount of group's borrowings and debt securities**

#### **Amount repayable in one year or less, or on demand**

<b>As at 30.06.2013</b>		<b>As at 31.12.2012</b>	
<b>Secured S\$'000</b>	<b>Unsecured S\$'000</b>	<b>Secured S\$'000</b>	<b>Unsecured S\$'000</b>
834	94	694	281

#### **Amount repayable after one year**

<b>As at 30.06.2013</b>		<b>As at 31.12.2012</b>	
<b>Secured S\$'000</b>	<b>Unsecured S\$'000</b>	<b>Secured S\$'000</b>	<b>Unsecured S\$'000</b>
3,105	-	2,556	-

#### **Details of any collateral**

The Group's banking facilities are secured by:

- fixed deposits amounting to S\$0.6 million,
- the hire purchase facilities of the Group are secured by the Company and its subsidiaries' plant and machinery and motor vehicles.

1(c) **A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	<b>Group</b>	
	<b>2Q13</b>	<b>2Q12</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Operating activities</b>		
Profit before income tax	5,811	4,891
Adjustments for:		
Allowance for doubtful receivables	8	-
Property, plant and equipment written off	6	7
Depreciation of property, plant and equipment	640	587
Dividend income	(62)	(1,128)
Share-based payment transactions	13	7
Gain on disposal of investment on financial assets available for sales	(38)	(135)
Allowance of impairment loss on investments	9	118
Interest expense	5	12
Interest income	(47)	(78)
Loss on disposal of investments held for trading	26	1
Gain on disposal of property, plant and equipment	(1)	-
Net change in fair value of financial assets held for trading	(357)	303
Share of profit of associates (net of tax)	(3,375)	(3,166)
<b>Operating profit before working capital changes</b>	<b>2,638</b>	<b>1,419</b>
Changes in working capital:		
Inventories	1,863	1,800
Trade and other payables	1,349	(683)
Trade and other receivables	4,123	(4,982)
<b>Cash generated from/ (used in) operating activities</b>	<b>9,973</b>	<b>(2,446)</b>
Income tax paid	(312)	(19)
<b>Net cash from/ (used in) operating activities</b>	<b>9,661</b>	<b>(2,465)</b>
<b>Investing activities</b>		
Distribution from other investments	624	831
Dividends received from other investments	62	1,128
Dividends received from associates	227	-
Interest received	47	78
Loan to associates	-	(510)
Proceeds from disposal of other investments	1	3,514
Proceeds from disposal of property, plant and equipment	4	1
Purchase of other investments	(668)	(2,379)
Purchase of property, plant and equipment	(1,082)	(94)
<b>Net cash (used in)/ from investing activities</b>	<b>(785)</b>	<b>2,569</b>
<b>Financing activities</b>		
Deposits pledged	(14)	10
Interest paid	(5)	(12)
(Repayment)/ Proceeds of short term borrowings	(94)	2
Proceeds from exercise of share options	142	-
Purchase of treasury shares	(33)	-
Repayment of finance leases	(277)	(166)
Repayment of long term borrowings	-	(94)
<b>Net cash used in financing activities</b>	<b>(281)</b>	<b>(260)</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>8,595</b>	<b>(156)</b>
Cash and cash equivalents at beginning of period	50,904	37,721
Effect of exchange fluctuations on cash held	125	7
<b>Cash and cash equivalents at end of period</b>	<b>59,624</b>	<b>37,572</b>
<b>Comprising:</b>		
Fixed deposits	2,132	8,761
Bank balances	58,124	29,432
	60,256	38,193
Deposits pledged	(632)	(621)
	<b>59,624</b>	<b>37,572</b>

- 1(c) **A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**Explanatory Notes to Cash Flow Statement**

The Group reported an increase in cash and cash equivalents of S\$8.6 million for the period ended 30 June 2013 as compared to a decrease of S\$0.2 million same period last year.

This was mainly attributable by higher net cash from operating activities of S\$12.1 million offset by higher net cash used in investing activities of S\$3.4 million.

Higher net cash used in investing activities of S\$3.4 million was mainly due to lower dividend received of S\$1.1 million, increase in purchase of plant and machinery by cash of S\$1.0 million and lower cash received from disposal of other investment amounting to S\$3.5 million offset by lesser capital call by S\$1.7 million for equity securities and lower loan to an associate of S\$0.5 million.

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share capital S\$'000	Reserve for own shares S\$'000	Share option reserve S\$'000	Foreign currency translation reserve S\$'000	Fair value reserve S\$'000	Accumulated profit/ (loss) S\$'000	Total attributable to equity holders of the parent S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
<b>Group</b>									
<b>At 1 April 2012</b>	<b>84,128</b>	<b>-</b>	<b>902</b>	<b>(6,075)</b>	<b>5,711</b>	<b>97,077</b>	<b>181,743</b>	<b>198</b>	<b>181,941</b>
<b>Total comprehensive income for the period</b>									
Net profit for the period	-	-	-	-	-	4,865	4,865	(11)	4,854
<b>Other comprehensive income</b>									
Exchange differences on translation of financial statements of foreign subsidiaries and associates	-	-	-	222	-	-	222	-	222
Exchange differences on monetary items forming part of net investment	-	-	-	(1)	-	-	(1)	-	(1)
Net change in fair value of equity securities available for sale transferred to profit or loss	-	-	-	-	118	-	118	-	118
Net change in fair value of equity securities available for sale	-	-	-	-	(46)	-	(46)	-	(46)
Total other comprehensive income	-	-	-	221	72	-	293	-	293
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>221</b>	<b>72</b>	<b>4,865</b>	<b>5,158</b>	<b>(11)</b>	<b>5,147</b>
Share-based payment transactions	-	-	7	-	-	-	7	-	7
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>7</b>
<b>At 30 June 2012</b>	<b>84,128</b>	<b>-</b>	<b>909</b>	<b>(5,854)</b>	<b>5,783</b>	<b>101,942</b>	<b>186,908</b>	<b>187</b>	<b>187,095</b>
<b>At 1 April 2013</b>	<b>84,347</b>	<b>(373)</b>	<b>964</b>	<b>(7,375)</b>	<b>7,334</b>	<b>117,641</b>	<b>202,538</b>	<b>159</b>	<b>202,697</b>
<b>Total comprehensive income for the period</b>									
Net profit for the period	-	-	-	-	-	5,530	5,530	(2)	5,528
<b>Other comprehensive income</b>									
Exchange differences on translation of financial statements of foreign subsidiaries and associates	-	-	-	1,065	-	-	1,065	-	1,065
Exchange differences on monetary items forming part of net investment	-	-	-	853	-	-	853	-	853
Net change in fair value of equity securities available for sale transferred to profit or loss	-	-	-	-	(29)	-	(29)	-	(29)
Net change in fair value of equity securities available for sale	-	-	-	-	(165)	-	(165)	-	(165)
Total other comprehensive income	-	-	-	1,918	(194)	-	1,724	-	1,724
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,918</b>	<b>(194)</b>	<b>5,530</b>	<b>7,254</b>	<b>(2)</b>	<b>7,252</b>
<b>Contributions by and distributions to owners</b>									
Purchase of treasury shares	-	(33)	-	-	-	-	(33)	-	(33)
Issue of shares under share option scheme	142	-	-	-	-	-	142	-	142
Share-based payment transactions	-	-	13	-	-	-	13	-	13
<b>Total transactions with owners</b>	<b>142</b>	<b>(33)</b>	<b>13</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>122</b>	<b>-</b>	<b>122</b>
<b>At 30 June 2013</b>	<b>84,489</b>	<b>(406)</b>	<b>977</b>	<b>(5,457)</b>	<b>7,140</b>	<b>123,171</b>	<b>209,914</b>	<b>157</b>	<b>210,071</b>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share capital S\$'000	Reserve for own shares S\$'000	Share option reserve S\$'000	Fair value reserve S\$'000	Accumulated profit/ (loss) S\$'000	Total equity S\$'000
<b>Company</b>						
<b>At 1 April 2012</b>	<b>84,128</b>	<b>-</b>	<b>902</b>	<b>5</b>	<b>79,582</b>	<b>164,617</b>
<b>Total comprehensive income for the period</b>						
Net profit for the period	-	-	-	-	1,546	1,546
<b>Other comprehensive income</b>						
Net change in fair value of equity securities available for sale	-	-	-	(5)	-	(5)
Total other comprehensive income	-	-	-	(5)	-	(5)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5)</b>	<b>1,546</b>	<b>1,541</b>
<b>Contributions by and distributions to owners</b>						
Share-based payment transactions	-	-	7	-	-	7
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>7</b>
<b>At 30 June 2012</b>	<b>84,128</b>	<b>-</b>	<b>909</b>	<b>-</b>	<b>81,128</b>	<b>166,165</b>
<b>At 1 April 2013</b>	<b>84,347</b>	<b>(373)</b>	<b>964</b>	<b>-</b>	<b>86,355</b>	<b>171,293</b>
<b>Total comprehensive income for the period</b>						
Net profit for the period	-	-	-	-	2,377	2,377
<b>Other comprehensive income</b>						
Total other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,377</b>	<b>2,377</b>
<b>Contributions by and distributions to owners</b>						
Purchase of treasury shares	-	(33)	-	-	-	(33)
Issue of shares under share option scheme	142	-	-	-	-	142
Share-based payment transactions	-	-	13	-	-	13
<b>Total transactions with owners</b>	<b>142</b>	<b>(33)</b>	<b>13</b>	<b>-</b>	<b>-</b>	<b>122</b>
<b>At 30 June 2013</b>	<b>84,489</b>	<b>(406)</b>	<b>977</b>	<b>-</b>	<b>88,732</b>	<b>173,792</b>



- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Changes in share capital since the end of the previous period reported on:

	<u>Number of Shares</u>
Issued share capital of the Company (excluding treasury shares) as at 31 March 2013	118,116,500
Exercise of share options	180,000
Purchase of treasury shares	(33,000)
Issued share capital of the Company (excluding treasury shares) as at 30 June 2013	<u>118,263,500</u>

There were 439,000 treasury shares held by the Company as at 30 June 2013 (30 June 2012 : Nil) and these will be excluded in the above number of issued ordinary shares.

As at 30 June 2013, options to subscribe to 1,712,500 ordinary shares remained unexercised (30 June 2012: 2,287,500 ordinary shares).

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	<u>As at 30 June 2013</u>	<u>As at 31 December 2012</u>
Total number of issued shares excluding treasury shares	<u>118,263,500</u>	<u>117,984,500</u>

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

There were no sales, transfer, disposal, cancellation and/ or use of treasury shares for the financial period ended 30 June 2013 and 30 June 2012.

- 2 Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard).**

These figures have not been audited or reviewed by the Company's auditors.

- 3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).**

Not applicable.

- 4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Other than the adoption of the new and revised Financial Reporting Standards (FRS) which took effect from current year, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as compared with the audited financial statements for the financial year ended 31 December 2012.

- 5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The adoption of the new and revised FRSs is assessed to have no material impact on the results of the Group and of the Company for the financial year end 31 December 2013.

**6 Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Group		Group	
	2Q13	2Q12	YTD13	YTD12
Weighted average no. of shares (excluding treasury shares)	118,212,995	118,232,500	118,094,942	118,232,500
Weighted average no. of shares on a fully diluted basis (excluding treasury shares)	118,440,562	118,356,982	118,338,976	118,313,060
<b>Earnings per ordinary shares for the period</b>				
(i) Based on weighted average number of ordinary shares in issue (excluding treasury shares)	4.68 cents	4.11 cents	15.98 cents	4.62 cents
(ii) On a fully diluted basis (excluding treasury shares)	4.67 cents	4.11 cents	15.94 cents	4.62 cents

Earnings per ordinary shares of the period based on operating profit after tax attributable to members of the company after deducting any provision for preference dividends:-

**7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year.**

	Group		Company	
	30.06.2013	31.12.2012	30.06.2013	31.12.2012
Net asset value per ordinary share	S\$1.78	S\$1.58	S\$1.47	S\$1.32

The calculation of net asset value per ordinary share of the Group and Company was based on the net assets of the Group and the Company as at 30 June 2013 and 31 December 2012 after adjusting for non-controlling interest and 118,263,500 shares (excluding treasury shares) as at 30 June 2013 (31 December 2012: 117,984,500 shares).

**8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**(a) Revenue**

Overall revenue for the Group rose by 26%, from S\$ 32.5 million in 2Q12 to S\$ 41.0 million in 2Q13. This is primarily attributable to increased sales from Singapore Integral Cement/Ready-mix Concrete business.

**(b) Profitability**

Overall Net Profit After Tax rose by 13.9%, from S\$ 4.85 million in 2Q12 to S\$ 5.53 million in 2Q13, mainly due to the positive contribution from Singapore Integral Cement/Ready-mix Concrete business and partly reduced by higher operating costs. Higher operating costs are in line with the increased level of activities of the quarter.

**9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

In line with prospect statement made in 1Q 13

**10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Based on BCA's 2013 forecast that demand for cement and ready-mixed concrete will be sustained at previous year level, our Singapore Integral Cement and Ready-mix concrete business is expected to stay healthy. The tightening of foreign labour policy and rising costs of operations including demurrage costs remains a challenge.

Economic transformation in China exposed the supply/demand imbalance in the cement and steel industry which would have bearing on the performance of our GGBS JVs. Against the headwind envisaged, performance of our JVs in China is expected to be challenging in the second half of 2013.

**11 Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on ?                      None

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year ?                      None

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**12 If no dividend has been declared/ recommended, a statement to that effect**

No dividend has been declared/ recommended for the current financial period.

**13 If the Group has obtained a General Mandate from shareholders for the IPT, the aggregate values of such transactions as required under Rule 920 (1) (a) (ii). If no IPT mandate has been obtained, a statement to that effect.**

There is no interested person transactions conducted during 2nd quarter of financial year 2013.

No IPT mandate has been obtained from shareholders.

We, TAN CHENG GAY and TAN YOK KOON being two of the Directors of EnGro Corporation Limited (the "Company"), do hereby confirm on behalf of the Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the period ended 30 June 2013 to be false or misleading in any material respect.

On behalf of the Board of Directors

TAN CHENG GAY  
Chairman and CEO

TAN YOK KOON  
Director

**BY ORDER OF THE BOARD**

Tan Cheng Gay  
Chairman and CEO  
5 August 2013