



NEWS RELEASE

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

16 November 2005

The Board of Directors of EnGro Corporation Limited (the “Company”) is pleased to announce that the Company had, on 16 November 2005, executed a second Joint Venture Agreement with Jinan Iron and Steel Group Company (“Jigang”) in relation to the establishment of a joint venture company (“JVC”) to be named “Jinan LuAng Materials Company Ltd.” in Jinan, capital city of Shandong Province in the People’s Republic of China.

The JVC has a registered share capital of RMB 70.0 million and is principally engaged in the production of environment-friendly cement for producing high performance concrete. The JVC is proposed to produce 1.2 million tons of Ground-Granulated Blastfurnace Slag (“GGBS”) and target markets for the JVC are Greater Jinan City and the surrounding cities.

The Company will be investing RMB 28.0 million, representing 40% of the registered share capital in the JVC and Jigang will invest RMB 42.0 million, representing 60% of the registered share capital in the JVC. The shortfall of the project investment will be financed from bank loans.

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 has any interest in the above transactions 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.

For media enquiries, please contact:

Ng Yoke Yee

Financial Controller

Tel: (65) 6890 8804

Email: yokeyee.ng@engro-global.com

Vincent Loh

Assistant Manager, Knowledge Management

Tel: (65) 6890 8813

Email: vincent.loh@engro-global.com