



ENGRO CORPORATION LIMITED

(Registration no: 197302229H)

DIVESTMENT OF ENTIRE INTEREST IN A WHOLLY-OWNED SUBSIDIARY

The Board of Directors of EnGro Corporation Limited (the "Company") and together with its subsidiaries (the "Group") wishes to announce that the Company has entered into a sale and purchase agreement on 23 March 2018 with an independent third party for the disposal of the entire equity interest in Shanghai S3 Building Materials Co., Ltd ("SHS3"), a wholly-owned subsidiary of the Company, for a total cash consideration of RMB11 million (the "Consideration") (the "Disposal").

The Consideration was arrived at on a willing-buyer willing-seller basis, taking into account, inter alia, the net assets value of SHS3 as at 31 December 2017.

Upon completion of the Disposal, SHS3 will cease to be a wholly-owned subsidiary of the Company.

The Disposal is not expected to have any material impact on the earnings per share and net tangible asset value per share of the Group for the financial year ending 31 December 2018.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect in the above transaction.

BY ORDER OF THE BOARD

Joanna Lim
Company Secretary

Date: 26 March 2018