



ENGRO CORPORATION LIMITED

(Registration no: 197302229H)

RESPONSE TO SGX QUERIES

Further to the announcement of EnGro Corporation Limited (“Company”) on the Full Yearly Results released on 27 February 2020, and in response to the queries by SGX in its electronic mail dated 9 March 2020, the Company wishes to respond to the queries as follow:

SGX Query 1:

On 27 February 2020, the Company announced its FY2019 financial statements. The Company reported a Net change in fair value of financial assets at fair value through profit or loss amounting to \$4.03 million. Please disclose the factors that resulted in the increase in fair value. Please provide the basis for the valuation.

Company’s response:

Net change in fair value of financial assets at fair value through profit or loss was pertaining to the fair value gain for our investments in Venture Capital, equity securities and other investments.

SGX Query 2:

The Company also reported the Share of profit of associates and joint ventures, net of tax amounting to \$9.5 million. Please disclose the factors and explain the reasons for the increase.

Company’s response:

Share of profits from associates and joint ventures increased in FY2019 largely due to better performance from our Specialty Cement and Ready-mix Concrete business in China, attributed to higher sales volume and profit margin. The results were offset by share of losses in property investment in China.

BY ORDER OF THE BOARD

Joanna Lim
Company Secretary
11 March 2020