

Unaudited Half Yearly Financial Statements Announcement

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF-YEAR AND FULL YEAR RESULTS

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR HALF YEAR ENDED 30 JUNE 2020

	The Group		Increase/ (Decrease) %
	1H 2020 \$'000	1H 2019 \$'000	
Continuing operations			
Revenue	14,769	16,002	(8)
Cost of sales	(12,743)	(12,676)	1
Gross profit	<u>2,026</u>	<u>3,326</u>	(39)
Other income	856	459	86
Selling and distribution expenses	(1,194)	(1,362)	(12)
General and administrative expenses	(1,860)	(1,831)	2
Reversal of allowance for impairment loss on trade and other receivables	-	43	(100)
Other expenses	(28)	(23)	22
Finance costs (net)	(1,758)	(1,484)	18
Loss before tax	<u>(1,958)</u>	<u>(872)</u>	(>100)
Income tax	(17)	(3)	>100
Loss for the period	<u>(1,975)</u>	<u>(875)</u>	(>100)
Loss attributable to :			
Owners of the Company	(1,587)	(678)	(>100)
Non-controlling interests	(388)	(197)	97
Loss for the period	<u>(1,975)</u>	<u>(875)</u>	(>100)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR HALF YEAR ENDED 30 JUNE 2020

	<u>The Group</u>		Increase/ (Decrease) %
	1H 2020 \$'000	1H 2019 \$'000	
Loss for the period	(1,975)	(875)	(>100)
Other comprehensive income			
Total items that are or may be reclassified subsequently to profit or loss:			
Translation differences relating to financial statements of foreign operations and a subsidiary with non-singapore dollar functional currency	(117)	71	(>100)
Other comprehensive income for the period	<u>(117)</u>	<u>71</u>	
Total comprehensive income for the period	<u>(2,092)</u>	<u>(804)</u>	(>100)
Total comprehensive income attributable to :			
Owners of the Company	(1,558)	(665)	>100
Non-controlling interests	(534)	(139)	>100
Total comprehensive income for the period	<u>(2,092)</u>	<u>(804)</u>	>100

(A) Revenue

	<u>The Group</u>		
	1H 2020 \$'000	1H 2019 \$'000	
Piling contract, construction, and rental and servicing of machinery	5,369	4,098	31
Recycling, refining and trading of e-waste / metals	7,799	10,338	(25)
Property investments and management	1,377	1,342	3
Others	224	224	-
	<u>14,769</u>	<u>16,002</u>	(8)

(B) Loss for the period**Loss for the period is arrived at after:**

Charging/(crediting):

Bad debts written off

Depreciation of property, plant and equipment

Fair value gain on investment properties

Foreign exchange loss

Gain on disposal of property, plant and equipment

Government grants

Reversal of allowance for impairment loss on trade and other receivables

	<u>The Group</u>		Increase/ (Decrease)
	1H 2020	1H 2019	%
	\$'000	\$'000	
	5	-	>100
	1,548	1,329	16
	-	(176)	(100)
	170	103	65
	(46)	(6)	>100
	517	10	>100
	-	(43)	(100)

(C) Finance costs (net)

Finance income:

- cash and cash equivalents

Finance costs:

- Finance leases

- Bank loans

- Invoice financing

- Bank overdrafts

- Related party

- Others

	<u>The Group</u>		Increase/ (Decrease)
	1H 2020	1H 2019	%
	\$'000	\$'000	
	8	6	33
	(125)	(70)	79
	(1,545)	(1,397)	11
	(17)	-	>100
	(1)	-	>100
	(74)	(23)	>100
	(4)	-	>100
	<u>(1,766)</u>	<u>(1,490)</u>	
	<u>(1,758)</u>	<u>(1,484)</u>	

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

STATEMENTS OF FINANCIAL POSITION

	<u>The Group</u>		<u>The Company</u>	
	<u>30.06.20</u>	<u>31.12.19</u>	<u>30.06.20</u>	<u>31.12.19</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Non-current assets				
Property, plant and equipment	30,222	30,961	105	126
Investment properties	131,300	131,300	-	-
Subsidiaries	-	-	47,804	47,804
Trade and other receivables	226	245	-	-
	<u>161,748</u>	<u>162,506</u>	<u>47,909</u>	<u>47,930</u>
Current assets				
Trade and other receivables	9,408	7,660	11,545	11,571
Inventories	2,743	2,389	-	-
Cash and cash equivalents	4,143	5,015	112	79
Assets held for sale	-	3,442	-	-
	<u>16,294</u>	<u>18,506</u>	<u>11,657</u>	<u>11,650</u>
Total assets	<u>178,042</u>	<u>181,012</u>	<u>59,566</u>	<u>59,580</u>
Equity attributable to owners of the Company				
Share capital	96,158	96,158	96,158	96,158
Foreign currency translation reserve	420	391	-	-
Other reserve	(6,852)	(6,852)	-	-
Accumulated losses	(42,715)	(41,128)	(61,807)	(61,272)
	<u>47,011</u>	<u>48,569</u>	<u>34,351</u>	<u>34,886</u>
Non-controlling interests	<u>(4,546)</u>	<u>(4,012)</u>	<u>-</u>	<u>-</u>
Total equity	<u>42,465</u>	<u>44,557</u>	<u>34,351</u>	<u>34,886</u>
Non-current liabilities				
Loans and borrowings	101,093	99,307	11	17
Trade and other payables	20,261	20,261	3,029	3,036
	<u>121,354</u>	<u>119,568</u>	<u>3,040</u>	<u>3,053</u>
Current liabilities				
Loans and borrowings	2,877	6,696	12	12
Trade and other payables	11,315	10,161	22,163	21,629
Current tax payable	31	30	-	-
	<u>14,223</u>	<u>16,887</u>	<u>22,175</u>	<u>21,641</u>
Total liabilities	<u>135,577</u>	<u>136,455</u>	<u>25,215</u>	<u>24,694</u>
Total equity and liabilities	<u>178,042</u>	<u>181,012</u>	<u>59,566</u>	<u>59,580</u>

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

Amount repayable in one year or less, or on demand.

As at 30.06.20	As at 31.12.19
Secured	Secured
2,877,000	6,696,000

Amount repayable after one year.

As at 30.06.20	As at 31.12.19
Secured	Secured
101,093,000	99,307,000

The Group's borrowings comprise obligations under finance leases and secured bank loans.

Details of any collateral

The finance lease liabilities are secured on plant and equipment under the leases with carrying value of \$1,372,000 (31 December 2019 : \$618,000).

The bank loans are secured by/on :

- a) First legal mortgages over leasehold properties with carrying amount of \$17,862,000 (31 December 2019 : \$18,364,000);
- b) First legal mortgages over investment properties with carrying amount of \$131,300,000 (31 December 2019 : First legal mortgages over investment properties, including 2 strata units classified as investment properties held for sale with a total carrying amount of \$134,742,000);
- c) Fixed deposits amounting to \$1,512,000 (31 December 2019 : \$1,507,000);
- d) Fixed charges on certain plant and machinery with carrying amount of \$719,000 (31 December 2018 : \$745,000);
- e) Guarantees by a subsidiary of the Company;
- f) Guarantees by the Company; and
- g) Guarantees by the Executive Chairman of the Company.

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

CONSOLIDATED STATEMENT OF CASH FLOWS FOR HALF YEAR ENDED 30 JUNE 2020

	1H 2020	1H 2019
	\$'000	\$'000
Cash flows from operating activities		
Loss for the period	(1,975)	(875)
Adjustments for:		
Depreciation of property, plant and equipment	1,548	1,329
Reversal of allowance for impairment loss on trade and other receivables	-	(43)
Finance income	(8)	(6)
Finance costs	1,766	1,490
Fair value gain on investment properties	-	(176)
Gain on disposal of property, plant and equipment	(46)	(6)
Bad debts written off	5	-
Income tax	17	3
	<u>1,307</u>	<u>1,716</u>
Changes in working capital		
Inventories	(282)	(69)
Trade and other receivables	(1,770)	(30)
Trade and other payables	676	(2,142)
Cash used in operating activities	<u>(69)</u>	<u>(525)</u>
Income taxes paid	<u>(17)</u>	<u>(26)</u>
Net cash used in operating activities	<u>(86)</u>	<u>(551)</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment	(342)	(11,010)
Proceeds from disposal of property, plant and equipment	284	96
Proceeds from disposal of investment properties held for sale	3,442	2,961
Interest received	8	6
Net cash from/(used in) investing activities	<u>3,392</u>	<u>(7,947)</u>

Cash flows from financing activities

Withdrawal of fixed deposit	-	(59)
Repayment of lease liabilities	(367)	(67)
Repayment of long-term loans and borrowings	(2,892)	(3,788)
Proceed from short-term loans and borrowings	366	-
Proceed from long-term loans and borrowings	-	8,991
Proceeds from finance leases liabilities	-	112
Loans from a related party	-	3,000
Loans from non-controlling interests	-	647
Interest paid	(1,563)	(1,291)
Net cash (used in)/from financing activities	(4,456)	7,545

Net decrease in cash and cash equivalents

Effect of exchange rate fluctuation on cash held	99	(6)
Cash and cash equivalents at the beginning of the financial period	3,508	4,042
Cash and cash equivalents at the end of the financial period	2,457	3,083

Cash at bank and on hand	2,631	3,083
Fixed deposits	1,512	1,393
	4,143	4,476
Less: Bank overdrafts	(174)	-
Less: Deposits pledged	(1,512)	(1,393)
Cash and cash equivalents at the end of the financial period	2,457	3,083

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.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2020

	<u>Share capital</u> \$'000	<u>Foreign currency translation reserve</u> \$'000	<u>Other reserve</u> \$'000	<u>Accumulated losses</u> \$'000	<u>Total attributable to owners of the Company</u> \$'000	<u>Non- controlling interests</u> \$'000	<u>Total equity</u> \$'000
As at 1 January 2020	96,158	391	(6,852)	(41,128)	48,569	(4,012)	44,557
Changes in equity for the period							
Loss for the period	-	-	-	(1,587)	(1,587)	(388)	(1,975)
Other comprehensive income							
- Translation differences relating to financial statements of foreign operations and a subsidiary with functional currency in foreign currency	-	29	-	-	29	(146)	(117)
Total other comprehensive	-	29	-	-	29	(146)	(117)
Total comprehensive income	-	29	-	(1,587)	(1,558)	(534)	(2,092)
As at 30 June 2020	96,158	420	(6,852)	(42,715)	47,011	(4,546)	42,465
As at 1 January 2019	96,158	354	(6,852)	(41,426)	48,234	(4,675)	43,559
Changes in equity for the period							
Loss for the period	-	-	-	(678)	(678)	(197)	(875)
Other comprehensive income							
- Translation differences relating to financial statements of foreign operations and a subsidiary with functional currency in foreign currency	-	13	-	-	13	58	71
Total other comprehensive income	-	13	-	-	13	58	71
Total comprehensive income	-	13	-	(678)	(665)	(139)	(804)
As at 30 June 2019	96,158	367	(6,852)	(42,104)	47,569	(4,814)	42,755

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2020

	Share capital \$'000	Accumulated losses \$'000	Total \$'000
As at 1 January 2020	96,158	(61,272)	34,886
Changes in equity for the period			
Loss for the period	-	(535)	(535)
Total comprehensive income	-	(535)	(535)
As at 30 June 2020	96,158	(61,807)	34,351
As at 1 January 2019	96,158	(59,996)	36,162
Changes in equity for the period			
Loss for the period	-	(678)	(678)
Total comprehensive income	-	(678)	(678)
As at 30 June 2019	96,158	(60,674)	35,484

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.

For the period ended 30 June 2020, the total number of ordinary shares in issue was 1,033,746,142 shares (31 December 2019: 1,033,746,142).

The Company did not have any outstanding convertibles and treasury shares 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.

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.

Total number of issued shares excluding treasury shares: 1,033,746,142 (31 December 2019: 1,033,746,142)

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.

Not applicable.

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The 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 a 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.

The accounting policies and methods of computation adopted in the financial statements for the current reporting period are consistent with those disclosed in the most recently audited consolidated financial statements for the financial year ended 31 December 2019.

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.

Not applicable.

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

	<u>The Group</u>	
	1H 2020	1H 2019
Earning per share		
Basic and diluted earning per share (cents)	(0.154) cts	(0.066) cts
	1H 2020	1H 2019
	\$'000	\$'000
Loss attributable to owners of the Company		
Continuing operations	(1,587)	(678)
Basic and diluted earnings per share is computed based on weighted average number of shares of the company in issue.		
Weighted average number of shares ('000)	1,033,746	1,033,746

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 financial period reported on and (b) immediately preceding financial year.

	<u>The Group</u>		<u>The Company</u>	
	30.06.20	31.12.19	30.06.20	31.12.19
Net asset value per ordinary share for the Group and the Company (cents)	4.55 cts	4.70 cts	3.32 cts	3.37 cts

Net asset value per ordinary share for the Group and the Company are computed based on the net asset value of the Group and the Company after deduction of non-controlling interests divided by the number of ordinary shares of the Company in issue as at 30 June 2020 of 1,033,746,142 shares (31 December 2019: 1,033,746,142 shares).

- 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:- (a) 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; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

STATEMENTS OF FINANCIAL POSITION

Comparing 30 June 2020 to 31 December 2019 figures:

- (i) The increase in trade and other receivables was due mainly to higher receivables in the Group's piling business.
- (ii) The decrease in assets held for sale was due to completion of disposal of two strata industrial units held at 63 Hillview Avenue during 1H 2020.
- (iii) The decrease in loans and borrowings was attributed mainly to repayments and redemption of loans, partially negated by invoice financing, bank overdraft and finance lease obtained during 1H 2020.
- (vi) The increase in trade and other payables was due mainly to increase in trade creditors in 1H 2020.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Comparing 1H 2020 figures to 1H 2019 figures:

- (i) Revenue in 1H 2020 decreased by \$1.2 million or 8% from \$16.0 million to \$14.8 million was due mainly to lower sales from recycling businesses amid COVID-19 pandemic, partially negated by higher piling revenue recognised in 1Q 2020 from the Group's piling business.
- (ii) The Group's gross profit decreased by \$1.3 million or 39% from \$3.3 million to \$2.0 million in 1H 2020 was due mainly to dropped in gross profit from recycling business amid COVID-19 pandemic, partially negated by higher gross profit recognised from the Group's piling business in 1Q 2020 and property business during the period.
- (iii) Other income, selling and distribution expenses, general and admin expenses, other expenses and finance costs for 1H 2020 were generally comparable to 1H 2019.

CONSOLIDATED STATEMENT OF CASH FLOWS

Comparing 1H 2020 figures to 1H 2019 figures:

- (i) The net cash outflows from operating activities in 1H 2020 and 1H 2019 due mainly to changes in working capital.
- (ii) The net cash inflows in 1H 2020 and net cash outflows in 1H 2019 was due mainly to lower acquisition of property, plant and equipment negated by higher proceeds from investment properties held for sale in 1H 2020.
- (iii) The net cash outflows from financing activities in 1H 2020 was due to repayment of loans and borrowings and interest payment, while net cash inflows in 1H 2019 was due mainly to proceeds from loans and borrowings negated by repayment of loans and borrowings and interest payment during the period.

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

No forecast or prospect statements were previously made.

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.

COVID-19 pandemic and tensions between USA and China are expected to continue to adversely impact global economy for at least the rest of 2020. The Group will continue to streamline the operating costs in its core businesses and stay resilient in current challenging environment.

11 If a decision regarding dividend has been made:-

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

None.

(b) Final ordinary dividend

None.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

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

No dividend has been declared or recommended. The Company is preserving its cash to pursue strategic business planning and activities.

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

Name of interested person	Nature of relationship	Aggregate value of all Interested Person Transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under Shareholders' Mandate pursuant to Rule 920)	Aggregate value of all Interested Person Transactions during the financial year under review conducted under Shareholders' Mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
EH Property & Investments Pte Ltd	Director has shareholding interest in BS Capital Pte. Ltd.	Shareholder's loan - \$Nil (note 1)	-

Notes:

- (1) The Company has an existing obligation to fund the joint venture entered into between the Company and BS Capital Pte. Ltd. in relation to EH Property & Investments Pte. Ltd. ("EH Property") by way of shareholder's loan ("EH Property Shareholder's Loan"). Details of the joint venture and the EH Property Shareholder's Loan were set out in the Company's circular to shareholders dated 29 August 2013 and the Company's announcements on the SGXNET dated 25 June 2013, 8 July 2013 and 24 February 2014. As at financial period ended 30 June 2020, the Company has disbursed an aggregate amount of S\$15,311,041 to EH Property pursuant to the EH Property Shareholder's Loan.

- 14 **Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).**

The Company confirms that the undertakings under Rule 720(1) of the Listing Manual have been obtained from all its directors and executive officers in the format set out in Appendix 7.7.

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

- 15** **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Not applicable.

- 16** **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Not applicable.

- 17** **A breakdown of sales.**

Not applicable.

- 18** **A breakdown of the total annual dividend (in thousand dollar value) for the issuer's latest full year and its previous full year.**

Not applicable.

- 19** **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Not applicable.

BY ORDER OF THE BOARD

JOANNA LIM
Company Secretary
7 August 2020



Confirmation by the Board Pursuant to Rule 705(5)

We, Raymond Ng and Tan Kok Hiang, being two directors of Enviro-Hub Holdings Ltd (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 these interim unaudited financial statements of the Company and of the Group to be false or misleading in any material aspect.

On behalf of the board of directors

Raymond Ng
Chairman

7 August 2020
Singapore

Tan Kok Hiang
Director