

**Enviro-Hub Holdings Ltd.
and its subsidiaries**

Condensed Interim Financial Statements
For The Six Months Ended 30 June 2022

CONTENTS

A.	Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income.....	3
B.	Condensed Interim Statements of Financial Position	4
C.	Condensed Interim Statements of Changes in Equity	5
D.	Condensed Interim Consolidated Statement of Cash Flows	8
E.	Notes to Condensed Interim Consolidated Financial Statements.....	10
F.	Other Informations Required by Listing Rule Appendix 7.2	26

Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Note	Group		Variance	
		1H 2022 \$'000	1H 2021 \$'000	\$'000	%
Continuing operations					
Revenue	4	22,845	17,709	5,136	29
Cost of sales		(17,328)	(14,680)	(2,648)	18
Gross profit		5,517	3,029	2,488	82
Other income	5	859	3,461	(2,602)	(75)
Selling and distribution expenses		(1,418)	(1,375)	(43)	3
General and administrative expenses		(2,420)	(2,032)	(388)	19
Other operating expenses	6	(2)	(88)	86	(98)
Results from operating activities		2,536	2,995	(459)	(15)
Finance income	7	9	8	1	13
Finance costs	7	(809)	(1,435)	626	(44)
Net finance costs		(800)	(1,427)	627	(44)
Share of (loss)/profit of associate	13	(73)	170	(243)	(>100)
Profit before taxation	8	1,663	1,738	(75)	(4)
Income tax expense		(13)	(3)	(10)	>100
Profit for the period		1,650	1,735	(85)	(5)
Other comprehensive income					
Items that are or may be reclassified to profit or loss:					
Translation differences relating to financial statements of foreign operations and a subsidiary with functional currency in foreign currency		44	64	(20)	(31)
Other comprehensive income for the period		44	64	(20)	(31)
Total comprehensive income for the period		1,694	1,799	(105)	(6)
Profit attributable to:					
Owners of the Company		739	516	223	43
Non-controlling interests		911	1,219	(308)	(25)
Profit for the financial period		1,650	1,735	(85)	(5)
Total comprehensive income attributable to:					
Owners of the Company		783	672	111	17
Non-controlling interests		911	1,127	(216)	(19)
Total comprehensive income for the period		1,694	1,799	(105)	(6)
Earnings per share:					
Basic and diluted (cents)		0.048	0.042		

Condensed Interim Statements of Financial Position

	Note	Group		Company	
		30.06.22 \$'000	31.12.21 \$'000	30.06.22 \$'000	31.12.21 \$'000
Non-current assets					
Property, plant and equipment	11	35,579	35,825	104	116
Investment properties	12	56,147	59,702	–	–
Subsidiaries		–	–	68,566	68,832
Investment in associate	13	156	–	–	–
Intangible assets		26,855	26,855	–	–
Trade and other receivables		1	2	–	–
		<u>118,738</u>	<u>122,384</u>	<u>68,670</u>	<u>68,948</u>
Current assets					
Assets held for sale	14	4,399	6,695	–	–
Inventories		9,870	6,894	–	–
Trade and other receivables		7,495	6,127	10,689	8,341
Cash and cash equivalents		28,510	15,273	334	2,602
		<u>50,274</u>	<u>34,989</u>	<u>11,023</u>	<u>10,943</u>
Total assets		<u>169,012</u>	<u>157,373</u>	<u>79,693</u>	<u>79,891</u>
Equity attributable to owners of the Company					
Share capital	16	126,820	126,820	126,820	126,820
Foreign currency translation reserve		151	107	–	–
Other reserve		(6,852)	(6,852)	–	–
Accumulated losses		(38,689)	(39,428)	(70,510)	(70,607)
		<u>81,430</u>	<u>80,647</u>	<u>56,310</u>	<u>56,213</u>
Non-controlling interests		(97)	(810)	–	–
Total equity		<u>81,333</u>	<u>79,837</u>	<u>56,310</u>	<u>56,213</u>
Non-current liabilities					
Loans and borrowings	15	56,342	20,636	27	32
Trade and other payables		4,154	4,350	1,300	1,807
Deferred tax liabilities		406	416	–	–
		<u>60,902</u>	<u>25,402</u>	<u>1,327</u>	<u>1,839</u>
Current liabilities					
Loans and borrowings	15	8,437	32,639	10	10
Trade and other payables		18,318	19,477	22,046	21,829
Current tax payable		22	18	–	–
		<u>26,777</u>	<u>52,134</u>	<u>22,056</u>	<u>21,839</u>
Total liabilities		<u>87,679</u>	<u>77,536</u>	<u>23,383</u>	<u>23,678</u>
Total equity and liabilities		<u>169,012</u>	<u>157,373</u>	<u>79,693</u>	<u>79,891</u>

Condensed Interim Statements of Changes in Equity

The Group	Share capital \$'000	Foreign currency translation reserve \$'000	Other reserve \$'000	Accumulated losses \$'000	Total attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
At 1 January 2022	126,820	107	(6,852)	(39,428)	80,647	(810)	79,837
Total comprehensive income for the year							
Profit for the period	–	–	–	739	739	911	1,650
Other comprehensive income							
Translation differences relating to financial statements of a subsidiary with functional currency in foreign currency	–	44	–	–	44	–	44
Total other comprehensive income	–	44	–	–	44	–	44
Total comprehensive income for the period	–	44	–	739	783	911	1,694
Transactions with owners, recognised directly in equity							
Distributions to owners							
Dividends paid	–	–	–	–	–	(198)	(198)
Total distributions to owners	–	–	–	–	–	(198)	(198)
At 30 June 2022	126,820	151	(6,852)	(38,689)	81,430	(97)	81,333

Condensed Interim Statements of Changes in Equity (Cont'd)

The Group	Share capital \$'000	Foreign currency translation reserve \$'000	Other reserve \$'000	Accumulated losses \$'000	Total attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
At 1 January 2021	104,619	232	(6,852)	(42,118)	55,881	(3,887)	51,994
Total comprehensive income for the year							
Profit for the period	–	–	–	516	516	1,219	1,735
Other comprehensive income							
Translation differences relating to financial statements of a subsidiary with functional currency in foreign currency	–	156	–	–	156	(92)	64
Total other comprehensive income	–	156	–	–	156	(92)	64
Total comprehensive income for the period	–	156	–	516	672	1,127	1,799
At 30 June 2021	104,619	388	(6,852)	(41,602)	56,553	(2,760)	53,793

Condensed Interim Statements of Changes in Equity (Cont'd)

The Company	Share capital \$'000	Accumulated losses \$'000	Total equity \$'000
At 1 January 2022	126,820	(70,607)	56,213
Profit for the period	–	97	97
Total comprehensive income for the period	–	97	97
At 30 June 2022	126,820	(70,510)	56,310

The Company	Share capital \$'000	Accumulated losses \$'000	Total equity \$'000
At 1 January 2021	104,619	(68,987)	35,632
Loss for the period	–	(640)	(640)
Total comprehensive income for the period	–	(640)	(640)
At 30 June 2021	104,619	(69,627)	34,992

Condensed Interim Consolidated Statement of Cash Flows

	Note	Group	
		1H 2022 \$'000	1H 2021 \$'000
Cash flows from operating activities			
Profit for the year		1,650	1,735
Adjustments for:			
Reversal of allowance for write-down of inventories		–	(104)
Depreciation of property, plant and equipment		1,906	1,521
Fair value loss/(gain) on precious metal		300	(4)
Finance costs	7	809	1,435
Finance income	7	(9)	(8)
Gain on disposal of investment properties		(844)	(2,929)
Gain on disposal of property, plant and equipment		(1)	(24)
Income tax expense		13	3
Loss on disposal of a subsidiary		–	86
Reversal of provision for onerous contract		(5)	–
Property, plant and equipment written off		6	–
Share of loss/(profit) of associate	13	73	(170)
		<u>3,898</u>	<u>1,541</u>
Changes in working capital:			
Inventories		(3,309)	(505)
Trade and other receivables		(756)	(8,698)
Trade and other payables		(1,674)	2,546
Cash used in operating activities		<u>(1,841)</u>	<u>(5,116)</u>
Income taxes paid		(9)	(3)
Net cash used in operating activities		<u>(1,850)</u>	<u>(5,119)</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		(1,350)	(644)
Interest received		9	8
Investment in associate		(231)	(613)
Loan to associate		(632)	(6,563)
Proceeds from disposal of property, plant and equipment		1	28
Proceeds from disposal of assets held for sale		6,695	62,533
Net cash from investing activities		<u>4,492</u>	<u>54,749</u>

Condensed Interim Consolidated Statement of Cash Flows (cont'd)

	1H 2022	1H 2021
	\$'000	\$'000
Cash flows from financing activities		
Deposits pledged	(150)	(39)
Interest paid	(749)	(1,298)
Loans from a director	994	–
Repayment of loan from a non-controlling interest	(696)	(715)
Repayment of lease liabilities	(452)	(382)
Proceeds from short-term loans and borrowings	263	28
Proceeds from/(Repayment of) long-term loans and borrowings	11,235	(51,379)
Net cash from/(used in) financing activities	<u>10,445</u>	<u>(53,785)</u>
Net increase/(decrease) in cash and cash equivalents	13,087	(4,155)
Cash and cash equivalents at 1 January	13,734	15,771
Effect of exchange rate fluctuations on cash held	(2)	9
Cash and cash equivalents at 30 June	<u>26,819</u>	<u>11,625</u>

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise the following at the end of the reporting period:

	1H 2022	1H 2021
	\$'000	\$'000
Cash and bank balances	28,510	13,143
Less: Deposits pledged	(1,691)	(1,518)
	<u>26,819</u>	<u>11,625</u>

Notes to Condensed Interim Consolidated Financial Statements

1 Corporate Information

Enviro-Hub Holdings Ltd. (the Company) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange.

These condensed interim consolidated financial statements as at and for the six months ended 30 June 2022 comprise the Company and its subsidiaries (together referred to as the Group and individually as Group entities) and the Group's interest in equity accounted investee.

The principal activity of the Company is that of an investment holding company. The principal activities of the Group consist of investing in and management of commercial and industrial properties, trading of ferrous and non-ferrous metals, trading of electronic waste (e-waste), e-waste recycling and Platinum Group Metals (PGM) refining, piling and construction works, sale, rental and servicing of engineering hardware, construction machinery and equipment, investment holding and manufacturing and trading of rubber gloves.

2 Basis of Preparation

2.1. The condensed interim financial statements for the six months ended 30 June 2022 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.2.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency. All financial information presented in Singapore dollars have been rounded to the nearest thousand, unless otherwise stated.

2.2. New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.3. Use of estimates and judgements

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2021.

2.3. Use of estimates and judgements (cont'd)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Note 11 – estimation of recoverable amounts of property, plant and equipment
- Note 17 – determination of fair value of investment property using significant unobservable inputs

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

The Group has five reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Group's Executive Chairman reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

- (a) Property investments and management
Investment in properties for rental income and capital appreciation.
- (b) Trading, recycling and refining of e-waste/metals
Trading, recycling and refining of electronic waste (e-waste) and metals, comprising the recycling, extraction and refining of PGM and copper.
- (c) Piling contracts, construction, rental and servicing of machinery
Relates to provision of piling, building and construction related engineering and technical services as well as rental and servicing of machinery.
- (d) Manufacturing and trading of healthcare product
Comprising sales, distribution and marketing of healthcare products and other related activities.
- (e) Others
Includes plastics to fuel refining which involve in conversion of waste plastic to usable liquid hydrocarbon fuel oil.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax and finance costs, as included in the internal management reports that are reviewed by the Group's Executive Chairman. Segment profit before tax and finance costs is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

4.1. Reportable segments

	Trading, recycling and refining of e-waste/ metals \$'000	Property investments and management \$'000	Piling contracts, construction, rental and servicing of machinery \$'000	Manufacturing and trading of healthcare products \$'000	Others \$'000	Total \$'000
1 January 2022 to 30 June 2022						
External revenue	16,371	862	2,331	3,281	–	22,845
Depreciation of property, plant and equipment	(1,016)	–	(462)	(410)	–	(1,888)
Reportable segment profit/(loss) before tax and finance costs	3,517	1,302	(560)	(216)	(14)	4,029
Other material non-cash items:						
- Fair value loss on precious metal, net	(300)	–	–	–	–	(300)
- Finance income	4	3	*	*	–	7
- Finance costs	(361)	(374)	(14)	(15)	–	(764)
- Gain on disposal of investment properties	–	844	–	–	–	844
- Gain on disposal of property, plant and equipment	–	–	1	–	–	1
- Reversal of provision for onerous contract	–	–	5	–	–	5
Reportable segment assets	32,161	60,622	5,223	15,327	1	113,334
Capital expenditure	983	–	–	779	–	1,762
Reportable segment liabilities	25,683	49,011	2,143	6,282	2,561	85,680

*Denotes amount <\$1,000

4.1. Reportable segments (cont'd)

	Trading, recycling and refining of e-waste/ metals \$'000	Property investments and management \$'000	Piling contracts, construction, rental and servicing of machinery \$'000	Others \$'000	Total \$'000
1 January 2021 to 30 June 2021					
External revenue	14,284	1,489	1,936	–	17,709
Depreciation of property, plant and equipment	(974)	–	(529)	–	(1,503)
Reportable segment profit/(loss) before tax and finance costs	1,740	3,290	(522)	(3)	4,505
Other material non-cash items:					
- Fair value gain on precious metal, net	4	–	–	–	4
- Finance income	5	2	1	–	8
- Finance costs	(397)	(980)	(14)	–	(1,391)
- Gain on disposal of investment properties	–	2,929	–	–	2,929
- Gain on disposal of property, plant and equipment	10	8	–	6	24
- Reversal of allowance for write-down of inventories	104	–	–	–	104
Reportable segment assets	31,883	71,667	5,769	(12)	109,307
Capital expenditure	692	–	17	–	709
Reportable segment liabilities	29,763	39,521	1,982	2,561	73,827

Reconciliation of reportable segment revenues, profit or loss, assets and liabilities and other material items

	1H 2022	1H 2021
	\$'000	\$'000
Revenue		
Total revenue for reportable segments	22,845	17,709
Profit or loss		
Total profit for reportable segments before tax and finance costs	4,029	4,505
Unallocated amounts:		
- Other corporate expenses	(2,366)	(2,767)
Consolidated profit before tax from continuing operations	1,663	1,738
Assets		
Total assets for reportable segments	113,334	109,307
Other unallocated amounts*	55,678	20,672
Consolidated total assets	169,012	129,979
Liabilities		
Total liabilities for reportable segments	85,680	73,827
Other unallocated amounts*	1,999	2,359
Consolidated total liabilities	87,679	76,186

**Unallocated assets are mainly related to cash and cash equivalents and a portion of the plant and equipment, other receivables which are utilised by more than one segment of the Group.*

Other material items

	Reportable segment total \$'000	Adjustments \$'000	Consolidated totals \$'000
30 June 2022			
Capital expenditure	1,762	8 ^a	1,770
Depreciation of property, plant and equipment	(1,888)	(18) ^a	(1,906)
Fair value loss on precious metal	(300)	–	(300)
Finance income	7	2 ^a	9
Finance costs	(764)	(45) ^a	(809)
Gain on disposal of investment properties	844	–	844
Gain on disposal of property, plant and equipment	1	–	1
	<hr/>	<hr/>	<hr/>
30 June 2021	\$'000	\$'000	\$'000
Capital expenditure	709	52 ^a	761
Depreciation of property, plant and equipment	(1,503)	(18) ^a	(1,521)
Fair value gain on precious metal	4	–	4
Finance income	8	–	8
Finance costs	(1,391)	(44) ^a	(1,435)
Gain on disposal of investment properties	2,929	–	2,929
Gain on disposal of property, plant and equipment	24	–	24
Reversal of allowance for write-down of inventories	104	–	104
	<hr/>	<hr/>	<hr/>

^a Other unallocated amounts.

4.2. Disaggregation of revenue

	Trading, recycling and refining of e-waste/ metals \$'000	Property investments and management \$'000	Piling contracts, construction, rental and servicing of machinery \$'000	Manufacturing and trading of healthcare products \$'000	Total \$'000
1 January 2022 to 30 June 2022					
Major products/service line					
Sales of goods	15,757	–	–	3,281	19,038
Revenue from refinery service income	390	–	–	–	390
Revenue from piling contracts	–	–	2,285	–	2,285
Rental income from investment properties	–	862	–	–	862
Revenue from rental of machinery and equipment	–	–	46	–	46
Rental income	224	–	–	–	224
Total revenue	16,371	862	2,331	3,281	22,845
Timing of revenue recognition (excluding rental income)					
Products transferred at a point in time	16,371	–	–	3,281	19,652
Products and services transferred over time	–	–	2,331	–	2,331
Total revenue	16,371	–	2,331	3,281	21,983
Primary geographical markets					
Singapore	5,472	862	2,331	–	8,665
Hong Kong and China	7,076	–	–	–	7,076
Malaysia	3,722	–	–	3,281	7,003
Other countries	101	–	–	–	101
Total revenue	16,371	862	2,331	3,281	22,845

4.2. Disaggregation of revenue (cont'd)

	Trading, recycling and refining of e-waste/ metals \$'000	Property investments and management \$'000	Piling contracts, construction, rental and servicing of machinery \$'000	Total \$'000
1 January 2021 to 30 June 2021				
Major products/service line				
Sales of goods	13,758	–	–	13,758
Revenue from refinery service income	302	–	–	302
Revenue from piling contracts	–	–	1,930	1,930
Rental income from investment properties	–	1,489	–	1,489
Revenue from rental of machinery and equipment	–	–	6	6
Rental income	224	–	–	224
Total revenue	14,284	1,489	1,936	17,709
Timing of revenue recognition (excluding rental income)				
Products transferred at a point in time	14,284	–	–	14,284
Products and services transferred over time	–	–	1,936	1,936
Total revenue	14,284	–	1,936	16,220
Primary geographical markets				
Singapore	1,594	1,489	1,936	5,019
Hong Kong and China	8,252	–	–	8,252
Malaysia	3,763	–	–	3,763
Other countries	675	–	–	675
Total revenue	14,284	1,489	1,936	17,709

5. Other income

	1H 2022 \$'000	1H 2021 \$'000
Foreign exchange (loss)/gain	(141)	73
Gain on disposal of investment properties	844	2,929
Gain on disposal of property, plant and equipment	1	24
Government grants	197	191
Rental income on subleased properties	99	132
Fair value (loss)/gain on precious metal	(300)	4
Loan waiver from a director	135	–
Others	24	108
	<u>859</u>	<u>3,461</u>

6. Other operating expenses

	1H 2022 \$'000	1H 2021 \$'000
Loss on disposal of a subsidiary	–	86
Pre-operating expenses of plastic to fuel project	2	2
Property, plant and equipment written off	6	–
Employee benefits under profit sharing plan	(6)	–
	<u>2</u>	<u>88</u>

7. Finance income and finance costs

	1H 2022 \$'000	1H 2021 \$'000
Finance income:		
- Cash and cash equivalents	<u>9</u>	<u>8</u>
Finance costs:		
- Bank overdrafts	–	(2)
- Bank loans	(627)	(1,263)
- Lease liabilities	(123)	(105)
- Trust receipts	(15)	(20)
- Loan from a shareholder	(44)	(45)
	<u>(809)</u>	<u>(1,435)</u>
Net finance costs recognised in profit or loss	<u>(800)</u>	<u>(1,427)</u>

8. Profit before taxation

8.1. Significant items

	----- Group -----	
	1H 2022	1H 2021
	\$'000	\$'000
Depreciation of property, plant and equipment	1,906	1,521
Employee benefit under profit sharing plan	(6)	–
Fair value loss/(gain) on precious metal	300	(4)
Foreign exchange loss/(gain)	141	(73)
Gain on disposal of investment properties	(844)	(2,929)
Gain on disposal of property, plant and equipment	(1)	(24)
Government grant	(197)	(191)
Reversal of allowance for write-down of inventories	–	(104)
Loss on disposal of subsidiary	–	86
Reversal of provision for onerous contract	(5)	–
Share of loss/(profit) of associates	73	(170)

8.2. Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements, the transactions carried out in the normal course of business on terms agreed with related parties are as follows:

	----- Company -----	
	1H 2022	1H 2021
	\$'000	\$'000
Management fee from subsidiaries	946	974
Interest income from subsidiaries	52	53
Interest expense paid to subsidiaries	(196)	(205)

9. Income tax expense

The Group calculates the income tax expense using the statutory tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the interim consolidated statement of profit or loss are:

	----- Group -----	
	1H 2022	1H 2021
	\$'000	\$'000
Current tax expense		
Current period	13	5
Over provided in prior years	–	(2)
	<u>13</u>	<u>3</u>

10. Net asset value

	----- Group -----		----- Company -----	
	30.06.22	31.12.21	30.06.22	31.12.21
	\$'000	\$'000	\$'000	\$'000
Net asset value per ordinary share for the Group and the Company (cents)	5.31	5.29	3.67	2.87

11. Property, plant and equipment

During the six months ended 30 June 2022, the Group's additional assets amounting to \$1,770,000 (30 June 2021: \$761,000) and disposed of assets amounting to \$6,000 (30 June 2021: \$97,000).

12. Investment properties

	Note	Group	
		30.06.22	31.12.21
		\$'000	\$'000
At 1 January		59,702	116,503
Change in fair value:			
– fair value gain	5	–	2,225
– gain on disposal of investment properties		844	2,929
Reclassified to assets held for sale		(4,399)	(6,695)
Disposals of strata units		–	(55,260)
At 31 December		<u>56,147</u>	<u>59,702</u>

Investment properties comprise a number of industrial properties that are leased to third parties. Generally, each of the leases contains an initial non-cancellable period of 1 to 5 years. Subsequent renewals are negotiated with the lessee and on average, the renewal period is 1 to 6 years. No contingent rents are charged.

13. Investment in associate

	Note	Group	
		30.06.22 \$'000	31.12.21 \$'000
Investment in associates		156	–

On 8 December 2021, the Group through its wholly owned subsidiary, Pastel Glove Sdn. Bhd. ("PGSB") incorporated a company, Pastel Care Sdn. Bhd. ("PCSB") with an initial paid-up capital of RM10 (equivalent to \$3). PGSB has invested 40% of the issued and paid-up capital of PCSB for a total of consideration of RM4 (equivalent to \$1). In March 2022, PCSB increased its paid-up and share capital to RM1.8million by the allotment of new ordinary shares for its expansion purpose. PGSB has subscribed 40% of the new allotment, which is 719,996 shares for a total consideration of RM719,996. Subsequent to the allotment, PGSB's 40% equity interest in PCSB remained unchanged.

Details of the Group's significant associate at the end of the reporting period are as follows:

Name of associate	Place of incorporation and operation	Proportion of ownership interest		Principal activity
		30.06.22	31.12.21	
Pastel Care Sdn. Bhd.	Malaysia	40%	40%	Retail sale of pharmaceuticals, medical and orthopedic goods

The following summarize the financial information of PCSB.

	\$'000
Revenue	168
Loss from continuing operations	(185)
Group's interest in net assets of investee at beginning of the year	*
Addition during the year	231
Group's share of loss from operations	(73)
Translation difference	(2)
Carrying amount of interest in investee at end of the year	156

14. Asset held for sale

Management committed to a plan to sell three strata units of an investment property held by subsidiaries of the Group. Accordingly, the three strata units were classified as assets held for sale and disclosed separately in the consolidated statement of financial position as at 30 June 2022. The sale is expected to be completed within the next 12 months. Immediately before classification of as held for sale, the strata units were remeasured and a gain of \$844,000 was recognised in profit or loss. Thereafter, the strata units are measured at fair value less cost to sell of \$4,399,000 as at 30 June 2022. The fair value measurement of the strata unit is disclosed in Note 17.

15. Borrowings

	----- Group -----		----- Company -----	
	30.06.22 \$'000	31.12.21 \$'000	30.06.22 \$'000	31.12.21 \$'000
Non-current liabilities				
Secured bank loans	50,415	14,611	–	–
Lease liabilities	5,927	6,025	27	32
	<u>56,342</u>	<u>20,636</u>	<u>27</u>	<u>32</u>
Current liabilities				
Secured bank loans	6,288	30,839	–	–
Secured invoice financing	1,273	974	–	–
Lease liabilities	876	826	10	10
	<u>8,437</u>	<u>32,639</u>	<u>10</u>	<u>10</u>
Total loans and borrowings	<u>64,779</u>	<u>53,275</u>	<u>37</u>	<u>42</u>
	----- Group -----		----- Company -----	
	30.06.22 \$'000	31.12.21 \$'000	30.06.22 \$'000	31.12.21 \$'000
Secured				
Amount repayable within one year	8,437	32,639	10	10
Amount repayable after one year	56,342	20,636	27	32

The loans and borrowings' securities are as follows:

- (a) First legal mortgages over leasehold properties with carrying amount of \$15,854,000 (31 December 2021 : \$16,351,000);
- (b) First legal mortgages over investment properties, including 3 strata units classified as investment properties held for sale with a total carrying amount of \$60,546,000 (31 December 2021 : First legal mortgages over investment properties, including 3 strata units classified as investment properties held for sale with a total carrying amount of \$66,397,000);
- (c) Fixed deposits amounting to \$1,691,000 (31 December 2021 : \$1,539,000);
- (d) Fixed charges on certain plant and machinery with carrying amount of \$476,000 (31 December 2021 : \$520,000);
- (e) Guarantees by a subsidiary of the Company;
- (f) Guarantees by the Executive Chairman of the Company;
- (g) Guarantees by the Company; and
- (h) Property, plant and equipment with carrying amount of \$816,000 (2021: \$825,000).

16. Share capital

	-----The Group and the Company-----			
	30.06.22		31.12.21	
	Number of shares '000	Amount \$'000	Number of shares '000	Amount \$'000
The Group and Company				
Fully paid ordinary shares, with no par value:				
At the beginning and end of the period	1,532,995	126,820	1,532,995	126,820

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

The Company did not hold any outstanding convertibles and treasury shares as at 30 June 2022 and 31 December 2021. The Company's subsidiaries do not hold any shares in the Company as at 30 June 2022 and 31 December 2021.

17. Measurement of fair values

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Fair value hierarchy

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

Group	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
30 June 2022				
Investment properties and investment properties classified as assets held for sale	–	–	60,546	60,546
Precious metal measured at fair value	1,350	–	–	1,350
31 December 2021				
Investment properties and investment properties classified as assets held for sale	–	–	66,397	66,397
Precious metal measured at fair value	1,870	–	–	1,870

Precious metal measured at fair value

Precious metals are mark-to-market using market rates of the precious metals at balance sheet date. The market rates of the precious metal are based on rate on LME.

Level 3 fair values

The following table shows a reconciliation from the beginning balances to the ending balances for Level 3 fair values measurements of investment properties, classified under recurring fair value measurement.

Group	Investment properties \$'000
Balance at 1 January 2021	116,503
Gains/(losses) for the year:	
Disposal of 34 strata industrial units	(55,260)
Reclassified as assets held for sale	(6,695)
Changes in fair value – Other income – Unrealised	2,225
Gain on disposal – Other income - Realised	2,929
Balance at 31 December 2021	59,702
Balance at 1 January 2022	59,702
Gains/(losses) for the period:	
Reclassified as assets held for sale	(4,399)
Gain on disposal of investment properties – Other income	844
Balance at 30 June 2022	56,147

Significant unobservable inputs

Investment properties prices per square foot are derived from specialised publications and government database from the related markets and comparable transactions, adjusted for using certain unobservable inputs.

Significant unobservable inputs include premium (discount) on the quality of the building, lease terms, size discount and level discount for strata units. The estimated fair value would increase if:

- prices per square foot were higher;
- premium/(discount) for higher/(lower) quality building were higher/(lower);
- lease terms were longer;
- size discount for strata units were lower; and
- level discount for strata units were lower.

The management has assessed the fair value of investment properties based on available market data such as last transacted pricing and is satisfied that the methods and estimates used are reflective of the current market conditions.

Other Information Required by Listing Rule Appendix 7.2

1. Review

The condensed consolidated statement of financial position of Enviro-Hub Holdings Ltd and its subsidiaries as at 30 June 2022 and the related consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

Consolidated Statement of Profit or Loss

- i) The Group's revenue increased by \$5.1 million or 29% from \$17.7 million to \$22.8 million in 1H 2022 was due mainly to contribution from healthcare segment since completion of the acquisition of Pastel Glove Sdn. Bhd. ("PGSB") in Oct'21 and higher sales from recycling business.
- ii) The Group's gross profit increased by \$2.5 million or 83% from \$3.0 million to \$5.5 million in 1H 2022 was due mainly to increase in gross profit from recycling businesses and contribution from newly acquired subsidiary - PGSB.

The Group's gross profit margin increased from 17% to 24% was contributed by improvement in all the Group's segments, especially on recycling and healthcare business.

- iii) The decreased in other income for 1H 2022 was due mainly to lower gain from disposal of strata units in 1H 2022.
- iv) Selling and distribution expenses, general administrative expenses, other expenses, finance costs and share of associate's (loss)/profit for 1H 2022 were generally comparable to 1H 2021.

Consolidated Statement of Financial Position

- i) The decrease in investment properties held at 63 Hillview Avenue, Lam Soon Building was due mainly to reclass of strata industrial units to assets held for sale during the period.
- ii) The increase in trade and other receivables was due mainly to higher receivables from recycling and healthcare business.
- iii) The increase in inventories was due to higher inventories held in the Group's recycling and healthcare business.
- iv) The increase in cash and cash equivalents was due mainly to proceeds from additional loan and disposal of strata units. This increase was partially negated by repayment of interest, loans and borrowings and purchase of plant and machineries during the period.

2. Review of performance of the Group (cont'd)

- v) The decrease in assets held for sale was due to lesser floor area to be disposed in 1H 2022 as compared to December 2021.
- vi) The increase in loans and borrowings was attributed mainly to proceeds from additional loan, partially negated by loan repayment and redemption of loan upon completion of disposal of strata industrial units in 1H 2022.
- vii) The decrease in trade and other payables was due mainly to:
 - repayment of loan to a shareholder; and
 - lower other payables from recycling and property business.Partially offset by higher trade and other payables in healthcare business.

Consolidated Statement of Cash Flows

- i) The lower net cash outflows in 1H 2022 as compared to 1H 2021 were due mainly to changes in working capital.
- ii) The lower net cash inflows in 1H 2022 as compared to 1H 2021 due mainly to lower proceeds from disposal of strata units held at 63 Hillview Avenue, Lam Soon Building.
- iii) The net cash inflows from financing activities in 1H 2022 as compared to net cash outflows in 1H 2021 was due mainly to proceeds from additional loan and lower repayment of loans and borrowings during the period.

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

Not applicable as no forecast or prospect statements were previously made.

4. 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.

The economy remains uncertain as the world grapples with high inflation, high interest rates, supply chain disruption, new Covid-19 variants and the possibility of a recession.

Operating in this challenging environment, the Company will continue to manage and control costs and expenses as well as focus on streamlining its core businesses including where necessary, restructuring any under-performing business sections.

5. Dividend information

- a) **Whether an interim (final) ordinary dividend has been declared (recommended);**
Not applicable.
- b) **Final ordinary dividend**
Not applicable.
- 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.

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.

6. Interested person transactions

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 the 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 interest in joint venture partner - BS Capital Pte Ltd.	Shareholder's loan -\$Nil (note 1)	-
AQL Trading Company Limited ("AQLT")	Director of a subsidiary has interest in AQLT	Commission income - \$136,004 (note 2)	-

- (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 2022, the Company has disbursed an aggregate amount of S\$7,018,241 to EH Property pursuant to the EH Property Shareholder's Loan, net of part repayment of the EH Property Shareholder's Loan amounting to \$1,224,200 during the financial period under review.
- (2) The subsidiary of the Company, PGSB, earned sales commission from AQLT.

7. 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.

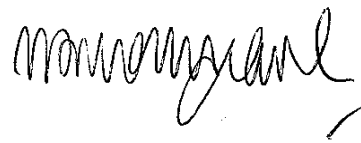
Confirmation by the Board Pursuant to Rule 705(5)

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



Tan Kok Hiang
Director

BY ORDER OF THE BOARD

Joanna Lim
Company Secretary
11 August 2022