
RESPONSE TO SGX REGCO QUERIES ON ANNUAL REPORT 2020

Further to the announcement of Enviro-Hub Holdings Ltd. (“**Company**”) on the Annual Report 2020 released on 12 April 2021, and in response to the queries by SGX RegCo in its e-mail dated 27 April 2021, the Company hereby provides the following responses:

SGX RegCo Question #1:

Listing Rule 710 requires issuers to explicitly state, when deviating from the provisions prescribed in the Code of Corporate Governance 2018 (the “Code”), an explanation on how the practices it had adopted are consistent with the intent of the relevant principle. We note that the Company had not complied with Provision 2.2 of the Code as Independent directors do not make up a majority of the Board where your Chairman is not independent and there were no explanations were provided for in your FY2020 annual report on how it is consistent with the intent of Principle 2 of the Code. Please clarify how the practices the Company had adopted are consistent with the intent of Principle 2 of the Code, which requires the Board to have an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interest of the Company.

Company’s Response.

Other than the Chairman who is the only executive Director on the Board, non-executive Directors make up the rest of the Board. Provision 2.2 amplified the role played by the non-executive directors in ensuring that there is a strong and independent element on the Board. As the Chairman is not independent, the Company has appointed a Lead Independent Director. In this sense, the existing practices are consistent with the intent of Principle 2 of the Code.

SGX RegCo Question 2

Listing Rule 710 requires issuers to explicitly state, when deviating from the provisions prescribed in the Code, an explanation on how the practices it had adopted are consistent with the intent of the relevant principle. We note that the Company had not complied with Provision 8.1(a) of the Code with regards to the disclosure of remuneration, and there were no explanations were provided for in your FY2020 annual report on how it is consistent with the intent of Principle 8 of the Code. Please clarify how the practices the Company had adopted are consistent with the intent of Principle 8 of the Code, which requires transparency on the Company’s remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation.

Company’s Response:

As explained in Provision 8.1 on page 23 of the Annual Report 2020, the Company discloses the actual remuneration paid to each director and the Executive Chairman using a narrow band of S\$100,000 to improve transparency. The Company has further explained that given the confidentiality and commercial sensitivity attached to remuneration matters, no full disclosure on the remuneration of the directors has been made, and that disclosing remuneration in the respective bands and disclosing

in aggregate the total remuneration paid to the directors provide sufficient overview of the remuneration of directors and the Executive Chairman.

Please refer to Provisions 7.1 to 7.3 on pages 22 and 23 of the Annual Report 2020 for further details on the Company's policy and criteria for setting remuneration.

In view of the above, the Company believes that the existing practices are consistent with the intent of Principle 8 of the Code.

BY ORDER OF THE BOARD

Raymond Ng
Executive Chairman

28 April 2021