
RESPONSES TO SGX QUERIES ON THE PROPOSED DISPOSAL OF THE COMPANY'S ENTIRE 12% EQUITY STAKE IN CARROS PROJECT MANAGEMENT PTE. LTD.

The board of directors (“**Board**”) of Enviro-Hub Holdings Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 18 August 2017 in relation to the proposed disposal of the Company’s entire 12% equity stake in Carros Project Management Pte. Ltd. (the “**Announcement**”). Capitalised terms not otherwise defined herein shall have the meanings respectively ascribed to them in the Announcement. The Board would like to respond to the following queries (“**SGX Queries**”) raised by the Singapore Exchange Securities Trading Limited (“the **SGX-ST**”) as follows:

SGX Query 1

Please disclose the following:

- (a) The Company disclosed that as at 31 December 2016, the NTA value (and book value) of the Sale Shares is approximately S\$26.6 million. Please clarify if the NTA value and the book value of S\$26.6 million have taken into account the valuation amounts for each of 60 Jalan Lam Huat, 20 Bendemeer Road, 200 Pandan Loop and the vacant land along Woodlands Road, Lot Number 905P MK11 disclosed in paragraph 2.2 of the Announcement.
- (b) If the NTA value and the book value of S\$26.6 million have not taken into account the valuation amounts of the aforesaid properties, please disclose the adjusted NTA value and the adjusted book value of the Sale Shares as at 31 December 2016 (“**Adjusted Book Value and NTA Value**”).
- (c) Please quantify and justify the discount of the sale price of S\$24,038,000 from the Adjusted Book Value and NTA Value of the Sale Shares.

Company’s Response to SGX Query 1(a)

Yes, the NTA value and the book value of S\$26.6 million have taken into account the valuation amounts for each of 60 Jalan Lam Huat, 20 Bendemeer Road, 200 Pandan Loop and the vacant land along Woodlands Road, Lot Number 905P MK11.

The valuation of the properties cannot be considered in isolation for the purposes of deriving the effective interest of Carros in each of the properties mentioned above. This is because the properties

are still subject to bank loans and there remain outstanding mortgages of approximately 70% to 80%. As such, the effective interest would have to be derived from the NTA of the latest audited and unaudited financial statements of the companies within the Carros Group.

Company's Response to SGX Query 1(b)

Please see the Company's response to SGX Query 1(a) above. The NTA value and the book value of S\$26.6 million have taken into account the valuation amounts for the aforesaid properties.

Company's Response to SGX Query 1(c)

The consideration of S\$24.04 million is about S\$2.56 million (or approximately 9.6%) below the NTA for the Company's 12% equity stake in Carros. This is mainly due to the following considerations:

- (i) the Sale Shares are unquoted shares that are illiquid, so there is commonly a need for a discount of 10% to 40% - however in this case, the discount is merely 9.6%;
- (ii) the Company requires the funds to settle its outstanding term loan of approximately S\$30 million which will be due in October 2017, and the proceeds from the sale of the Sale Shares could be utilised to partially settle such commitment ; and
- (iii) the NTA is as such due to the valuation of the respective properties which has yet to be realised, and which may weaken due to the current slow property market climate in Singapore.

BY ORDER OF THE BOARD

Raymond Ng
Executive Chairman
7 September 2017