

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

Condensed Interim Financial Statements  
For The Year Ended 31 December 2021

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

				Group			
	Note	2H 2021 \$'000	2H 2020 \$'000	Increase/ (Decrease) %	2021 \$'000	2020 \$'000	Increase/ (Decrease) %
<b>Continuing operations</b>							
Revenue	5	22,714	16,001	42	40,423	30,770	31
Cost of sales		(16,533)	(12,786)	29	(31,213)	(25,529)	22
<b>Gross profit</b>		6,181	3,215	92	9,210	5,241	76
Other income	6	3,412	3,277	4	6,873	4,133	66
Selling and distribution expenses		(1,639)	(1,477)	11	(3,014)	(2,671)	13
General and administrative expenses		(2,957)	(1,864)	59	(4,989)	(3,724)	34
Reversal of/(Allowance for) impairment loss on trade and other receivables		69	(163)	>100	69	(163)	>100
Other operating expenses	7	(156)	(4)	>100	(244)	(32)	>100
<b>Results from operating activities</b>		4,910	2,984	>100	7,905	2,784	>100
Finance income	8	35	17	>100	43	25	72
Finance costs	8	(885)	(1,662)	(47)	(2,320)	(3,428)	(32)
<b>Net finance costs</b>		(850)	(1,645)	(48)	(2,277)	(3,403)	(33)
Share of profit of associate	14	346	–	100	516	–	100
				>100			>100
<b>Profit/(loss) before taxation</b>		4,406	1,339		6,144	(619)	
Income tax (expense)/credit	10	(42)	31	>100	(45)	14	>100
<b>Profit/(loss) for the year</b>		4,364	1,370	>100	6,099	(605)	>100
<b>Other comprehensive income</b>							
<b>Items that are or may be reclassified to profit or loss:</b>							
Translation differences relating to financial statements of foreign operations and a subsidiary with functional currency in foreign currency		(8)	(302)	(97)	56	(419)	>100
<b>Other comprehensive income for the year</b>		(8)	(302)	(97)	56	(419)	>100
<b>Total comprehensive income for the year</b>		4,356	1,068	>100	6,155	(1,024)	>100
<b>Profit/(loss) attributable to:</b>							
Owners of the Company		2,684	597	>100	3,200	(990)	>100
Non-controlling interests		1,680	773	>100	2,899	385	>100
<b>Profit/(loss) for the financial year</b>		4,364	1,370	>100	6,099	(605)	>100
<b>Total comprehensive income attributable to:</b>							
Owners of the Company		2,406	409	>100	3,078	(1,149)	>100
Non-controlling interests		1,950	659	>100	3,077	125	>100
<b>Total comprehensive income for the year</b>		4,356	1,068	>100	6,155	(1,024)	>100
<b>Earnings per share:</b>							
Basic and diluted (cents)		0.20	0.06		0.25	(0.10)	

## Condensed Interim Statements of Financial Position

	Note	Group		Company	
		31.12.21 \$'000	31.12.20 \$'000	31.12.21 \$'000	31.12.20 \$'000
<b>Non-current assets</b>					
Property, plant and equipment	12	35,825	29,022	116	106
Investment properties	13	59,702	116,503	–	–
Subsidiaries		–	–	68,832	41,104
Goodwill	15	26,855	–	–	–
Trade and other receivables	16	2	12	–	–
		<u>122,384</u>	<u>145,537</u>	<u>68,948</u>	<u>41,210</u>
<b>Current assets</b>					
Assets held for sale	19	6,695	7,273	–	–
Inventories	17	7,407	3,203	–	–
Trade and other receivables	16	6,127	4,501	8,341	9,392
Cash and cash equivalents	18	15,273	17,251	2,602	9,318
		<u>35,502</u>	<u>32,228</u>	<u>10,943</u>	<u>18,710</u>
<b>Total assets</b>		<u>157,886</u>	<u>177,765</u>	<u>79,891</u>	<u>59,920</u>
<b>Equity attributable to owners of the Company</b>					
Share capital	20	126,820	104,619	126,820	104,619
Foreign currency translation reserve		110	232	–	–
Other reserve		(6,852)	(6,852)	–	–
Accumulated losses		(38,918)	(42,118)	(70,607)	(69,000)
		<u>81,160</u>	<u>55,881</u>	<u>56,213</u>	<u>35,619</u>
Non-controlling interests		(810)	(3,887)	–	–
<b>Total equity</b>		<u>80,350</u>	<u>51,994</u>	<u>56,213</u>	<u>35,619</u>
<b>Non-current liabilities</b>					
Loans and borrowings	21	20,636	88,752	32	4
Trade and other payables	22	4,350	17,261	1,807	22
Deferred tax liabilities		416	–	–	–
		<u>25,402</u>	<u>106,013</u>	<u>1,839</u>	<u>26</u>
<b>Current liabilities</b>					
Loans and borrowings	21	32,639	9,571	10	12
Trade and other payables	22	19,477	10,175	21,829	24,263
Current tax payable		18	12	–	–
		<u>52,134</u>	<u>19,758</u>	<u>21,839</u>	<u>24,275</u>
<b>Total liabilities</b>		<u>77,536</u>	<u>125,771</u>	<u>23,678</u>	<u>24,301</u>
<b>Total equity and liabilities</b>		<u>157,886</u>	<u>177,765</u>	<u>79,891</u>	<u>59,920</u>

## Condensed Interim Statements of Changes in Equity

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
<b>Total comprehensive income for the year</b>							
Profit for the year	–	–	–	3,200	3,200	2,899	6,099
<b>Other comprehensive income</b>							
Translation differences relating to financial statements of a subsidiary with functional currency in foreign currency	–	(122)	–	–	(122)	178	56
<b>Total other comprehensive income</b>	–	(122)	–	–	(122)	178	56
<b>Total comprehensive income for the year</b>	–	(122)	–	3,200	3,078	3,077	6,155
<b>Transactions with owners, recognised directly in equity</b>							
<b>Contributions by owners</b>							
Issue of ordinary shares	22,201	–	–	–	22,201	–	22,201
<b>Total contributions by owners</b>	22,201	–	–	–	22,201	–	22,201
At 31 December 2021	126,820	110	(6,852)	(38,918)	81,160	(810)	80,350

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

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 2020	96,158	391	(6,852)	(41,128)	48,569	(4,012)	44,557
<b>Total comprehensive income for the year</b>							
Loss for the year	–	–	–	(990)	(990)	385	(605)
<b>Other comprehensive income</b>							
Translation differences relating to financial statements of foreign operations and a subsidiary with functional currency in foreign currency	–	(159)	–	–	(159)	(260)	(419)
<b>Total other comprehensive income</b>	–	(159)	–	–	(159)	(260)	(419)
<b>Total comprehensive income for the year</b>	–	(159)	–	(990)	(1,149)	125	(1,024)
<b>Transactions with owners, recognised directly in equity</b>							
<b>Contributions by owners</b>							
Issue of ordinary shares	8,461	–	–	–	8,461	–	8,461
<b>Total contributions by owners</b>	8,461	–	–	–	8,461	–	8,461
At 31 December 2020	104,619	232	(6,852)	(42,118)	55,881	(3,887)	51,994

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

<b>Company</b>	<b>Share capital \$'000</b>	<b>Accumulated losses \$'000</b>	<b>Total equity \$'000</b>
At 1 January 2021	104,619	(69,000)	35,619
Loss for the year	–	(1,607)	(1,607)
Total comprehensive loss for the year	–	(1,607)	(1,607)
Issue of ordinary shares	22,201	–	22,201
At 31 December 2021	126,820	(70,607)	56,213

<b>The Company</b>	<b>Share capital \$'000</b>	<b>Accumulated losses \$'000</b>	<b>Total equity \$'000</b>
At 1 January 2020	96,158	(61,272)	34,886
Loss for the year	–	(7,728)	(7,728)
Total comprehensive loss for the year	–	(7,728)	(7,728)
Issue of ordinary shares	8,461	–	8,461
At 31 December 2020	104,619	(69,000)	35,619

## Condensed Interim Consolidated Statement of Cash Flows

	Note	Group FY2021 \$'000	FY2020 \$'000
<b>Cash flows from operating activities</b>			
Profit/(loss) for the year		6,099	(605)
Adjustments for:			
Bad debt written off	7	13	32
Depreciation of property, plant and equipment	9	3,196	3,062
Property, plant and equipment written off	7	12	–
Fair value gain on precious metal	6	(611)	(206)
Finance income	8	(43)	(25)
Finance costs	8	2,320	3,428
Fair value gain on investment properties	6	(1,057)	(1,356)
Gain on disposal of investment properties	6	(4,097)	(593)
Gain on disposal of property, plant and equipment		(55)	(58)
Income tax expense/(credit)	10	45	(14)
Impairment losses on property, plant and equipment	7	96	–
Loss on disposal of a subsidiary	7	86	–
(Reversal of)/Provision for onerous contract		(34)	37
(Reversal of)/Allowance for impairment loss on trade and other receivables		(69)	163
Reversal of allowance for write-down of inventories		(239)	(52)
Share of profit of an associate		(516)	–
		5,146	3,813
Changes in working capital:			
Inventories		(1,113)	(600)
Trade and other receivables		78	3,175
Trade and other payables		(7,217)	(2,335)
Cash used in operating activities		(3,106)	4,053
Income taxes paid		(6)	(4)
<b>Net cash used in operating activities</b>		(3,112)	4,049
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(1,326)	(627)
Interest received		43	25
Investment in subsidiary		(4,777)	–
Investment in associate		(165)	–
Proceeds from disposal of property, plant and equipment		73	297
Proceeds from disposal of assets held for sale		62,533	12,915
<b>Net cash from investing activities</b>		56,381	12,610

\*Denotes amount <\$1,000



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

	Note	FY2021 \$'000	FY2020 \$'000
<b>Cash flows from financing activities</b>			
(Pledging)/Withdraw of fixed deposits		(59)	27
Interest paid		(2,174)	(3,235)
Repayment of loan from a non-controlling interest		(6,792)	–
Repayment of loans due to a shareholder		–	(1,200)
Repayment of lease liabilities		(766)	(727)
Proceeds from shares issued		–	8,461
(Repayment of)/Proceeds from short-term loans and borrowings		(229)	486
Repayment of long-term loans and borrowings		(45,268)	(8,200)
<b>Net cash used in financing activities</b>		<b>(55,288)</b>	<b>(4,388)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>			
		(2,019)	12,271
Cash and cash equivalents at 1 January		15,771	3,508
Effect of exchange rate fluctuations on cash held		(18)	(8)
<b>Cash and cash equivalents at 31 December</b>	18	<b>13,734</b>	<b>15,771</b>

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

	FY 2021 \$'000	FY 2020 \$'000
Cash and bank balances	15,273	17,251
Less: Bank overdrafts	*	–
Less: Deposits pledged	(1,539)	(1,480)
	<b>13,734</b>	<b>15,771</b>

\*Denotes amount <\$1,000

### Non-cash transactions

During the financial year, the Group acquired property, plant and equipment with an aggregate cost of \$1,368,000 (2020: \$1,262,000), of which \$42,000 (2020: \$635,000) were acquired under finance leases.

On 27 October 2021, the Company issued 292,500,000 ordinary shares pursuant to the acquisition of the subsidiary, Pastel Glove Sdn. Bhd. (“PGSB”) for \$0.0759 per share totalling \$22,201,000 in partial settlement of the purchase consideration.

## 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 for the financial year ended 31 December 2021 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, manufacturing and trading of healthcare products and investment holding.

### 2 Going concern

The financial statements have been prepared on a going concern basis, which assumes that the Group will be able to meet its obligations as and when they fall due within the next twelve months.

As at 31 December 2021, the Group is in net current liabilities position of \$16,632,000. The financial statements for the year ended 31 December 2021 are prepared on a going concern basis, as the Group assessed that the term loan of \$28,020,000 due in November 2022 to be refinance upon its expiring.

The term loan is secured by investment properties of the Group of \$66,397,000 (see Note 21) and the fair value of the Group's investment properties is sufficient to repay its outstanding loan. The lender of the banking facility had acknowledged their awareness of the term loan which is expiring in November 2022. The lender has expressed their intention to refinance the facility upon maturity, subject to satisfactory repayment conduct and compliance of other terms and conditions of the term loan.

### 3 Basis of Preparation

- 3.1 The condensed interim financial statements for the financial year ended 31 December 2021 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 as at and for the year ended 31 December 2020.

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 3.2.

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.

### 3.2 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.

### 3.3 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 2020.

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 12 – estimation of recoverable amounts of property, plant and equipment
- Note 15 – assumptions relating to and estimation of recoverable amounts of goodwill
- Note 23 – fair value determination of investment property
- Note 24 – acquisition of subsidiary

## 4 Seasonal operations

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

## 5 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 products  
Comprising sale, 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. This segment has yet to commence operation.

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.

## 5.1 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
<b>1 January 2021 to 31 December 2021</b>						
External revenue	32,724	2,411	3,673	1,615	–	40,423
Depreciation of property, plant and equipment	(1,981)	–	(1,078)	(102)	–	(3,161)
Reportable segment profit/(loss) before tax and finance costs	6,649	6,025	(1,079)	238	(7)	11,826
Other material non-cash items:						
- Fair value gain on precious metal, net	611	–	–	–	–	611
- Fair value gain on investment properties, net	–	1,057	–	–	–	1,057
- Finance income	5	27	2	*	–	34
- Finance costs	(762)	(1,431)	(34)	(3)	–	(2,230)
- Gain on disposal of investment properties	–	4,097	–	–	–	4,097
- Gain on disposal of property, plant and equipment	10	–	40	(1)	6	55
- Impairment losses on property, plant and equipment	–	–	(96)	–	–	(96)
- Property, plant and equipment written off	(5)	–	(7)	–	–	(12)
- Reversal of allowance for write-down of inventories	239	–	–	–	–	239
- Reversal of allowance for impairment losses on trade and other receivables	43	–	26	–	–	69
- Reversal of provision for onerous contract	–	–	34	–	–	34
Reportable segment assets	31,241	66,417	5,629	12,342	3	115,632
Capital expenditure	1,020	–	746	329	–	2,095
Reportable segment liabilities	28,262	37,339	2,273	4,470	2,559	74,903

\* Denotes amount <\$1,000

## 5.1 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
<b>1 January 2020 to 31 December 2020</b>					
External revenue	21,054	2,858	6,858	–	30,770
Depreciation of property, plant and equipment	(1,857)	–	(1,164)	–	(3,021)
Reportable segment profit/(loss) before tax and finance costs	1,576	3,618	(52)	223	5,365
Other material non-cash items:					
- Allowance for impairment losses on trade and other receivables	(45)	–	(59)	(59)	(163)
- Fair value gain on precious metal, net	206	–	–	–	206
- Fair value gain on investment properties, net	–	1,356	–	–	1,356
- Finance income	13	10	2	–	25
- Finance costs	(802)	(2,456)	(25)	–	(3,283)
- Gain on disposal of investment properties	–	593	–	–	593
- Gain on disposal of property, plant and equipment	4	–	46	8	58
- Provision for onerous contract	–	–	(37)	–	(37)
- Reversal of allowance for write-down of inventories	52	–	–	–	52
Reportable segment assets	30,056	123,846	6,410	50	160,362
Capital expenditure	446	–	921	–	1,367
Reportable segment liabilities	30,131	88,307	2,296	2,624	123,358

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

	2021 \$'000	2020 \$'000
<b>Revenue</b>		
Total revenue for reportable segments	40,423	30,770
<b>Profit or loss</b>		
Total profit for reportable segments before tax and finance costs	11,826	5,365
Unallocated amounts:		
- Other corporate expenses	(5,682)	(5,984)
Consolidated profit/(loss) before tax from continuing operations	6,144	(619)
<b>Assets</b>		
Total assets for reportable segments	115,632	160,362
Other unallocated amounts*	42,254	17,403
Consolidated total assets	157,886	177,765
<b>Liabilities</b>		
Total liabilities for reportable segments	74,903	123,358
Other unallocated amounts	2,633	2,413
Consolidated total liabilities	77,536	125,771

\*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
<b>31 December 2021</b>			
Capital expenditure	2,095	60 <sup>a</sup>	2,155
Depreciation of property, plant and equipment	(3,161)	(35) <sup>a</sup>	(3,196)
Fair value gain on investment properties	1,057	–	1,057
Fair value gain on precious metal	611	–	611
Finance income	34	9	43
Finance costs	(2,230)	(90) <sup>a</sup>	(2,320)
Gain on disposal of investment properties	4,097	–	4,097
Gain on disposal of property, plant and equipment	55	–	55
Impairment losses on property, plant and equipment	(96)	–	(96)
Property, plant and equipment written off	(12)	–	(12)
Reversal of provision for onerous contract	34	–	34
Reversal of allowance for impairment losses on trade and other receivables	69	–	69
Reversal of allowance for write-down of inventories	239	–	239

<sup>a</sup> Other unallocated amounts.

**Reconciliation of reportable segment revenues, profit or loss, assets and liabilities and other material items (cont'd)**

**Other material items (cont'd)**

<b>31 December 2020</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Allowance for impairment loss on trade and other receivables	(163)	–	(163)
Capital expenditure	1,367	(21) <sup>a</sup>	1,388
Depreciation of property, plant and equipment	(3,021)	(41) <sup>a</sup>	(3,062)
Fair value gain on investment properties	1,356	–	1,356
Fair value gain on precious metal	206	–	206
Finance income	25	–	25
Finance costs	(3,283)	(145) <sup>a</sup>	(3,428)
Gain on disposal of investment properties	593	–	593
Gain on disposal of property, plant and equipment	58	–	58
Provision for onerous contract	(37)	–	(37)
Reversal of allowance for write-down of inventories	52	–	52

<sup>a</sup> Other unallocated amounts.

**Major Customer**

Revenue from a customer of the Group's trading of e-waste/metals, recycling and refining of metals segment represents approximately 34% of the Group's revenue for FY2021 and 22% of the Group's revenue for FY2020.



## 5.2 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
<b>1 January 2021 to 31 December 2021</b>					
<b>Major products/service line</b>					
Sales of goods	31,414	–	–	1,615	33,029
Revenue from refinery service income	861	–	–	–	861
Revenue from piling contracts	–	–	3,642	–	3,642
Revenue from rental of machinery and equipment	–	–	31	–	31
Rental income from properties	449	2,411	–	–	2,860
Total revenue	32,724	2,411	3,673	1,615	40,423
<b>Timing of revenue recognition (excluding rental income)</b>					
Products transferred at a point in time	32,275	–	–	1,615	33,890
Products and services transferred over time	–	–	3,673	–	3,673
Total revenue	32,275	–	3,673	1,615	37,563
<b>Primary geographical markets</b>					
Singapore	7,688	2,411	3,673	–	13,772
Hong Kong and China	17,852	–	–	994	18,846
Malaysia	6,090	–	–	250	6,340
United Arab Emirates	1,047	–	–	–	1,047
United States of America	–	–	–	371	371
Other countries	47	–	–	–	47
Total revenue	32,724	2,411	3,673	1,615	40,423

## 5.2. Disaggregation of revenue (cont'd)

	<b>Trading, recycling and refining of e-waste/ metals \$'000</b>	<b>Property investments and management \$'000</b>	<b>Piling contracts, construction, rental and servicing of machinery \$'000</b>	<b>Total \$'000</b>
<b>1 January 2020 to 31 December 2020</b>				
<b>Major products/service line</b>				
Sales of goods	20,108	–	–	20,108
Revenue from refinery service income	497	–	–	497
Revenue from piling contracts	–	–	6,818	6,818
Rental income from properties	449	2,858	–	3,307
Revenue from rental of machinery and equipment	–	–	40	40
<b>Total revenue</b>	<b>21,054</b>	<b>2,858</b>	<b>6,858</b>	<b>30,770</b>
<b>Timing of revenue recognition (excluding rental income)</b>				
Products transferred at a point in time	20,605	–	–	20,605
Products and services transferred over time	–	–	6,858	6,858
<b>Total revenue</b>	<b>20,605</b>	<b>–</b>	<b>6,858</b>	<b>27,463</b>
<b>Primary geographical markets</b>				
Singapore	5,687	2,858	6,858	15,403
Hong Kong and China	10,856	–	–	10,856
Malaysia	3,753	–	–	3,753
Afghanistan	90	–	–	90
Europe	163	–	–	163
Other countries	505	–	–	505
<b>Total revenue</b>	<b>21,054</b>	<b>2,858</b>	<b>6,858</b>	<b>30,770</b>

## 6. Other income

	2021 \$'000	2020 \$'000
Foreign exchange gain	77	294
Gain on disposal of investment properties	4,097	593
Gain on disposal of property, plant and equipment	55	58
Government grants	324	888
Rental income on subleased properties	34	93
Fair value gain on precious metal	611	206
Fair value gain on investment properties	1,057	1,356
Others	618	645
	<u>6,873</u>	<u>4,133</u>

## 7. Other operating expenses

	2021 \$'000	2020 \$'000
Bad debts written off	13	32
Employee benefits under profit sharing plan	33	—
Loss on disposal of a subsidiary	86	—
Impairment losses on property, plant and equipment	96	—
Property, plant and equipment written off	12	—
Pre-operating expenses of plastic to fuel project	4	—
	<u>244</u>	<u>32</u>

## 8. Finance income and finance costs

	2021 \$'000	2020 \$'000
Finance income:		
- Cash and cash equivalents	43	25
Finance costs:		
- Bank overdrafts	(2)	(2)
- Bank loans	(1,986)	(3,015)
- Lease liabilities	(215)	(244)
- Trust receipts	(26)	(29)
- Loan from a shareholder	(89)	(138)
Others	(2)	—
	<u>(2,320)</u>	<u>(3,428)</u>
Net finance costs recognised in profit or loss	<u>(2,277)</u>	<u>(3,403)</u>

## 9. Profit/(loss) before taxation

The following items have been included in arriving at profit/(loss) before taxation for the year:

	----- Group -----	
	2021	2020
	\$'000	\$'000
Bad debts written off	13	32
Depreciation of property, plant and equipment	3,196	3,092
Fair value gain on precious metal	(611)	(206)
Fair value gain on investment properties	(1,057)	(1,356)
Foreign exchange gain	(77)	(294)
Gain on disposal of investment properties	(4,097)	(593)
Gain on disposal of property, plant and equipment	(55)	(58)
Government grant	(324)	(888)
Loss on disposal of subsidiary	86	-
Impairment losses on property, plant and equipment	96	-
Property, plant and equipment written off	12	-
Reversal of allowance for write-down of inventories	(239)	(52)
(Reversal of)/Allowance for impairment loss on trade and other receivables	(69)	163
(Reversal of)/Provision for onerous contract	(34)	37

### 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 -----	
	2021	2020
	\$'000	\$'000
Management fee from subsidiaries	1,919	1,948
Interest income from subsidiaries	111	200
Interest expense paid to subsidiaries	(407)	(430)

## 10. Taxation

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 -----	
	2021	2020
	\$'000	\$'000
<b>Current tax expense</b>		
Current year	47	10
Over provided in prior years	(2)	(24)
	<u>45</u>	<u>(14)</u>

## 11. Net asset value

	----- Group -----		----- Company -----	
	31.12.21	31.12.20	31.12.21	31.12.20
Net asset value per ordinary share for the Group and the Company (cents)	5.29	4.50	3.67	2.87

## 12. Property, plant and equipment

During 2021, the Group acquired assets amounting to \$10,203,000 (2020: \$1,388,000), of which \$8,048,000 pertains to the acquisition of the subsidiary and \$2,155,000 pertains to the addition during the year.

## 13. Investment properties

	Note	Group	
		31.12.21 \$'000	31.12.20 \$'000
At 1 January		116,503	131,300
Change in fair value:			
– fair value gain	5	1,057	1,356
– gain on disposal of investment properties	5	4,097	593
Reclassified to assets held for sale		(6,695)	(7,273)
Disposals of strata units		(55,260)	(9,473)
At 31 December		59,702	116,503

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.

### Security

Investment properties are pledged as security to secure loans and borrowings (see Note 21).

### Amount recognised in profit or loss

Rental income recognised by the Group in 2021 was \$2,411,000 (2020: \$2,858,000) and were included in 'revenue' (see Note 5). Direct operating expenses of \$1,209,000 (2020: \$966,000) were included in cost of sales.

#### 14. Investment in associate

In January 2021, the Group subscribed 500,000 shares equivalent to 25% of the equity interest of Pastel Glove Sdn. Bhd. (“PGSB”) with a cash consideration of USD125,000 (equivalent to SGD165,000). Since then, the Group has a share of PGSB’s profit earned. Subsequently in October 2021, the Group subscribed for the remaining shares at a subscription price of \$46,800,000, resulting in the Group’s equity interest in PGSB increase from 25% to 100%. Accordingly, PGSB became a wholly own subsidiary of the Group.

The following summarises the financial information of PGSB as the Company’s associate:

<b>From 1 February 2021 to 31 October 2021</b>	<b>Company \$’000</b>
Revenue	5,688
Net profit for the period	<u>2,065</u>
<b>Company’s interest in net assets of investee at the date of acquisition</b>	165
Company’s share of net profit	516
Carrying amount of interest in associate acquired as subsidiary	<u>(681)</u>
Carrying amount of interest in investee at the end of the year	<u><u>–</u></u>

#### 15. Goodwill

	----- Group -----		----- Company -----	
	31.12.21	31.12.20	31.12.21	31.12.20
	\$’000	\$’000	\$’000	\$’000
Acquisition through business combination	<u>26,855</u>	–	–	–

Goodwill is arising from the acquisition of Pastel Glove Sdn. Bhd. (“PGSB”) in October 2021 (see Note 24).

Management assessed that the value of the provisional goodwill at year end is appropriate as the acquisition took place in October 2021, which is near to the financial year end. This is further supported by the financial performance of PGSB of the year that is on track with their business plan and projection.

## 16. Trade and other receivables

	----- Group -----		----- Company -----	
	31.12.21 \$'000	31.12.20 \$'000	31.12.21 \$'000	31.12.20 \$'000
Trade receivables	2,259	1,536	–	–
Impairment losses	(2)	(44)	–	–
	<u>2,257</u>	<u>1,492</u>	<u>–</u>	<u>–</u>
Contract assets	1,263	1,796	–	–
Impairment losses	(113)	(207)	–	–
	<u>1,150</u>	<u>1,589</u>	<u>–</u>	<u>–</u>
Amounts due from subsidiaries:				
– interest bearing loans	–	–	5,184	5,990
– non-interest bearing loans	–	–	1,245	362
– trade	–	–	539	2,313
– non-trade	–	–	1,790	1,043
Impairment losses	–	–	(441)	(362)
	<u>–</u>	<u>–</u>	<u>8,317</u>	<u>9,346</u>
Deposits	<u>1,475</u>	<u>484</u>	<u>–</u>	<u>–</u>
Other receivables	1,115	848	–	22
Impairment losses	*	(61)	–	–
	<u>1,115</u>	<u>787</u>	<u>–</u>	<u>–</u>
Financial assets at amortised cost	5,997	4,352	8,317	9,368
Prepayments	132	161	24	24
	<u>6,129</u>	<u>4,513</u>	<u>8,341</u>	<u>9,392</u>
Representing:				
Non-current	2	12	–	–
Current	6,127	4,501	8,341	9,392
	<u>6,129</u>	<u>4,513</u>	<u>8,341</u>	<u>9,392</u>

As at 31 December 2021, non-current and current trade and other receivables of the Group include retention sums of \$2,000 and \$577,000 (2020: \$12,000 and \$605,000) respectively.

The interest-bearing amounts due from subsidiaries are unsecured, bear interest range between 2.00% to 4.96% (2020: 2.00% to 4.96%) and are repayable on demand. The non-interest bearing and non-trade amounts due from subsidiaries are unsecured, interest-free and are repayable on demand.

## 17. Inventories

	Note	Group	
		31.12.21 \$'000	31.12.20 \$'000
Trading inventories		5,083	2,052
Precious metal measured at fair value		2,318	1,109
Raw materials and consumables		6	42
		<u>7,407</u>	<u>3,203</u>

Following a review of the net realisable value of inventories, the Group recorded a reversal of allowance for write-down of inventories of \$239,000 (2020: \$52,000). The reversals are included in the cost of sales.

## 18. Cash and cash equivalents

	Group		Company	
	31.12.21 \$'000	31.12.20 \$'000	31.12.21 \$'000	31.12.20 \$'000
Cash and bank balances	13,734	15,771	2,602	9,318
Deposits with financial institutions	1,539	1,480	–	–
Cash and cash equivalents in the statement of financial position	15,273	17,251	2,602	9,318
Bank overdrafts	*	–	–	–
Deposit pledged	(1,539)	(1,480)	–	–
Cash and cash equivalents in the consolidated statement of cash flows	13,734	15,771	2,602	9,318

\*Denotes amount <\$1,000

The effective interest rates relating to deposits with financial institutions at 31 December 2021 for the Group range between 0.23% to 0.50% (2020: 0.24% to 0.50%). Interest rates were repriced within 1 year, upon maturity of the fixed deposits.

Deposits pledged comprised deposits of certain subsidiaries pledged as securities to secure bank loans and borrowings (see Note 21).



## 19. Asset held for sale

In 2021, 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 31 December 2021. The sale is expected to be completed within the next 12 months. Immediately before classification as held for sale, the strata units were remeasured and a gain of \$1,168,000 was recognised in profit or loss. Thereafter, the strata units are measured at fair value less cost to sell of \$6,695,000 as at 31 December 2021. The fair value measurement of the strata unit is disclosed in Note 23.

In 2020, management committed to a plan to sell four strata units of an investment property held by subsidiaries of the Group. Accordingly, the four strata units were classified as assets held for sale and disclosed separately in the consolidated statement of financial position as at 31 December 2020. The sale is expected to be completed within the next 12 months. Immediately before classification as held for sale, the strata units were remeasured and fair value gain of \$257,000 was recognised in profit or loss. Thereafter, the strata units are measured at fair value less cost to sell of \$7,273,000 as at 31 December 2020. The fair value measurement of the strata unit is disclosed in Note 23.

## 20. Share capital

	-----Company-----			
	31.12.21		31.12.20	
	Number of shares '000	Amount \$'000	Number of shares '000	Amount \$'000
<b>Fully paid ordinary shares, with no par value:</b>				
Beginning of the year	1,240,495	104,619	1,033,746	96,158
Issuance of ordinary shares	292,500	22,201	206,749	8,461
End of the year	<u>1,532,995</u>	<u>126,820</u>	<u>1,240,495</u>	<u>104,619</u>

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.

### *Issuance of ordinary shares*

On 27 October 2021, the Company issued 292,500,000 ordinary shares at an exercise price of \$0.0759 per share for the partial purchase consideration for acquisition of PGSB.

The Company did not hold any outstanding convertibles and treasury shares as at 31 December 2021 and 31 December 2020. The Company's subsidiaries do not hold any shares in the Company as at 31 December 2021 and 31 December 2020.

## 21. Borrowings

	Group		Company	
	31.12.21 \$'000	31.12.20 \$'000	31.12.21 \$'000	31.12.20 \$'000
<b>Non-current liabilities</b>				
Secured bank loans	14,611	82,902	–	–
Lease liabilities	6,025	5,850	32	4
	<u>20,636</u>	<u>88,752</u>	<u>32</u>	<u>4</u>
<b>Current liabilities</b>				
Secured bank loans	30,839	7,774	–	–
Secured invoice financing	974	1,204	–	–
Lease liabilities	826	593	10	12
	<u>32,639</u>	<u>9,571</u>	<u>10</u>	<u>12</u>
Total loans and borrowings	<u>53,275</u>	<u>98,323</u>	<u>42</u>	<u>16</u>
	Group		Company	
	31.12.21 \$'000	31.12.20 \$'000	31.12.21 \$'000	31.12.20 \$'000
<b>Secured</b>				
Amount repayable within one year	32,639	9,571	10	12
Amount repayable after one year	20,636	88,752	32	4

The loans and borrowings' securities are as follows:

- First legal mortgages over leasehold properties with carrying amount of \$16,356,000 (2020: \$17,360,000);
- First legal mortgages over investment properties, including 3 strata units classified as assets held for sale (see Note 19) with a total carrying amount of \$66,397,000 (2020: First legal mortgages over investment properties, including 4 strata units classified as investment properties held for sale with a total carrying amount of \$123,776,000);
- Fixed deposits amounting to \$1,539,000 (2020: \$1,480,000);
- Fixed charges on certain plant and machineries with carrying amount of \$520,000 (2020: \$624,000);
- Guarantees by a subsidiary of the Company;
- Guarantees by the Executive Chairman of the Company;
- Guarantees by the Company;
- Property, plant and equipment with carrying amount of \$846,000 (2020: \$1,318,000).

## 22. Trade and other payables

	Note	----- Group -----		----- Company -----	
		31.12.21 \$'000	31.12.20 \$'000	31.12.21 \$'000	31.12.20 \$'000
Deferred income		*	119	–	35
Trade payables		3,388	2,807	–	–
Project costs accruals		165	9	–	–
Other accruals		2,357	1,676	667	464
Other payables		3,504	1,084	117	97
Security deposits		2,144	2,680	–	–
Loan due to a shareholder	(i)	1,800	1,800	1,800	1,800
Amounts due to non-controlling interests:					
– non-interest bearing loans	(ii)	7,919	14,711	–	–
– non-trade	(iii)	2,550	2,550	–	–
Amounts due to subsidiaries:					
– interest bearing loans	(iv)	–	–	17,211	18,320
– non-trade	(v)	–	–	3,841	3,569
		<u>23,827</u>	<u>27,436</u>	<u>23,636</u>	<u>24,285</u>
Representing:					
Non-current		4,350	17,261	1,807	22
Current		19,477	10,175	21,829	24,263
		<u>23,827</u>	<u>27,436</u>	<u>23,636</u>	<u>24,285</u>

- (i) The loan due to a shareholder is unsecured, bear interest at 4.96% (2020: 4.96%) and repayable on November 2023.
- (ii) The amounts are due to a company where an Executive Director of the Company has controlling interest. The amounts are unsecured, interest-free and repayable on demand.
- (iii) The amounts are due to a company where an Executive Director of the Company has minority interest. The amounts are unsecured, interest-free and repayable on demand after June 2022.
- (iv) The amounts are unsecured, bear interest range between 2.00% to 3.50% (2020: 2.00% to 3.85%) and are repayable on demand.
- (v) The amounts are unsecured, interest-free and are repayable on demand.

## 23. Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the respective methods mentioned below. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

### *Investment properties*

External, independent valuation company, Teho Property Consultants Pte Ltd, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued, valued the Group's investment properties at Lam Soon Industrial Building located at 63 Hillview Avenue, Singapore 669569.

The fair values were based on market values (i.e. market comparison approach), being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably. Such valuation was based on price per square foot for the buildings derived from observable market data from an active and transparent market.

### *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.

### *Non-derivative financial liabilities*

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases, the market rate of interest is determined by reference to similar lease agreements. For bank loans, the market rate of interest is determined by reference to current market bank rates for loans of similar nature.

### *Other financial assets and liabilities*

The notional amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) are assumed to approximate their fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine their fair values.

## 23. Measurement of fair values (cont'd)

### 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
<b>31 December 2021</b>				
Investment properties and investment properties classified as assets held for sale	–	–	66,397	66,397
Precious metal measured at fair value	2,318	–	–	2,318
<b>31 December 2020</b>				
Investment properties and investment properties classified as assets held for sale	–	–	123,776	123,776
Precious metal measured at fair value	1,109	–	–	1,109

### *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.

## 23. Measurement of fair values (cont'd)

### 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.

<b>Group</b>	<b>Investment properties \$'000</b>
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	1,057
Gain on disposal of investment properties – Other income – Realised	4,097
Balance at 31 December 2021	<u>59,702</u>

<b>Group</b>	<b>Investment properties \$'000</b>
Balance at 1 January 2020	131,300
Gains/(losses) for the year:	
Disposal of 4 strata industrial units	(9,473)
Reclassified as assets held for sale	(7,273)
Changes in fair value – Other income – Unrealised	1,356
Gain on disposal of investment properties – Other income – Realised	593
Balance at 31 December 2020	<u>116,503</u>

### ***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.

## 24. Acquisition of a subsidiary

On 27 October 2021, the Group acquired 75% of the shares in Pastel Glove Sdn. Bhd. (PGSB). As a result, the Group's equity interest in PGSB increased from 25% to 100%, granting it control of PGSB.

For the two months ended 31 December 2021, PGSB contributed revenue of \$1,615,000 and net profit of \$202,000 to the Group's results.

### Consideration transferred

The following table summarised the fair value of each major class of consideration transferred at the date of acquisition:

	Note	\$'000
Fair value of 25% interest at date of acquisition		681
Cash consideration		5,850
Equity instruments issued (292,500,000 ordinary shares)	20	22,201
		<u>28,732</u>

#### *Equity instruments issued*

The fair value of the ordinary shares was based on the listed weighted average share price of \$0.0759 per share.

### Acquisition-related costs

The Group incurred acquisition-related costs of \$726,000 on due diligence costs, legal fees and other corporate action fees. These costs have been included in 'general and administrative expenses'.

### Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

	Note	\$'000
Plant and equipment	12	8,048
Inventories		2,206
Trade and other receivables		1,491
Cash and bank balances		1,073
Lease liabilities		(556)
Deferred tax liabilities		(386)
Trade and other payables		(9,998)
		<u>1,878</u>

### Goodwill

Goodwill arising from the acquisition has been recognised as follows:

	Note	\$'000
Total consideration transferred		28,052
Fair value of pre-existing interest in the acquiree		681
Fair value of identifiable net assets		(1,878)
Goodwill	15	<u>26,855</u>

## Other Information Required by Listing Rule Appendix 7.2



## 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 31 December 2021 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 year 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) Revenue in FY2021 increased by \$9.6 million or 31% from \$30.8 million to \$40.4 million and revenue in 2H 2021 increased by \$6.7 million or 42% from \$16.0 million to \$22.7 million was due mainly to higher sales from recycling businesses and contribution from newly acquired subsidiary, Pastel Glove Sdn. Bhd. ("PGSB") upon completion in October 2021. This is partially negated by lower piling revenue amid COVID-19 pandemic.
- ii) The Group's gross profit increased by \$4.0 million or 77% from \$5.2 million to \$9.2 million in FY2021 was due mainly to increase in gross profit from recycling businesses, partially negated by lower gross profit recognised from the Group's piling and property business.

The Group's gross profit increased by \$3.0 million or 94% from \$3.2 million to \$6.2 million in 2H 2021 was due mainly to increase in gross profit from recycling businesses, partially negated by lower gross profit recognised from the Group's property business.

- iii) Other income for 2H/FY2021 was higher due mainly to high fair value gain on precious metal and gain from disposal of strata units, partially negated by government grants received and foreign exchange gain during the year.
- iv) General and administrative expenses increased by \$1.3 million or 35% from \$3.7 million to \$5.0 million due mainly to transaction costs from acquisition of new subsidiary - PGSB and recognition of PGSB's general and administrative expenses and increased in Group's staff costs.
- v) The decrease in finance costs for FY2021 was attributed mainly to loans redemption from disposal of strata industrial units during the year.
- vi) Selling and distribution expenses and other expenses for FY2021 were generally comparable to FY2020.

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

### Consolidated Statement of Financial Position

- i) The increase in property, plant and equipment was due mainly to:
  - consolidation of property, plant and equipment of Pastel Glove Sdn Bhd ("PGSB"), a subsidiary acquired during the year;
  - acquisition of property, plant and equipment; and
  - partially negated by depreciation incurred during the year.
- ii) The decrease of investment properties at 63 Hillview Avenue, Lam Soon Building was due mainly to disposal of strata industrial units during the year.
- iii) Goodwill arising from the acquisition of PGSB, where the consideration paid is in excess of the PGSB's net asset as at 31 October 2021. The details and rationale of the acquisition is set-forth in the Company's circular dated 11 October 2021.
- iv) The increase in trade and other receivables was due mainly to consolidation of trade and other receivables from newly acquired subsidiary, PGSB, and higher receivables from recycling business, partially negated by lower receivables in the Group's piling business.
- v) The increase in inventories was mainly attributed to consolidation of inventories from newly acquired subsidiary, PGSB, and higher inventories held in the Group's recycling businesses.
- vi) The decrease in cash and cash equivalents was due mainly to net cash used in operations, repayment of interest, loans and borrowings, investment in PGSB and acquisition of plant and equipment during the year, partially negated by the proceeds from disposal of strata units.
- vii) The decrease in assets held for sale was due to reclassification of 3 strata industrial units held at 63 Hillview Avenue to be completed in FY2022, compared to reclassification of 4 strata industrial units in FY2020.
- viii) The increase in share capital was due to allotment of 292,500,000 shares as partial purchase consideration for acquisition of PGSB. Details of the acquisition was disclosed in Circular announced via SGX-ST on 11 October 2021.
- ix) The decrease in loans and borrowings was attributed mainly to repayment and redemption of loan upon sales completion of strata industrial units in FY2021.
- x) The decrease in trade and other payables was due mainly to:
  - repayment of loan to non controlling interest; and
  - lower other payables from the Group's property business upon completion of the disposal of strata industrial units held at 63 Hillview Avenue.

This decrease was partially offset by:

  - recognition of trade and other payables from the Group's newly acquired subsidiary, PGSB; and
  - higher trade and other payables and from recycling businesses.
- xi) As at 31 December 2021, the Group's current liabilities exceeded its current assets by \$16.6 million as one of the Group's term loan is due for renewal in November 2022.

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

### Consolidated Statement of Cash Flows

- i) The net cash outflows from operating activities in FY2021 and net cash inflows in 2H 2021 and 2H/FY2020 were due mainly to changes in working capital.
- ii) The higher net cash inflows from investing activities in FY2021 as compared to FY2020 was due mainly to higher proceeds from disposal of investment properties, partially negated by investment in a subsidiary and higher acquisition of plant and equipment.
- iii) The higher net cash outflows from financing activities in FY2021 as compared to FY2020 was due mainly to higher repayment of loans and borrowings during the year.

### Segmental Revenue

- i) The trading, recycling and refining of e-waste/metals business segment contributed \$32.7 million or 81% and \$21.1 million or 68% of the Group's revenue in FY2021 and FY2020 respectively. The improvement in this segment was due mainly to higher sales volume of both trading and precious metal sales during the year.
- ii) Investment properties business segment contributed \$2.4 million or 6% and \$2.9 million or 9% of the Group's revenue for FY2021 and FY2020 respectively. The revenue/rental income decreased was due mainly to disposal of strata units during the year.
- iii) Piling contract, construction, rental and servicing of machinery business segment contributed \$3.7 million or 9% and \$6.9 million or 22% of the Group's revenue for FY2021 and FY2020 respectively. The decrease was due mainly to lower sizeable project secured during the year as the recovery of construction industry from Covid-19 pandemic is slow.
- iv) Healthcare products business segment contributed post-acquisition revenue of \$1.6 million or 4% of the Group's revenue for FY2021 since the completion of acquisition took place in end of October 2021, as announced via SGX-ST on 11 October 2021.

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

### Segmental Profitability

- i) Segment profitability from the trading, recycling and refining of e-waste/metals business segments increased from \$1.6 million in FY2020 to \$6.6 million in FY2021. The increase was attributed to higher revenue derived and improved gross profit margin from the segment during the year.
- ii) Segment profitability from the investment properties business segment increased from \$3.6 million in FY2020 to \$6.0 million in FY2021. The increase was attributed to higher gain on disposal of strata units held at 63 Hillview Avenue during the year.
- iii) Segment profitability from the piling contract, construction, rental and servicing of machinery business segment deteriorated from segmental loss of \$0.06 million in FY2020 to \$1.08 million in FY2021. The decreased was due mainly to lower piling revenue affected by slow recovery of construction industry from Covid-19 pandemic.
- iv) Healthcare products business segment contributed post acquisition \$0.2 million to the Group's profit since the acquisition took place in end of October 2021.

### **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 overall economic environment remains volatile and uncertain as the Covid-19 pandemic persists and we are faced with rising inflation as well as impending higher interest rates, within this volatile background, the Group has identified the healthcare industry as a viable additional revenue stream business. In this respect, the Group completed the acquisition of the entire stake in glove manufacturing company, Pastel Glove Sdn. Bhd. during the year, and plans to expand into the pharmacy business in Malaysia in near future.

In the meantime, under current challenging conditions, the Group will stay prudent and continue to focus on its core businesses, streamline its operating costs and try to improve operating efficiency.

## 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)	-
Carros Project Management Pte Ltd ("CPM")	Director has interest in CPM	Management fee expense - \$108,000 (note 2)	-
AQL Medical Sdn Bhd ("AQLM")	Company related to a director of a subsidiary, Pastel Glove Sdn Bhd ("PGSB")	Sales - \$115,348 (note 3)	-
AQL Trading Company Limited ("AQLT")	Company related to a director of a subsidiary, PGSB	Commission income - \$218,470 (note 4)	-

- (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 year ended 31 December 2021, the Company has disbursed an aggregate amount of S\$8,242,441 to EH Property pursuant to the EH Property Shareholder's Loan, net of part repayment of the EH Property Shareholder's Loan amounting to \$7,068,600 during the financial year under review.
- (2) The subsidiaries of the Company, QF 1 Pte Ltd, QF 3 Pte Ltd, QF 4 Pte Ltd, QF 7 Pte Ltd, QF 8 Pte Ltd and QF 9 Pte Ltd, have entered into an agreement with CPM for asset management services for industrial building at 63 Hillview Avenue, Lam Soon Building.
- (3) The subsidiary of the Company, PGSB, sell gloves to AQL Medical Sdn Bhd, in the ordinary course of business.
- (4) 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.

**8. 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.

**9. 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.

**10. A breakdown of sales**

<u>The Group</u>	2021 \$'000	2020 \$'000	Increase/ (Decrease) %
(a) Sales reported for the first half year	17,709	14,769	20
(b) Operating profit/(loss) after tax before deducting non-controlling interests reported for first half year	1,735	(1,975)	>100
(c) Sales reported for the second half year	22,714	16,001	42
(d) Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year	4,364	1,370	>100

**11. 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.

**12. 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.

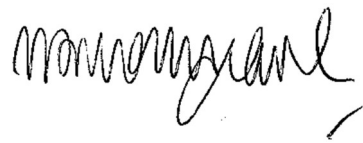
**Confirmation by the Board Pursuant to Rule 705(5)**

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  
24 February 2022