



一合环保控股

ENVIRO-HUB HOLDINGS LTD

Let's Restore The Environment!

(Incorporated in the Republic of Singapore)

(Co. Reg. No.: 199802709E)

RESPONSES TO QUERIES FROM SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“SGX-ST”) ON THE COMPANY’S UNAUDITED SECOND QUARTER RESULTS FOR THE PERIOD ENDED 30 JUNE 2019

The board of directors (“Board”) of Enviro-Hub Holdings Ltd. (the “Company”, together with its subsidiaries, the “Group”) refers to the queries raised by the SGX-ST on 20 August 2019 in relation to the Company’s unaudited second quarter and half yearly results for the period ended 30 June 2019 announced on 7 August 2019, wishes to respond as follows:-

SGX Query 1

With reference to the consolidated statement of cash flows for the second quarter and half year ended 30 June 2019, we note that loans from a related party is \$3,000,000. Please disclose the following details:

- (a) Who is the related party and what is its connection with the Company?
- (b) Is the related party an interested person as defined under the Listing rules? If so, what is its connection with the Company’s director and/or controlling shareholder?
- (c) What are the terms of the loans from the related party?
- (d) How are the proceeds used?

Company’s Response

- (a) The related party is a shareholder of the Company, who holds 3.15% equity interest of the Company as at 15 August 2019. No other connection other than as disclosed.
- (b) As defined under Listing Rule 904(4)(a), “interested person” means:
 - (i) a director, chief executive officer, or controlling shareholder of the issuer; or
 - (ii) an associate of any such director, chief executive officer, or controlling shareholder.The related party is not classified as an interested person under the definition of Listing Rule.
- (c) The \$3 million short term unsecured working capital loans was granted with tenure of 1 year which will expire in May 2020, bearing an interest rate of 3% + UOB applicable 3-month SWOP Offer Rate (SOR) or prevailing 3-month cost of fund (COF) per annum, i.e. all-in interest rate currently stand at 4.96% per annum.
- (d) The proceeds were utilized to finance the Group’s working capital and partially funded the acquisition of a leasehold property.

SGX Query 2

We refer to Appendix 7.2 paragraph 12 which states that if no dividend has been declared (recommended), a statement to that effect and the reasons(s) for the decision. Please provide the reason(s) for not declaring (recommending) dividend.

Company’s Response

No dividend has been declared for the second quarter 2019 as the Company has registered a net losses of \$0.88 million for the current financial period.

SGX Query 3

We refer to item 13 Note 1 of the Announcement which indicates that, "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")... As at financial period ended 30 June 2019, the Company has disbursed an aggregate amount of S\$14,852,141 to EH Property pursuant to the EH Property Shareholder's Loan." Please clarify whether the amount of shareholder's loan given to EH Property is proportionate to the Company's equity interest in EH Property i.e. has BS Capital Pte. Ltd. also contributed its proportionate share of the shareholder's to EH Property at the same time?

Company's Response

The amount of shareholders' loan provided to EH Property is contributed by its' shareholders in proportionate to their shareholdings in EH Property. BS Capital Pte. Ltd., has contributed 49% as per its shareholding in EH Property.

BY ORDER OF THE BOARD

Raymond Ng
Executive Chairman
26 August 2019