

Unaudited Second Quarter Financial Statements Announcement

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF-YEAR AND FULL YEAR RESULTS

- 1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2018

	<u>The Group</u>		Increase/ (Decrease) %	<u>The Group</u>		Increase/ (Decrease) %
	2Q 2018 \$'000	2Q 2017 \$'000		1H 2018 \$'000	1H 2017 \$'000	
Continuing operations						
Revenue	6,372	11,710	(46)	10,597	36,050	(71)
Cost of sales	(4,947)	(7,485)	(34)	(7,952)	(26,391)	(70)
Gross profit	1,425	4,225	(66)	2,645	9,659	(73)
Other income	606	403	50	812	440	85
Selling and distribution expenses	(519)	(553)	(6)	(1,039)	(1,221)	(15)
General and administrative expenses	(1,129)	(1,685)	(33)	(2,006)	(3,092)	(35)
Other expenses	(12)	(1)	>100	(83)	(742)	(89)
Finance costs (net)	(709)	(3,428)	(79)	(1,413)	(6,647)	(79)
Loss before tax	(338)	(1,039)	(67)	(1,084)	(1,603)	(32)
Income tax	(6)	(148)	(96)	(9)	(291)	(97)
Loss for the period	(344)	(1,187)	(71)	(1,093)	(1,894)	(42)
(Loss)/profit attributable to :						
Owners of the Company	(1,027)	(1,007)	2	(1,690)	(1,297)	30
Non-controlling interests	683	(180)	(>100)	597	(597)	(>100)
Loss for the period	(344)	(1,187)	(71)	(1,093)	(1,894)	(42)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2018

	The Group		Increase/ (Decrease) %	The Group		Increase/ (Decrease) %
	2Q 2018 \$'000	2Q 2017 \$'000		1H 2018 \$'000	1H 2017 \$'000	
Loss for the period	(344)	(1,187)	(71)	(1,093)	(1,894)	(42)
Other comprehensive income						
Total items that are or may be reclassified subsequently to profit or loss:						
Net change in fair value of equity instruments not held for trading	*	*		*	*	
Translation differences relating to financial statements of foreign operations and a subsidiary with non-singapore dollar functional currency	196	(177)	>100	104	237	(>100)
Other comprehensive income for the period	196	(177)	>100	104	237	(>100)
Total comprehensive income for the period	(148)	(1,364)	(89)	(989)	(1,657)	(40)
Total comprehensive income attributable to :						
Owners of the Company	(884)	(1,005)	(12)	(1,615)	(944)	>100
Non-controlling interests	736	(359)	(>100)	626	(713)	(>100)
Total comprehensive income for the period	(148)	(1,364)	(89)	(989)	(1,657)	(40)

* Denotes amount less than \$1,000.

(A) Revenue

	The Group		The Group	
	2Q 2018 \$'000	2Q 2017 \$'000	1H 2018 \$'000	1H 2017 \$'000
Piling contract, construction, and rental and servicing of machinery	2,557	2,267	3,572	13,730
Trading of e-waste / metals	1,104	841	1,932	1,557
Recycling and refining of metals	1,740	3,973	3,182	11,267
Income from property investments and management	852	4,479	1,665	9,196
Others	119	150	246	300
	6,372	11,710	10,597	36,050

(B) Loss for the period

	<u>The Group</u>		<u>The Group</u>	
	2Q 2018	2Q 2017	1H 2018	1H 2017
	\$'000	\$'000	\$'000	\$'000
Loss for the period is arrived at after:				
(Crediting)/charging:				
Amortisation of deferred income	-	(38)	-	(233)
Depreciation of property, plant and equipment	515	812	1,137	1,649
Fair value (gain)/loss on investment properties	(540)	-	(540)	709
Foreign exchange loss/(gain)	123	(160)	59	188
Gain on disposal of property, plant and equipment	(10)	(37)	(14)	(216)
Property, plant and equipment written off	-	-	59	-

(C) Finance costs (net)

	<u>The Group</u>		<u>The Group</u>	
	2Q 2018	2Q 2017	1H 2018	1H 2017
	\$'000	\$'000	\$'000	\$'000
Finance income:				
- cash and cash equivalents	7	26	7	52
Finance costs:				
- Finance leases	(2)	(5)	(6)	(11)
- Bank loans	(714)	(3,362)	(1,414)	(6,462)
- Trust receipts	-	(25)	-	(104)
- Bank overdrafts	-	(30)	-	(58)
- Related companies	-	(29)	-	(61)
- Others	-	(3)	-	(3)
	<u>(716)</u>	<u>(3,454)</u>	<u>(1,420)</u>	<u>(6,699)</u>
	<u>(709)</u>	<u>(3,428)</u>	<u>(1,413)</u>	<u>(6,647)</u>

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

STATEMENTS OF FINANCIAL POSITION

	<u>The Group</u>		<u>The Company</u>	
	<u>30.06.18</u>	<u>31.12.17</u>	<u>30.06.18</u>	<u>31.12.17</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Non-current assets				
Property, plant and equipment	16,107	16,833	44	52
Investment properties	135,601	139,350	-	-
Subsidiaries	-	-	32,493	28,717
Other investments	*	*	-	-
Trade and other receivables	93	8	-	-
	<u>151,801</u>	<u>156,191</u>	<u>32,537</u>	<u>28,769</u>
Current assets				
Inventories	1,715	1,242	-	-
Trade and other receivables	8,716	9,494	23,472	22,246
Cash and cash equivalents	6,307	21,266	2,365	9,819
Assets held for sale	4,289	-	-	-
	<u>21,027</u>	<u>32,002</u>	<u>25,837</u>	<u>32,065</u>
Total assets	<u>172,828</u>	<u>188,193</u>	<u>58,374</u>	<u>60,834</u>
Equity attributable to owners of the Company				
Share capital	96,158	95,888	96,158	95,888
Fair value reserve	*	*	-	-
Foreign currency translation reserve	75	-	-	-
Other reserve	(6,852)	(6,852)	-	-
Accumulated losses	(37,553)	(35,404)	(59,243)	(58,880)
	<u>51,828</u>	<u>53,632</u>	<u>36,915</u>	<u>37,008</u>
Non-controlling interests	<u>(13,157)</u>	<u>(10,663)</u>	<u>-</u>	<u>-</u>
Total equity	<u>38,671</u>	<u>42,969</u>	<u>36,915</u>	<u>37,008</u>
Non-current liabilities				
Loans and borrowings	103,348	105,308	-	-
Trade and other payables	15,892	20,573	-	3,228
	<u>119,240</u>	<u>125,881</u>	<u>-</u>	<u>3,228</u>
Current liabilities				
Trade and other payables	10,763	15,106	21,459	20,598
Loans and borrowings	4,122	4,202	-	-
Current tax payable	32	35	-	-
	<u>14,917</u>	<u>19,343</u>	<u>21,459</u>	<u>20,598</u>
Total liabilities	<u>134,157</u>	<u>145,224</u>	<u>21,459</u>	<u>23,826</u>
Total equity and liabilities	<u>172,828</u>	<u>188,193</u>	<u>58,374</u>	<u>60,834</u>

* Denotes amount less than \$1,000.

1(b)(ii) **Aggregate amount of group's borrowings and debt securities.**

Amount repayable in one year or less, or on demand.

As at 30.06.18		As at 31.12.17	
Secured	Unsecured	Secured	Unsecured
4,122,000	-	4,202,000	-

Amount repayable after one year.

As at 30.06.18		As at 31.12.17	
Secured	Unsecured	Secured	Unsecured
103,348,000	-	105,308,000	-

The Group's borrowings comprise obligations under finance leases and secured bank loans.

Details of any collateral

The finance lease liabilities are secured on plant and equipment under the leases with carrying value of \$790,000 (31 December 2017 : \$832,000).

The bank loans are secured by/on :

- a) First legal mortgages over a leasehold property with carrying amount of \$9,035,000 (31 December 2017 : First legal mortgages over a leasehold property with carrying amount of \$9,298,000);
- b) First legal mortgages over investment properties, including two strata units classified as current asset held for sale with carrying amount of \$139,890,000 (31 December 2017 : \$139,350,000);
- c) Fixed deposits amounting to \$1,204,000 (31 December 2017 : \$1,406,000);
- d) Fixed charges on certain plant and machinery with carrying amount of \$956,000 (31 December 2017 : \$1,233,000);
- e) Guarantees by the Executive Chairman of the Company; and
- f) Fixed charges on 200 million shares of the Company held by the Executive Chairman (31 December 2017 : 200 million shares).

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2018

	2Q 2018 \$'000	2Q 2017 \$'000	1H 2018 \$'000	1H 2017 \$'000
Cash flows from operating activities				
Loss for the period	(344)	(1,187)	(1,093)	(1,894)
Adjustments for:				
Depreciation of property, plant and equipment	515	812	1,137	1,649
Finance income	(7)	(26)	(7)	(52)
Finance costs	716	3,454	1,420	6,699
Fair value (gain)/loss on investment properties	(540)	(37)	(540)	709
Share-based payment transactions	(10)	(38)	(10)	-
Gain on disposal of property, plant and equipment	(10)	-	(14)	(216)
Amortisation of deferred income	-	-	-	(233)
Property, plant and equipment written off	-	-	59	-
Income tax expense	6	148	9	291
	<u>326</u>	<u>3,126</u>	<u>961</u>	<u>6,953</u>
Changes in working capital				
Inventories	(151)	135	(454)	885
Trade and other receivables	(730)	7,445	725	6,274
Trade and other payables	<u>1,314</u>	<u>(1,541)</u>	<u>(4,906)</u>	<u>134</u>
Cash generated from/(used in) operations	759	9,165	(3,674)	14,246
Income taxes paid	(4)	(194)	(12)	(208)
Net cash from/(used in) operating activities	<u>755</u>	<u>8,971</u>	<u>(3,686)</u>	<u>14,038</u>
Cash flows from investing activities				
Acquisition of property, plant and equipment	(141)	(61)	(445)	(82)
Proceeds from disposal of property, plant and equipment	10	392	17	702
Proceeds from disposal of assets held for sale	-	2,679	-	5,859
Deposits received from assets held for sale	344	-	344	-
Interest received	7	-	7	-
Net cash from/(used in) investing activities	<u>220</u>	<u>3,010</u>	<u>(77)</u>	<u>6,479</u>

Cash flows from financing activities

Withdraw of fixed deposit pledged	-	-	202	-
Repayment of long-term loans and borrowings	(986)	(12,364)	(1,931)	(13,775)
Proceeds from short-term loans and borrowings	-	6,158	-	489
Payment of finance leases	(54)	(95)	(109)	(216)
Repayment of loans from a related party	-	(466)	(3,229)	(113)
Repayment of loans from a related company	-	(643)	-	(503)
Loan from a director	-	-	-	1,000
(Repayment of)/loans from non-controlling interests	(37)	466	(1,452)	113
Dividend paid	(3,299)	-	(3,299)	-
Interest paid	(721)	(3,399)	(1,211)	(6,970)
Net cash used in financing activities	(5,097)	(10,343)	(11,029)	(19,975)
Net (decrease)/increase in cash and cash equivalents	(4,122)	1,638	(14,792)	542
Effect of exchange rate fluctuation on cash held	66	(4)	35	(18)
Cash and cash equivalents at the beginning of the financial period	9,159	(1,237)	19,860	(127)
Cash and cash equivalents at the end of the financial period	5,103	397	5,103	397

Cash and cash equivalents are made up of the following:-

Cash at bank and on hand		4,103	1,998
Fixed deposits		2,204	1,203
		6,307	3,201
Less: Bank overdrafts		-	(1,804)
Less: Deposits pledged		(1,204)	(1,000)
Cash and cash equivalents at the end of the financial period		5,103	397

- 1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2018

	Share capital \$'000	Fair value reserve \$'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
As at 1 January 2018	95,888	-	(6,697)	(6,852)	(28,707)	53,632	(10,663)	42,969
Adjustment - SFRS(I)	-	*	6,697	-	(6,697)	-	-	-
Restated as at 1 January 2018	95,888	*	-	(6,852)	(35,404)	53,632	(10,663)	42,969
Changes in equity for the year								
Loss for the period	-	-	-	-	(1,690)	(1,690)	597	(1,093)
Other comprehensive income								
- Net change in fair value of equity instruments not held for trading	-	*	-	-	-	*	-	*
- Translation differences relating to financial statements of foreign operations and a subsidiary with functional currency in foreign currency	-	-	75	-	-	75	29	104
Total other comprehensive income	-	*	75	-	-	75	29	104
Total comprehensive income	-	*	75	-	(1,690)	(1,615)	626	(989)
Transactions with owners, recognised directly in equity								
Contributions by and distributions to owners								
Dividends paid	-	-	-	-	(3,101)	(3,101)	(198)	(3,299)
Share-based payment transactions	270	-	-	-	(280)	(10)	-	(10)
Acquisition of a subsidiary	-	-	-	-	2,922	2,922	(2,922)	-
Total contributions by and distributions to owners	270	-	-	-	(459)	(189)	(3,120)	(3,309)
As at 30 June 2018	96,158	*	75	(6,852)	(37,553)	51,828	(13,157)	38,671
* Denotes amount less than \$1,000.								
As at 1 January 2017	95,888	-	(6,936)	(6,852)	(18,517)	63,583	19,929	83,512
Adjustment - SFRS(I)	-	-	6,936	-	(6,936)	-	-	-
Restated as at 1 January 2017	95,888	-	-	(6,852)	(25,453)	63,583	19,929	83,512
Changes in equity for the year								
Loss for the period	-	-	-	-	(1,297)	(1,297)	(597)	(1,894)
Other comprehensive income								
- Translation differences relating to financial statements of foreign operations and a subsidiary with functional currency in foreign currency	-	-	353	-	-	353	(116)	237
Total other comprehensive income	-	-	353	-	-	353	(116)	237
Total comprehensive income	-	-	353	-	(1,297)	(944)	(713)	(1,657)
As at 30 June 2017	95,888	-	353	(6,852)	(26,750)	62,639	19,216	81,855

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2018

	<u>Share capital</u> \$'000	<u>Accumulated losses</u> \$'000	<u>Total</u> \$'000
As at 1 January 2018	95,888	(58,880)	37,008
Changes in equity for the year			
Loss for the period	-	(363)	(363)
Total comprehensive income	-	(363)	(363)
Share-based payment transactions	270	-	270
As at 30 June 2018	<u>96,158</u>	<u>(59,243)</u>	<u>36,915</u>
As at 1 January 2017	95,888	(80,053)	15,835
Changes in equity for the year			
Loss for the period	-	(1,536)	(1,536)
Total comprehensive income	-	(1,536)	(1,536)
As at 30 June 2017	<u>95,888</u>	<u>(81,589)</u>	<u>14,299</u>

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

For the period ended 30 June 2018, the total number of ordinary shares in issue was 1,033,746,142 shares (31 December 2017: 1,026,650,198).

<u>Changes in share capital</u>	<u>No. of ordinary shares in issue</u>	<u>\$'000</u>
Balance as at 1 January 2018	1,026,650,198	95,888,463
Issuance of shares arising from Share Award Scheme (Note 1)	7,095,944	269,646
Balance as at 30 June 2018	<u>1,033,746,142</u>	<u>96,158,109</u>

The Company did not have any outstanding convertibles and treasury shares at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Note 1:

The Company has allotted and issued 7,095,944 shares to the Company's directors on 13 April 2018 which was granted under Enviro-Hub Share Award Scheme ("the Scheme"). The Scheme was approved and adopted by its members at an Extraordinary General Meeting held on 22 November 2012.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

Total number of issued shares excluding treasury shares: 1,033,746,142 (31 December 2017: 1,026,650,198)

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as disclosed in paragraph 5 below, the accounting policies and methods of computation adopted in the financial statements for the current reporting period are consistent with those disclosed in the most recently audited consolidated financial statements for the financial year ended 31 December 2017.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

In adopting SFRS(I)s, the Group's opening balance sheet under SFRS(I)s has been prepared as at 1 January 2017, which is the Group's date of transition to SFRS(I)s.

a) Application of SFRS(I) 1

The Group has elected for the optional exemption to reset its cumulative foreign currency translation reserve for all foreign operations to nil at the date of transition at 1 January 2017. After the date of transition, any gain or loss on disposal of any foreign operations will exclude translation differences that arose before the date of transition.

The effects of the adoption of SFRS(I)1 are as follows:

<u>The Group</u>	
<u>As at</u>	<u>As at</u>
<u>31.12.2017</u>	<u>1.1.2017</u>
<u>\$'000</u>	<u>\$'000</u>
6,697	6,936
(6,697)	(6,936)

Statement of consolidated financial position

Increase in foreign currency translation reserve
Increase in accumulated losses

b) Adoption of SFRS(I)s

In addition, during the current financial year, the Group and the Company have adopted the following new SFRS(I)s, amendments and interpretations of SFRS(I)s which took effect from financial year beginning 1 January 2018:

- SFRS(I) 15 Revenue from Contracts with Customers
- Amendments to SFRS(I) 15 Clarifications to SFRS(I) 15
- SFRS(I) 9 Financial Instruments
- Amendments to SFRS(I) 1-40 Transfers of Investment Property
- Amendments to SFRS(I) 1 Deletion of short-term exemptions for first-time adopters
- SFRS(I) INT 22 Foreign Currency Transactions and Advance Consideration

The adoption of these SFRS(I)s, amendments and interpretations of SFRS(I)s did not have any significant impact on the financial statements of the Group.

- 6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	<u>The Group</u>		<u>The Group</u>	
	2Q 2018	2Q 2017	1H 2018	1H 2017
Loss per share				
Basic and diluted loss per share (cents)	<u>(0.10) cts</u>	<u>(0.10) cts</u>	<u>(0.16) cts</u>	<u>(0.13) cts</u>
	2Q 2018	2Q 2017	1H 2018	1H 2017
	\$'000	\$'000	\$'000	\$'000
Loss attributable to owners of the Company				
Continuing operations	<u>(1,027)</u>	<u>(1,007)</u>	<u>(1,690)</u>	<u>(1,297)</u>
Basic and diluted earnings per share is computed based on weighted average number of shares of the company in issue.				
Weighted average number of shares ('000)	<u>1,032,966</u>	<u>1,026,650</u>	<u>1,029,826</u>	<u>1,026,650</u>

- 7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.

	<u>The Group</u>		<u>The Company</u>	
	30.06.18	31.12.17	30.06.18	31.12.17
Net asset value per ordinary share for the Group and the Company (cents)	<u>5.01 cts</u>	<u>5.22 cts</u>	<u>3.57 cts</u>	<u>3.60 cts</u>

Net asset value per ordinary share for the Group and the Company are computed based on the net asset value of the Group and the Company after deduction of non-controlling interests divided by the number of ordinary shares of the Company in issue as at 30 June 2018 of 1,033,746,142 shares (31 December 2017: 1,026,650,198 shares).

- 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

STATEMENTS OF FINANCIAL POSITION

Comparing 30 June 2018 with 31 December 2017 figures:

- (i) The decrease in property, plant and equipment was due mainly to depreciation in 1H 2018.
- (ii) The decrease in investment properties was due to reclass of 2 strata industrial units held at 63 Hillview Avenue, Lam Soon Industrial Building, to asset held for sale.
- (iii) The decrease in cash and cash equivalents was due mainly to repayment of loans, dividend payment and net cash used in operating activities.
- (iv) The increase in assets held for sale relates to the committed disposal of 2 strata industrial units at 63 Hillview Avenue held by the Company's subsidiaries, QF 1 Pte Ltd and QF 9 Pte Ltd, during 2Q 2018.
- (v) The decrease in loans and borrowings was attributed mainly to repayments of long-term loans and borrowings.
- (vi) Trade and other payables were lower due mainly to repayment of bridging loan to a related party and payment made to trade and other creditors during the period.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Comparing 2Q/1H 2018 figures with 2Q/1H 2017 figures:

- (i) Revenue decreased by \$25.4 million or 71% from \$36.0 million to \$10.6 million in 1H 2018 and \$5.3 million or 46% from \$11.7 million to \$6.4 million in 2Q 2018. The decrease was due mainly to the following:
 - (a) The absence of revenue recognised by the Group's joint operation with SB Procurement Pte Ltd (as announced via SGXNET on 18 May 2014) under construction business as the construction project was completed in 2Q 2017;
 - (b) Cessation of rental income generated from the Group's investment property - PoMo, due to the divestment of this property (divestment of "PoMo") in 4Q 2017; and
 - (c) Reduction of sales from recycling businesses was mainly due to relocation of the Group's recycling plant.
- (ii) The Group's gross profit dropped by \$7.0 million or 73% from \$9.6 million to \$2.6 million in 1H 2018 and \$2.8 million or 66% from \$4.2 million to \$1.4 million in 2Q 2018, was attributed mainly to the reduced rental income resulting from the divestment of PoMo in 4Q 2017 and construction activity as a result of the completion of the construction project from the joint operation with SB Procurement Pte Ltd (as announced via SGXNET on 18 May 2014) in 2Q 2017.
- (iii) The general and administrative expenses is lower in 2Q/1H 2018 due mainly to warehouse and office relocation and restoration expenses incurred in 2Q/1H 2017 and lower bank charges. The decrease was further attributed to the divestment of PoMo in 4Q 2017.
- (iv) The decrease in finance costs for 2Q/1H 2018 was attributed mainly to lower term loan interests resulted from the significant redemption of term loans in 4Q 2017 .
- (v) Other income, selling and distribution expenses and other expenses for 2Q/1H 2018 were generally comparable to 2Q/1H 2017.

CONSOLIDATED STATEMENT OF CASH FLOWS

Comparing 2Q/1H 2018 figures with 2Q/1H 2017 figures:

- (i) The net cash outflows from operating activities in 1H 2018 and the net cash inflows from operating activities in 2Q 2018 and 2Q/1H 2017 due mainly to changes in working capital.
- (ii) The net cash outflows from investing activities in 1H 2018 compare to net cash inflows from investing activities in 1H 2017 and lower net cash inflows from investing activities in 2Q 2018 compare to 2Q 2017 were due mainly to absence of proceeds received from disposal of assets held for sale.
- (iii) The lower of net cash outflows from financing activities in 2Q/1H 2018 compare to 2Q/1H 2017 was due mainly to lesser interest payment and repayment of short term and long term loans and borrowings during the periods.

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

No forecast or prospect statements were previously made.

10 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 Company expects the market environment to remain challenging in the second half of 2018. The Company will continue to explore and evaluate property business opportunities and optimise its resources to grow its existing recycling businesses.

11 If a decision regarding dividend has been made:-

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

None.

(b) Final ordinary dividend

None.

(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.

12 If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

- 13 **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 not IPT mandate has been obtained, a statement to that effect.**

Name of interested person	Aggregate value of all Interested Person Transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under Shareholders' Mandate pursuant to Rule 920)	Aggregate value of all Interested Person Transactions conducted under Shareholders' Mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
EH Property & Investments Pte Ltd	Receipt of shareholder's loan - \$1,511,930 (note 1)	-
BS Pantech Pte Ltd	Warehouse and office rental - \$355,561 (note 2)	-
Kranji Development Pte Ltd	-	Construction-related revenue - \$143,713 (note 3)

Notes:

- (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 2018, the Company has disbursed an aggregate amount of S\$13,887,101 to EH Property pursuant to the EH Property Shareholder's Loan, net of part repayment of the EH Property Shareholder's Loan amounting to \$1,511,930 during the financial period under review.
- (2) The subsidiary of the Company, Cimelia Resource Recovery Pte. Ltd., has entered into a tenancy agreement with BS Pantech Pte. Ltd. for rental of warehouse and office at 200 Pandan Loop, Pantech 21.
- (3) The Company has, at the Company's AGM held on 24 April 2018, obtained a renewal of the shareholders' general mandate ("IPT Mandate") for (i) the grant of corporate guarantees by the Company to banks and financial institutions for banking and financing facilities to be granted to the Company's subsidiaries which fall within the definition of "interested person" as defined in Chapter 9 of the Listing Manual from time to time; and (ii) the provision of construction-related services by a wholly-owned subsidiary of the Company, Leong Hin Piling (Pte.) Limited, its subsidiaries and associated companies from time to time, or any of them, to Mr Raymond Ng Ah Hua and his associates which are expected to be recurrent in nature. For the financial period ended 30 June 2018, the Group has entered into IPT transactions amounting to S\$143,713 under the IPT Mandate.

- 14 **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.

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

- 15** **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Not applicable.

- 16** **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.

- 17** **A breakdown of sales.**

Not applicable.

- 18** **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.

- 19** **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.

BY ORDER OF THE BOARD

JOANNA LIM
Company Secretary
14 August 2018

Confirmation by the Board Pursuant to Rule 705(5)

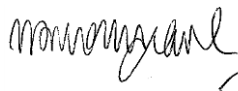
We, Raymond Ng and Tan Kok Hiang, being two directors of Enviro-Hub Holdings Ltd (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render these interim unaudited 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**

14 August 2018
Singapore



**Tan Kok Hiang
Director**