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**RESPONSE TO QUERIES FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE "SGX-ST") ON THE COMPANY'S CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2021 ("1HFY2021 RESULTS")**

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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 12 August 2021 in relation to the Company's condensed interim financial statements for the six months ended 30 June 2021 announced on 6 August 2021, wishes to provide its response as follows:

**SGX Query 1**

We refer to the non-current trade and other receivables amounting to S\$12,000.

Please disclose:

- (i) the breakdown of the S\$12,000;
- (ii) the nature of the non-current trade and other receivables; and
- (ii) the Board's assessment of the recoverability of the non-current trade and other receivables.

**Company's Response**

- (i) The non-current trade and other receivables amounting to S\$12,000 is in relation to the construction project retention sum receivables due after 12 months from the Group's piling business.
- (ii) They are trade in nature.
- (iii) The Board has assessed that there is no indicator shown that the amount is non-recoverable.

**SGX Query 2**

It is noted that the Company has a net cash outflow from operating activities of S\$5,119,000 and a net profit of S\$1,735,000 for 1HFY2021. Please explain why the Company is unable to generate net cash inflow from its operating activities, despite the Company's net profit position for 1HFY2021.

**Company's Response**

Refer to the condensed interim consolidated statement of cash flows, the Group has a net cash outflow from operating activities of S\$5,119,000 despite its net profit position of S\$1,735,000. This was due to the significant increase in trade and other receivables of S\$8,698,000 during the period. The increase in trade and other receivables were mainly due to the outstanding proceeds in relation to the disposal of industrial strata units held at 63 Hillview Avenue during the period, which was announced via SGXNet on 30 June 2021. This amount was fully settled on 1 July 2021.

### **SGX Query 3**

Please disclose a breakdown of trade and other payables amounting to S\$16,545,000 as at 30 June 2021. For other payables, please disclose the aging and nature of these other payables and whether the counterparties are related parties.

### **Company's Response**

The breakdown of non-current trade and other payables amounting to \$16,545,000 as at 30 June 2021 as below:

|   | <b>Note</b> | <b>30.06.21<br/>\$'000</b> |
|---|-------------|----------------------------|
| Amounts due to non-controlling interests: |             |                            |
| - non-interest bearing loan               | (a)         | 13,995                     |
| - non-trade                               | (b)         | 2,550                      |
|   |             | <u>16,545</u>              |

- (a) The amounts are due to a company where an Executive Director of the Company has controlling interest. Refer to Interested Person Transactions disclosed in the Group's recent half-yearly announcement where it was disclosed that the non-interest bearing loan pertains to the shareholders' loan provided to EH Property & Investments Pte. Ltd. ("EH Property") 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. Refer to the Group's Annual Report FY2020 as announced on 14 April 2021, the Group does not expect changes in the repayment term, thus, the amount will be continued to be classified under non-current liabilities.
- (b) Refer to the Group's Annual Report FY2020 as announced on 14 April 2021 where it was disclosed that the amounts are due to a company where Executive Director of the Company has minority interest. The Group does not expect changes in the repayment term, thus, the amount will be continued to be classified under non-current liabilities.

**BY ORDER OF THE BOARD**

**Raymond Ng**  
**Executive Chairman**  
16 August 2021