一合环保控股
ENVIRO-HUB HOLDINGS LTD
Let's Restore The Environment!

CREATING VALUE IN HEALTHCARE & SUSTAINABILITY

Annual Report **2023**

CORPORATE VISION

Environmental sustainability is our anthem.
We thrive to be the leading provider in the e-waste and scrap metals recycling movement and meet the global needs of healthcare provision.

CORPORATE MISSION

Our mission is to create an economically and environmentally sustainable business, delivering innovative and cost-effective solutions for the well-being of our current and future generations. We also endeavour to be a trusted manufacturer and supplier of quality healthcare products and services.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Chairman
Mr Raymond Ng Ah Hua

Executive Director Cum Chief Investment Officer
Mr Adrian Toh Jia Sheng

Independent Directors
Dr Teo Ho Pin (Lead)
Ms Judy Ang Siew Geok
Mr Lau Chin Huat

AUDIT COMMITTEE
Mr Lau Chin Huat (Chairman)
Dr Teo Ho Pin
Ms Judy Ang Siew Geok

NOMINATING COMMITTEE
Dr Teo Ho Pin (Chairman)
Ms Judy Ang Siew Geok
Mr Lau Chin Huat

REMUNERATION COMMITTEE
Ms Judy Ang Siew Geok (Chairman)
Dr Teo Ho Pin
Mr Lau Chin Huat

COMPANY SECRETARIES
Ms Joanna Lim Lan Sim
Mr Lee Wei Hsiung

REGISTERED OFFICE
Enviro-Hub Holdings Ltd
3 Gul Crescent
Singapore 629519
Tel: 6863 2100
Fax: 6861 2100
Email: info@enviro-hub.com
www.enviro-hub.com

REGISTRAR & TRANSFER OFFICE
Boardroom Corporate & Advisory Services Pte Ltd
1 Harbourfront Avenue
#14-07 Keppel Bay Tower
Singapore 098632

AUDITORS
Mazars LLP
135 Cecil Street
#10-01
Singapore 069536
Audit Partner-in-charge:
Mr Tan Chee Tyan
(Since financial year 2023)

PRINCIPAL BANKERS
Hong Leong Finance Limited
CIMB Bank

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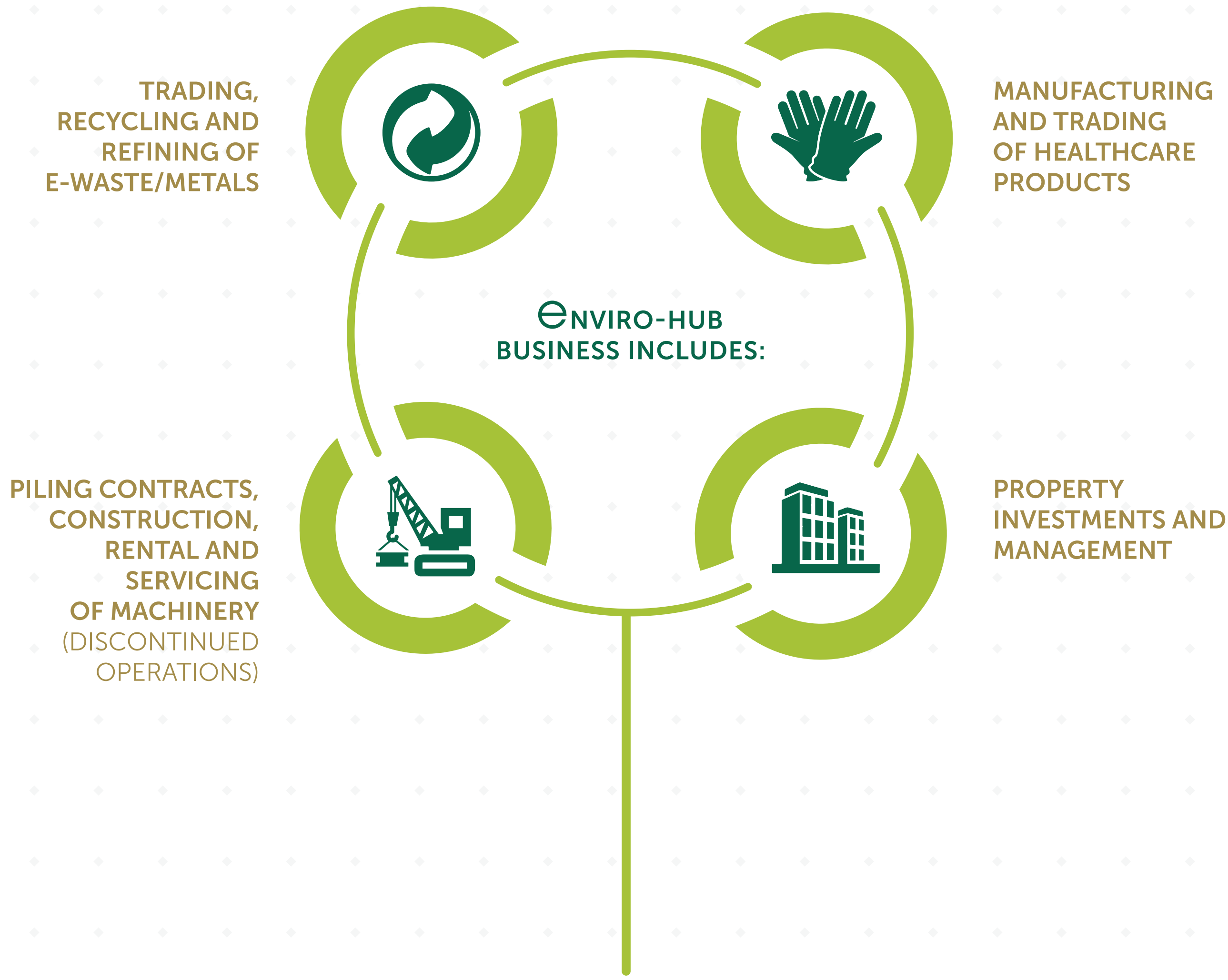
CORPORATE PROFILE



Enviro-Hub is a Singapore-listed organisation with a diverse portfolio that includes trading, recycling, and refining of electronic waste ("e-waste")/metals, property investments and management, and the manufacturing and trading of healthcare products.

The Board of Directors, led by Chairman Mr Raymond Ng Ah Hua, with over 35 years in the recycling industry and 20 years in real estate, guides the company in identifying opportunities for growth across multiple revenue streams.

Committed to sustainable living, Enviro-Hub provides total WEEE (waste electrical-electronic equipment) solutions, recovers and refines platinum group metals, and recycles ferrous and non-ferrous metals, strengthening the company's brand presence globally. With a seamless value chain for environmental management solutions and services, Enviro-Hub is known for its commitment to innovation and excellence.

Enviro-Hub's property investment and management division focuses on developing, investing, and managing the Group's investment properties. As at 31 December 2023, the Group owns 30 freehold strata units in the Lam Soon Industrial Building at 63 Hillview Ave that are leased to third parties.

The Group's healthcare division include manufacturing and trading of healthcare products and an investment in a rapidly expanding retail pharmaceutical business (R Pharmacy) in Malaysia. R Pharmacy has successfully established 17 retail pharmacy outlets across the vibrant Klang Valley area within 1.5 year.

The piling contract, construction, rental and servicing of machinery division has been discontinued in FY2023. During the year, the Group sold all plant and equipment from the construction and piling segment and presented the financials from this business segment as discontinued operations.

GROUP STRUCTURE

ENVIRO-HUB HOLDINGS LTD

- 51% EH Property & Investments Pte Ltd
  - 100% QF Properties Pte Ltd
    - 100% QF 1 Pte Ltd
    - 100% QF 3 Pte Ltd
    - 100% QF4 Pte Ltd
    - 100% QF 7 Pte Ltd
    - 100% QF 8 Pte Ltd
    - 100% QF 9 Pte Ltd
- 100% Enviro Property Pte Ltd
- 100% Cimelia Resource Recovery Pte Ltd
- 80.25% HLS Environmental Pte Ltd
  - 100% HLS Property Pte Ltd
- 100% Enviro-Metals Pte Ltd
- 39% Enviro-Power Pte Ltd
- 100% Leong Hin Piling (Pte.) Limited (Discontinued Operations)
  - 100% Leong Hin Builders Pte Ltd
- 100% Enviro Healthcare Pte Ltd
  - 100% Pastel Glove Sdn Bhd
    - 40% Pastel Care Sdn Bhd

CHAIRMAN'S STATEMENT

Dear Shareholders,

I am pleased to present our annual report for the fiscal year 2023, a year marked by both challenges and opportunities. Despite encountering a 3% decline in our revenue compared to the previous fiscal year, primarily attributed to the absence of contribution from our non-core business - piling, which we strategically discontinued from operations during FY23, and a lower contribution from our healthcare segment - glove, where we began to witness signs of recovery, there are significant highlights to acknowledge.

Notably, our core business, exemplified by our recycling division, demonstrated robust resilience by achieving a top line growth of 2% for the year. This commendable performance underscores the strength and sustainability of our fundamental operations. Furthermore, despite the dip in overall Group revenue, our diligent efforts resulted in a 3% improvement in gross profits for FY23.

Our commitment to environmental stewardship and sustainable business practices remains unwavering. In an era where the proliferation of electronic devices continues unabated, we recognize the critical importance of responsibly managing electronic waste. The Global E-waste 2020 report underscores the pressing need for action, revealing a staggering 21% increase in e-waste over the past five years, with projections indicating a near doubling of the 2014 figure by 2030. This exponential growth solidifies e-waste as one of the fastest-growing waste streams globally, posing significant environmental and human health hazards if left unaddressed.

Against this backdrop, our steadfast commitment to e-waste recycling assumes paramount importance. By implementing robust recycling processes and leveraging innovative technologies, we not only mitigate the adverse effects of e-waste but also harness its latent value, thereby fostering a circular economy. It is gratifying to report that this segment continued to make significant contributions to our group's performance this year, underscoring the efficacy and relevance of our sustainability initiatives. As stewards of the environment and advocates for responsible corporate citizenship, we remain resolute in our mission to safeguard our planet for future generations while driving sustainable growth and value creation for our stakeholder.

Amidst the multifaceted challenges encountered by the gloves industry in FY23, our organization remained resolute, navigating a landscape fraught with complexities. The persistent challenge of glove destocking, driven by surplus customer inventory, precipitated a sluggish order trajectory throughout the year. This dynamic was further compounded by industry-wide oversupply stemming from pandemic-driven expansions and intensified competition from formidable overseas players, exacerbating market pressures. Additionally, the reduced sense of urgency among customers, spurred by shortened delivery times due to lower manufacturer utilization rates, presented a formidable obstacle.

However, amidst these challenges, it's essential to underscore the proactive measures taken by our subsidiary's former founder, Mr. Law Siau Woei. Recognizing the potential risks associated with price fluctuations in the rubber glove industry, Mr. Law has made a commendable pledge to cover any net loss after tax (NLAT) for the financial years 2022 to 2024. This strategic initiative underscores our commitment to safeguarding the stability and resilience of our glove business amidst volatile market conditions.

Looking ahead to FY24 and beyond, cautious optimism prevails as the gloves market is poised to rebound after a prolonged phase of inventory de-stocking, catalysing a stabilization in average selling prices amidst tightening supply and demand dynamics. This inflection point positions us to capitalize on improved utilization rates and subsequent operating leverage, thereby navigating towards sustained growth and profitability.

Our retail pharmacy business in Malaysia achieved steady revenue growth over a short span of 1.5 years. During this period, we have successfully established 17 retail pharmacy outlets across the vibrant Klang Valley area. This rapid expansion underscores our commitment to delivering accessible healthcare solutions to communities while capitalizing on the burgeoning demand within the Malaysian market.

Insights into the retail pharmacy industry in Malaysia reveal a robust growth trajectory driven by several factors. Firstly, the increasing awareness and prioritization of health and wellness among consumers have fuelled demand for pharmaceutical products and services. Additionally, the evolving healthcare landscape, coupled with advancements in technology and digitalization, has transformed the way consumers access and engage with healthcare services, further driving demand for retail pharmacy outlets.

Furthermore, Malaysia's rapidly aging population, coupled with the rising prevalence of chronic diseases, underscores the critical role played by retail pharmacies in providing essential healthcare services and medication management solutions.

Despite the challenges posed by the evolving regulatory landscape and competitive market dynamics, the growth potential for retail pharmacy in Malaysia remains compelling. With a commitment to excellence and a customer-centric approach, we are poised to leverage this growth momentum and expand our footprint further. Moving forward, we are committed to tapping into the robust growth opportunities within the Malaysian retail pharmacy sector and plan to open more retail outlets in the coming year to meet the evolving healthcare needs of our communities.

During the fiscal year, we bid farewell to three esteemed members of our board, Mr Tan Kok Hiang and Mr Samuel Poon Hon Thang resigned pursuant to the mandatory maximum 9-year tenure for independent director. Dr Lai Huen Poh who has also served as a non-executive director for more than 9 years, resigned to facilitate board renewal. We extend our heartfelt appreciation and gratitude to Mr Tan Kok Hiang, Mr Samuel Poon Hon Thang, and Dr Lai Huen Poh for their invaluable contributions to the development and growth of the Enviro-Hub Group. We wish them continued success in their future endeavors.

Concurrently, we are pleased to welcome aboard two new independent non-executive directors, Mr Lau Chin Huat and Ms Judy Ang Siew Geok. Both Mr Lau and Ms Ang bring with them extensive and diverse international and domestic experience, further enriching our board's expertise and capabilities. We anticipate their invaluable contributions to the development and execution of our strategic initiatives in the years ahead.

Furthermore, it is with great pride that we announce the appointment of Ms Judy Ang Siew Geok as our first female non-executive director, in alignment with the board diversity policy of the Singapore Stock Exchange. Ms Ang's appointment underscores our commitment to fostering diversity and inclusivity within our leadership team.

We look forward to the collective expertise and insights of our new directors as we continue to chart the course for sustainable growth and success for the Enviro-Hub Group.

As we navigate through dynamic market conditions, we remain steadfast in our commitment to driving innovation, fostering operational excellence, and delivering long-term value to our shareholders. I am confident that with our strategic initiatives and unwavering dedication, we are well-positioned to capitalize on emerging opportunities and steer the company towards continued growth and success.

Thank you for your ongoing support and trust in our vision.

Executive Chairman

MR RAYMOND NG AH HUA

BOARD OF DIRECTORS

Executive Chairman

MR RAYMOND NG AH HUA

Mr Raymond Ng joined the board on 28 October 2004 and was last re-elected as a Director of the Company on 28 April 2022. He is a member of the Nominating Committee. As the Executive Chairman, he is responsible for the Group's overall management, business development, investment decisions as well as strategic direction and planning. He has developed a keen and astute business mindset which has enabled him to identify business opportunities, and is instrumental in spearheading the Group's new business transformation into an environmental hub. He has accumulated over 35 years of experience in the recycling and e-waste management & recovery business. He is also an accomplished property developer with more than 20 years' of industry experience.

In recognition of Mr Raymond Ng's contribution to the community, he was awarded Public Service Medal (PBM) Award in 2003 and Bintang Bakti Masyarakat (BBM) Award in 2014. He also received a Service to Education Award – Silver in 2010 from the Ministry of Education, Singapore.

Executive Director Cum
Chief Investment Officer

MR ADRIAN TOH JIA SHENG

Mr Adrian Toh joined Enviro-Hub Holdings Limited ("the Group") on 01 March 2021 as a Chief Investment Officer and was appointed as Executive Director on 11 November 2022. He was last re-elected as Executive Director on 27 April 2023. On 2 November 2022, he was appointed as Director of the subsidiaries, namely, EH Property & Investments Pte Ltd, QF Properties Pte Ltd, QF 1 Pte Ltd, QF 3 Pte Ltd, QF 4 Pte Ltd, QF 7 Pte Ltd, QF 8 Pte Ltd, QF 9 Pte Ltd, Enviro Property Pte Ltd, HLS Property Pte Ltd, Enviro-Power Pte Ltd and Leong Hin Builders Pte Ltd. Prior to that he was appointed as Director of Pastel Glove Sdn Bhd on 8 March 2021 and Pastel Care Sdn Bhd on 8 December 2021. He is responsible for corporate strategies, investments, mergers and acquisitions and investor relations for the Group.

He has more than 15 years of experience in the financial sector experiences, predominantly in fund management and consulting. Prior to joining the Group, he was a licensed portfolio manager and director of a local family office, Azure Capital Pte Ltd. Before Azure Capital, he was a portfolio manager at RHB Asset Management, managing a variety of equity portfolios for institutional clients. He cut his teeth at PwC Hong Kong as a management consultant, helping organisations to improve their performance, primarily through the analysis of existing organisational problems and developing plans for improvement.

Mr Adrian Toh graduated with Bachelor of Science in Applied Accounting from Oxford Brookes University. He is a member of the Association of Chartered Certified Accountants (ACCA).

Lead Independent Director

DR TEO HO PIN

Dr Teo joined the board as a Non-Executive Independent Director on 08 March 2022. He was last re-elected as Director of the Company on 28 April 2022. He was appointed as the Lead Independent Director on 29 December 2023. He is also the Chairman of Nominating Committee and a member of the Audit Committee and Remuneration Committee. Dr Teo has over 30 years of experience in Township Management in Singapore and has held various key positions in both the public and private sectors of the real estate and construction industries. At present, Dr Teo is the Non-Executive Chairman of Tiong Seng Holdings Limited, and also as an Independent Director in three other public-listed firms, namely: ISOTeam Limited, King Wan Corporation Limited and Broadway Industrial Group Limited. He is also a Senior Advisor to Surbana Technologies Limited, an Adjunct Professor with the Department of the Built Environment at the National University of Singapore (NUS) and Singapore University of Social Sciences. Dr Teo also serves as the President of the Building and Estate Management Alumni, NUS since 1999.

Prior to his present appointments, Dr Teo was the Mayor of the North West District of Singapore (2001 to 2020), and the Member of Parliament for the Bukit Panjang Constituency (1996 to 2020). He has also been a legislator for 23 years and served as the Chairman for the Government Parliamentary Committees for National Development, Environment & Water resources, Home Affairs and Law.

Dr Teo has a Masters in Project Management and a Doctorate in Building from Heriot Watt University in the United Kingdom.

BOARD OF DIRECTORS

Independent Director

MS JUDY ANG SIEW GEOK

Ms Judy Ang Siew Geok joined the Board on 17 July 2023 as an Independent Director. She is also the Chairman of Remuneration Committee and a member of Audit and Nominating Committees.

Ms Ang has over 40 years of working experience in auditing, accounting, taxation, corporate restructuring and consultant at senior management level in various industries.

She is a fellow member of the Association of Chartered Certified Accountant (ACCA) and Institute of Singapore Chartered Accountants (ISCA), Associate member of Chartered Secretaries Institute of Singapore (CSIS), Accredited Tax Professionals of Singapore Chartered Tax Professionals (SCTP) and Member of Singapore Institute of Directors (SID).

Independent Director

MR LAU CHIN HUAT

Mr Lau Chin Huat joined the board on 9 October 2023 as an Independent Director. He is also the Chairman of Audit Committee and a member of Nominating and Remuneration Committees.

With over 40 years of audit, accounting, tax and advisory roles, Mr Lau possesses current professional qualifications and licenses, including being a Public Accountant, Licensed Insolvency Practitioner, ISCA Financial Forensic Professional, Accredited Tax Advisor (GST) and Accredited Tax Practitioner (Income Tax).

Mr Lau's roles as Court-appointed liquidator in Compulsory Winding Up (CWU), Provisional Liquidator in Creditors' Voluntary Liquidation (CVL) and Court-appointed Private Trustee in Bankruptcy (PTIB) requires regular maintenance of skills of a Licensed Insolvency Practitioner. He also served as a Court-appointed Professional Deputy, a service regulated by the Public Guardian, MSF.

Mr Lau is the Non-Executive Independent Chairman of Kimly Limited and also an Independent Director of Willas-Array Electronics (Holdings) Limited.

Mr Lau is a member of Certified Public Accountants of Australia (CPA Australia) and Singapore Chartered Tax Professionals. He is also a fellow member of Institute of Singapore Chartered Accountants (ISCA) and Singapore Institute of Arbitrators.

Mr Lau graduated from the National University of Singapore with a Bachelor of Accountancy Degree.

KEY EXECUTIVES OF THE GROUP

Head of Finance

MR KENNETH YEOW CHING SHOONG

Mr Kenneth Yeow was appointed as Head of Finance of Enviro-Hub Holdings Ltd on 4 January 2023. He is responsible for managing the full spectrum of the finance function, covering financial and management reporting, financial planning and analysis (FP&A), cashflow management and financial audit.

Mr Kenneth Yeow started his career in PwC, working on asset management and private equity audit engagements. Prior to joining Enviro-Hub, he held managerial positions in the FP&A and the Corporate Finance team of DFS Group Ltd and made significant contributions to key projects such as the Abu Dhabi Mid Field Terminal Concession Bid, major store renovations in North America, Mid Pacific and Japan, and the implementation of new accounting ERP system.

Mr Kenneth Yeow holds a Bachelor's degree in Business and Commerce from Monash University, majoring in both Accounting and Finance. He is a certified member of CPA Australia.

Head of Change Management

MS KATHERINE HUNG KAM HAN

Ms Katherine Hung joined Enviro-Hub Holdings Ltd ("the Group") on 1 November 2021 as Deputy Chief Investment Officer ("Deputy CIO") and was redesignated as the Head of Change Management on 11 November 2022. She assists the Group CIO with investor relations and investing strategies, particularly in the healthcare business. She also oversees change management and internal control within the Group.

Ms Katherine Hung has about 15 years of experience in the financial industry. Before joining the Group, she worked in the Intermediaries Supervision Division of the Securities and Futures Commission ("SFC") in Hong Kong, responsible for supervising and monitoring a group of global financial institutions and intermediaries. Besides, Ms Katherine Hung also gained business management experience in the private banking business at Credit Suisse AG, Hong Kong Branch. Prior to that, she had been staying with PwC Hong Kong for 9 years, specialising in regulatory compliance advisory for financial institutions.

Ms Katherine Hung is a member of the Hong Kong Institute of Certified Public Accountants and holds a Bachelor of Business Administration (Hons) – Finance degree from Hong Kong Baptist University.

KEY EXECUTIVES FOR THE GROUP

DIRECTOR

MR LIM KHENG BOON

Cimelia Resource Recovery Pte Ltd
Enviro-Metals Pte Ltd
Leong Hin Piling (Pte.) Limited

Mr Lim was appointed as Director of Leong Hin Piling (Pte.) Limited in August 2022. Prior to that, Mr Lim joined the Group's wholly-owned subsidiary, Cimelia Resource Recovery Pte Ltd ("Cimelia"), in 2004 as Sales Manager and was appointed Director on 15 July 2021. He is also the Director of Enviro-Metals Pte Ltd ("EM") since March 2011.

Mr Lim oversees the trading division's sales & marketing strategies for local and overseas markets for both Cimelia and EM. He also manages the day-to-day operation of the above Companies. He has more than 25 years of experience in the area of precious metals.

DIRECTOR

MR TAN BOON CHYE

HLS Environmental Pte Ltd

Mr Tan was the Operation Manager of HLS Environmental Pte Ltd ("HLSE") and was appointed as Director of HLSE on 2 November 2022. He had previously worked with the Group's other subsidiaries namely Enviro-Power Pte Ltd in 2008 as Process Engineer, Cimelia Resource Recovery Pte Ltd as MDP and WGP Supervisor in 2014 and Enviro-Metals Pte Ltd in 2018 as Operation Manager.

Mr Tan is in charge of the day-to-day operations of HLSE. He has more than 20 years of working experience in the electronics management and waste recycling industry.

CORPORATE REVIEW

Revenue from continuing operations in FY2023 decreased by $1.4 million or 3% from $41.7 million to $40.3 million, mainly due to lower revenue contribution from the healthcare segment. Despite the decrease in revenue, gross profit from continuing operations increased by $0.2 million or 3% from $7.3 million to $7.5 million and its gross profit margin increased from 18% to 19% mainly due to lower gross loss from the healthcare segment. The Group continued to generate a positive operating cashflow of $8.9 million with a net asset value of $86.2 million.

SEGMENTAL REVIEW

Trading, Recycling and Refining of e-Waste/ Metal Division

This division focuses on providing a comprehensive suite of e-waste management solutions and recycling services. The business segment contributed $34.5 million or 85% and $33.9 million or 77% of the Group's reportable segments revenue for FY2023 and FY2022 respectively. The improvement in this segment was due mainly to a higher e-waste sales during the year. Segmental profit before tax and finance cost increased from $5.4 million in FY2022 to $6.3 million in FY2023 mainly due to the increase in revenue and decrease in operating expenses of the division.

CORPORATE REVIEW

Manufacturing and trading of healthcare products

This division focuses on selling, distributing and marketing of healthcare products and other related activities. The business segment contributed $4.0 million or 10% of the Group's FY2023 reportable segments revenue and $6.1 million or 14% of the Group's FY2022 reportable segments revenue. The decrease in segmental revenue in FY2023 was due to the decrease in sales volume and average selling price ("ASP"). Segmental loss before share of associate's profit/loss increased from $0.5 million in FY2022 to $1.0 million in FY2023 mainly due to a provision for slow-moving inventory during the year.

Property Investment and Management Division

This division focuses on developing, investing and managing the Group's investment properties. The segment contributed $1.8 million or 5% and $1.8 million or 4% of the Group's reportable segments revenue for FY2023 and FY2022 respectively. The achievement of 100% occupancy rate and an average rental reversion of +4% compensated for the loss in revenue from the 2 strata units disposed in FY2023. Segmental profit before tax and finance cost decreased from $7.8 million in FY2022 to $6.6 million in FY2023. The decrease was attributed to lower fair value gains on investment properties held at 63 Hillview Avenue during the year.

Piling Contract, Construction, Rental and Servicing of Machinery Division

This division provides piling services, as well as the rental of cranes and heavy machinery for the construction industry. The segment contributed $0.1 million or 0.3% and $2.4 million or 5.3% of the Group's reportable segments revenue for FY2023 and FY2022 respectively. Segmental losses were $0.1 million and $1.1 million in FY2023 and FY2022 respectively. This division has been discontinued in FY2023. During the year, the Group sold all plant and equipment from the construction and piling segment and presented the financials from this business segment as discontinued operations.

OUTLOOK

The e-waste recycling industry outlook continues to be promising with opportunities for growth in terms of collection and recycling volumes. The global e-waste management market is projected to reach USD189 billion by 2030 with a compounded annual growth rate of more than 14% from 2023-2031. Singapore alone generates more than 60,000 tonnes of electrical and e-waste each year. Electronic devices are becoming obsolete at an accelerated pace as consumers continuously seek to upgrade to the latest electronic innovation, compelling the need for structured management and disposal of e-waste. The Group is well-positioned to tap into the potential growth in the industry with the completion of the refinery plant in HLS Environmental Pte Ltd. In addition, revenue contribution from Cimelia Resource Recovery Pte Ltd is expected to increase in 2024 with new contracts secured.

The rubber glove industry has witnessed a pick-up in demand following more than 2 years of inventory de-stocking. The global supply situation has also improved with large players rationalizing their production and most of the new entrants in 2020-2021 have exited the market. ASP has remained stable for the past few quarters, implying that glove makers are avoiding price wars and further price erosion. We also expect our competitiveness to improve as prices of raw materials and natural gas stabilize. Natural gas prices in Malaysia are expected to remain flat in 2024 before declining further in 2025. Raw material prices too are expected to remain largely stable as suppliers seek to increase utilization rate. We believe that the full effects of these pivotal growth drivers will manifest once the market achieves equilibrium, establishing a highly promising long-term outlook for the glove industry.

The Group plans to maintain a cautious approach in rationalizing expenses and prudently managing cash flow. Simultaneously, we aim to streamline our core businesses and implement decisive structural reforms to optimize overall business performance. The commendable financial results underscore the dedication and hard work of our employees, who have consistently innovated and adapted to evolving market conditions. Our stakeholders maintain a strong interest in delving deeper into our climate-related risks and opportunities. They also seek enhanced disclosure of our impact and improved data quality. Notably, there is a growing focus on human rights issues, including aspects such as working hours, health and safety, and job security. As such, substantial strides have been made in our sustainability initiatives with 4 new material topics included in our materiality assessment, reaffirming our commitment to fostering sustainable and responsible business practices.

Our ongoing commitment to delivering value to customers, shareholders, and stakeholders remains steadfast, all the while prioritizing sustainability and responsible business practices. The Group is poised to capitalize on emerging opportunities and address potential challenges effectively. Looking ahead, the Group is well positioned to deliver growth in the future, supported by our high calibre team that is committed to realising the potential of our business, the strength and diversity of our key business segments.

FINANCIAL REVIEW

REVENUE

RECYCLING BUSINESS (mil)
Trading, Recycling & Refining of e-Waste/Metals

2021	32.7
2022	33.9
2023	**34.5**

HEALTHCARE BUSINESS (mil)
Manufacturing & Trading of Healthcare Product

2021#	1.6
2022	6.1
2023	**4.0**

PROPERTY BUSINESS (mil)
Property Investments & Management

2021	2.4
2022	1.8
2023	**1.8**

CONSTRUCTION BUSINESS (mil)
(Discontinued Operation)
Piling Contracts, Construction, Rental & Servicing of Machinery

2021	3.7
2022	2.4
2023	**0.1**

TOTAL REVENUE FOR FY2023

S$40.3* MILLION

FY2022:
S$41.7 million*
FY2021:
S$40.4 million

PROFIT BEFORE TAX FOR FY2023

S$4.8* MILLION

FY2022:
Profit before tax of S$7.1 million*
FY2021:
Profit before tax of S$5.6 million

PROFIT FOR FY2023

S$4.1* MILLION

FY2022:
Profit of S$7.3 million*
FY2021:
Profit of S$5.6 million

Represents post-acquisition revenue as the acquisition completed in end of October 2021.
* Excluding discontinued operations.

SUSTAINABILITY REPORT BOARD STATEMENT

Dear Stakeholders,

The Board of Directors ("**Board**" or "**Directors**") of Enviro-Hub Holdings Ltd ("**Company**" or "**Enviro-Hub**", and together with its subsidiaries, the "**Group**") is pleased to present Enviro-Hub's Sustainability Report ("**Report**") for the financial year ended on 31 December 2023 ("**FY2023**"). As a testament to our ongoing commitment to transparently share our sustainability efforts with our stakeholders, this Report presents our achievements from the past year and outlines our future plans. It illustrates our unwavering dedication to contributing to a more sustainable global economy.

Our Group offers a wide range of services, including trading, recycling, refining of e-waste/metals, property investments, property management, and manufacturing of healthcare products. As a proactive contributor to environmental restoration through technology and solutions, Enviro-Hub recognises the importance of sustainable development for the Group's long-term success. Our vision is to lead in the e-waste and scrap metals recycling sector while also addressing global healthcare needs. The Board is keenly aware of the growing risks associated with climate change and global warming, and we are deeply committed to upholding human rights throughout our operations and value chain. Therefore, we are dedicated to incorporating Economic, Environmental, Social, and Governance ("**EESG**") considerations into our business strategy and operations. Furthermore, we have implemented the recommended disclosures outlined by the Task Force on Climate-related Financial Disclosures ("**TCFD**").

We consider it our duty to uphold and advocate for the human rights and working conditions of both our clients and our employees. We ensure that they are aware of their rights and actively promote them. The Board and the Sustainability Steering Committee ("**SSC**") bear the responsibility of overseeing significant sustainability matters as part of our annual strategic planning process. Through a materiality assessment, the SSC identifies the most relevant issues and integrates their underlying implications into our strategic direction. To accomplish these objectives, our Board and SSC have established short-term, medium-term, and long-term metrics and targets to effectively address various material topics, continuously monitoring progress toward these objectives. Looking forward, we acknowledge the importance of collaborating with our stakeholders to collectively address the interconnected challenges that our industry faces.

We extend our gratitude to the management team, all our dedicated employees, valued partners, and stakeholders for their unwavering support in advancing our sustainability initiatives and for their significant contributions to our ongoing sustainability journey.

ABOUT THIS REPORT

Scope of Report

This annual sustainability report focuses on Enviro-Hub's enduring commitment to the integration of EESG aspects into our business operations for the financial year that ended on 31 December 2023. No restatements were made from the previous report.

The report encompasses the performance and data of Cimelia Resource Recovery Pte Ltd ("**Cimelia**"), Enviro-Metals Pte Ltd ("**Enviro-Metals**"), and HLS Environmental Pte Ltd ("**HLS**"). These entities represent Enviro-Hub's Singapore-based businesses engaged in recycling, refining precious metals, and trading e-waste and metals. Additionally, Pastel Glove Sdn Bhd ("**Pastel Glove**"), which is involved in the manufacturing of healthcare products, has also been included in this Report. The remaining entities, namely EH Property & Investment Pte Ltd, Enviro Property Pte Ltd, Enviro-Power Pte Ltd, Leong Hin Piling Pte Ltd and Enviro-Healthcare Pte Ltd have been excluded from this report due to their significantly lower revenue contributions. We will evaluate and consider including these other business lines in future editions of the Report.

Reporting Framework

The Board has approved this Report, which has been prepared with reference to the sustainability reporting requirements specified in Rules 711A and 711B of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual. It adopts the Global Reporting Initiative ("**GRI**") Standards 2021 and the recommendations in the TFCD. We selected the GRI Standards 2021 as our external reporting framework due to its internationally recognised status, providing comprehensive guidelines for report content and quality.

Report Content and Quality

This Report presents our sustainability strategies, policies, and performance, incorporating quantitative goals and targets aligned with our corporate values. It also addresses the concerns and issues that are frequently raised by Enviro-Hub's stakeholders. To ensure consistency and maintain content quality, we have applied the eight principles outlined by GRI, which include accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability. In addition, we have adhered to the seven principles for effective disclosure as developed by TCFD: disclosures should represent relevant information; be specific and complete; be clear, balanced and understandable; be consistent over time; be comparable among companies within a sector, industry or portfolio; be reliable, verifiable and objective; and be provided on a timely basis.

This Report has undergone the internal review and was reviewed by the Board. We have engaged our internal auditors to perform an internal review of its sustainability reporting process. We have not sought external assurance for this Report.

Feedback

We highly value and encourage feedback from all our stakeholders, as it plays a crucial role in driving continuous improvements in our sustainability practices and reporting. Please feel free to share your comments and suggestions with us at info@enviro-hub.com. Your input is greatly appreciated.

SUSTAINABILITY REPORT

SUSTAINABILITY GOVERNANCE STRUCTURE

In line with our principles, we strive to formulate our growth and sustainability strategy while upholding the highest ethical standards related to compliance, transparency, and the trust of our stakeholders.

Our sustainability governance framework, as illustrated in Figure 1, establishes the groundwork for aligning our sustainability priorities with our corporate objectives. Furthermore, our robust governance structure, well-established policies, and monitoring system are in place to safeguard the trust of our stakeholders. Sustainability concerns and the pertinent EESG factors that are significant to our business are reviewed and approved by the Board as part of our strategic planning process. Our SSC is responsible for developing sustainability goals, and strategies, as well as overseeing the overall sustainability performance before reporting it to the Board. The SSC is led by our Executive Director and comprises senior management representatives from various functional areas.

To ensure the effective integration of sustainability initiatives into our strategic planning and day-to-day business activities, we established the Sustainability Task Force ("**STF**") as an integral component of our corporate governance structure. The STF includes representatives from both our operations and finance divisions, who are responsible for overseeing and monitoring our sustainability progress and performance.

Raymond Ng Ah Hua, Executive Chairman
Adrian Toh, Executive Director cum Chief Investment Officer
Dr Teo Ho Pin, (Lead) Independent Director
Lau Chin Huat, Independent Director
Judy Ang, Independent Director
Tan Kok Hiang, Independent Director
(ceased w.e.f. 29 Dec 2023)
Samuel Poon Hon Thang, Independent Director
(ceased w.e.f. 29 Dec 2023)
Dr Lai Huen Poh, Non-Executive Director
(ceased w.e.f. 29 Dec 2023)

The Board to incorporate sustainability issues as part of the company's strategic formulation and to approve, manage and monitor ESG factors material to the business.

Adrian Toh, Executive Director cum Chief Investment Officer
Kenneth Yeow, Head of Finance
Katherine Hung, Head of Change Management

Senior management team to develop sustainability objectives and strategy, manage and monitor overall sustainability performance, reports to the Board.

Subsidiary Director
Finance Manager
Assistant Finance Manager
Assistant HR & Admin Manager
Group Marketing Manager
Plant Manager

STF to drive sustainability programme across the organisation employees across functions and divisions are represented in the task force.

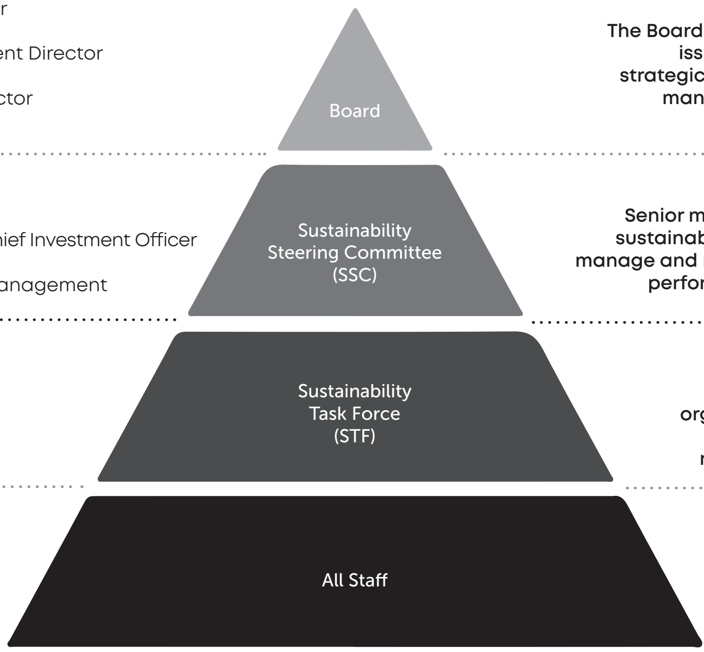


Figure 1: Enviro-Hub's Sustainability Governance Framework

SUSTAINABILITY REPORT

Roles and Responsibilities of the SSC and STF

Designation	Roles	Responsibilities
Executive Director cum Chief Investment Officer	• Plays a pivotal role in shaping the Company's sustainability agenda, ensuring its integration into the corporate strategy, and driving meaningful progress toward EESG goals.	• Oversees the Company's strategic formulation and vision • Provides strategic guidance and formulate Company's sustainability strategy • Reviews the Company's sustainability strategies and action plans to address its climate-related risks and impacts
Head of Finance	• Plays a pivotal role in ensuring that sustainability efforts are financially sound, aligned with the Company's strategic goals, and contribute to long-term financial sustainability.	• Coordinates reporting and disclosures • Manages the budget allocated for sustainability initiatives and projects • Stay updated on evolving sustainability reporting standards • Participate in the strategic planning process, providing financial insights and recommendations to support the integration of sustainability into the Company's overall strategy
Respective Heads of Departments/ Managers	• Ensure that sustainability initiatives are embraced, adopted, and integrated into the organisation's culture and operations.	• Support and execute sustainability initiatives • Gathers feedback from employees, stakeholders, and teams involved in sustainability initiatives • Monitor and report operational and ESG performance against established targets

During FY2023, in accordance with Rule 720(7) of the SGX Rulebooks Mainboard Rules, the Company fully complied with the requirement for directors to undergo mandatory training. All members of our Board have completed sustainability training courses provided by the Singapore Institute of Directors.

STAKEHOLDER ENGAGEMENT

Recognising the importance of maintaining continuous and transparent communication with our stakeholders, we place high value on the diverse perspectives and insights they bring to the table. Their input plays a crucial role in helping us prioritise actions within our sustainability initiatives.

To foster open and transparent dialogues with our stakeholders, we have actively engaged both our internal and external stakeholders throughout the year. This ongoing engagement has served as a valuable source of input for our development activities, enabling us to closely align with their needs, interests, and expectations. Furthermore, this approach allows us to identify areas where improvements can be made and opportunities can be leveraged, ultimately creating value for both our Company and our stakeholders. For detailed information about our stakeholder engagement methods, frequency, and the key topics of interest, please refer to Table 2.

SUSTAINABILITY REPORT

Table 2: Stakeholder engagement methods, frequency and key topics of interest

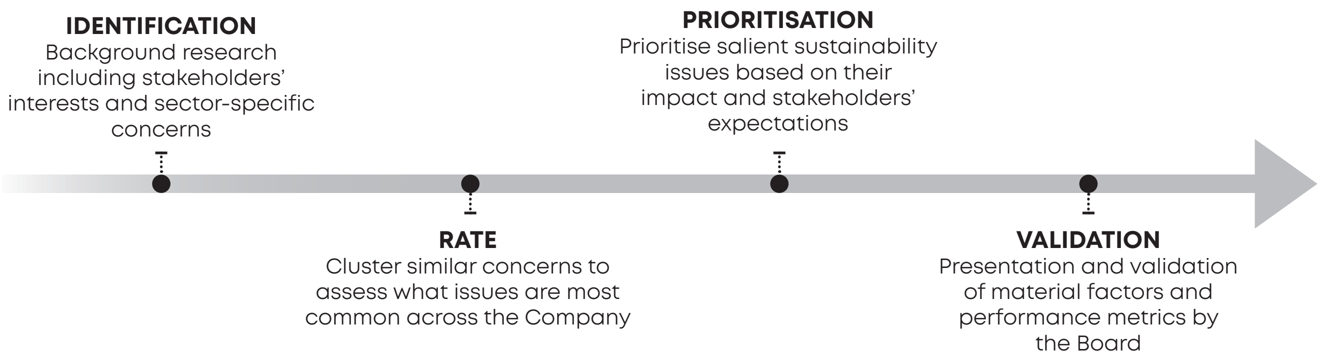
Key Stakeholders	Engagement Methods	Frequency	Key Topics of Interest
Employees	Induction programme for new employees	Throughout the year	• Equitable remuneration • Fair and competitive employment practices and policies • Job security and workplace safety • Employee development and well-being
	Training and development programmes	Throughout the year	
	Career development performance appraisals	Throughout the year	
	Recreational, wellness, and community service activities	Throughout the year	
	E-mails, meetings and town-halls sessions	Throughout the year	
Customers	Feedback from customers	Throughout the year	• Comments and potential room for improvement in delivering goods and services • Efficient project management • Compliance with environmental and safety standards • Legal and contractual compliance • IP protection and data security
	Independent audit from our customers	Annually/ Bi-annual	
Suppliers	Suppliers' feedback through emails, phone calls and fax	Throughout the year	• Supplier policies and requirements • Fair and timely payment terms • Occupational health and safety practices • Strong and lasting cooperation
	Supplier on-site meetings	Ad-hoc	
Shareholders and Investors	Updates on financial results, announcements, business developments, press releases and other relevant disclosures via SGXNet and our website	Throughout the year	• Transparent reporting • Sound corporate governance practices • Financial stability and growth plans • Sustainability efforts • Risk Management • Compliance with regulations
	Investor conferences	Throughout the year	
	One-on-one meetings	Throughout the year	
	Annual General Meeting	Annually	
Regulators and Government	Meetings and dialogue sessions	Throughout the year	• Compliance with and updates on changing laws and regulations • Sustainability reports • Transparency and non-financial reporting
Local Communities	Charitable contribution	Throughout the year	• Corporate Social Responsibility programme
	Volunteering activities	Throughout the year	• Community service events

SUSTAINABILITY REPORT

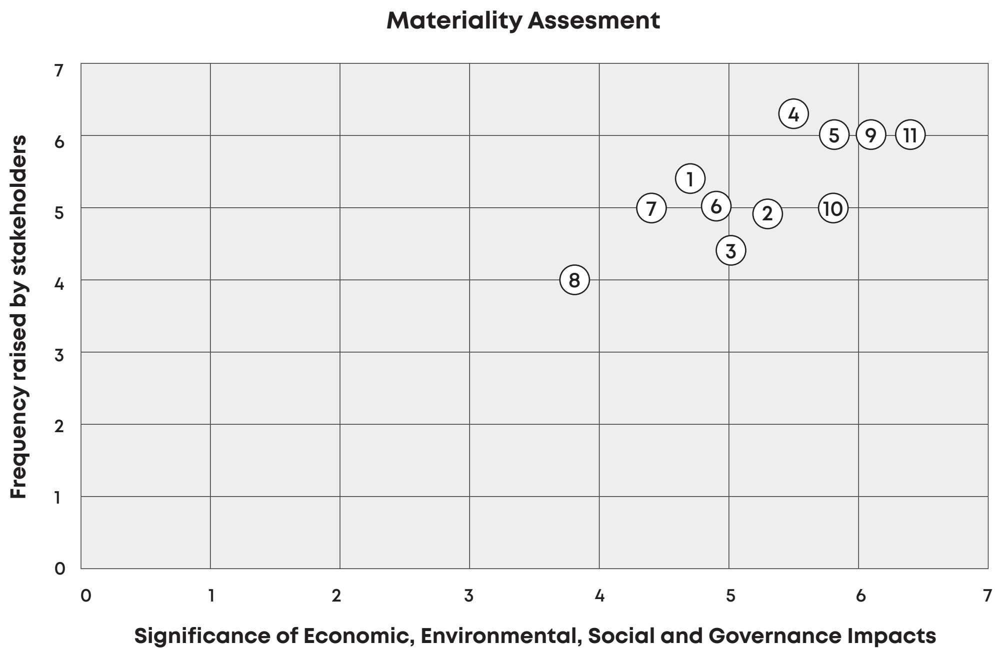
MATERIALITY ASSESSMENT

At Enviro-Hub, we give significant importance to the identification and prioritisation of issues that are of utmost concern and are frequently raised by our stakeholders. We employ various channels and feedback mechanisms to analyse our stakeholders' expectations, encompassing economic, environmental, and social aspects, including human rights issues, across our entire value chain.

In our materiality analysis, we have conducted a comprehensive reassessment of the material topics. This involved multiple rounds of internal discussions and consultations, and we also considered the evolving external business landscape that emerged during FY2023. As a result of this process, we have incorporated four additional material topics into our agenda. The Company follows a four-stage approach to define our material topics for FY2023:



Following the assessment, these topics were mapped onto a materiality matrix, resulting in the identification of 11 key EESG material topics, as illustrated below:



SUSTAINABILITY REPORT

Environmental	Social	Governance	Economic
1: Climate Change	4: Employment Practices	9: Protection of Sensitive Information	11: Economic Performance
2: Energy Consumption	5: Occupational Health and Safety	10: Corporate Governance	
3: Water and Effluents	6: Training and Education		
	7: Talent Attraction and Retention		
	8: Local Communities		

Although we have observed positive progress, our stakeholders maintain a strong interest in delving deeper into our climate-related risks and opportunities. They also seek enhanced disclosure of our impact and improved data quality. Notably, there is a growing focus on human rights issues, including aspects such as working hours, health and safety, and job security. This heightened attention is further underscored by the emergence of legislation related to human rights due diligence and reporting.

The changes in material topics in FY2023 coupled with the respective rationale are as follows:

Material topics added in FY2023	Explanation
Climate Change	As the world rallies to meet the required goal of limiting global temperature rise to well below 1.5˚ Celsius as set out in the Paris Agreement, we are addressing climate change as one of our high priority EESG issues to reduce Greenhouse Gas ("**GHG**") emissions within our own operations and across our value chain.
Energy Consumption	Energy consumption is a significant contributor to greenhouse gas emissions and other environmental impacts. We recognise that proper management of energy consumption in our operations is necessary for us to achieve our sustainability targets.
Employment Practices	Employment practices significantly impact the well-being and overall quality life of our employees. We recognise that addressing employment practices is not only a matter of social responsibility but also a strategic imperative for our Company's long-term sustainability and success.
Corporate Governance	Effective governance is essential for our Company to thrive in a complex and rapidly evolving business environment. We recognise that adopting best practices in corporate governance builds trust among our stakeholders, helps identify and mitigate risks.

ENVIRONMENTAL

Climate Change

In line with the goal of limiting the global temperature rise to below 1.5˚ Celsius, as specified in the Paris Agreement, we have made addressing climate change one of our top priorities within the realm of EESG concerns. Our primary focus is on reducing the emissions of GHGs throughout our operations and supply chain. We are actively engaged in developing strategies to bolster our resilience to climate-related challenges across our various business divisions. An essential initial step involves understanding the potential risks and opportunities associated with climate change and how they could impact our financial performance.

SUSTAINABILITY REPORT

TCFD Climate-related Risk Analysis

Governance

The Board holds ultimate responsibility for the Company's sustainability strategy, which includes addressing climate-related risks and opportunities. To effectively evaluate and monitor these risks and opportunities, specific committees have been established. Refer to our Sustainability Governance Structure on pages 16 to 17 of the Report for further details.

Strategy

At Enviro-Hub, we actively seize opportunities and effectively manage risks through our sustainability approach, aiming to evolve our business into a performance-driven organisation with a positive climate impact. Our overarching climate strategy encompasses the identification, assessment, and mitigation of climate-related physical and transition risks across our value chain. By aligning with planetary boundaries, we strive to operate within environmental limits while making business decisions that result in a net positive impact. An essential element of our strategy involves driving a systematic shift in various aspects. This includes enhancing the efficiency of resource utilisation, adopting energy sources with lower emissions, and developing solutions related to climate adaptation and insurance risk.

We have adopted a risk analysis that primarily focuses on two climate scenarios: a 2°C or lower scenario and a no-mitigation scenario. This analysis enables us to assess the potential impacts of climate change on our business.

Scenario	Paris-aligned scenario (Below 2°C)	No mitigation scenario (4°C)
Rationale	• In this scenario, the world manages to reduce CO_2e emissions through several far-reaching measures, such as legislation, global carbon taxes, and major shifts in consumption patterns and lifestyles. • This scenario is selected to assess the transition impacts in an economy shifting to a low carbon world. It reflects actions required to limit global warming to under 2°C.	• In this scenario, the world fails to curb rising CO_2e emissions by 2100. Legislation and carbon taxes are expected to play a less significant role in this scenario, whereas impacts from extreme weather events are assumed to grow in magnitude. • This scenario is selected to assess the physical risks under a high-emission scenario, consistent with a future with limited policy changes to reduce emissions.
Underlying model	International Energy Agency's Sustainable Development Scenario	Intergovernmental Panel on Climate Change ("**IPCC**") Representative Concentration Pathway 8.5, mostly long term
Assumptions	Transition features: • Carbon price introduced • Fossil fuel subsidies phased out by 2050 in net-importers and by 2035 in net-exporters • Increased generation from renewable energy	Physical features: • Global emissions continue to rise because of high carbon intensity • Global mean sea level rise of 0.63m by 2100 • High frequency and intensity of heat waves and extreme precipitation events

SUSTAINABILITY REPORT

Climate-Related Risks and Opportunities

Based on the aforementioned scenarios, we have identified several climate-related risks, encompassing both physical and transition risks, as well as corresponding business opportunities. These risks and opportunities have the potential to impact our business operation, and we have developed mitigation measures to address them should these scenarios materialise. Here is an overview:

Risk Type	Impact	Mitigating Measures
Physical Risks		
Acute increased severity of extreme weather events such as frequent flooding	• Frequent local flood events can lead to water damage to equipment, resulting in higher maintenance costs • Additional property and business insurance cost • Exposure to contaminated water and damaged electronic components can lead to health and safety issues to works in our facility and plant	• Establish and enforce health and safety protocols to protect workers from potential hazards associated with flooding
Chronic rising mean temperatures	• Increased pressure on cooling and air conditioning, leading to increased operation and maintenance costs and risk of system failure • Increased heat stress events among stakeholders, with reduced comfort of our clients and staff	• Introduce more energy efficient measures • Adopt air-conditioners and water fittings with higher efficiency ratings
Transition Risks		
Policy and Legal	• Increased reporting requirements due to climate change • Incremental headcount required to deliver initiatives related to climate change and reporting • Additional costs incurred to deliver the projects	• Engage with third-party consultant to support our data capture and climate-related reporting • Designate staff to compile and keep data for future climate-related reporting • Provide clear and accurate disclosures on policies, practices, and performance related to e-waste management and climate risk mitigation.
Technology	• Capital investments into technology development • Cost of adoption to lower emission technology such as Cimella forklift and truck	• Improve product sustainability to generate competitive advantage
Market	• Increased cost of raw materials such as metals, plastics, semiconductors and microchips • Changing customer preferences and increased sensitivity to EESG	• Stay up to date on market trends to do with environmental performance • Implement lean manufacturing principles to optimise processes and reduce waste within the facility and plant
Business Opportunities		
Resource Efficiency/ Energy Sources	• Enhancing energy efficiency and water conservation in our office and operations can lead to expenditure reductions • Adopting more efficient modes of transport such as shuttle bus • Utilising lower emission sources of energy such as solar panel at Pastel Glove and HLS	
Products and Services	• Enhanced competitiveness • Embracing environmentally friendly stripping machines, which is the latest technology that poses minimal harm to both the environment and the staff involved	

SUSTAINABILITY REPORT

Energy Consumption

The majority of GHG emissions within our operations arise from our use of purchased electricity and fuel consumption from mobile sources. Therefore, we disclose Scope 1 direct emissions and Scope 2 indirect emissions with reference to the GHG Inventory Guidance, GRI Standards and TCFD recommendations. Consequently, our Company contributes to air pollution mainly through two streams: (i) combustion of fossil fuels from the use of motor vehicles (Scope 1 Emissions) and (ii) consumption of purchased electricity (Scope 2 Emissions).

Emission from Mobile Combustion

Scope 1 mobile emissions refer to a wide variety of company-owned or operated vehicles, engines and equipment that generate GHG emissions through the combustion of various fuels while moving from one location to another. The burning of fossil fuels within mobile sources gives rise to the emission of air pollutants. The introduction of these pollutants to the atmosphere has deleterious impacts, which include global warming, formation of acid rain, lower visibility, and the development of respiratory issues like lung cancer.

The Company's environmental performance in FY2023 is as below:

Pollutants	CO_2	CH_4	N_2O
Emission Factor[1] (kg/litre)	2.68	0.000023	0.000032
Global Warming Potential (GWP)	1	28	265

Financial Year	FY2023
Fuel Used	Diesel
Fuel Consumed (litre)	36,622
CO_2 Emissions (tCO_2e)	98.15
CH_4 Emissions (tCO_2e)	0.02
N_2O Emissions (tCO_2e)	0.31
Total GHG Emissions (tCO_2e)	98.48
Number of employees	125
GHG Intensity (tCO_2e/employee)	0.8

Emission from Purchased Energy

Our Scope 2 GHG emissions are indirect emissions generated from the consumption of purchased energy in the form of electricity.

The Group's environmental performance in FY2023 is as below:

	Singapore	Malaysia
Operating Margin (OM) Grid Emission Factor (kg CO_2/kWh)[2]	0.417	0.510

Financial Year	FY2023
Electricity Purchased (MWh)	1,659
Total GHG Emissions (tCO_2e)	800
Number of Employees	125
Energy consumption intensity (MWh/employee)	13
GHG Intensity (tCO_2e/employee)	6.4

1 Retrieved from: Guidance from GHG Protocol and Intergovernmental Panel on Climate Change (IPCC)
2 GHG emissions data are calculated based on, including but not limited to, "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards" issued by the World Resources Institute and the World Business Council for Sustainable Development, "Appendix to Part II: Monitoring Plan of Greenhouse Gas (GHG) Emissions Measurement and Reporting Guidelines" published by National Environment Agency and 2022 Electricity Grid Emission Factor issued by the Energy Market Authority of Singapore.

SUSTAINABILITY REPORT

Furthermore, we are dedicated to decreasing our energy usage by fostering awareness among our staff. Our leadership has cultivated a culture of environmental responsibility within our operational procedures by advocating for the following measures:

- Verifying lights, computers, and other electrical devices are turned off when not in active use;
- Perform routine maintenance on equipment to optimise energy efficiency; and
- Integrating energy-efficient fixtures and fittings into our office premises, facility and plant.

In addition to purchased electricity, we have also installed solar panel at our premises (Pastel Glove and HLS) to generate renewable energy to power our operations at the factories.

Water and Effluents

We acknowledge that water is a limited resource, and businesses have a crucial part to play in preserving the sustainability of water sources. Our commitment involves reducing water usage and enhancing efficiency through continuous monitoring. Additionally, we aim to instill a sense of environmental responsibility in our employees by consistently reminding them to minimise their water usage.

Financial Year	**FY2023**
Water Consumed (cubic meters)	92,847
Number of Employees as of 31 December 2023	125
Water Intensity (cubic meters/employee)	743

At Enviro-Hub, we have continued to monitor our water usage and implemented policies and procedures to ensure water usage efficiency:

- Pastel Glove has engaged contractors to construct an Industrial Effluent Treatment System (IETS). This system utilises water extracted from the lake and facilitates the recycling of water within our laboratories. After undergoing treatment, the used water is returned to the lake, effectively reducing water consumption and promoting a circular economy approach; and
- Perform frequent checks and maintenance on pipes and installations to prevent potential water leakages.

Waste Management

In line with the principles of circular economy, our holistic waste management framework ensures regular review of our waste minimisation efforts and recycling initiatives across all of our operations.

In FY2023, Cimelia and HLS collectively disposed of a total of 39 tonnes of hazardous waste. Additionally, HLS generated 108 tonnes of non-hazardous waste to disposal during the same period. The type of waste and amount generated are outlined as below:

Entity	**Hazardous wastes**		**Non-hazardous wastes**	
	Type of waste	**Amount generated (metric tons)**	**Type of waste**	**Amount generated (metric tons)**
Cimelia	Spent refrigerant, metallic sludge, and plating effluents	14	Nil	Nil
HLS	Polyvinyl chloride	25	Packaging rubbish, laminate panel, solar panel, skeleton wafer, and plastic	108

SUSTAINABILITY REPORT

Our Targets

Our sustainability efforts are driven towards achieving net zero carbon emissions by the year 2050. In pursuit of this goal, we establish the following targets:

Material Topics	Short-Term Target (1-5 years)	Medium-Term Target (by 2035)	Long-Term Target (by 2050)
Climate Change	• Monitor our operations for potential climate-related risks. • Commence on the assessment of Scope 3 emissions and progressively collect data for relevant categories. • Establish quantitative metrics and targets for GHG emissions.	• Include disclosures of quantitative impact of climate-related risks identified. • Include disclosure of Scope 3 emissions. • Include disclosure of metrics and targets for GHG emissions.	• Achieve net zero GHG emissions.
Energy Consumption	• Monitoring energy usage in our office premise and across our value chain. • Promote more energy saving habits and initiatives. • Assess energy usage in the operations and identify areas of improvement.	• Adopt use of higher energy efficient features and fittings. • Include disclosure of quantitative metrics and targets.	• Reduce energy consumption to achieve overall net zero GHG emissions target.
Water and Effluents	• Reduce water intensities by 3%. • Adopt use of higher water efficient features and fittings.	• Reduce water intensities by 5% from FY2023 baseline. • Adopt more usage of water efficient features and fittings with two or more WELS ticks.	• Reduce water intensities by up to 10% from FY2023 baseline.

Social

At Enviro-Hub, we strongly emphasise our commitment to not only our employees and customers but also the broader community as we strive for sustainable growth. We firmly believe that demonstrating positive social impacts and fulfilling our responsibilities can enhance our attractiveness to consumers and employees, showcase corporate accountability, and generate lasting, sustainable value for all stakeholders. Engaging in socially responsible behaviour enhances Enviro-Hub's reputation and enhances customer retention. Our strategy to enhance our social impact involves not only cultivating a workforce that embraces fair and equitable employment practices and promotes equal access to education but also fostering a safe, risk-free culture within the Company and actively contributing to society.

SUSTAINABILITY REPORT

Employment Practices

Our commitment is unwavering in cultivating a corporate culture that is conducive, collaborative and cohesive with zero discrimination. We are dedicated to fostering an environment that empowers our employees to reach their fullest potential, regardless of their backgrounds. At Pastel Glove, the Social Security Organisation introduced the Health Screening Programme in 2023. This programme, available from 16 May 2023, to 31 December 2023, provides free health screenings to employees, aiming for the early detection of Non-Communicable Diseases like diabetes, high blood pressure, cancer, and the risk of heart disease. The eligibility criteria include being Malaysian, aged between 40 and 59 years old, and an active contributor. Out of the 12 eligible workers, 8 individuals underwent the health screening.

In our pursuit of an inclusive workplace that prioritises mutual respect, fairness, and equality, Enviro-Hub has diligently built a highly engaged, skilled, and diverse workforce. The following data and figures provide a comprehensive breakdown of our employees, clearly demonstrating our path towards achieving a workforce that is diverse in terms of gender and age, spanning across various regions.

There are no grievances or human rights issues raised in FY2023.

Employee Headcount (by Gender, Age, and Nationality)

As of 31 December 2023, we have a total of 125 full-time employees, 1 temporary employees, and zero non-guaranteed hours and part-time employees[3]. Our detailed employment profile is as follows:

	FY2022		FY2023	
Workforce	**No. of Headcount**	**Percentage of Total Headcount (%)**	**No. of Headcount**	**Percentage of Total Headcount (%)**
By Gender				
Male	90	63	78	62
Female	54	37	47	38
By Age				
18-30 years old	40	28	27	22
31-50 years old	82	57	71	56
Over 50 years old	22	15	27	22
By Nationality				
Singapore	28	19	31	25
Malaysia	89	62	71	57
Other Countries	27	19	23	18

We have maintained a diverse workforce comprising of employees from different regions, including Singapore, Malaysia, and other countries - with a majority of 57% Malaysians in FY2023. We also have a mix of employees across different age groups and gender.

3 Temporary employees refer to employees with a contract for a limited period that ends when the specific time period expires or when the specific task is completed. Non-guaranteed hours employees refer to employees who are not guaranteed a minimum or fixed number of working hours. Full-time employees and part-time employees follow the definitions under the Singapore's Employment Act.

SUSTAINABILITY REPORT

New Hires and Employee Turnover (by Gender, Age, Nationality)

In FY2023, Enviro-Hub welcomes 44 new hires to our family – 16 males and 28 females, representing 36% and 64% respectively.

Workforce as at 31 December 2023	No. of New Hires	Rate of New Hires (%)	No. of Turnover	Rate of Turnover (%)
By Gender				
Male	16	12.8	9	7.2
Female	28	22.4	3	2.4
By Age Group				
18-30 years old	29	23.2	1	0.8
31-50 years old	15	12.0	9	7.2
Over 50 years old	0	0	2	1.6
By Nationality				
Singapore	0	0	6	4.8
Malaysia	44	35.2	6	4.8
Other Countries	0	0	0	0

Occupational Health and Safety

Ensuring the health and safety of our employees is our top priority. We firmly believe that fostering a robust safety culture in the workplace is paramount in safeguarding our most valuable asset – our people. In alignment with our commitment to protect our employees, we have implemented effective occupational health and safety management systems to ensure that both management and employees are well-informed about emergency procedures and are adequately trained to handle and respond to such situations. Moreover, we diligently provide them with a secure working environment by adhering to local safety laws and regulations. These include the Workplace Safety and Health (WSH) Policy, the Employment of Foreign Workers Act, the Environmental Protection and Management Act and Regulation, the Work Injury Compensation Act, the Environmental Public Health Act, and the Fire Safety Act.

A health and safety committee has been established to ensure that health and safety policies are fully implemented. Several processes have been put in place to ensure the effective implementation of these policies. Some of the processes are as follows:

- Performing Environment, Health, and Safety (EHS) as well as fire safety inspections and taking corrective measures for violations of EHS regulations.
- Monthly reporting of Fire Safety Inspection results to management.
- Reviewing operational risk assessments and taking steps to mitigate potential risks.
- Maintaining relevant certifications such as ISO45001:2018, ISO9001:2015 and bizSAFE Star which is certified by Workplace Safety and Health Council Singapore.
- Providing employees with health and safety training, offering information on workplace health risks and safety hazards, along with proper precautions.

SUSTAINABILITY REPORT

- Conducting periodic inspections with project consultants to discuss in-house safety rules and safe work practices.
- Investigating and implementing corrective actions in response to reported incidents.
- Organising meetings to address and discuss health, safety, and environmental concerns.
- Establishing a Trained Company Emergency Response Team (CERT) to handle emergency situations.
- Ensuring accurate calibration of monitoring equipment.
- Conducting bi-annual internal audits to identify non-conformities with system procedures.
- Appointing a safety manager to conduct bi-annual spot checks and promptly address preventive and corrective actions based on employee and visitor incident reports.
- Holding regular site meetings with project consultants to discuss health and safety issues, environmental concerns (e.g. mosquito breeding, noise), and other ad-hoc matters.

In FY2023, there were no instances of work-related fatalities or high-consequence work-related injuries (excluding fatalities) among our employees for FY2023 (FY2022: 1). However, there were three cases of recordable work-related injuries, resulting in a recordable work-related injury rate of 2.8[4] (FY2022: 1).

Additionally, we acknowledge the critical importance of effectively communicating WHS rules and guidance to our employees in the management of WHS risks. To achieve this, we consistently offer our employees occupational health and safety training.

Training and Education

We are committed to meet the evolving needs and industry standards by ensuring our employees possess the necessary skills to stay current in the dynamic market. To achieve this, we prioritise ongoing training for our workforce throughout the year. Our training initiatives encompass a range of courses, including the WSQ Operate Forklift Course, Forklift Refresher Course, Risk Management Implementation, and First Aid Course Training. These training programmes are designed to engage newly hired Professional Management and Executives (PMEs) as Subject Matter Experts (SMEs) while fostering Human Capital development within our organisation.

Furthermore, we continuously enhance our training programmes by introducing advanced training modules in IT, Digital and System Applications, and Products in Data Processing (SAP). To promote career advancement and facilitate communication, we have established a framework of both formal and informal learning programmes for our employees. Our approach involves assessing the progress of our employees and offering the necessary support. The competence of trainees is evaluated through mechanisms such as the Training & Evaluation Form and competency assessment checklists. Additional training is provided to employees who may not meet the expected proficiency levels.

4 The rate was calculated by using Number of recordable work-related Injuries/ Number of hours worked x 200,000 hours work.

SUSTAINABILITY REPORT

In FY2023, our employees have undergone an average of 9.9 hours of training. The following shows the breakdown of average training hours:

Workforce as at 31 December 2023	FY2022	FY2023
By Gender		
Male	7	9
Female	7	11
By Employee Category [5]		
Senior Management	2	5
Middle Management	9	16
Executives	6	11
Non-Executives	4	2

Talent Attraction and Retention

Our employees play a pivotal role in our company's long-term success, and our unwavering commitment is to nurture their careers and provide a supportive work environment that keeps our workforce motivated.

To uphold our values of inclusivity while maintaining productivity, we have established policies and procedures. These encompass fair recruitment practices, extensive training, and opportunities for career development, along with employee recognition and awards programmes. Furthermore, we actively encourage employee feedback and maintain open lines of communication between our employees and management. Our human resources policy is built on various guiding principles and offers competitive working hours, leave entitlements, employment benefits, remuneration packages, and bonuses (while addressing conflicts of interest). As part of our dedication to fostering effective communication, we are pleased to announce that all our employees undergo annual performance evaluation reviews.

In our recruitment processes, we do not discriminate based on age, and we remain committed to upholding fair employment practices. We also extend the option of unpaid leave of up to two months to our employees when they require time to attend to personal matters, demonstrating our commitment to their work-life balance.

Local Communities

Our unwavering commitment to building a circular and sustainable economy remains steadfast, and we have a longstanding history of actively engaging and collaborating with local communities to advance and enhance waste management practices. Furthermore, our employees continue to be actively involved in Corporate Social Responsibility ("**CSR**") activities that take place throughout the year. These ongoing efforts enable us to march alongside our community as we collectively transition towards a zero-waste society, thereby enriching our overall quality of life.

We place a strong emphasis on cultivating close relationships with local communities by offering support and forging partnerships. Examples of such partnerships include collaborating with local schools to conduct awareness programmes, working closely with town councils and businesses to facilitate e-waste take-back and recycling initiatives. Our commitment to raising awareness about environmental protection extends to encouraging community members to engage in waste item reuse, participate in electronic waste recycling, and provide information about the environmental consequences stemming from improper electronic waste disposal.

In FY2023, we have supported the local community through the following programmes:

- Supported Capitaland sites by providing e-waste bins and collection of e-waste.
- Supported some schools for their e-waste event by providing recycling bins and collection of e-waste.

5 Senior Management refers to our Directors and C-suite officers. Middle Management refers to various Head of Departments and Managers. Executives refers to other office-based employees, while Non-executives refer to all other employees.

SUSTAINABILITY REPORT

Our Performance and Targets

The Board and Management set goals and targets to measure progress for each of the material factor under EESG. The table below summarises our performance in FY2023:

Material Topics	Targets Set for FY2023	Performance in FY2023
Occupational Health and Safety	• Zero accident frequency rate (AFR) • Zero accident severity rate (ASR)	There were three cases of recordable work-related injuries, resulting in a recordable work-related injury rate of 2.8.
Training and Education	• Maintain average training hours per employee per year from FY2022 • Continue with relevant internal and external training opportunities to enhance workers' skills and knowledge in new recycling processes	We have been consistently offering internal and external training opportunities to improve the skills and knowledge of our staff. The average training hours per employee totaled 9.9 hours.
Talent Attraction and Retention	• Maintain an employee turnover rate within the industry average • Enhance benefits set in our company policy by: – Including medical insurance therefore reducing employee co-share payments – Allowing dental claims for all employees	We have sustained an annual turnover rate of 8.9%[6], which falls below the industry average. Additionally, we consistently offer appealing employee benefits, including medical insurance and dental claims.
Local Communities	• Collect a total of 3,000 tonnes of e-waste for reporting year 2023.	Both Cimelia and HLS has collected a total of 3,300 tonnes of e-waste for reporting year 2023.

Moving forward with our unwavering dedication to corporate social responsibility and the creation of impactful social value, we have established the following targets.

<table>
<tr><th>Material Topics</th><th>Short-Term Target (1-5 years)</th><th>Medium-Term Target (2035)</th><th>Long-Term Target (2050)</th></tr>
<tr><td>Employment Practices</td><td>• Maintain on par with the industrial average monthly turnover rate</td><td colspan="2">• Maintain gender, age, and regional diversity of workforce
• Maintain average monthly turnover rate below the industrial average</td></tr>
<tr><td>Occupational Health and Safety</td><td>• Maintain zero incident of non-compliances with regulatory standards related to the health and safety of employees, customers, and workplace
• Maintain zero incidents related to work-related injuries, fatalities, or ill-health</td><td colspan="2">• Maintain zero incident of non-compliances with regulatory standards related to the health and safety of employees, customers, and workplace
• Maintain zero incidents related to work-related injuries, fatalities, or ill-health</td></tr>
<tr><td>Training and Education</td><td>• Offer internal and external trainings that are essential and beneficial to the development and career progression of our employees at all levels.
• Increase the average training hours by 5% from FY2023 baseline.</td><td colspan="2">• Continue providing internal and external training courses and programmes.
• Increase the average training man-hours continuously and steadily</td></tr>
<tr><td>Talent Attraction and Retention</td><td colspan="3">• Continue enhancing employee benefits set in our company policy
• Engage more staff welfare campaigns to maintain employee well-being
• Build a strong organisational culture and values that resonate with employees and promote long-term commitment</td></tr>
<tr><td>Local Communities</td><td colspan="3">• Promote corporate social responsibility through participating in social activities and initiatives, supporting more social organisations, and active social contributions.</td></tr>
</table>

6 Employee turnover rate is calculated by: Number of employee left the Group in FY2023/ Average number of employees at the beginning and end of the reporting period.

SUSTAINABILITY REPORT

GOVERNANCE

We recognise the importance of good corporate governance and the high standards of accountability with a view to safeguard the interests of our shareholders. Embracing best corporate governance standards fosters trust among our stakeholders and contributes to the enduring sustainability of our business performance.

Corporate Governance

Enviro-Hub strives to adhere to the guidelines outlined in the 2018 Code of Corporate Governance, which delineates the principles governing sound corporate governance. Additionally, our Company has implemented a whistleblowing policy and established channels to enable all employees to responsibly and effectively voice concerns about actual or suspected misconduct, financial improprieties, or other wrongdoing. Through our independent reporting system, employees can report any suspicions, and all disclosures are treated confidentially. The Company is committed to safeguarding the identity of the whistleblower to the best of its ability and will not tolerate any form of retaliation against them. This approach is aimed at encouraging and protecting employees who report any questionable activities.

In FY2023, there were no instances of non-compliance or violations of applicable laws and regulations, resulting in fines or non-monetary sanctions.

Protection of Sensitive Information

Safeguarding customer data and respecting their privacy is of paramount importance to us. In an era where electronic devices are becoming obsolete at an escalating rate, the proper disposal of electronic waste has emerged as a pressing concern. Inadequate handling of electronic waste not only poses environmental risks but also heightens the potential for data breaches, where highly sensitive information can be illicitly accessed or misused without authorisation.

In alignment with robust privacy and security protocols, Enviro-Hub has implemented stringent measures to safeguard customer data. This includes strict compliance with data protection laws and regulations, ensuring the complete removal of information and data from clients' electronic devices before recycling or reuse. Our e-waste recycling services encompass the following processes, all designed to protect our customers' sensitive information:

- Data wiping
- Degaussing (hard-disk drives only)
- Punching of hard-disk drives
- Manual physical destruction/recycling
- Shredding
- Mechanical plant crushing
- Access limited to authorise personnel
- Non-Disclosure Agreements (NDA)
- Servers complying with the minimum-security Standards for Sensitive Devices
- Closed-circuit television (CCTV) cameras installed to protect the company's assets and customers' intellectual property (IP)

SUSTAINABILITY REPORT

One of our entities employs a certified degausser model MW 1B, endorsed by the U.S. National Security Agency, for erasing data stored on hard drives and magnetic tapes. Additionally, we utilise shredding machines capable of reducing scrap materials to sizes less than 15mm. Furthermore, we hold certification as an R2:2013 electronics recycler, demonstrating our adherence to the National Institute of Standards and Technology's Guidelines for Media Sanitisation, as specified in Special Publication 800-88.

To enhance security, closed-circuit television cameras have been installed to safeguard the Company's assets and protect customers' intellectual property. In FY2023, there were no documented complaints or substantiated incidents regarding breaches of customer privacy or data losses.

At Cimelia, numerous precautions have been implemented to safeguard customers' sensitive information and intellectual property. These measures involve providing customers with secure recycling bins for collecting e-waste. These bins are transported to Cimelia's facility, where data destruction procedures are carried out. Customers are provided with locks to prevent theft of their electronic devices and unauthorised access to their data in the event of loss or theft. Additionally, security seals with unique serial numbers are employed to ensure the integrity of the recycling bins, and they are collected when they reach a certain fill level.

Our Performance and Targets

The Board and Management set goals and targets to measure progress for each of the material factor under EESG. The table below summarises our performance in FY2023:

Material Topics	Targets Set for FY2023	Performance in FY2023
Protection of Sensitive Information	• Maintain zero incidences of substantiated complaints concerning breaches of customer privacy and losses of customer data	• Maintain zero incidences of substantiated complaints concerning breaches of customer privacy and losses of customer data

To operate in an ethical and responsible manner, we rely on and will continue to strengthen strong governance and compliance, as well as uphold the highest standards of integrity in safeguarding our customer data and privacy. We have established the following targets:

Material topics	Perpetual Target
Corporate Governance	• Maintain zero incidents of non-compliance and violations with the Singapore Code of Corporate Governance 2018 • Maintain zero incidents of non-compliance and violations with Code of Business Conduct and Ethics • Maintain zero incidents of material non-compliance with all other applicable law and regulations. • Ensure human rights concerns and directive are recognised at the Board level and adopted through the value chain through risks and impact identification, prevention, and mitigation
Protection of Sensitive Information	• Maintain zero incidences of substantiated complaints concerning breaches of customer privacy and losses of customer data

SUSTAINABILITY REPORT

ECONOMIC

Enviro-Hub is committed to achieving sustained improvements in our economic performance through the effective management of our business portfolio and operations. Our priority lies in a thorough evaluation process that takes into account not only financial factors but also environmental, social, and governance criteria. In doing so, we actively promote sustainability as a core principle.

<u>Economic Value Generated and Distributed</u>

Financial Year		FY2023 SGD'000
Economic Value Generated		40,291
Economic Value Distributed	Operating Costs	28,139
	Employee Wages and Benefits	6,284
	Capital Providers	3,971
	Government	1,177
	Communities	–
	Total Economic Value Distributed	39,571
Economic Value (Distributed)/Retained		720

Enviro-Hub remains resilient and vigilant in adapting to the changing market dynamics and customer preferences in a sustainable manner. We are committed to maintaining our industry relevance and proactively expanding our market presence and capitalisation. Meanwhile, we are devoted to enhancing our service quality and overall performance.

Our Target

For our economic performance in the future, we have the following targets based on the current reporting year FY2023.

Material Topic	Short-Term Target (1-5 years)	Medium-Term Target (2035)	Long-Term Target (2050)
Economic Performance	• Maintain a healthy and positive financial position	• Expand our market presence and capitalisation, while strengthening our service and performance • Integrate EESG performance with financial results	

To understand more about our economic performance, please refer to pages 81 to 88 of the Annual Report for FY2023.

SUSTAINABILITY REPORT

GRI CONTENT INDEX

Enviro-Hub has reported the information cited in this GRI content index for the period from 1 January 2023 to 31 December 2023 with reference to the GRI Standards.

GRI Standard	Disclosure Number & Title	Section Reference
GRI 2: General Disclosures 2021	2-1 Organisational details	Annual Report 2023: Corporate Profile
	2-2 Entities included in the organisation's sustainability reporting	Sustainability Report: About this Report
	2-3 Reporting period, frequency and contact point	Sustainability Report: About this Report
	2-4 Restatements of information	There has been no restatement of figures or information disclosed in our previous report.
	2-5 External assurance	We have not sought external assurance on this report but may do so in the future.
	2-6 Activities, value chain and other business relationships	Annual Report 2023: Corporate Profile and Corporate Review
	2-7 Employees	Sustainability Report: Social
	2-8 Workers who are not employees	All the workers performing work for Enviro-Hub are employees and we do not have any workers who are not employees
	2-9 Governance structure and composition	Annual Report 2023: Corporate information Sustainability Report: Governance
	2-10 Nomination and selection of the highest governance body	Annual Report 2023: Corporate Governance Report
	2-11 Chair of the highest governance body	Annual Report 2023: Corporate information
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Report: Governance
	2-13 Delegation of responsibility for managing impacts	Sustainability Report: Governance
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Report: Governance
	2-15 Conflicts of interest	Annual Report 2023: Corporate Governance Report
	2-16 Communication of critical concerns	Sustainability Report: Governance
	2-17 Collective knowledge of the highest governance body	This covers confidential information of Enviro-Hub's board meetings and are not to be disclosed due to confidentiality reasons.
	2-18 Evaluation of the performance of the highest governance body	Annual Report 2023: Corporate Governance Report Sustainability Report: Governance
	2-19 Remuneration policies	Annual Report 2023: Corporate Governance Report
	2-20 Process to determine remuneration	Annual Report 2023: Corporate Governance Report
	2-21 Annual total compensation ratio	This covers confidential information and are not to be disclosed due to confidentiality reasons.
	2-22 Statement on sustainable development strategy	Sustainability Report: Board Statement
	2-23 Policy commitments	Annual Report 2023: Corporate Vision; Corporate Mission Sustainability Report: Governance

SUSTAINABILITY REPORT

GRI Standard	Disclosure Number & Title	Section Reference
	2-24 Embedding policy commitments	Annual Report 2023: Corporate Vision; Corporate Mission Sustainability Report: Governance
	2-25 Processes to remediate negative impacts	Sustainability Report: Governance
	2-26 Mechanisms for seeking advice and raising concerns	Sustainability Report: Governance
	2-27 Compliance with laws and regulations	Sustainability Report: Environment, Social, Governance
	2-28 Membership associations	Enviro-Hub is a member of the Waste Management & Recycling Association of Singapore.
	2-29 Approach to stakeholder engagement	Sustainability Report: Stakeholder Engagement
	2-30 Collective bargaining agreements	There are no collective bargaining agreements in place.
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability Report: Materiality Assessment
	3-2 List of material topics	Sustainability Report: Materiality Assessment
Topic-specific disclosure		
Economic Performance GRI 3: Material Topics 2021 / GRI 201: Economic Performance 2016		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	Sustainability Report: Economic Performance
Energy Consumption GRI 3: Material Topics 2021 / GRI 302: Energy 2016		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Sustainability Report: Environmental
	302-3 Energy intensity	Sustainability Report: Environmental
	302-4 Reduction of energy consumption	Sustainability Report: Environmental
Water and Effluents GRI 3: Material Topics 2021 / GRI 303: Water and Effluents 2018		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment
GRI 303: Water and Effluents 2018	303-5 Water Consumption	Sustainability Report: Environmental
Climate Change GRI 3: Material Topics 2021 / GRI 305: Emissions 2016		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Sustainability Report: Environmental
	305-2 Energy indirect (Scope 2) GHG emissions	Sustainability Report: Environmental
	305-4 GHG emissions intensity	Sustainability Report: Environmental
	305-5 Reduction of GHG emissions	Sustainability Report: Environmental

SUSTAINABILITY REPORT

GRI Standard	Disclosure Number & Title	Section Reference
Employment Practices & Talent Attraction and Retention GRI 3: Material Topics 2021 / GRI 401: Employment 2016		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Sustainability Report: Employment Practices
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sustainability Report: Employment Practices
Occupational Health and Safety GRI 3: Material Topics 2021 / GRI 403: Occupational Health and Safety 2018		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Sustainability Report: Occupational Health and Safety
	403-6 Promotion of worker health	Sustainability Report: Occupational Health and Safety
	403-9 Work-related injuries	Sustainability Report: Occupational Health and Safety
	403-10 Work-related ill health	Sustainability Report: Occupational Health and Safety
Training and Education GRI 3: Material Topics 2021 / GRI 404: Training and Education 2016		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Sustainability Report: Training and Education
	404-2 Programmes for upgrading employee skills and transition assistance programmes	Sustainability Report: Training and Education
	404-3 Percentage of employees receiving regular performance and career development reviews	Sustainability Report: Training and Education
Local Communities GRI 3: Material Topics 2021 / GRI 413: Local Communities 2016		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Sustainability Report: Local Communities
Protection of Sensitive Information GRI 3: Material Topics 2021 / GRI 418: Consumer Privacy 2016		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment
GRI 418: Consumer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Sustainability Report: Protection of Sensitive Information

SUSTAINABILITY REPORT

TCFD Disclosures

Governance		
TCDF 1(a)	Describe the board's oversight of climate-related risks and opportunities.	Pages 21
TCFD 1(b)	Describe management's role in assessing and managing climate-related risks and opportunities.	
Strategy		
TCFD 2(a)	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	Pages 21-22
TCFD 2(b)	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	
TCFD 2(c)	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	
Risk Management		
TCFD 3(a)	Describe the organisation's processes for identifying and assessing climate-related risks.	Pages 22
TCFD 3(b)	Describe the organisation's processes for managing climate-related risks.	
TCFD 3(c)	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	
Metrics and Targets		
TCFD 4(a)	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Pages 23-25
TCFD 4(b)	Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions, and the related risks.	
TCFD 4(c)	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	

CORPORATE GOVERNANCE REPORT

The Board of Directors and Management of **Enviro-Hub Holdings Ltd (the "Company")** remain committed to maintaining a high standard of corporate governance within the Company and its subsidiaries (the "**Group**"). Good corporate governance establishes and maintains an ethical environment in the Group, which strives to enhance the interests of the shareholders of the Company. This report outlines the Company's corporate governance policies processes and activities that were in place throughout the financial year, with specific reference to the principles and provisions of the Code of Corporate Governance 2018 (the "**Code**") issued on 6 August 2018.

For the financial year ended 31 December 2023 ("**FY2023**"), the Company has complied with the core principles of corporate governance laid down by the Code. The Company has also largely complied with the provisions that reinforce the principles of the Code and in areas where there are variations from the provisions of the Code (namely, variations from Provisions 3.1, 3.2, 8.1, 11.4 and 12.2*)*, appropriate explanation and the reasons for variations have been provided within this report. The Board considers that the alternative corporate governance practices adopted are consistent with the intent of the relevant principle of the Code.

BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Provisions	Corporate Governance Practices of the Company
1.1	**Directors are fiduciaries who act objectively in the best interests of the Company** The Company is headed by an effective Board, comprising competent individuals with diversified background and collectively brings with them a wide range of experience, to lead and control the Company. The principal role of the Board is to review and approve strategic plans, key operational and financial issues, evaluate performance of the Company, supervise executive management to achieve optimal shareholder' value. In particular, the Board holds the management of the Company (the "**Management**") accountable for performance. The Company's Code of Business Conduct also sets the standards and ethical conduct expected of employees of the Enviro-Hub Group. Directors, officers and employees are required to observe and maintain high standards of integrity, as to be in compliance with the law and the regulations, and company policies.
1.2	**Directors' induction, training and development** A formal letter is sent to newly appointed directors upon their appointments explaining their duties and obligations as directors. New directors, upon appointment, will also be briefed on the business and organization structure of the Group through orientation program and plants and sites visits of the Group in Singapore and Malaysia. All directors will also be updated from time to time on any news and relevant changes to statutes and regulatory requirements applicable to the Company's business. Where possible and when the opportunity arises, the Company will continue to invite the non-executive independent directors ("**NEIDs**") to site visits of plants or target properties where the Group operates or invest to enable them to obtain a better perspective of the business and enhance their understandings of the Group's operations.

CORPORATE GOVERNANCE REPORT

Provisions	**Corporate Governance Practices of the Company**
	All directors are provided with regular updates on changes in the relevant laws and regulations to enable them to make well-informed decisions and to ensure that the directors are competent in carrying out their expected roles and responsibilities. The directors are aware of the requirements in respect of disclosure of interests in securities, disclosure of conflicts of interest in transactions involving the Company, prohibition on dealings in the Company's securities and restrictions on the disclosure of price-sensitive information.
	The Company has an on-going budget for all directors to attend appropriate courses, seminars and conferences for them to stay abreast of the relevant business developments and changes in the regulatory requirements. All the directors have attended the SGX mandatory sustainability training on Environmental, Social and Governance Essentials (Core) organised by Singapore Institute of Directors (SID) and/or "Putting Sustainability into Practice for Business" organized by the Singapore Environment Council which was in partnership with Enterprise Singapore. During FY2023, the newly appointed Director Ms Judy Ang Siew Geok has registered and completed the Listed Entity Directors Programme ("LED") conducted by the Singapore Institute of Directors ("SID"). First time Director, Mr Adrian Toh Jia Sheng has also attended all the core modules of LED conducted by SID too.
1.3	**Matters requiring Board's approval**
	The Board has identified a number of areas for which the Board has direct responsibility for decision-making. Matters which are specifically reserved for decision making by the full Board include those involving corporate plans and budgets, material acquisitions and disposal of assets, corporate and/or financial restructuring, share issues, dividends, other returns to shareholders and interested person transactions.
	The Board also meets to review and consider the following corporate matters:- • Approval of half-yearly and year-end results announcements; • Approval of the annual reports and financial statements; • Convene shareholders' meetings; • Material acquisition and disposal of assets; • Major investments and funding decisions; • Financial performance and key operational initiative; and • Oversee the implementation of appropriate systems to manage the Group's business risk.
1.4	**Board Committees**
	To assist the Board in executing its duties, the Board has delegated specific functions to the Audit Committee ("**AC**"), the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**") (together "**Board Committees**" and each a "**Board Committee**"). Each of these Board Committees has its own written terms of reference and its actions are reported to and monitored by the Board. The Chairman of the respective committees reports to the Board with their recommendations. Minutes of the Board Committee meetings are available to all Board members. A summary of the activities of the AC, the NC and the RC during FY2023 are also included within this report.

CORPORATE GOVERNANCE REPORT

Provisions	**Corporate Governance Practices of the Company**
1.5	**Board Meetings and Attendance** The Board meets at least 2 times a year and as warranted by circumstances. The schedule of all the Board and the Board Committee meetings for the calendar year is usually given to all the Directors in advance. The Board has held meetings for particular and specific matters as and when required. The Company's Constitution allows the Board to convene meetings by means of a conference telephone, video conferencing, audio visual or similar communications equipment by means. Details of the frequency of Board and Board Committee meetings held in FY2023, as well as the attendance of each Board member at these meetings are disclosed in **Table 1**. Sufficient time and attention are being given by the directors to the affairs of the Company, notwithstanding that some of the directors have multiple board representations as set out in **Table 3**.
1.6	**Access to information** All directors are provided with adequate and timely information prior to meetings and on an on-going basis. Board members were provided with the financial information, as well as relevant background information and explanatory notes relating to items of business (such as budgets, forecasts and business strategies) to be discussed at Board and Board Committees' meetings before the scheduled meetings. Requests for information from the Board are dealt with promptly by management. The Board is informed of all material events and transactions as and when they occur.
1.7	**Access to Management and Company Secretary** The Directors have separate and independent access to the Group's senior management and the Company Secretary at all times. During FY2023, the non-executive director ("**NED**") and/or NEIDs met semi-annually and on an ad hoc basis with the Chairman and other key management personnel of the Group as and when required to discuss key issues and the challenges facing the Group. The Company benefited from the NED and/or NEIDs having ready access to the Management for guidance and exchange of views both within and outside the formal environment of the Board and Board Committee meetings. The Company Secretary attends all Board meetings, provides corporate secretarial support to the Board and ensures adherence to the Board procedures and relevant rules and regulations which are applicable to the Company. The Company Secretary assists the Chairman by preparing meeting agendas, attending Board and Board Committee meetings and preparing minutes of board proceedings. Under the direction of the Chairman, the Company Secretary, with the support of the management staff, ensures good information flows within the Board and the Board Committees and between Senior Management and Non-Executive Directors. The appointment and removal of the Company Secretary is subject to the approval of the Board.

CORPORATE GOVERNANCE REPORT

BOARD COMPOSITION AND GUIDANCE

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Provisions	Corporate Governance Practices of the Company
2.1	**Director Independence**
	The Board comprises five directors, three of whom are non-executive independent directors (“**NEIDs**”) and two are executive directors (“**EDs**”). There is an independent element on the Board with 60% of the Board comprising independent directors. A summary of the current composition of the Board and its committees is set out in **Table 2.**
	The NC, which reviews the independence of each Director on an annual basis, adopts the Code’s definition of what constitutes an Independent Director. An “independent” director is one who is independent in conduct, character and judgement, and has no relationship with the company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director’s independent business judgement in the best interests of the company. Rule 210(5)(d) of the Listing Manual of the SGX-ST also sets out circumstances under which a director will not be independent.
2.2	**Independent directors make up a majority of the Board if Chairman is not independent**
	The Chairman of the Board is part of the management team. Where the Chairman is not independent, the independent directors should make up a majority of the Board. The Company has conformed to the relevant provision of the Code with majority of the Board made up of Independent Directors.
2.3	**Non-executive directors make up a majority of the Board**
	The Company has conformed to the Code’s provision for majority of the Board to make up of non-executive directors.
2.4	**Board Composition**
	The Directors consider that the Board’s present size of five (5) members is of the appropriate size taking into account the nature and scope of the Group’s operation. The Board and the Board Committees comprise directors who, as a group, provide core competencies, such as accounting and finance, business and management experience, industry knowledge, financial and strategic planning experience and knowledge that are necessary and critical to meet the Group’s objectives. The Company has adopted a formal Board Diversity Policy setting out its policy, framework and measurable objectives for promoting diversity on the Board. The Board recognizes the benefits of having greater diversity on the Board in terms of skills, knowledge, experience and other aspects of diversity such as age, gender and ethnicity and views diversity on the Board as an important element in building an effective Board.

CORPORATE GOVERNANCE REPORT

Provisions	**Corporate Governance Practices of the Company**

The Company remains committed to implementing the Board Diversity Policy and progresses made towards the implementation of the said policy for FY2023 are as follows:

a) Directors' professional area of expertise:

Area of expertise	**No. of Directors**
Strategy	2
Business	5
Accountancy, Finance	3

b) Board Independence

	No. of Directors
Non-Executive Independent Directors	3
Executive Director	2

c) Directors' age group

	No. of Directors
30s	1
50s	1
60s	3

d) Directors' length of service on the Board

	Non-Executive Independent Directors	**Executive Director(s)**
Served less than three (3) years	3	1
Served three (3) years and up to (6) years	–	–
Served six (6) years and up to nine (9) years	–	–
Served more than nine (9) years	–	1

e) Gender

	No. of Directors
Male	4
Female	1

As the Company has just renewed its Board, no further timelines have been set for achieving board diversity targets. Instead, the Company takes the approach that maintaining a satisfactory level of diversity is an ongoing process. The NC has assessed the current level of diversity on the Board to be satisfactory. The NC will review the board composition annually with due regard to the Board Diversity Policy. The biographies of all Board members are set out in the section entitled 'Board of Directors".

CORPORATE GOVERNANCE REPORT

Provisions	**Corporate Governance Practices of the Company**
2.5	**Meeting of Non-Executive Directors or Non-Executive Independent Directors without Management** The NEDs or NEIDs will meet at least once a year without the presence of Management to discuss on matters such as the performance of Management, risk management, internal controls and important business issues. During the financial year, the NEDs had met once without the presence of Management to discuss on some of the aforesaid matters.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Provisions	**Corporate Governance Practices of the Company**
3.1 and 3.2	***Separation of the roles of the Chairman and the Chief Executive Officer ("CEO")*** Mr Raymond Ng Ah Hua currently fulfils the role of Executive Chairman of the Company. As Chairman, he provides leadership to the Board and guidance on the corporate direction of the Group. His role as Chairman includes approving the agendas of Board meetings and ensuring accurate, adequate and timely flow of information between the Board, management and shareholders of the Company. All major decisions made by the Executive Chairman are endorsed by the Board. His performance will be reviewed periodically by the NC and his remuneration package will be reviewed periodically by the RC. The Executive Chairman and other NEIDs have regular meetings. All important and major decisions relating to the operations and Management of the Group are made jointly and collectively by them. The Board believes that there is a balance of power and authority within the Board as all the Board Committees are chaired by NEIDs. Provisions 2.2 and 2.5 of this report further amplified the role played by the NEIDs in ensuring that there is a strong and independent element on the Board. In this sense, there is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision making. The Executive Chairman is responsible for the workings of the Board, ensuring the integrity and effectiveness of its governance process. He is also responsible for representing the Board to the shareholders, ensuring that Board meetings are held when necessary, setting the Board meeting agenda in consultation with the executive director, management and/or company secretary, acting as facilitator at Board meetings and maintaining regular dialogue with the Management on all operational matters. The Executive Chairman reviews meeting materials before they are presented to the Board and ensures that Board members are provided with adequate and accurate information. The Company does not have a Chief Executive Officer ("CEO") and no CEO is proposed to be appointed. The CEO's responsibilities have been assumed by the existing Management staffs who manage the business operations of the Group. In this sense, the Chairman and the CEO are separate persons and their roles are segregated to ensure an appropriate balance and separation of power and authority, increased accountability and clear division of responsibilities.

CORPORATE GOVERNANCE REPORT

Provisions	**Corporate Governance Practices of the Company**
3.3	**Lead Independent Director** The Board has appointed Dr Teo Ho Pin, a NEID, as the Lead Independent Director ("LID"), who serves as the primary liaison between the board and management. He is responsible for facilitating the effective functioning of the Board, ensuring that the Executive Chairman's role is appropriately balanced with the oversight role of the Board. He also provides feedback and advice to the Executive Chairman on governance matters. He will also be available to address shareholders' concerns when contact through the normal channels of the Executive Chairman and the Management has failed to provide a satisfactory resolution or when such contact is inappropriate.

BOARD MEMBERSHIP

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Provisions	**Corporate Governance Practices of the Company**
4.1	**Role of Nominating Committee** The responsibilities of the NC are described in its written terms of reference. Its main role is to ensure a rigorous process of board appointments and re-nominations, the determination of independence of each director and identification of new directors who have the appropriate knowledge, experience and skills to contribute effectively to the Board. The principal functions of the NC are to establish a formal and transparent process to: (a) Review the background, academic and professional qualifications of each individual director; (b) Review and recommend the nomination of retiring directors for re-election at each AGM; (c) Nominate and recommend all new appointments to the Board; (d) Decide, where a director has multiple board representation, whether the director is able to and has been adequately carrying out his duties as a director of the Company; (e) Assess the performance of the Board as a whole, as well as the contribution of each director to the effectiveness of the Board; (f) Review and determine annually the independence of each director; and (g) Review the Board structure, size and composition and make recommendations to the Board with regards to any adjustments that are deemed necessary.

CORPORATE GOVERNANCE REPORT

Provisions	**Corporate Governance Practices of the Company**

Summary of NC's activities in FY2023

- Reviewed the Board's composition and size, director's tenure, competencies and outside commitments, attendance, nomination of directors for appointment and/or re-election and the appointment and promotion of senior executives (if any);
- Reviewed the need to renew the Board by bringing in candidates with the requisite experience and in performing the aforesaid, give adequate consideration to the Company's Board Diversity Policy;
- Reviewed the major themes arising from the annual Board performance review process and considered whether any aspects of the Board's oversight framework could be strengthened;
- Oversight of directors' training programs, including sustainability training of all directors as prescribed under listing rules; and
- Reviewed the Director's independence criteria and assessment process.

4.2 **Composition of NC**

The NC, regulated by a set of written terms of reference, comprises four members, the majority of whom, including the NC Chairman, are independent. The Lead Independent Director is a member of the NC. The Board is of the view that the inclusion of an ED in the NC would facilitate discussions at the NC meetings. The NC meets at least once a year. The names of the members of the NC are disclosed in **Table 2**.

4.3 **Board renewal and succession planning**

Board renewal is an ongoing process to ensure good governance and to maintain relevance to the changing needs of the Group. No director stays in office for more than three years without being re-elected by shareholders.

The NC is responsible for identifying and recommending new board members to the Board, after considering the necessary and desirable competencies of the candidates which include; (i) academic and professional qualifications; (ii) industry experience; (iii) number of other directorships; (iv) relevant experience as a director; and (v) ability and adequacy in carrying out required tasks. No alternate director has been appointed to the Board.

The NC leads the process for board appointments and makes recommendations to the Board. The integrated process of appointment includes:

i. Developing a framework on desired competencies and diversity on board;
ii. Assessing current competencies and diversity on board;
iii. Developing desired profiles of new directors;
iv. Initiating search for new directors including external search, if necessary;
v. Shortlist and interview potential director candidates;
vi. Recommending appointments and retirements to the board; and
vii. Re-election at general meeting.

In accordance with Regulation 107 of the Company's Constitution, at each AGM, every Director shall retire from office at least once every three (3) years. All directors, including Executive Directors, must submit themselves for re-nomination and re-appointment at least once every three years in accordance with Rule 720(5) of the SGX-ST Listing Manual.

CORPORATE GOVERNANCE REPORT

Provisions	Corporate Governance Practices of the Company

All newly appointed directors will have to submit themselves for re-election at the next AGM following their appointments pursuant to Regulation 112 of the Company's Constitution. The retiring directors are eligible to offer themselves for re-election. The following directors will retire in accordance with the respective provisions of the Company's Constitution at the upcoming AGM and have been re-nominated for re-election:

Dr Teo Ho Pin	(retiring pursuant to Regulation 107)
Mr Lau Chin Huat	(retiring pursuant to Regulation 112)
Ms Judy Ang Siew Geok	(retiring pursuant to Regulation 112)

The NC has recommended the nomination of the directors retiring under Regulations 107 and 112 of the Company's Constitution for re-election at the forthcoming AGM. The Board has accepted the NC's recommendation and accordingly, the above-mentioned directors, being eligible for re-election, will be offering themselves for re-election at the forthcoming AGM. Each Director abstains from making any recommendation and voting on any resolution in respect of the assessment of his own performance or re-appointment as a director. The Company has no alternate director on its Board.

4.4 **Circumstances affecting Director's independence**

The NC determines the independence of each director annually based on the definitions and guidelines of independence having regard to the circumstances set above in Provision 2.1 of this report. As part of the consideration, the NC also took into account their other directorships, annual declaration regarding their independence, disclosure of interest in transactions in which they have a direct/indirect interest, their ability to avoid any apparent conflicts of interests especially by abstaining from deliberation on such transactions and their ability to maintain objectivity in their conduct as Directors of the Company. The Board, after taking into consideration the views of the NC, considers Dr Teo Ho Pin, Ms Judy Ang Siew Geok and Mr Lau Chin Huat to be independent by virtue of the fact that each Director does not have any existing business and/or professional relationship whatsoever with the Group and its officers who could possibly influence their objectivity in discharging their duty as an NEID of the Company. Each NEID has abstained from the deliberation of his own independence.

4.5 **Multiple listed company directorships and other principal commitments**

The NC reviews annually the time commitment of directors. Notwithstanding that some of the directors have multiple board representations, the NC is satisfied that sufficient time and attention are being given by the directors to the affairs of the Company and each director is able to and has been adequately carrying out his/her duties as a director of the Company. Further information on the directorships and principal commitments of each director are disclosed in **Table 3**.

The NC and the Board are of the standpoint that setting a maximum number of listed company board representations would not be meaningful as the contributions of the directors would depend on many other factors such as whether they are in full time employment and their other responsibilities or principal commitments. The NC also took into account that the NEIDs have ready access to the management and other Board members for exchange of views both within and outside the formal environment of the Board and Board Committee meetings to aid them in carrying out their duties as a NEIDs. Therefore, the NC opined that the board representations presently held by its directors do not impede the performance of their duties to the Company.

CORPORATE GOVERNANCE REPORT

BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Provisions	Corporate Governance Practices of the Company
5.1	**Assessment of effectiveness of the Board and Board Committees and assessing the contribution by individual directors** The NC has used its best effort to ensure that each director appointed to the Board and the Board Committees, with their skills and contributions, brings to the Board and independent and objective perspective to enable sound balanced and well-considered decisions to be made. The NC is responsible for deciding how the Board's performance may be evaluated and proposing objective performance criteria for the Board's approval and implementing corporate governance measures to achieve good stewardship of the Company. The Board has, through the NC, implemented an annual evaluation process to assess the effectiveness of the Board and the Board Committees as well as assessing the contributions by each individual director to the effectiveness of the Board.
5.2	The NC has adopted a formal system of evaluating the Board annually. A Board performance evaluation was carried out and the assessment parameters include the evaluation of the Board composition, size and expertise, timeliness of information flow and quality of information to the Board, Board pro-activeness, Board accountability and oversight, succession planning as well as standards of conduct. The annual evaluation exercise provides an opportunity to gain constructive feedback from each director on whether the Board's procedures and processes had allowed him to discharge his duties effectively and to propose changes which may be made to enhance the Board effectiveness as a whole. For the year under review, the NC assessed the efficiency and effectiveness of the Board Committees in assisting the Board based on the assessment criteria which include amongst others, the Board Committees' composition and size, sufficient and relevant expertise and useful recommendations in assisting the Board for better decision-making, the interaction among committee members, reporting to the Board and recording of minutes. For the year under review, there was also a self-appraisal to evaluate each director's performance and contribution. Self-appraisal forms were sent to the directors for completion and the results were reviewed by the NC and the Board. Factors which were taken into account include readiness to contribute at meetings of Board and Board Committees, contribution of effort such as preparedness, being informed and having sufficient knowledge of the Company's business, personal relationships with fellow directors and professionals. Additionally, the process to the re-nomination of directors for the current year takes into account their attendances, commitment of time and contributions made at meetings of Board and Board Committees, general meetings as well as informal contribution via e-mail and telecommunication discussion. No external facilitators were used in the assessment of the Board, its Board Committees and the individual directors.

CORPORATE GOVERNANCE REPORT

REMUNERATION MATTERS

Procedures for developing remuneration policies

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Provisions	Corporate Governance Practices of the Company
6.1	**RC to recommend remuneration framework and packages** The principal function of the RC is to ensure that a formal and transparent procedure is in place for fixing the remuneration framework for the Board and key management personnel of the Group. The RC's role is to review and recommend to the Board the remuneration packages and terms of employment of the executive directors and key executives of the Group. The review will cover all aspects of remuneration including but not limited to directors' fees, salaries, allowances, bonuses and benefits in kind. The RC also administers the share incentive schemes, if any. The RC's recommendations are made in consultation with the Executive Chairman and submitted for endorsement by the entire Board.
6.2	**Composition of RC** The RC, regulated by a set of written terms of reference, comprises three directors. All members of the RC are non-executive Directors, the majority of whom, including the RC Chairman, are independent. The names of the members of the RC are disclosed in **Table 2**.
6.3	**RC to consider and ensure all aspects of remuneration is fair** The RC reviews the service contracts of the Company's EDs and key executives. Services contracts for EDs are for a fixed appointment period and may be terminated by not less than six-month's notice in writing served by either party or salary in lieu of notice. There are no onerous compensation commitments on the part of the Company in the event of an early termination of the service of the EDs and key executives. In setting remuneration packages, the Company takes into consideration the remuneration and employment conditions within the same industry and in comparable companies, as well as the Group's relative performance and the performance of the individuals. The Company has not adopted the use of contractual provisions to reclaim incentive components of the remuneration of executive directors and key management personnel as it was considered unnecessary in the Company's current context.
6.4	**Expert advice on remuneration** The RC has access to expert advice inside and/or outside the Company on remuneration of directors, where required. No external remuneration consultant was appointed in FY2023.

CORPORATE GOVERNANCE REPORT

Provisions	Corporate Governance Practices of the Company

Summary of RC's activities in FY2023

- Reviewed the remuneration for Directors and key management personnel;
- Reviewed the remuneration of employees who are substantial shareholders, or are immediate family members of a director, the CEO (if any) or substantial shareholder;
- Agreed with the variable bonus for employees of the Group;
- Reviewed the remuneration level for NEIDs; and
- Reviewed the proposed salary adjustment for management for FY2023 (if any).

LEVEL AND MIX OF REMUNERATION

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Provisions	Corporate Governance Practices of the Company

7.1 & 7.3 **Remuneration of executive directors and other key management personnel are appropriately structured to link rewards to performance**

The Company's remuneration policy is to provide compensation packages at market rates that reward good performance and attract, retain and motivate directors and managers. It also takes into consideration of the Group's performance.

The EDs are remunerated as members of management. Their remuneration in FY2023 comprises a basic salary component, annual wage supplement, share award scheme and a profit-sharing scheme, based on the performance of the Group as a whole and their individual performance.

The Company obtained shareholders' approval in FY2012 to implement a share award scheme known as the Enviro-Hub Share Award Scheme (the "**Scheme**").

As at the date of this report, Awards comprising 13,614,862 ordinary shares were granted to Mr Raymond Ng Ah Hua, a controlling shareholder and Executive Chairman of the Company pursuant to the Scheme. The Awards granted to Mr Raymond Ng Ah Hua, will be released, in whole or in part(s), from time to time during the period when the Scheme is in force at the discretion of the RC, if certain pre-determined performance conditions, as determined by the RC, are achieved, or otherwise in accordance with the rules of the Scheme. On 11 April 2018, 28 September 2022, and 27 June 2023, Mr Raymond Ng Ah Hua was allocated 5,445,944, 4,000,000, and 4,168,918 ordinary shares, respectively.

The Company has allotted and issued an aggregate of 7,095,944 shares to the Directors on 11 April 2018 pursuant to the vesting of the Awards granted under the Scheme. Further details of the Scheme and the Awards granted and vested under the Scheme are set out in the Directors' Statement.

A new "Enviro-Hub Share Award Scheme 2022" (the "**Scheme 2022**") was approved at the EGM on 28 April 2022 in which 22,994,930 of Share Awards were granted to Mr Raymond Ng Ah Hua pursuant to this scheme. The Scheme 2022 is administered by the RC, comprising Ms Judy Ang Siew Geok (Chairman), Dr Teo Ho Pin and Mr Lau Chin Huat.

CORPORATE GOVERNANCE REPORT

Provisions	Corporate Governance Practices of the Company

7.2 **Remuneration of non-executive directors dependent on contribution, effort, time spent and responsibilities**

In reviewing the recommendation for NEID's remuneration during the year, the RC had continued to adopt a framework of basic fees for serving on the Board and fees for chairing the Board and AC Committee as well as the role of Lead Independent Director. The fees take into consideration the amount of time and effort that each Board member may be required to devote to their role. The fee structure is as follows:

	S$
Base fee of Directors	45,000
Board Chairman	5,000
Lead Independent Director	5,000
AC Chairman	3,000

Fees for NEIDs are subject to the approval of shareholders at the AGM.

DISCLOSURE OF REMUNERATION

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Provisions	Corporate Governance Practices of the Company

8.1 **Remuneration disclosures of directors and key management personnel; Details of employee share schemes**

Although the actual remuneration of each director and the top key management personnel (who are not directors or the CEO) are not fully disclosed, the Company discloses the actual remuneration paid to each director, the Executive Chairman and the key management personnel using a narrow band of S$100,000 to improve transparency.

The compensation structure for the key management personnel of Group subsidiaries consists of three key components – salary, bonus and other benefits.

Table 4 and **Table 4A** sets out the breakdown of the remuneration of the directors and the key management personnel (who are not directors or the CEO), respectively, for FY2023.

Regarding the Code's recommendation to fully disclose the remuneration of directors and the top five key management personnel, given the confidentiality and commercial sensitivity attached to remuneration matters, no full disclosure on the remuneration of the directors and top key management personnel has been make, and that disclosing remuneration in the respective bands and disclosing in aggregate the total remuneration paid to the directors and the top key management personnel provide sufficient overview of the remuneration of directors and the top key management personnel. Provisions 7.1 and 7.2 in this report provide further details on the Company's policy and criteria for setting remuneration.

CORPORATE GOVERNANCE REPORT

Provisions	**Corporate Governance Practices of the Company**
8.2	**Remuneration of employees who are substantial shareholders of the company, or are immediate family members of a director, the CEO or a substantial shareholder of the company** There are no substantial shareholders of the Company, or immediate family member (defined in the Listing Manual as the spouse, child, adopted child, step-child, brother, sister and parent) of a director, the CEO or a substantial shareholder, in the employment of the Company whose annual remuneration exceeded S$100,000 during FY2023.
8.3	**Details of Employee Share Award Scheme** The Company has a share incentive scheme known as the "Enviro-Hub Share Award Scheme 2022" (the "**Scheme 2022**") which was approved at the EGM on 28 April 2022. Further details of the Scheme 2022 are set out above under Principle 7 and disclosed in the Directors' Statement. The Circular to Shareholders dated 6 April 2022 containing the detailed information on the Scheme 2022 is available to shareholders upon their request.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

Provisions	**Corporate Governance Practices of the Company**
9.1	**Board determines the nature and extent of risks** The Group's system of internal controls is designed to manage rather than eliminate the risk of failure to achieve business objectives. The Board recognizes that the system is subject to inherent limitations and a cost effective internal control system can provide only reasonable and not absolute assurance against irregularities. During the year, the AC, on behalf of the Board and through the assistance of internal and external auditors, had reviewed the effectiveness of the Group's material internal controls, including financial, operational, compliance, information technology controls and risk management. The process used by the AC to monitor and review the effectiveness of the system of internal controls and risk management includes:– i. Discussions with management on risk identified by management; ii. The audit processes; iii. The review of internal and external audit plans; and iv. The review of significant issues arising from internal and external audits.

CORPORATE GOVERNANCE REPORT

Provisions	**Corporate Governance Practices of the Company**

In addition to the work carried out by the external auditors and internal auditors, the Group has engaged an international accounting firm to document the framework that enables Management to address the financial, operational and compliance risks of the key operating units. The process involved the identification of major risks for the Group's business units whereby the business units' key risks of financial, operational and compliance nature, as well as the counter measures in place or required to mitigate these risks were summarized for review by the Board. The documentation provided an overview of the Group's key risks, how they are managed, the key personnel responsible for each identified risk type and the various assurance mechanisms in place.

The Board acknowledges that it is responsible for ensuring that management maintains a sound system of internal controls to safeguard shareholders' investment and the Group's assets. The Board believes that in the absence of any evidence to the contrary and from due enquiry, the system of internal controls that has been maintained by the Group's Management and that was in place throughout the financial year and up to the date of this report is adequate to meet the needs of the Group in its current business environment.

Any material non-compliance and internal control weakness noted during the internal audit and the recommendations thereof are reported to the AC as part of the review of the Group's internal control system.

The Company manages risk under an overall strategy determined by the Board and supported by the AC, RC and NC. The Company sets acceptable risk management standards and periodically reviews the risks that the Group and the Company are subject to.

Based on the framework established and the reviews conducted by the internal and external auditors, the Board opines, with the concurrence of the AC, that there are adequate controls in place within the Group addressing material financial, operational, compliance and information technology risks to meet the needs of the Group in their current business environment.

As the Company has not put in place a Risk Management Committee, the Board, the AC and the Management assume the responsibility of the risk management function. Management regularly reviews the Group's business and operational activities to identify areas of significant risks as well as appropriate measures to control and mitigate these risks. Management reviews all significant policies and procedures and highlights all significant matters to the Board and the AC.

9.2 **Assurance from the Executive Chairman, ED, Head of Finance and other key management personnel**

The Board has received assurance from (a) the Executive Chairman and the Group Head of Finance that the financial records of the Company have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and (b) the Executive Chairman, ED and other key management personnel who are responsible, regarding the adequacy and effectiveness of the Company's risk management and internal control systems.

CORPORATE GOVERNANCE REPORT

AUDIT COMMITTEE

Principle 10: The Board has an Audit Committee ("AC") which discharges its duties objectively.

Provisions	Corporate Governance Practices of the Company
10.1	**Duties of AC**

The AC has specific written terms of reference and performed the following functions:

(a) Reviews the scope of work and results of the audit done by the external auditors, and evaluate the cost effectiveness and the independence and objectivity of the external auditors;

(b) Meets on half yearly basis to review the half year and full year announcements of the results and the financial position of the Group before submission to the Board for approval;

(c) Reviews the adequacy of the internal control systems of the Group through discussion with the Management and external auditors;

(d) Reviews the effectiveness of the internal audit function, internal audit plans and discuss with the Management on the significant internal audit observations and actions to correct any deficiencies;

(e) Recommends to the Board for the re-appointment of external auditors and approving their remuneration and terms of engagement of the external auditor;

(f) Reviews the adequacy of the assistance given by the Group's officers to the external and internal auditors;

(g) Reviews the requirements for approval and disclosure of interested person transactions, and where necessary, review and seek approval for interested persons transactions;

(h) Reviews the consolidated financial statements of the Group and the Auditors' Report on those financial statements before submission to the Board;

(i) Reviews the adequacy of the group's internal controls;

(j) Undertakes such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the AC; and

(k) Undertakes such other functions and duties as may be required by statute or the Listing Manual and by such amendments made thereto from time to time.

The AC has explicit authority to investigate any matter within its terms of reference; has full access to and cooperation from management and has full discretion to invite any director and executive officer to attend its meetings; and has given reasonable resources to enable it to discharge its functions properly.

CORPORATE GOVERNANCE REPORT

Provisions	**Corporate Governance Practices of the Company**
	In recommending the re-appointment of the auditors, the Audit Committee considered and reviewed various factors including the Audit Quality Indicators Disclosure Framework issued by ACRA, adequacy of resources, the experience of the auditing firm and the audit engagement partner, the firm's other audit engagements, the number and experience of supervisory and professional staff to be assigned to the audit, the size and complexity of the Group and its businesses and operations. The AC shall continue to monitor the scope and results of the external audit, its cost effectiveness, as well as the independence and objectivity of the external auditors and give its recommendations to the Board and the Company regarding the appointment, re-appointment or removal of the external auditors.
Listing Rule 1204 (6)(a) of the SGX-ST Listing Manual	The amount of audit fees paid to the external auditors (Mazars LLP) in FY2023 was S$263,000. No non-audit services were rendered to the Group by Mazars LLP in FY2023. The AC having assessed the independence of auditors and size of resources and expertise, has recommended to the Board the re-appointment of Mazars LLP as auditors of the Company. The AC had recommended and the Board had approved the tabling of the re-appointment of Mazars LLP as auditors of the Company for shareholders' approval at the forthcoming AGM. The auditors, Mazars LLP have indicated their willingness to accept re-appointment.
Listing Rule 1204 (18A) to (218B) of the SGX-ST Listing Manual	**Whistleblowing Policy** The Group has put in place a whistleblowing policy where employees of the Group may, in confidence, raise concerns regarding possible corporate improprieties in matters of financial reporting and other matters. The policy establishes a confidential line of communication for the report of issues/concerns to any one of the AC members and provides for the protection of those who raise a concern in good faith against harassment or victimization. The complainant's identity shall also be kept confidential to the extent reasonably practical within the limits of the law. The AC is the custodian of the policy and responsible for the overall oversight and monitoring of the policy and its implementation. The policy sets out the procedures and processes by which the AC assesses and reviews (in consultation with the Board of Directors and/or management where appropriate or necessary) the nature of the complaint, the appropriate independent investigation to be conducted, the outcome of such investigation and the followed-up action to be taken. There was no reported incident pertaining to the whistleblowing policy in FY2023. The AC has full access to and full co-operation of the management and external auditors. It also has the full discretion to invite any Director or executive officer to attend its meetings. The AC also has the power to conduct or authorise investigations into any matters within its terms of reference.

CORPORATE GOVERNANCE REPORT

Provisions	**Corporate Governance Practices of the Company**

Summary of AC's activities in FY2023

During the year, the AC:-

(i) reviewed the financial statements of the Group before the announcement of the Group's half-yearly and full-year results;

(ii) reviewed the key areas of management judgment applied for adequate provisioning and disclosure, critical accounting policies and any significant changes made that would have a material impact on the financials;

(iii) reviewed and approved both the Group internal auditor's and external auditor's plans to ensure that the plans covered sufficiently in terms of audit scope in reviewing the significant internal controls comprise financial, operational, information technology and compliance controls of the Company;

(iv) reviewed the independence and objectivity of the internal and external auditors through discussions with the internal and external auditors;

(v) reviewed non-audit fees and whether the provision of such services affects their independence (if any);

(vi) reviewed the appointment of a different auditor for its subsidiaries (if any);

(vii) reviewed the accounting, auditing and financial reporting matters so as to ensure that an effective system of control is maintained in the Group;

(viii) reviewed the internal audit functions and discusses accounting implications of major transactions including significant financial reporting issues;

(ix) reviewed the appointment of Mazars LLP as the external auditors for the Group in place of KPMG LLP;

(x) reviewed interested party transaction;

(xi) reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators; and

(xii) formed an investigation committee and conducted an internal review involving an employee of a subsidiary who has been requested by the Corrupt Practices Investigation Bureau ('CPIB") to provide information on a representative of a major customer who was arrested by CPIB.

CORPORATE GOVERNANCE REPORT

Provisions **Corporate Governance Practices of the Company**

Financial reporting and significant financial judgement

The role of the AC in relation to financial reporting is to monitor the integrity of the half-yearly and full year financial statements and that of any formal announcements relating to the Group's financial performance. For the financial year under review, the AC has considered whether accounting standards are consistently applied across the Group and whether disclosures to the financial statements are clear and sufficient.

In the review of the financial statements, the AC has discussed with management the accounting principles that were applied and their judgement of items that might affect the integrity of the financial statements. The following significant matters impacting the financial statements were discussed with management and the external auditor and were reviewed by the AC:

Key Audit Matters	How these issues were addressed by the AC
Valuation of investment properties	The AC reviewed and evaluated management assessment on the valuation of investment properties of $59.1 million as at 31 December 2023. The AC evaluated the qualifications, objectivity and competence of the valuers, and considered the valuation methodologies applied by the valuers. The AC also held discussions with management and the external auditor to review the appropriateness of key assumptions applied (prices per square foot) and available industry data. As a result of the above procedures, the AC agrees with management that the valuers are objective and competent, the valuation methodologies used are in line with generally accepted market practices and the key assumptions used are within the range of comparable market data.

CORPORATE GOVERNANCE REPORT

Provisions	Corporate Governance Practices of the Company

Key Audit Matters	How these issues were addressed by the AC
Impairment of property, plant and equipment ("**PPE**"), goodwill and the Company's investment in subsidiaries	The AC evaluated management's assessment of the existence of impairment indicators on the Group's PPE of $30.4 million, goodwill of $26.9 million and the Company's investments in subsidiaries of $62.0 million. The AC reviewed management's assessment that there were no indications of impairment for the e-waste CGU and no internal or external sources of information indicating possibility of an impairment. The AC reviewed management's assessment on the impairment of the Refinery CGU and the Healthcare CGU, the adoption of value-in-use ("**VIU**") method to determine the recoverable amount of the CGUs and the appropriateness of the assumptions, judgements and estimates used in determining recoverable amount of the CGUs being valued. The AC reviewed management's assessment on the recoverable amount for the Company's investment in subsidiaries and the adequacy of impairment allowances on amount due from subsidiaries. As a result of the above procedures, the AC agrees with management that the identification of CGUs, assessment of impairment indicators, the assumptions, judgements and estimates used to determine the recoverable amounts of the Group's PPE, goodwill and the Company's investment in subsidiaries are appropriate.

Rule 1207(6), Rules 712 and 715 and/or Rule 716 of the SGX-ST Listing Manual	The Board and AC have reviewed the appointment of different auditor, KPMG PLT, which is a member firm of KPMG International for its subsidiary, Pastel Grove Sdn Bhd. They were satisfied that such appointment would not compromise the standard and effectiveness of the audit of the Group and that Listing Rule 716 has been complied with. Refer to Note 15 "Subsidiaries" of the Notes to the Financial Statements for further information. In appointing the audit firms for the Company, its subsidiaries and significant associated companies, the Audit Committee and the Board are satisfied that the Group has complied with Listing Rules 712, 715 and 716.
10.2	**Composition of AC** The AC, regulated by a set of written terms of reference, comprises three directors, all of whom are non-executive and majority of whom including the AC Chairman, are independent. The names of the members of the AC are disclosed in **Table 2**. Two of the AC members namely Ms Judy Ang Siew Geok and Mr Lau Chin Huat have the relevant accounting or related financial management expertise or experience and are qualified to discharge the AC's responsibilities.

CORPORATE GOVERNANCE REPORT

Provisions	Corporate Governance Practices of the Company

10.3 **AC does not comprise former partners or directors of the Company's auditing firm**

None of the AC members were former partners of or directors of the Company's existing auditing firm or have any financial interest in the Company's auditors, Mazars LLP.

10.4 **Primary reporting line of the internal audit function is AC; internal audit function has unfettered access to Company's documents, records, properties and personnel**

The AC has direct oversight of the internal audit function of the Group. With AC's approval, the internal audit function has been outsourced to an audit/accounting firm, CLA Global TS Holdings Pte Ltd. The Internal Auditors ("**IA**") report directly and independently to the AC. Being an independent function; the audit work is conducted with impartiality and professional care and in accordance with the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. The IA has full and unfettered access to all the Group's documents, records, properties and personnel, including the AC.

The AC was responsible in evaluation, selecting and approving the appointment of the IA, as well as evaluating the service delivery, performance and compensation of the internal audit function. The IA has confirmed that it is a member of the Institute of Internal Auditors Singapore ("**IIA**") and the profiles of the team members were in line with recommended standards by the IIA. The AC is satisfied that the internal audit function is adequately resourced and staffed with suitably qualified and experienced professionals with the relevant experience.

The Board recognized that it is important to maintain a system of internal controls to safeguard shareholders' investments and the Group's businesses and assets, while the management is responsible for establishing and implementing effective internal control procedures. The role of IA is to assist the AC in ensuring that controls are properly in place, effective and functioning as intended.

The IA develops a 3-years audit plan and executes the risk-based audit plan annually. This plan complements the work of the external auditors and is designed to review the adequacy and effectiveness of the Group's financial, operational, compliance and information technology controls, and risk management. IA will follow up on all recommendations to ensure management has implemented them on a timely and appropriate manner and reports the results to the AC.

The AC opined that the IA function is independent, effective and adequately resourced based on the following practices implemented by the Group:

i) The AC is empowered to appoint reputable independent third-party IA to plan the Group's internal audit schedules and scope of work;
ii) The IA reports directly and independently to the AC;
iii) The AC reviews and approves the IA's annual internal audit plan and report;
iv) The AC reviews the activities of the IA on a regular basis, including overseeing and monitoring the implementation of the improvements required on internal control weaknesses identified;
v) The AC ensures that the IA is provided with the necessary resources to adequately perform their duties including unfettered access to all of the Group's documents, records, properties and personnel; and
vi) The AC is empowered to decide on the appointment, termination and remuneration of outsourced IA professionals.

CORPORATE GOVERNANCE REPORT

Provisions	Corporate Governance Practices of the Company
	In addition, the external auditors will highlight any material internal control weaknesses which have come to their attention in the course of their statutory audit. All internal and external audit findings and recommendations made by the internal and external auditors are reported to the AC. Significant issues are discussed at AC meetings.
	Based on the above, the AC assessed the adequacy, effectiveness and independence of the IA, and is of the view that IA is independent, effective and adequately resourced. IA has adequate and through understanding of the Group's business operations and related risks and has aligned its work to review these accordingly.
10.5	**AC meets with the auditors without the presence of Management annually**
	The AC meets annually with the external auditors without the presence of Management to review any matters that might be raised. In 2023, there was at least two scheduled private sessions between the AC and the internal auditors.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Provisions	Corporate Governance Practices of the Company
11.1	**Company provides shareholders with the opportunity to participate effectively and vote at general meetings**
	All shareholders of the Company receive the Annual Report and notice of AGM and Extraordinary General Meeting ("EGM") within the mandatory notice period. Shareholders are encouraged to participate at the Company's general meetings. Shareholders have the opportunity to participate effectively and to vote in the AGM/EGM either in person or by proxy in accordance to the Constitution. The Constitution of the Company allows each shareholder to appoint up to two proxies to attend AGM/EGMs. The Company allows relevant intermediaries such as the Central Provident Fund Board or corporations which provide nominee or custodial services to appoint more than two proxies so that shareholders who hold shares through such bodies can attend and participate in general meetings as proxies.
	In accordance with Rule 730A(2) of the Listing Manual and to have greater transparency in the voting process, the Company has conducted the voting of all its resolutions by poll at all of its general meetings. The detailed voting results of each of the resolutions tabled are announced on the same day after the meetings. The total numbers of votes cast for or against the resolutions are also announced after the meetings via SGXNET.

CORPORATE GOVERNANCE REPORT

Provisions	**Corporate Governance Practices of the Company**
	Due to the Covid-19 restrictions and advisories issued by the relevant authorities in Singapore and the related safe distancing measures that were in effect at the relevant time, the AGM of the Company held in respect of the financial year ended 31 December 2022 on 27 April 2023 was held by way of electronic means and shareholders were not able to attend the AGM in person. To enable shareholders to participate in and vote effectively at the AGM held by way of electronic means, the Company had set out in the Notice of AGM, detailed information on the alternative arrangements relating to attendance at the annual general meeting, submission of questions in advance of the annual general meeting and voting procedures for the AGM.
	As the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings) Orders (Orders) ceased from 1 July 2023, the upcoming AGM of the Company to be held in respect of FY2023 will be held in a wholly physical manner. Please refer to the important notes to shareholders on the Notice of Annual General Meeting dated 11 April 2024 for further information.
11.2	**Separate resolution on each substantially separate issue**
	Resolutions to be passed at general meetings are always separate and distinct in terms of issue and are consistent with the Code's recommendation that companies avoid 'bundling' resolutions unless the resolutions are interdependent and linked so as to form one significant proposal.
11.3	**All Directors attend general meetings**
	All directors (including the Chairpersons of the AC, NC and RC) are present and available to address shareholders' questions. The external auditors have also been invited to attend the AGM and will be available to assist the directors in addressing any shareholders' queries relating to the conduct of audit and the preparation and content of the auditors' report. Directors will address the shareholders' queries prior to and during the AGM if required.
	All directors attended the Company's AGM duly held on 27 April 2023 via electronic means. A record of the directors' attendance at AGM is set out in **Table 1**.
11.4	**Company's Constitution on absentia voting of shareholders**
	Provision 11.4 of the Code recommends that the Company's Constitution allow for absentia voting at general meetings of shareholders. The Company's Constitution allows for absentia voting at general meetings of shareholders, including but not limited to voting by mail, electronic mail or facsimile. As the authentication of shareholder identity and other related security and integrity issues still remain a concern, the Company has decided, for the time being, not to implement absentia voting methods such as voting by mail, electronic mail or facsimile. Notwithstanding variation from Provision 11.4 of the Code, the Company is of the view that the intent of Principle 11 is still met as the existing arrangement whereby shareholders have the right to appoint proxies to attend general meetings and vote on their behalf enables shareholders to exercise their rights and have the opportunity to vote even if they are unable to attend in person.
11.5	**Minutes of general meeting are published via SGXNet and on the Company's website**
	Questions, comments received from shareholders and responses from the Board and Management were recorded in the minutes of general meetings. In accordance with Guidance 6 of the Practice Note 7.5 General Meetings of the SGX Listing Manual, the Minutes of AGM will be published within one month after the AGM on SGXNET.

CORPORATE GOVERNANCE REPORT

Provisions	Corporate Governance Practices of the Company

11.6 **Dividend Policy**

The Company does not have a formal dividend policy but the Board seeks to balance dividend return to shareholders with the need for long-term sustainable growth and the requirements for short term cash and capital expenditure requirements in proposing a dividend. No Dividend has been recommended for FY2023 as the Company is preserving its cash to pursue strategic business planning and activities as stated in the Company's full year results announcement on SGXNet on 28 February 2024.

ENGAGEMENT WITH SHAREHOLDERS

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

Provisions	Corporate Governance Practices of the Company

12.1 **The Company provides avenues for communication between the Board and shareholders**

The Board views the AGM as the principal forum for dialogue with shareholders, being an opportunity for shareholders to raise issues pertaining to the proposed resolutions and/or ask the directors or the management questions regarding the Company and its operations.

12.2 **Investor relations (if any) and mechanism of communication between the shareholders and the Company**

The Company's business developments and operations, financial reports, announcements, news releases and other information are posted on its corporate website at the URL http://www.enviro-hub.com.

Prior to 2024, Gem Comm Pte Ltd was engaged to assist the Company in handling the investor relations matters. Moving forward in 2024, there are dedicated personnel within the Group who primarily facilitate the communications with all stakeholders regularly and attend to their queries or concerns as well as to keep the investors public apprised of the Group's corporate developments and financial performance.

Under the Company's investor communication policy, the Company will meet with investors, the media and analysts at appropriate times and participate in investor roadshows, and sector conferences throughout the year. Upon the release of half-year and full-year financial results, the Company will hold media and analysts' briefings, when necessary.

12.3 **Mechanisms for contacting the Company**

The Company is in regular communication with shareholders. It does not practice selective disclosure. In line with continuous obligations of the Company pursuant to the Listing Manual of the SGX-ST, the Board's policy is that all shareholders should be equally informed of all major developments impacting the Group. Price-sensitive information are disclosed in a timely manner and the half-year and full year financial results are released to the public through SGXNet in accordance with the requirements of SGX-ST which are available on SGX website and the Company's website – www.enviro-hub.com.

CORPORATE GOVERNANCE REPORT

MANAGING STAKEHOLDERS RELATIONSHIPS

Engagement with Stakeholders

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Provisions	Corporate Governance Practices of the Company
	Engagement with material stakeholder groups
13.1	The Company has appropriate channels in place to identify and engage with its key stakeholder groups. The Company recognizes the importance of understanding the Group's businesses and regular interactions with key stakeholders to determine material issues for the Group's businesses.
13.2	The Company continues its stakeholder engagement exercise with investors and shareholders, employees, customers and Government and Regulators in FY2023 for its sustainability reporting. The objective was for the Company to identify new opportunities and to manage risks associated with each stakeholder group. Feedback from all stakeholder groups was solicited through open dialogues on a regular basis. Internal stakeholder workshops for account-drivers and overseas markets were also organized to gather more in-depth views to enhance the Company's sustainability reporting. The strategy and key areas of focus in relation to the management of stakeholder relationships are disclosed under "Stakeholder Engagement" of the FY2023 Sustainability Report.
13.3	**Corporate website to engage stakeholders** The Company's business developments and operations, financial reports, announcements, news releases and other information are timely posted on its corporate website at the URL http://www.enviro-hub.com. Moving forward, the Company will include more details on its management of stakeholder relationships during the reporting period, including best practices for compliance.

OTHER CORPORATE GOVERNANCE MATTERS

Rule 1207(19) of the SGX-ST Listing Manual	**Securities Transactions** The Company has adopted an internal code on dealing in securities to govern the conduct of securities transactions by its directors and employees. All directors and officers of the Company are not allowed to deal in the Company's shares at least one month before the announcement of the Company's half yearly and full year financial results until the day after the announcement. The directors and officers should not deal in the Company's securities on short-term considerations. Directors and officers are required to observe insider trading provisions under the Securities and Futures Act 2001 at all times; even when dealing in the Company's securities within the permitted trading periods. Directors of the Company are required to report all dealings to the Company Secretary.

CORPORATE GOVERNANCE REPORT

Rule 1207(8) of the SGX-ST Listing Manual

Material Contracts

Save for the following agreements entered into with Mr Raymond Ng Ah Hua, the Executive Chairman and a controlling shareholder of the Company, or his associates, which was still subsisting as at the end of FY2023, there were no other material contracts involving the interest of the directors or controlling shareholders entered into by the Group which are still subsisting as at the end of the financial year under review or entered into during the financial year under review:-

1. a service agreement dated 1 March 2023 was entered into between the Company and Mr Raymond Ng Ah Hua in relation to his employment with the Company; and

2. the joint venture agreement ("**EHP JVA**") dated as of 21 June 2013 entered into between the Company, BS Capital Pte. Ltd. ("**BS Capital**") and EH Property & Investments Pte. Ltd. ("**EH Property**"), as amended or supplemented from time to time, in relation to a joint venture between the Company and BS Capital to jointly carry on the business of property development, investment and management through EH Property. Under the terms of the EHP JVA, the Company has, inter alia, agreed to make available a shareholder's loan of up to S$60 million to EH Property to fund the joint venture ("**EH Property Shareholder's Loan**"). Under the terms of the EHP JVA, the EH Property Shareholder's Loan shall be interest-free, unsecured and repayable at such time as the parties may agree in writing in accordance with the terms and conditions of the EHP JVA. Further details on this joint venture and the EH Property Shareholder's Loan were set out in, inter alia, 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. Please also refer to the section entitled "Interested Person Transactions ("**IPTs**")" below for further details on the EH Property Shareholder's Loan.

Rule 1207(17) of the SGX-ST Listing Manual

Interested Person Transaction ("IPT")

The Group has established procedures to ensure that all transactions with interested persons are reported on a timely manner to the Audit Committee and that the transactions are carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders.

The aggregate value of interested person transactions entered into during the financial year under review are as follows:-

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 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 – $96,000 (note 2)	–
BIS Motoring Pte Ltd ("BISM")	Director has interest in CPM	Leasing charges – $12,593 (note 3)	–

CORPORATE GOVERNANCE REPORT

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. There is no loan or repayment made in regard to EH Property Shareholder's Loan during the financial year ended 31 December 2023.

(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 Company is leasing a motor vehicle from BISM.

Rule 711A-711B of the SGX-ST Listing Manual

Sustainability Reporting

Enviro-Hub continues to play its part in contributing to a smart nation and a low waste economy, through inspiring the landscape with iconic property developments and restoring resources with technology and solutions. We believe that the effective management of environmental, social and governance (ESG) risks and opportunities can help us to deliver long-term value to our stakeholders.

Enviro-Hub releases its FY2023 Sustainability Report (the "**SR**") which is aligned to SGX-ST's Listing Rules – Sustainability Reporting Guide. This SR is incorporated into Enviro-Hub's annual report 2023 which is publicly accessible through Enviro-Hub's website as well as on SGXNet.

TABLE 1 – ATTENDANCE AT BOARD, BOARD COMMITTEES AND ANNUAL GENERAL MEETINGS FOR FY2023

	Board of Directors		Nominating Committee		Audit Committee		Remuneration Committee		AGM	Attendance	
	Number of Meetings									Total	%
Directors	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**	**Attended**		
Mr Raymond Ng Ah Hua	3	3	1	1	2	2	1	1	1	8/8	100%
Mr Adrian Toh Jia Sheng	3	3	1	1	2	2	1	1	1	8/8	100%
Dr Teo Ho Pin	3	3	1	1	2	2	1	1	1	8/8	100%
Ms Judy Ang Siew Geok*	2	2	NA	NA	1	1	NA	NA	NA	3/3	100%
Mr Lau Chin Huat#	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

* Appointed on 17 July 2023
\# Appointed on 9 October 2023

TABLE 2 – BOARD AND BOARD COMMITTEES

	Board	Nominating Committee	Audit Committee	Remuneration Committee
Non-Independent Directors				
Mr Raymond Ng Ah Hua (Executive)	Chairman	Member	–	–
Mr Adrian Toh Jia Sheng (Executive)	Member	–	–	–
Non-Executive Independent Directors				
Dr Teo Ho Pin (Lead Independent Director)	Member	Chairman	Member	Member
Ms Judy Ang Siew Geok*	Member	Member	Member	Chairman
Mr Lau Chin Huat#	Member	Member	Chairman	Member

* Appointed on 17 July 2023
\# Appointed on 9 October 2023

CORPORATE GOVERNANCE REPORT

TABLE 3 – DATE OF DIRECTOR'S INITIAL APPOINTMENT, LAST RE-ELECTION AND THEIR DIRECTORSHIPS / PRINCIPAL COMMITMENTS

Name of Director	Age	Date of initial appointment	Date of last re-election	Present directorships in listed companies	Past (preceding 5 years) directorships in listed companies	Principal Commitment
Mr Raymond Ng Ah Hua	59	28/10/2004	28/04/2022	Enviro-Hub Holdings Ltd	–	Full time employment with the Group
Dr Teo Ho Pin	64	08/03/2022	28/04/2022	1. Enviro-Hub Holdings Ltd 2. ISOTeam Ltd 3. Tiong Seng Holdings Ltd 4. King Wan Corporation Ltd 5. Broadway Industrial Group Ltd	–	–
Mr Adrian Toh Jia Sheng	37	11/11/2022	27/04/2023	Enviro-Hub Holdings Ltd	–	Full time employment with the Group
Ms Judy Ang Siew Geok	60	17/07/2023	–	Enviro-Hub Holdings Ltd	–	–
Mr Lau Chin Huat	64	09/10/2023	–	1. Enviro-Hub Holdings Ltd 2. Kimly Limited 3. Willas-Array Electronics (Holdings) Limited	–	Lau Chin Huat & Co

TABLE 4 – REMUNERATION OF DIRECTORS

The breakdown of the total remuneration of the Directors of the Company for the year ended 31 December 2023 is set out below: -

		Breakdown of Remuneration in Percentage (%)					Actual Total Remuneration in Compensation Bands of $100,000
Name of Directors	**Position**	**Director's Fee**	**Salary**	**Bonus**	**Other Benefits**	**Total**	
Mr Raymond Ng Ah Hua	ED	*	87%	7%	6%	100%	800,001 – 900,000
Mr Adrian Toh Jia Sheng	ED	–	80%	10%	10%	100%	200,001 – 300,000
Mr Tan Kok Hiang[@]	NEID	100%	–	–	–	100%	<100,000
Mr Samuel Poon Hon Thang[@]	NEID	100%	–	–	–	100%	<100,000
Dr Teo Ho Pin	NEID	100%	–	–	–	100%	<100,000
Dr Lai Huen Poh[@]	NED	100%	–	–	–	100%	<100,000
Ms Judy Ang Siew Geok[^]	NEID	100%	–	–	–	100%	<100,000
Mr Lau Chin Huat[#]	NEID	100%	–	–	–	100%	<100,000
The Aggregate Total Remuneration of Directors		S$203,600	S$876,000	S$80,500	S$70,482	S$1,230,582	
		17%	71%	6%	6%	100%	

* Nominal amount < 0.01%

Notes: -

ED: Executive Director
NEID: Non-Executive Independent Director
NED: Non-Executive Director
^: Appointed as NEID on 17 July 2023
#: Appointed as NEID on 9 October 2023
@ Resigned on 29 December 2023

CORPORATE GOVERNANCE REPORT

TABLE 4A – REMUNERATION OF TOP KEY MANAGEMENT PERSONNEL

The breakdown of total remuneration of the top key management personnel of the Group (who are not directors) for the year ended 31 December 2023 is set out below:-

Name of Key Management Personnel	Position	Breakdown of Remuneration in Percentage (%)				Actual Total Remuneration in Compensation Bands of $250,000
		Salary	**Bonus**	**Other Benefits**	**Total**	
Ms Katherine Hung Kam Han	HOCM	86%	11%	3%	100%	< $250,000
Mr Lim Kheng Boon	SD	79%	7%	14%	100%	< $250,000
Mr Tan Boon Chye	SD	70%	14%	16%	100%	< $250,000
Mr Kenneth Yeow Ching Shoong *	HOF	81%	10%	9%	100%	< $250,000
The Aggregate Total Remuneration (S$'000) of Key Management Personnel		S$454,276	S$58,040	S$53,592	S$565,908	
		80%	10%	10%	100%	

Legends: -
Fixed pay comprises basic salary.
Bonus is paid based on the Company and individual's performance.
Transport benefits and the Company's contribution towards the Singapore Central Provident Fund where applicable.

Notes: -
HOCM: Head of Change Management
SD: Subsidiaries' Director
HOF: Head of Finance
*: Appointed as HOF on 4 January 2023

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited financial statements of Enviro-Hub Holdings Ltd. (the "Company") and its subsidiaries (the "Group") for the financial year ended 31 December 2023 and the statement of financial position of the Company as at 31 December 2023.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

(i) the financial statements of the Group and the statement of financial position of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023 and the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date; and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. DIRECTORS

The directors of the Company in office at the date of this statement are as follows:

Raymond Ng Ah Hua
Adrian Toh Jia Sheng
Dr Teo Ho Pin
Judy Ang Siew Geok (Appointed on 17 July 2023)
Lau Chin Huat (Appointed on 9 October 2023)

3. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

The directors of the Company holding office at the end of the financial year had no interests in the shares and debentures of the Company and its related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967 (the "Act"), except as disclosed below:

Name of directors and corporations in which direct interest are held	Holdings at beginning of the year	Holdings at end of the year
Enviro-Hub Holdings Ltd.		
Ordinary shares		
Raymond Ng Ah Hua	436,868,764	442,700,782
Adrian Toh Jia Sheng	4,762,000	5,262,000

By virtue of Section 7 of the Act, Mr Raymond Ng Ah Hua is deemed to have interests in all other subsidiaries of the Company at the beginning and at the end of the financial year.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

DIRECTORS' STATEMENT

3. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (CONTINUED)

There were no changes in any of the above-mentioned interests in the Company between the end of the financial year and 21 January 2024.

Except as disclosed under the "Enviro-Hub Share Award Scheme" section of this statement, neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Except for salaries, bonuses and fees and those benefits that are disclosed in this statement and in Note 31 to the financial statements, since the end of the last financial year, no director has received or become entitled to receive, a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

4. ENVIRO-HUB SHARE AWARD SCHEME

Enviro-Hub Share Award Scheme 2012

The Enviro-Hub Share Award Scheme (the 2012 Scheme) of the Company was approved and adopted by its members at an Extraordinary General Meeting held on 22 November 2012. The Scheme was administered by the Remuneration Committee.

Scheme participants (Scheme Participants) will receive fully-paid ordinary shares of the Company free of charge, the equivalent in cash, or combinations thereof, provided that certain prescribed performance targets are met within a prescribed performance period determined at the absolute discretion of the Remuneration Committee. Performance targets set under the Scheme are intended to be based on medium-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth. The performance targets are stretched targets aimed at sustaining long-term growth. Examples of performance targets to be set include targets based on criteria such as sales growth, earnings per share and return on investment.

The selection of a Scheme Participant and the number of shares which are the subject of each share award (the Award) to be granted to a Scheme Participant in accordance with the Scheme shall be determined at the absolute discretion of the Remuneration Committee, which shall take into account criteria such as his rank, job performance, years of service and potential for future development, his contribution to the success and development of the Group and the extent of effort required to achieve the performance target(s) within the performance period.

Other information regarding the Scheme is set out below:

Rationale

The Scheme operates to attract, retain and provide incentive to Scheme Participants to encourage greater dedication and loyalty by enabling the Company to give recognition for past contributions and services as well as motivating Scheme Participants generally to contribute towards the Company's long-term prosperity.

DIRECTORS' STATEMENT

4. ENVIRO-HUB SHARE AWARD SCHEME (CONTINUED)

Enviro-Hub Share Award Scheme 2012 (Continued)

Eligibility

The Scheme allows for participation by full-time employees of the Group (including Group Executive Directors) and Non-Executive Directors who have attained the age of 21 years and above on or before the relevant date of Award provided that none shall be an undischarged bankrupt or have entered into any compositions with their respective creditors, and who, in the absolute discretion of the Remuneration Committee, will be eligible to participate in the Scheme.

Persons who are Controlling Shareholders or associates of a Controlling Shareholder are also eligible to participate in the Scheme provided that the participation by such person and the actual number of Awards granted under the Scheme to such Participant who is a Controlling Shareholder or an associate of a Controlling Shareholder shall be approved by the independent Shareholders in a separate resolution for each such person subject to the following:

(i) the aggregate of the number of Shares comprised in Awards granted to Controlling Shareholders or associates of a Controlling Shareholder under the Scheme shall not exceed twenty-five per cent (25%) of the aggregate of the total number of Shares (comprised in Awards) which may be granted under the Scheme; and

(ii) the aggregate of the number of Shares in respect of Awards granted to each Controlling Shareholder or associates of a Controlling Shareholder shall not exceed ten per cent (10%) of the total number of Shares (comprised in Awards) which may be granted under the Scheme.

Subject to the Act and any requirement of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the terms of eligibility for participation in the Scheme may be amended from time to time at the absolute discretion of the Remuneration Committee.

Duration of the Scheme

The Scheme shall continue in force at the discretion of the Remuneration Committee, subject to a maximum period of ten (10) years commencing on the date the Scheme is adopted by the Company in general meeting, provided always that the Scheme may continue beyond the above stipulated period with the approval of Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required. Notwithstanding the expiry or termination of the Scheme, any Awards made to Scheme Participants prior to such expiry or termination will continue to remain valid.

The 2012 scheme was terminated by its members at an Extraordinary General Meeting held on 28 April 2022. The share awards granted under the 2012 Scheme will continue to remain valid in accordance with the rules of the scheme.

DIRECTORS' STATEMENT

4. ENVIRO-HUB SHARE AWARD SCHEME (CONTINUED)

Enviro-Hub Share Award Scheme 2012 (Continued)

Size of the Scheme

The aggregate number of Award shares (comprising new shares and/or treasury shares) to be delivered pursuant to Awards granted on any date, when added to the number of new shares issued and issuable and the number of treasury shares delivered, in respect of all other share schemes of the Company for the time being in force (if any) shall not exceed fifteen per cent (15%) of the issued share capital of the Company (excluding treasury shares) on the day preceding the relevant date of the Award. The number of existing shares which may be purchased from the market for delivery upon vesting of the Awards granted under the Scheme, will not be subject to any limit. Alternatively, the Company may make a release of Awards in cash instead of shares and Scheme Participants entitled to such Awards will receive in lieu of shares, the aggregate market value of such Shares. Such methods will not be subject to any limit as they do not involve the issue of any new shares or the transfer of any treasury shares.

Details of the Awards granted, vested and cancelled during the financial year, and Awards outstanding as at the end of the financial year, were as follows:

	Balance as at 1 January 2023	Share awards vested	Balance as at 31 December 2023
Group Executive Chairman			
Mr Raymond Ng Ah Hua	4,168,918	(4,168,918)	–

Since the commencement of the Scheme to the date of this statement, Awards comprising 15,814,862 ordinary shares were granted to the Company's directors.

Awards comprising 5,445,944 ordinary shares were entitled to Mr Raymond Ng Ah Hua under the Scheme for the financial years ended 31 December 2013 and 2014 were allotted on 11 April 2018.

Awards comprising 2,200,000 ordinary shares were entitled to the Company's Non-Executive Directors under the Scheme for the financial year ended 31 December 2015, of which 1,650,000 ordinary shares were allotted to 3 Non-Executive Directors on 11 April 2018. In addition, the remaining 550,000 ordinary shares award was cancelled as a result of resignation of a director in 2016.

Awards comprising 4,000,000 ordinary shares and 4,168,918 ordinary shares under the scheme were vested and allotted to Mr Raymond Ng Ah Hua on 28 September 2022 and 27 June 2023 respectively.

As at 31 December 2023, other than disclosed above, no other Scheme Participant has been granted Awards under the Scheme, in aggregate, represents five per cent (5%) or more of the aggregate of the total number of new shares and/or treasury shares available under the Scheme.

Enviro-Hub Share Award Scheme 2022

Following the expiry of the Company's 2012 share award scheme, the Enviro-Hub Share Award Scheme (the 2022 Scheme) of the Company was approved and adopted by its members at an Extraordinary General Meeting held on 28 April 2022. The Scheme is administered by the Remuneration Committee, comprising Ms Judy Ang Siew Geok (Chairman), Dr Teo Ho Pin and Mr Lau Chin Huat.

DIRECTORS' STATEMENT

4. ENVIRO-HUB SHARE AWARD SCHEME (CONTINUED)

Enviro-Hub Share Award Scheme 2022 (Continued)

Scheme participants (Scheme Participants) will receive fully-paid ordinary shares of the Company free of charge, the equivalent in cash, or combinations thereof, provided that certain prescribed performance targets are met within a prescribed performance period determined at the absolute discretion of the Remuneration Committee. Performance targets set under the Scheme are intended to be based on medium-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth. The performance targets are stretched targets aimed at sustaining long-term growth. Examples of performance targets to be set include targets based on criteria such as sales growth, earnings per share and return on investment.

The selection of a Scheme Participant and the number of shares which are the subject of each share award (the Award) to be granted to a Scheme Participant in accordance with the Scheme shall be determined at the absolute discretion of the Remuneration Committee, which shall take into account criteria such as his rank, job performance, years of service and potential for future development, his contribution to the success and development of the Group and the extent of effort required to achieve the performance target(s) within the performance period.

Other information regarding the Scheme is set out below:

Rationale

The Scheme operates to attract, retain and provide incentive to Scheme Participants to encourage greater dedication and loyalty by enabling the Company to give recognition for past contributions and services as well as motivating Scheme Participants generally to contribute towards the Company's long-term prosperity.

Eligibility

The Scheme allows for participation by full-time employees of the Group (including Group Executive Directors) and Non-Executive Directors who have attained the age of 21 years and above on or before the relevant date of Award provided that none shall be an undischarged bankrupt or have entered into any compositions with their respective creditors, and who, in the absolute discretion of the Remuneration Committee, will be eligible to participate in the Scheme.

Persons who are Controlling Shareholders or associates of a Controlling Shareholder are also eligible to participate in the Scheme provided that the participation by such person and the actual number of Awards granted under the Scheme to such Participant who is a Controlling Shareholder or an associate of a Controlling Shareholder shall be approved by the independent Shareholders in a separate resolution for each such person subject to the following:

(i) the aggregate of the number of Shares comprised in Awards granted to Controlling Shareholders or associates of a Controlling Shareholder under the Scheme shall not exceed twenty-five per cent (25%) of the aggregate of the total number of Shares (comprised in Awards) which may be granted under the Scheme; and

(ii) the aggregate of the number of Shares in respect of Awards granted to each Controlling Shareholder or associates of a Controlling Shareholder shall not exceed ten per cent (10%) of the total number of Shares (comprised in Awards) which may be granted under the Scheme.

Subject to the Act and any requirement of the SGX-ST, the terms of eligibility for participation in the Scheme may be amended from time to time at the absolute discretion of the Remuneration Committee.

DIRECTORS' STATEMENT

4. ENVIRO-HUB SHARE AWARD SCHEME (CONTINUED)

Enviro-Hub Share Award Scheme 2022 (Continued)

Duration of the Scheme

The Scheme shall continue in force at the discretion of the Remuneration Committee, subject to a maximum period of ten (10) years commencing on the date the Scheme is adopted by the Company in general meeting, provided always that the Scheme may continue beyond the above stipulated period with the approval of Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required. Notwithstanding the expiry or termination of the Scheme, any Awards made to Scheme Participants prior to such expiry or termination will continue to remain valid.

Size of the Scheme

The aggregate number of Award shares (comprising new shares and/or treasury shares) to be delivered pursuant to Awards granted on any date, when added to the number of new shares issued and issuable and the number of treasury shares delivered, in respect of all other share schemes of the Company for the time being in force (if any) shall not exceed fifteen per cent (15%) of the issued share capital of the Company (excluding treasury shares) on the day preceding the relevant date of the Award. For the avoidance of doubt, the 8,168,918 Shares represented by the performance-linked share awards granted to Mr Raymond Ng Ah Hua under the 2012 Scheme that have not been vested as at the termination date, 28 April 2022 will be included in the calculations to ensure that the aggregate number of Shares delivered pursuant to Share Awards shall not exceed fifteen per cent. (15%) of the issued share capital of the Company (excluding treasury shares) from time to time. The total issued share capital of the Company (excluding treasury shares) would include the 8,168,918 Shares allotted to Mr Raymond Ng Ah Hua under the 2012 Scheme for the purpose of calculating the relevant size and limits of the 2022 Scheme. The number of existing shares which may be purchased from the market for delivery upon vesting of the Awards granted under the Scheme, will not be subject to any limit. Alternatively, the Company may make a release of Awards in cash instead of shares and Scheme Participants entitled to such Awards will receive in lieu of shares, the aggregate market value of such Shares. Such methods will not be subject to any limit as they do not involve the issue of any new shares or the transfer of any treasury shares.

The Company had issued and allotted the 8,168,918 ordinary shares granted to Mr Raymond Ng Ah Hua under the 2012 Scheme. The Company will grant the Share Awards representing 22,994,930 Shares under the 2022 Scheme to Mr Raymond Ng Ah Hua subject to the fulfilment of the performance criteria.

Award comprising 22,994,930 ordinary shares had not been granted to Mr Raymond Ng Ah Hua as at 31 December 2023.

5. SHARE OPTIONS

During the financial year, there were:

(i) no options granted by the Company or its subsidiaries to any person to take up unissued shares in the Company or its subsidiaries; and

(ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company or its subsidiaries.

As at the end of the financial year, there were no unissued shares of the Company or its subsidiaries under options granted by the Company or its subsidiaries.

DIRECTORS' STATEMENT

6. AUDIT COMMITTEE

The members of the Audit Committee during the year and at the date of this statement are:

- Mr Lau Chin Huat (Chairman), non-executive independent director
- Dr Teo Ho Pin, non-executive independent director
- Ms Judy Ang Siew Geok, non-executive independent director

The Audit Committee performs the functions specified in Section 201B of the Act, the SGX Listing Manual and the Code of Corporate Governance.

The Audit Committee has held 2 meetings since the last directors' statement. In performing its functions, the Audit Committee met with the Company's external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Group's internal accounting control system.

The Audit Committee also reviewed the following:

- assistance provided by the Group's officers to the internal and external auditors;
- quarterly and half-yearly financial information and annual financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption; and
- interested person transactions (as defined in Chapter 9 of the SGX Listing Manual).

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees.

The Audit Committee has recommended to the Board of Directors that, Mazars LLP, be nominated for the appointment as auditors at the forthcoming Annual General Meeting.

In appointing our auditors of the Company, subsidiaries, and significant associated companies, we have complied with Rules 712 and 715 of the SGX Listing Manuals.

7. AUDITORS

The auditors, Mazars LLP, have expressed their willingness to accept re-appointment.

On behalf of the Board of Directors

Raymond Ng Ah Hua
Director

Adrian Toh Jia Sheng
Director

Singapore
1 April 2024

INDEPENDENT AUDITOR'S REPORT

Members of the Company Enviro-Hub Holdings Ltd

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Enviro-Hub Holdings Ltd. (the "Company") and its subsidiaries (the "Group") which comprise the statements of financial position of the Group and of the Company as at 31 December 2023, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023 and of the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (the "ACRA code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Overview

Audit Approach

We designed a risk-based audit approach in identifying and assessing the risks of material misstatement at both the financial statement and assertion levels.

Materiality

As in all our audits, we exercised our professional judgement in determining our materiality, which was also affected by our perception of the financial information needs of the users of the financial statements, being the magnitude of misstatement in the financial statements that makes it probable for a reasonably knowledgeable person to change or be influenced in his economic decision.

Scope of audit

For the audit of the current financial year's financial statements, we identified 10 significant components which required a full scope audit of their financial information, either because of their size or/and their risk characteristics.

Out of the 10 significant components, 9 were audited by us, the remaining 1 was audited by component auditors under our instructions. We determined the component materiality and our level of involvement in their audit necessary for us, in our professional judgement, to obtain sufficient appropriate audit evidence as a basis for our opinion on the Group's financial statements as a whole.

Area of focus

We focused our resources and effort on areas which were assessed to have higher risks of material misstatement, including areas which involve significant judgements and estimates to be made by directors.

INDEPENDENT AUDITOR'S REPORT

Members of the Company Enviro-Hub Holdings Ltd

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS (CONTINUED)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current financial year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th colspan="2">Valuation of investment properties (Note 14)
Refer to Note 3 (Critical accounting judgements and key sources of estimation uncertainty), Note 14 (Investment properties) and Note 34 (Fair value of assets and liabilities).</th></tr>
<tr><th>Key audit matter</th><th>Our audit response</th></tr>
<tr><td>As at 31 December 2023, the carrying amount of the Group's investment properties (strata units of the Lam Soon Industrial Building) are $59.1 million (2022: $62.2 million), representing 41% (2022: 39%) of the Group's total assets.

The Group owns a portfolio of investment properties, comprising multiple strata units of the Lam Soon Industrial Building, which are leased to third parties under operating leases. Investment properties represent the largest category of assets on the consolidated statement of financial position of the Group.

These investment properties are stated at fair values based on independent external valuations, using the market comparison approach.

The valuations are sensitive to the choice of valuation methodology and key assumptions applied; where a change in the assumptions can have a significant impact to the valuation.</td><td>Our audit procedures included, and were not limited to, the following:

• Obtained the independent property valuation expert's valuation reports on the investment properties;

• To ascertain whether reliance can be placed on the work of the property valuation expert engaged by the management, we have:

– Evaluated the competence, capability and objectivity of the property valuation expert;

– Understood the valuation basis adopted by the property valuation expert; and

– Evaluated the appropriateness and adequacy of the work performed by the property valuation expert by assessing the appropriateness and reasonableness of the valuation method, key assumptions (including the price per square foot applied by comparing against recent transactions and available industry data, taking into consideration comparability and market factors) and relevance of the data adopted in determining the fair values with the assistance of our external expert.

• Assessed the accuracy of fair value changes recorded; and

• Reviewed the appropriateness and completeness of the disclosures made in the financial statements, in describing the key assumptions in the estimates. This includes the relationships between the key unobservable inputs and fair values.</td></tr>
</table>

INDEPENDENT AUDITOR'S REPORT

Members of the Company Enviro-Hub Holdings Ltd

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS (CONTINUED)

Key Audit Matters (Continued)

<table>
<tr><td colspan="2">Impairment of property, plant and equipment (the "PPE"), goodwill and the Company's investments in subsidiaries
Refer to Note 3 (Critical accounting judgements and key sources of estimation uncertainty), Note 12 (Property, plant and equipment), Note 13 (Intangible assets - Goodwill) and Note 15 (Subsidiaries).</td></tr>
<tr><td>Key audit matter</td><td>Our audit response</td></tr>
<tr><td>As at 31 December 2023, the Group's PPE (including right-of-use assets) was $30.4 million (2022: $34.8 million), which is a significant balance on the statement of financial position of the Group.

As at 31 December 2023, the Group's goodwill amounted to $26.9 million (2022: $26.9 million) arising from the acquisition of a subsidiary, Pastel Glove Sdn. Bhd. ("PGSB") in FY2021, which requires impairment assessment at least annually.

As at 31 December 2023, the carrying amount of the Company's investments in subsidiaries were $62.0 million, net of impairment loss of $199.0 million (2022: $61.8 million, net of impairment loss of $196.8 million) in the statement of financial position.

Management has identified the existence of impairment indicators on the Group's PPE and the Company's investments in subsidiaries in relation to the Healthcare cash generating unit (the "CGU") due to losses incurred by the CGU in the current year. Consequently, management conducted impairment assessment accordingly.

Management applies the value-in-use ("VIU") method to determine the recoverable amount of the CGU. The CGU has limited track record of historical performance in this area and therefore the determination of the recoverable amount involves high degree of judgement and is subject to significant estimation uncertainties. The VIU includes cashflows expected to be derived from the following key assumptions and occurrences of events:

• The ability for the business to consistently meet the quality requirement of the higher-grade gloves and keep the rejection rates low. The CGU is expected to achieve economy of scale in the production of gloves with low rejection rates and generate higher margins.</td><td>Our audit procedures included, and were not limited to, the following:

• Obtained an understanding through discussion with management on whether there is any indication of impairment on its PPE and its investments in subsidiaries;

• Conducted physical sighting on the PPE;

• Assessed the appropriateness of the determination of each CGU of the Group by management;

• Enquired management's view on the future plans for the subsidiaries, as well as reviewed and challenged management's basis and assumptions in deriving at the discounted cash flows (if any) for subsidiaries with indicators of impairment;

• Reviewed the VIU calculations prepared by management and reperformed the calculations to check their accuracy;

• Requested documentation from management as to how they have arrived at the basis and assumptions for the discounted cash flows. Obtained representation that these are reasonable and have been reviewed and approved by the Board of Directors;

• With the assistance of our internal valuation specialist, we assessed the appropriateness of the valuation methodology and reviewed the key inputs and assumptions used in the VIU calculations which related to the revenue growth rates and discount rate taking into consideration external data as well as our knowledge and experience;</td></tr>
</table>

INDEPENDENT AUDITOR'S REPORT

Members of the Company Enviro-Hub Holdings Ltd

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS (CONTINUED)

Key Audit Matters (Continued)

<table>
<tr><th colspan="2">Impairment of property, plant and equipment (the "PPE"), goodwill and the Company's investments in subsidiaries (Continued)
Refer to Note 3 (Critical accounting judgements and key sources of estimation uncertainty), Note 12 (Property, plant and equipment), Note 13 (Intangible assets - Goodwill) and Note 15 (Subsidiaries). (Continued)</th></tr>
<tr><th>Key audit matter</th><th>Our audit response</th></tr>
<tr><td>• The ability for the business to gradually transition from the manufacturing of commodity gloves to specialty gloves.

• The ability for the business to expand from being an original equipment manufacturer to a retail business by leveraging distribution channels via the pharmacy chains in Malaysia and China.

• The forecasted revenue growth rate and average selling price growth rate are estimated based on past year's performance, the expectations of market developments and future business plans.

In determining profit margins for the CGU, the Group has considered CGU's historical margins, cost differentials of operating in different business plans, and benchmarked against the margins of its peer group.

The realisation of the recoverable amount is subject to the ability of the CGU to materialise its business strategies. The determination of the VIU involves a high degree of judgement and significant estimation uncertainties in view of the limited track record of historical performance of the CGU. Actual results are likely to be different from the forecasted financial information since anticipated events frequently do not occur as expected and the variation could be material. Unfavourable changes to any of these assumptions could lead to lower operating cash flows and material impairment outcomes which might in tum adversely affect the financial position and performance of the Group.</td><td>Our audit procedures included, and were not limited to, the following (Continued):

• Reviewed management's assessment and evaluated the adequacy of allowances for impairment; and

• Reviewed the appropriateness of the disclosures made in the financial statements in relation to the impairment assessment.</td></tr>
</table>

INDEPENDENT AUDITOR'S REPORT

Members of the Company Enviro-Hub Holdings Ltd

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS (CONTINUED)

Other Matter

The financial statements of the Group and the Company for the financial year ended 31 December 2022 were audited by another firm of auditors who expressed an unmodified opinion on those statements on 3 April 2023.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and the independent auditors' report thereon, which we obtained prior to the date of this report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT

Members of the Company Enviro-Hub Holdings Ltd

Report on the Audit of Financial Statements (Continued)

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT

Members of the Company Enviro-Hub Holdings Ltd

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by the subsidiary entities incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Tan Chee Tyan.

MAZARS LLP
Public Accountants and
Chartered Accountants

Singapore
1 April 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Financial Year ended 31 December 2023

	Note	Group 2023 $'000	Group 2022 $'000
Continuing operations			
Revenue	4	40,291	41,740
Cost of sales		(32,757)	(34,434)
Gross profit		7,534	7,306
Other income	5	8,365	10,602
Selling and distribution expenses		(2,145)	(3,236)
General and administrative expenses		(4,573)	(4,850)
Allowance for impairment losses on trade and other receivables		(10)	–
Other operating expenses	6	(1,255)	(704)
Results from operating activities		7,916	9,118
Finance income	7	370	41
Finance costs	7	(2,812)	(1,824)
Net finance costs		(2,442)	(1,783)
Share of loss from investment in associate	16	(684)	(227)
Profit before taxation from continuing operations	8	4,790	7,108
Income tax (expense)/credit	9	(737)	214
Profit from continuing operations		4,053	7,322
Loss for the year from discontinued operations, net of taxation	10	(151)	(1,147)
Profit for the year		3,902	6,175
Other comprehensive income/(loss)			
Items that are or may be reclassified to profit or loss			
Translation differences relating to financial statements of foreign operations and a subsidiary with functional currency in foreign currency		153	(26)
Total comprehensive income for the financial year		4,055	6,149
Profit attributable to:			
Continuing operations, net of taxation			
Owners of the Company		1,263	3,376
Non-controlling interests		2,790	3,946
		4,053	7,322
Discontinued operations, net of taxation			
Owners of the Company		(151)	(1,147)
Profit for the financial year		3,902	6,175
Total comprehensive income attributable to:			
Owners of the Company		1,265	2,203
Non-controlling interests		2,790	3,946
Total comprehensive income for the year		4,055	6,149
Earnings/(Loss) per share attributable to owners of the Company (cents)			
Basic and diluted earnings per share from continuing operations	11	0.08	0.22
Basic and diluted loss per share from discontinued operations	11	(0.01)	(0.07)
Total basic and diluted earnings per share	11	0.07	0.15

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2023

	Note	Group 2023 $'000	Group 2022 $'000	Company 2023 $'000	Company 2022 $'000
ASSETS					
Non-current assets					
Property, plant and equipment	12	30,430	34,821	99	132
Intangible assets	13	26,855	26,855	–	–
Investment properties	14	59,066	62,155	–	–
Subsidiaries	15	–	–	62,007	61,829
Investment in associate	16	3,438	1,830	–	–
Total non-current assets		119,789	125,661	62,106	61,961
Current assets					
Inventories	18	4,298	7,863	–	–
Trade and other receivables	19	3,801	9,211	10,122	9,572
Cash and cash equivalents	20	15,689	15,543	2,205	5,549
Total current assets		23,788	32,617	12,327	15,121
Total assets		143,577	158,278	74,433	77,082
EQUITY AND LIABILITIES					
Equity					
Share capital	21	127,127	127,008	127,127	127,008
Foreign currency translation reserve	22	234	81	–	–
Other reserve	23	(6,852)	(6,852)	–	–
Accumulated losses		(37,624)	(37,199)	(74,910)	(70,440)
		82,885	83,038	52,217	56,568
Non-controlling interests		3,307	999	–	–
Total equity		86,192	84,037	52,217	56,568
Non-current liabilities					
Loans and borrowings	24	42,594	52,564	11	22
Trade and other payables	26	167	2,717	–	–
Deferred tax liabilities	27	80	144	–	–
Total non-current liabilities		42,841	55,425	11	22
Current liabilities					
Loans and borrowings	24	4,323	5,000	10	10
Bank overdrafts	20	–	202	–	–
Trade and other payables	26	9,426	13,573	22,195	20,482
Current tax payable		795	41	–	–
Total current liabilities		14,544	18,816	22,205	20,492
Total liabilities		57,385	74,241	22,216	20,514
Total equity and liabilities		143,577	158,278	74,433	77,082

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Financial Year ended 31 December 2023

	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
Balance at 1 January 2023	127,008	81	(6,852)	(37,199)	83,038	999	84,037
Total comprehensive income for the year							
Profit for the year	–	–	–	1,112	1,112	2,790	3,902
Other comprehensive income							
Translation differences relating to financial statements of foreign operations and a subsidiary with functional currency in foreign currency	–	153	–	–	153	–	153
Total other comprehensive income	–	153	–	–	153	–	153
Total comprehensive income for the year	–	153	–	1,112	1,265	2,790	4,055
Transactions with owners, recognised directly in equity							
Contribution by and distributions to owners							
Dividends paid (Note 15 and 21)	–	–	–	(1,537)	(1,537)	(482)	(2,019)
Share-based payment transactions (Note 6)	119	–	–	–	119	–	119
Total transactions with owners	119	–	–	(1,537)	(1,418)	(482)	(1,900)
Balance at 31 December 2023	127,127	234	(6,852)	(37,624)	82,885	3,307	86,192

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Financial Year ended 31 December 2023

	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
Balance at 1 January 2022	126,820	107	(6,852)	(39,428)	80,647	(810)	79,837
Total comprehensive income for the year							
Profit for the year	–	–	–	2,229	2,229	3,946	6,175
Other comprehensive income							
Translation differences relating to financial statements of foreign operations and a subsidiary with functional currency in foreign currency	–	(26)	–	–	(26)	–	(26)
Total other comprehensive income	–	(26)	–	–	(26)	–	(26)
Total comprehensive income for the year	–	(26)	–	2,229	2,203	3,946	6,149
Transactions with owners, recognised directly in equity							
Contribution by and distributions to owners							
Dividends paid (Note 15)	–	–	–	–	–	(2,137)	(2,137)
Share-based payment transactions (Note 6)	188	–	–	–	188	–	188
Total transactions with owners	188	–	–	–	188	(2,137)	(1,949)
Balance at 31 December 2022	127,008	81	(6,852)	(37,199)	83,038	999	84,037

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year ended 31 December 2023

	Note	2023 $'000	2022 $'000
Operating activities			
Profit after taxation from continuing operations		4,053	7,322
Loss after taxation from discontinued operations		(151)	(1,147)
		3,902	6,175
Adjustments for:			
Allowance for write-down of inventories	8	1,244	1,547
Depreciation of property, plant and equipment	12	3,480	3,796
Fair value loss on precious metal, net	6	87	196
Fair value gain on investment properties	5	(4,428)	(6,008)
Gain on disposal of investment properties	5	(963)	(844)
Finance costs		2,827	1,849
Finance income	7	(370)	(41)
Loss/(Gain) on disposal of property, plant and equipment		140	(299)
Impairment losses on property, plant and equipment		49	–
Income tax expense/(credit)	9	737	(214)
Inventories written off	8	21	45
Waiver of debt from a vendor	5	(892)	–
Loan waiver from a director	5	–	(132)
Allowance for/(Reversal of) impairment losses on trade and other receivables		56	(10)
Reversal of provision for onerous contract		–	(5)
Property, plant and equipment written off		33	12
Compensation receivable from a director of a subsidiary	5	(1,638)	(3,070)
Share-based payment transactions	6	119	188
Share of loss from investment in associate	16	684	227
		5,088	3,412
Changes in working capital:			
Inventories		2,093	(2,942)
Trade and other receivables		6,980	(118)
Trade and other payables		(5,230)	1,553
Cash generated from operations		8,931	1,905
Income taxes paid		(41)	(19)
Net cash generated from operating activities		8,890	1,886
Investing activities			
Purchase of property, plant and equipment		(1,508)	(2,980)
Interest received		325	41
Additional investment in associate	16	(2,292)	(2,057)
Proceeds from disposal of property, plant and equipment		1,804	408
Proceeds from disposal of investment properties		8,480	4,399
Proceeds from disposal of assets held for sale [a]		–	6,695
Net cash generated from investing activities		6,809	6,506

[a] The sales of three strata units of an investment property held by subsidiaries of the Group were completed in 2022.

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year ended 31 December 2023

	Note	2023 $'000	2022 $'000
Financing activities			
Deposit pledged		(1)	(150)
Dividend paid	15, 21	(2,019)	(2,137)
Interest paid		(2,677)	(1,713)
Proceeds of loan from a director of a subsidiary		228	1,447
Repayment to non-controlling interests		–	(7,919)
Repayment of loan to a shareholder		–	(1,800)
Repayment of lease liabilities		(863)	(889)
Proceeds from long-term loans and borrowings		–	4,194
Proceeds from short-term loans and borrowings		8,042	12,562
Repayment of long-term loans and borrowings		(9,490)	–
Repayment of short-term loans and borrowings		(8,403)	(11,979)
Net cash used in financing activities		(15,183)	(8,384)
Net increase in cash and cash equivalents		516	8
Cash and cash equivalents at beginning of financial year		13,652	13,734
Effect of exchange rate fluctuations on cash held		(169)	(90)
Cash and cash equivalents at end of financial year	20	13,999	13,652

Non-cash transactions

During the financial year, the Group acquired property, plant and equipment with an aggregate cost of $1,508,000 (2022: $3,013,000), of which $Nil (2022: $33,000) were acquired under finance leases.

The Group's reconciliation of liabilities to cash flows arising from financing activities is disclosed in the following page.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year ended 31 December 2023

Reconciliation of liabilities arising from financing activities not disclosed in notes:

	Loans and borrowings (Note 24)			Trade and other payables (Note 26)				
	Bank loans $'000	Invoice financing $'000	Lease liabilities $'000	Non-interest bearing loans due to a non-controlling interest $'000	Interest bearing loans due to a shareholder $'000	Other accruals (includes interest expenses) $'000	Other payables $'000	Total $'000
Balance as at 1 January 2023	49,650	1,532	6,382	–	–	2,500	4,621	64,685
Changes from financing cash flows								
Proceeds from loan from a director of a subsidiary	–	–	–	–	–	–	228	228
Repayment of lease liabilities	–	–	(863)	–	–	–	–	(863)
Repayment of long-term loans and borrowings	(9,490)	–	–	–	–	–	–	(9,490)
Repayment of short-term loans and borrowings	–	(8,403)	–	–	–	–	–	(8,403)
Proceeds from short-term loans and borrowings	–	8,042	–	–	–	–	–	8,042
Interest paid	(2,378)	(93)	(206)	–	–	–	–	(2,677)
Total changes from financing cash flows	(11,868)	(454)	(1,069)	–	–	–	228	(13,163)
The effect of changes in foreign exchange rates	1	(15)	(82)			(23)	(144)	(263)
Other changes								
Lease modification	–	–	110	–	–	–	–	110
Changes in other payables	(55)	(9)	(33)	–	–	(564)	(1,733)	(2,394)
Interest expenses	2,434	102	291	–	–	–	–	2,827
Total liabilities related other changes	2,379	93	368	–	–	(564)	(1,733)	543
Balance as at 31 December 2023	40,162	1,156	5,599	–	–	1,913	2,972	51,802

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year ended 31 December 2023

	Loans and borrowings (Note 24)			Trade and other payables (Note 26)				
	Bank loans $'000	Invoice financing $'000	Lease liabilities $'000	Non-interest bearing loans due to a non-controlling interest $'000	Interest bearing loans due to a shareholder $'000	Other accruals (includes interest expenses) $'000	Other payables $'000	Total $'000
Balance as at 1 January 2022	45,450	974	6,851	7,919	1,800	2,357	3,504	68,855
Changes from financing cash flows								
Proceeds from loan from a director of a subsidiary	–	–	–	–	–	–	1,447	1,447
Repayment to non-controlling interests	–	–	–	(7,919)	–	–	–	(7,919)
Repayment of loan to a shareholder	–	–	–	–	(1,800)	–	–	(1,800)
Repayment of lease liabilities	–	–	(889)	–	–	–	–	(889)
Proceeds from long-term loans and borrowings	4,194	–	–	–	–	–	–	4,194
Proceeds from short-term loans and borrowings	–	12,562	–	–	–	–	–	12,562
Repayment of short-term loans and borrowings	–	(11,979)	–	–	–	–	–	(11,979)
Interest paid	(1,372)	(57)	(237)	–	(45)	(2)	–	(1,713)
Total changes from financing cash flows	2,822	526	(1,126)	(7,919)	(1,845)	(2)	1,447	(6,097)
The effect of changes in foreign exchange rates	6	(25)	(38)	–	–	–	(207)	(264)
Other changes								
New leases	–	–	470	–	–	–	–	470
Disposals	–	–	(12)	–	–	–	–	(12)
Changes in other payables	(123)	(13)	–	–	–	143	(123)	(116)
Interest expenses	1,495	70	237	–	45	2	–	1,849
Total liabilities related other changes	1,372	57	695	–	45	145	(123)	2,191
Balance as at 31 December 2022	49,650	1,532	6,382	–	–	2,500	4,621	64,685

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL

Enviro-Hub Holdings Ltd. (the "Company") (Registration Number 199802709E) is listed on the Main Board of the Singapore Exchange Securities Trading Limited (the "SGX-ST") and incorporated and domiciled in the Singapore. The address of the Company's registered office is 3 Gul Crescent, Singapore 629519.

The principal activity of the Company is that of an investment holding company.

The principal activities of the respective subsidiaries are disclosed in Note 15 to the financial statements.

The financial statements of the Group and the statement of financial position of the Company for the financial year ended 31 December 2023 were authorised for issue by the Board of Directors at the date of the Directors' Statement.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Group and the statement of financial position of the Company have been drawn up in accordance with the provisions of the Singapore Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)s") including related Interpretations of SFRS(I) ("SFRS(I) INTs") and are prepared on the historical cost basis, except as disclosed in the accounting policies below.

The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The financial statements of the Group and the statement of financial position of the Company are presented in Singapore dollar ("$") which is also the functional currency of the Company, and all values presented are rounded to the nearest thousand ("$'000"), unless otherwise indicated.

In the current financial year, the Group has adopted all the new and revised SFRS(I)s and SFRS(I) INTs that are relevant to its operations and effective for annual periods beginning on or after 1 January 2023. The adoption of these new or revised SFRS(I)s and SFRS(I) INTs did not result in changes to the Group's and Company's accounting policies, and has no material effect on the current or prior year's financial statement and is not expected to have a material effect on future periods.

The Group adopted the amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies in the current financial year. The amendments require the disclosure of "material" instead of "significant" accounting policy information and provides guidance to assist the entity in providing useful, entity-specific accounting policy information for the users' understanding of the financial statements. Accordingly, management had reviewed the accounting policies and updated the information disclosed in Note 2 Summary of material accounting policies in line with the amendments.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

SFRS(I)s and SFRS(I) INTs issued but not yet effective

At the date of authorisation of these financial statements, the following SFRS(I)s and SFRS(I) INTs that are relevant to the Group were issued but not yet effective:

SFRS(I)	Title	Effective date (annual periods beginning on or after)
SFRS(I) 1-1	Amendments to SFRS(I) 1-1: *Classification of Liabilities as Current or Non- current*	1 January 2024
SFRS(I) 10, SFRS(I) 1-28	Amendments to SFRS(I) 10 and SFRS(I) 1-28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	To be determined
SFRS(I) 16	Amendments to SFRS(I) 16: *Lease Liability in a Sale and Leaseback*	1 January 2024
Various	Amendments to SFRS(I) 1-1: *Non-current Liabilities with Covenants*	1 January 2024
SFRS(I) 1-7, SFRS(I) 7	Amendments to SFRS(I) 1-7 and SFRS(I) 7: *Supplier Finance Arrangements*	1 January 2024
SFRS(I) 1-21, SFRS(I) 1	Amendments to SFRS(I) 1-21: *Lack of Exchangeability*	1 January 2025

Consequential amendments were also made to various standards as a result of these new or revised standards.

The Group does not intend to early adopt any of the above new or revised standards, interpretations and amendments to the existing standards. Management anticipates that the adoption of the aforementioned new or revised standards will not have a material impact on the financial statements of the Group and Company in the period of their initial adoption.

2.2 Basis of consolidation

The financial statements of the Group comprise the financial statements of the Company and its subsidiaries. Subsidiaries are entities (including structured entities) (i) over which the Group has power and the Group is (ii) able to use such power to (iii) affect its exposure, or rights, to variable returns from then through its involvement with them.

The Group reassesses whether it controls the subsidiaries if facts and circumstance indicate that there are changes to the one or more of the three elements of control.

When the Group has less than a majority of the voting rights of an investee, it still has power over the investee when the voting rights are sufficient, after considering all relevant facts and circumstances, to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers, among others, the extent of its voting rights relative to the size and dispersion of holdings of the other vote holders, currently exercisable substantive potential voting rights held by all parties, rights arising from contractual arrangements and voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 Basis of consolidation (Continued)

Intra-group assets and liabilities, equity, income, expenses and cashflows relating to intragroup transactions are eliminated on consolidation.

The financial statements of the subsidiaries used in the preparation of the financial statements are prepared for the same reporting date as that of the Company. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

Non-controlling interests are identified separately from the Group's equity therein. On an acquisition-by-acquisition basis, non-controlling interests may be initially measured either at fair value or at their proportionate share of the fair value of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Losses in the subsidiary are attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any differences between the amount by which the non-controlling interests are adjusted to reflect the changes in the relative interests in the subsidiary and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control over a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9 *Financial Instruments* ("SFRS(I) 9") or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

Investments in subsidiaries are carried at cost less any impairment loss that has been recognised in profit or loss in the Company's separate financial statements.

2.3 Business combinations

The acquisition of subsidiaries is accounted for using the acquisition method when the acquired set of activities and assets constitute a business. When determining the acquired set of activities and assets that constitute a business, the Group assesses whether the acquired set of activities and assets includes, at a minimum, an input and substantive process, which together contribute to the creation of outputs.

The Group has the option to apply a "concentration test" as a simplified assessment to determine whether an acquired set of activities and assets is not a business. The Group makes the election separately for each transaction or other event. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.3 Business combinations (Continued)

The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. For each business combination, the Group determines whether to measure the non-controlling interests in the acquiree at fair value or at proportionate share in the recognised amounts of the acquiree's identifiable net assets. Acquisition-related costs are recognised in profit or loss as incurred and included in administrative expenses.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under SFRS(I) 3 *Business Combinations* ("SFRS(I) 3") are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with SFRS(I) 5 *Non-Current Assets Held for Sale and Discontinued Operations* ("SFRS(I) 5"), which are recognised and measured at the lower of cost and fair value less costs to sell.

The Group recognises any contingent consideration to be transferred for the acquiree at the fair value on the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement shall be accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of SFRS(I) 9, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with SFRS(I) 9. Other contingent consideration that is not within the scope of SFRS(I) 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under SFRS(I) 3 are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 *Income Taxes* and SFRS(I) 1-19 *Employee Benefits* respectively;

- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with SFRS(I) 2 *Share-based Payment*; and

- assets (or disposal groups) that are classified as held for sale in accordance with SFRS(I) 5 are measured in accordance with that Standard.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.3 Business combinations (Continued)

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date, and is subject to a maximum of one year.

Goodwill arising on acquisition is recognised as an asset at the acquisition date and is initially measured at cost, being the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer previously held equity interest (if any) in the entity over net acquisition-date fair value amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit (including the goodwill), the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

The attributable amount of goodwill is included in the determination of gain or loss on disposal of the subsidiary or jointly controlled entity.

2.4 Revenue recognition

<u>Goods and services sold (sales of goods and refinery service income)</u>

Revenue from sale of goods and services in the ordinary course of business is recognised when the Group satisfies a performance obligation ("PO") by transferring control of a promised good or service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative stand- alone selling prices of the promised goods or services. The individual standalone selling price of a good or service that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to goods and/or services with observable stand-alone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the performance obligations if it relates specifically to those POs.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.4 Revenue recognition (Continued)

Goods and services sold (sales of goods and refinery service income) (Continued)

Transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised goods or services. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes a significant financing component. Consideration payable to a customer is deducted from the transaction price if the Group does not receive a separate identifiable benefit from the customer. When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved.

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

Revenue is recognised at a point in time following the timing of satisfaction of the PO. Invoices are issued upon delivery of goods or the completion of service and are payable within 30 days.

Construction contracts

A contract with a customer is classified by the Group as a construction contract when the contract relates to work on piling services under the control of the customer and therefore the Group's construction activities create or enhance an asset under the customer's control.

When the outcome of a PO can be reasonably measured, construction revenue is recognised over time as each PO is satisfied and when the Group has an enforceable right to payment for performance completed to date. The progress towards the completed satisfaction of each PO is measured using the output method based on direct measurements of the value of services delivered or surveys of work performed.

The likelihood of the Group suffering contractual penalties for late completion are taken into account in making these estimates, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

Progress billings to the customer are typically triggered upon achievement of specified construction milestones. A contract asset is recognised when the Group has performed under the contract but has not yet billed the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional.

The Group is required to make good any defects identified during the defect liability period, typically for a period of 3 to 6 months, depending on the contractual terms.

Rental income

Rental income from investment property is recognised as "revenue" on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Rental income from subleased property is recognised as "other income".

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.5 Finance income and finance costs

Finance income comprises interest income on funds deposited with financial institutions and is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings and unwinding of the discount on deferred consideration and payables.

The "effective interest rate" is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

2.6 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised in profit or loss in the periods during which related services are rendered by employees.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.7 Share-based payments

The grant date fair value of equity-settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

2.8 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and subsidiaries operate by the end of the financial year.

Deferred tax is recognised on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities that at the time of the transaction affects neither the taxable profit nor the accounting profit and does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised on taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each financial year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the financial year and based on the tax consequence that will follow from the manner in which the Group expects, at the end of the financial year, to recover or settle the carrying amounts of its assets and liabilities except for the investment properties where investment properties measured at fair value are presented to be recovered entirely through sale.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.8 Income tax (Continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

Revenue, expenses and assets are recognised net of the amount of sales tax except:

- when the sales tax that is incurred on purchases is not recoverable from the tax authorities, in which case the sales tax is recognised as part of cost of acquisition of the asset or as part of the expense item as applicable; and

- receivables and payables that are stated with the amount of sales tax included.

2.9 Dividends

Equity dividends are recognised as a liability when they become legally payable. Interim dividends are recorded in the financial year in which they are declared payable. Final dividends are recorded in the financial year in which dividends are approved by shareholders. A corresponding amount is recognised in equity.

2.10 Foreign currency transactions and translation

Foreign currency transactions are translated into the individual entities' respective functional currency at the exchange rates prevailing on the date of the transaction. At the end of each financial year, monetary items denominated in foreign currencies are retranslated at the rates prevailing as of the end of the financial year. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the year. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the year except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity through other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.10 Foreign currency transactions and translation

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollars using exchange rates prevailing at the end of the financial year. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.11 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

Subsequent expenditure relating to property, plant and equipment is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

Depreciation is charged so as to write off the cost or valuation of assets, other than construction in progress, over their estimated useful lives, using the straight-line method, on the following bases:

Leasehold properties	6 to 50 years
Plant and machinery	3 to 20 years
Motor vehicles	5 to 10 years
Furniture and fixtures	3 to 10 years
Office equipment	3 to 10 years
Renovation	5 years

For right-of-use assets for which ownership of the underlying asset is not transferred to the Group by the end of the lease term, depreciation is charged over the lease term, using the straight-line method. The lease periods are disclosed in Note 25.

No depreciation is charged on construction-in-progress as they are not yet in use as at the end of the financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.11 Property, plant and equipment (Continued)

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The estimated useful lives, residual values and depreciation methods are reviewed, and adjusted as appropriate, at the end of each financial year.

The gain or loss, being the difference between the sales proceeds and the carrying amount of the asset, arising on disposal or retirement of an item of property, plant and equipment is recognised in profit or loss. Any amount in the revaluation reserve relating to that asset is transferred to accumulated profits directly.

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use.

2.12 Intangible assets

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. For the measurement of goodwill at initial recognition, see note 2.3.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses. In respect of associates, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the associates.

Other intangible assets

Other intangible assets (patented technology) that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

Amortisation

Amortisation is calculated based on the cost of the asset, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life of the patented technology of 15 years from the date that it is available for use.

Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.13 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value and changes in the fair value are included in profit or loss for the year in which they arise. Fair values are determined annually by independent professional valuers.

Costs of major renovations and improvements to the investment property are capitalised as additions and the carrying amounts of the replaced components are written off to profit or loss. The costs of maintenance, repairs and minor improvement are charged to profit or loss when incurred.

Upon its disposal or retirement, the difference between the net disposal proceeds and the carrying amount of the investment property is recognised in profit or loss.

2.14 Investment in associate

An associate is an entity over which the Group has significant influence, being the power to participate in the financial and operating policy decisions of the entity but is not control or of joint control of those policies, and generally accompanying a shareholding of 20% or more of the voting power.

On acquisition of the associate, any excess of the cost of the investment over the Group's share of the net fair value of the associate identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the associate identifiable assets and liabilities over the cost of the investment is included as income in the determination of the Group's share of the associate's profit or loss in the reporting period in which the investment is acquired. Investments in associates are carried at cost less any impairment loss that has been recognised in profit or loss in the Company's separate financial statements.

The results and assets and liabilities of the associate are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held-for-sale, in which case it is accounted for under SFRS(I) 5 from the date on which the investees become classified as held for sale. Under the equity method, investments in associates are carried at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any impairment loss of individual investments. The Group's share of losses in an associate in excess of the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) are not recognised, unless the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Distributions received from the associate reduce the carrying amount of the investment. Any goodwill arising on the acquisition of the Group's interest in an associate is accounted for in accordance with the Group's accounting policy for goodwill arising on such acquisitions (see above).

Unrealised profits and losses are eliminated to the extent of the Group's interest in the associate. Unrealised losses are also eliminated in the same way as unrealised gains, but only to the extent that there is no impairment.

The Company has accounted for its investments in associates at cost less any accumulated impairment in its separate financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.15 Joint operations

The Group recognises in relation to its interest in a joint operation,

(a) its assets, including its share of any assets held jointly;

(b) its liabilities, including its share of any liabilities incurred jointly;

(c) its revenue from the sale of its share of the output arising from the joint operation;

(d) its share of the revenue from the sale of the output by the joint operation; and

(e) its expenses, including its share of any expenses incurred jointly.

The Group accounts for assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the accounting policies applicable to the particular assets, liabilities, revenues and expenses.

2.16 Impairment of non-financial assets excluding goodwill

The Group reviews the carrying amounts of its non-financial assets as at each reporting date to assess for any indication of impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Irrespective of whether there is any indication of impairment, the Group also tests its intangible assets with indefinite useful lives and intangible assets not yet available for use for impairment annually by comparing their respective carrying amounts with their corresponding recoverable amounts.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss for the amount by which the asset's carrying amount exceeds the recoverable amount is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.17 Financial instruments

The Group recognises a financial asset or a financial liability in its statement of financial position when the Group becomes party to the contractual provisions of the instrument.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.17 Financial instruments (Continued)

Financial assets

Initial recognition and measurement

With the exception of trade receivables that do not contain a significant financing component or for which the Group applies a practical expedient, all financial assets are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value. Such trade receivables that do not contain a significant financing component or for which the Group applies a practical expedient are measured at transaction price as defined in SFRS(I) 15 in Note 2.4.

The classification of the financial assets at initial recognition as subsequently measured at amortised cost depends on the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

The Group's business model refers to how the Group manages its financial assets in order to generate cash flows which determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Group determines whether the asset's contractual cash flows are solely payments of principal and interest ("SPPI") on the principal amount outstanding to determine the classification of the financial assets.

Financial assets at amortised cost

A financial asset is subsequently measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortised cost include trade and other receivables and cash and bank balances.

Subsequent to initial recognition, the financial asset at amortised cost are measured using the effective interest method and is subject to impairment. Gains or losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period, to the net carrying amount of the financial instrument. Income and expense are recognised on an effective interest basis for debt instruments other than those financial instruments at fair value through profit or loss.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, and recognised in interest income.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.17 Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on financial assets measured at amortised cost. At each reporting date, the Group assesses whether the credit risk on a financial asset has increased significantly since initial recognition by assessing the change in the risk of a default occurring over the expected life of the financial instrument. Where the financial asset is determined to have low credit risk at the reporting date, the Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition.

The Group uses reasonable and supportable forward-looking information that is available without undue cost or effort as well as past due information when determining whether credit risk has increased significantly since initial recognition.

Where the credit risk on that financial instrument has increased significantly since initial recognition, the Group measures the loss allowance for a financial instrument at an amount equal to the lifetime ECL. Where the credit risk on that financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

The Group applies the simplified approach to recognise the ECL for trade receivables, which is to measure the loss allowance at an amount equal to lifetime ECL. As a practical expedient, the Group uses an allowance matrix derived based on historical credit loss experience adjusted for current conditions and forecasts of future economic conditions for measuring ECL.

While they are not financial assets, contract assets arising from the Group's contracts with customers under SFRS(I) 15 are assessed for impairment in accordance with SFRS(I) 9, similar to that of trade receivables.

The amount of ECL or reversal thereof that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised in profit or loss.

The Group directly reduces the gross carrying amount of a financial asset when the entity has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

For details on the Group's accounting policy for its impairment of financial assets, refer to Note 33.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds receivables.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.17 Financial instruments (Continued)

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Ordinary share capital

Ordinary share capital is classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity.

Financial liabilities

Initial recognition and measurement

All financial liabilities are initially measured at fair value, minus transaction costs, except for those financial liabilities classified as at fair value through profit or loss, which are initially measured at fair value.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Financial liabilities are classified as at fair value through profit or loss if the financial liability is either held for trading or it is designated as such upon initial recognition.

Other financial liabilities

Trade and other payables

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis. A gain or loss is recognised in profit or loss when the liability is derecognised and through the amortisation process.

Loans and borrowings

Interest-bearing bank loans and overdrafts are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (Note 2.5). A gain or loss is recognised in profit or loss when the liability is derecognised and through the amortisation process.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.17 Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Financial liabilities (Continued)

Other financial liabilities (Continued)

Financial guarantee contracts

The Company has issued corporate guarantees to banks for banking facilities granted by them to certain subsidiaries and these guarantees qualify as financial guarantees because the Company is required to reimburse the banks if these subsidiaries breach any repayment terms.

Financial guarantee contract liabilities are measured initially at their fair values plus transaction costs and subsequently at the higher of the amount of the loss allowance and the amount initially recognised less cumulative amortisation in accordance with SFRS(I) 15.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Offsetting of financial instruments

A financial asset and a financial liability shall be offset, and the net amount presented in the statements of financial position when and only when, an entity:

(a) currently has a legally enforceable right to set off the recognised amounts; and

(b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.18 Inventories

Inventories comprises precious metal held for short term trading purposes are measured at fair value less cost to sell. Any changes in the fair value is recognised in profit and loss statement for the period in which it arose.

Other inventories are measured at the lower of cost and net realisable value.

The cost of inventory items that are not ordinarily interchangeable (electronic waste and other scraps) is assigned by using specific identification of their individual costs and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

The cost of inventory items that are ordinarily interchangeable (precious group metal and rubber gloves) is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.19 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments. For the purpose of the statement of cash flows, bank overdrafts that are repayable on demand and that form an integral part of the Group's cash management are included in cash and cash equivalents.

2.20 Leases

At inception of a contract, the Group assessed whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Where a contract contains more than one lease component, the Group allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component. Where the contract contains non-lease components, the Group applied the practical expedient to not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

The Group recognises a right-of-use asset and lease liability at the lease commencement date for all lease arrangement for which the Group is the lessee, except for leases which have lease term of 12 months or less and leases of low value assets for which the Group applied the recognition exemption allowed under SFRS(I) 16 *Leases* ("SFRS(I) 16"). For these leases, the Group recognises the lease payment as an operating expense on a straight-line basis over the term of the lease.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. When the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. The right-of-use asset is also reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability, where applicable.

Right-of-use assets are presented within "property, plant and equipment".

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate.

The Group generally uses the incremental borrowing rate as the discount rate. To determine the incremental borrowing rate, the Group obtains a reference rate and makes certain adjustments to reflect the terms of the lease and the asset leased.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.20 Leases (Continued)

The lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments less any lease incentive receivable,
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable under a residual value guarantee,
- the exercise price under a purchase option that the Group is reasonably certain to exercise, and
- payments of penalties for terminating the lease if the Group is reasonably certain to terminate early and lease payments for an optional renewal period if the Group is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. The Group remeasures the lease liability when there is a change in the lease term due to a change in assessment of whether it will exercise a termination or extension or purchase option or due to a change in future lease payment resulting from a change in an index or a rate used to determine those payment.

Where there is a remeasurement of the lease liability, a corresponding adjustment is made to the right-of-use asset or in profit or loss where there is a further reduction in the measurement of the lease liability and the carrying amount of the right-of-use asset has been reduced to zero.

The Group as a lessor

Where a contract contains more than one lease and/or non-lease component, the Group allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component.

At the lease commencement date, the Group assess and classify each lease as either an operating lease or a finance lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the leased assets to the lessee. All other leases are classified as operating leases.

Operating leases

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.21 Discontinued operations held for sale

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and

(i) represents a separate major line of business or geographical area of operations;

(ii) is part of a single co-ordinated plan to dispose of a separate major line or geographical area of operations; or

(iii) is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations are disclosed separately from continuing operations as a single amount comprising the post-tax profit or loss of discontinued operations and the post-tax gain or loss recognised on the measurement to fair value less costs to sell or on the disposal of the assets or disposal groups constituting the discontinued operations.

2.22 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the financial year, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows, which is discounted using a pre-tax discount rate.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss as they arise.

A provision is recognised for onerous contracts when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it and is measured at the lower of the cost of fulfilling it and any expected cost of terminating it. In determining the cost of fulfilling the contract, the Group includes both the incremental costs and an allocation of others costs that relate directly to fulfilling contracts. Before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets used in fulfilling the contract.

2.23 Government grants

Government grants that compensate the Group for expenses incurred are recognised in profit or loss as "other income" on a systematic basis in the same periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.24 Contingencies

A contingent liability is:

(i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(ii) a present obligation that arises from past events but is not recognised because:

(a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(b) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingencies are not recognised on the statement of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair value can be reliably determined.

2.25 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

2.26 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Executive Chairman to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Group's Executive Chairman include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets and liabilities, plant and equipment, cash and cash equivalents, other receivables, loans and borrowings, corporate expenses, finance income, finance costs and income tax expenses.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The Group made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources in the application of the Group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered to be reasonable under the circumstances. Actual results may differ from the estimates.

3.1 Critical judgements made in applying the Group's accounting policies

Determination of functional currency

The Group translates foreign currency items into the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the respective entities, judgement is used by the Group to determine the currency of the primary economic environment in which the respective entities operate. Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

Rental of portions of the leasehold building under operating lease

The Group rents out portions of a leasehold building under non-cancellable operating lease. In accordance with SFRS(I) 1-40 *Investment Property*, when a property comprises a portion that is held to earn rentals and another portion that is held for use in the production or supply of goods and services or for administrative purposes, if these portions could be sold separately (or leased out separately as a finance lease), the Group accounts for the portions separately. However, if the portions could not be sold separately, the property is investment property only if a significant portion is held for use in the production or supply of goods and services or for administrative purposes.

As at 31 December 2023, a tenant leases approximately 5% (2022: 5%) of one of the leasehold buildings under operating leases. As the leasehold building is currently partitioned and it could not be sold separately, and a significant portion of the leasehold building is held for use as warehouse and refinery plant by the Group, management is of the view that the leasehold building should be accounted for as property, plant and equipment (Note 12).

3.2 Key sources of estimation uncertainty

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimation of recoverable amounts of property, plant and equipment, goodwill and investments in subsidiaries

The Group assesses property, plant and equipment whether there is any indication of impairment at the end of each reporting period. Determining whether property, plant and equipment is impaired requires an estimation of the value-in-use of the cash-generating units ("CGU") to which property, plant and equipment has been allocated. The value-in-use calculation requires the entity to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate present value. The carrying amount of property, plant and equipment as at 31 December 2023 was $30,430,000 (2022: $34,821,000) (Note 12).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

3.2 Key sources of estimation uncertainty (Continued)

Estimation of recoverable amounts of property, plant and equipment, goodwill and investments in subsidiaries (Continued)

The Group tests goodwill for impairment at least on an annual basis. Determining whether goodwill is impaired requires an estimation of the value-in-use of the CGU to which goodwill has been allocated. The value-in-use calculation requires the entity to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate present value. The carrying amount of the Group's goodwill on consolidation as at 31 December 2023 was $26,855,000 (2022: $26,855,000) (Note 13).

At the end of each financial year, an assessment is made on whether there are indicators that the Company's investments in subsidiaries are impaired. Where applicable, the Company's assessments are based on the estimation of the value-in-use of the assets defined in SFRS(I) 1-36 *Impairment of Assets* ("SFRS(I) 1-36") by forecasting the expected future cash flows using a suitable discount rate in order to calculate the present value of those cash flows. The Company's carrying amount of investments in subsidiaries as at 31 December 2023 was $62,007,000 (2022: $61,829,000) (Note 15).

Estimation of net realisable value of inventories

Inventory is measured at the lower of cost and net realisable value. Management considers the latest selling price, age of these inventories and prevailing market conditions in the industry as part of its inventory obsolescence assessment process. The write-down required could change significantly if business and market conditions deviate from management's expectations. The carrying amount of the Group's inventories as at 31 December 2023 was $4,298,000 (2022: $7,863,000). An allowance for write-down of inventories of $1,244,000 (2022: $1,547,000) was being recognised during the financial year (Note 18).

Measurement of ECL of trade receivables

The Group uses an allowance matrix to measure the ECL of trade receivables. The allowance matrix is based on actual credit loss experience over the past three years. The ECL computed is purely derived from historical data which management is of the view that the historical conditions are representative of the conditions prevailing at the reporting date. The expected loss allowance on the Group's trade receivables as at 31 December 2023 is $75,000 (2022: $19,000) (Note 33).

Fair value determination of investment properties

The Group carries its investment properties at fair value. The fair values are determined by independent professional valuer using comparable market 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 specialised publications and government database from the related markets and comparable transactions, adjusted for using certain unobservable inputs. The carrying amount of the Group's investment properties as at 31 December 2023 was $59,066,000 (2022: $62,155,000) (Note 14).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

3.2 Key sources of estimation uncertainty (Continued)

Provision for income taxes

The Group has exposure to income taxes in several jurisdictions of which a portion of these taxes arose from certain transactions and computations for which ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities of expected tax issues based on their best estimates of the likely taxes due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax positions in the period in which such determination is made. The carrying amount of the Group's current tax payable and deferred tax liabilities as at 31 December 2023 was $795,000 (2022: $41,000) and $80,000 (2022: $144,000) (Note 27) respectively.

4. REVENUE

	Group	
	2023	**2022**
	$'000	**$'000**
Continuing operations		
Sales of goods	36,641	38,563
Revenue from refinery service income	1,324	955
Rental income from investment properties	1,821	1,773
Rental income	505	449
	40,291	41,740

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical markets, major products and service lines and timing of revenue recognition.

	Trading, recycling and refining of e-waste/metals		Manufacturing and trading of healthcare product		Total	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Primary geographical markets:						
Singapore	9,159	8,315	–	–	9,159	8,315
Hong Kong and China	14,556	16,731	3,176	3,308	17,732	20,039
Malaysia	9,431	7,953	447	1,624	9,878	9,577
United Arab Emirates	–	46	–	–	–	46
United States of America	–	–	263	1,078	263	1,078
Other countries	841	414	92	49	933	463
	33,987	33,459	3,978	6,059	37,965	39,518
Major products/service line						
Sale of goods	32,663	32,504	3,978	6,059	36,641	38,563
Revenue from refinery service income	1,324	955	–	–	1,324	955
	33,987	33,459	3,978	6,059	37,965	39,518
Timing of revenue recognition						
Products and services transferred at a point in time	33,987	33,459	3,978	6,059	37,965	39,518

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

4. REVENUE (CONTINUED)

Disaggregation of revenue from contracts with customers (Continued)

The Group has applied the practical expedient permitted under SFRS (I) 15 for those performance obligation which are part of contracts that have an original expected duration of one year or less, is not disclosed.

5. OTHER INCOME

	Group	
	2023	**2022**
	$'000	**$'000**
Continuing operations		
Gain on disposal of property, plant and equipment	19	67
Gain on disposal of investment properties	963	844
Government grants	119	223
Service income	301	218
Fair value gain on investment properties	4,428	6,008
Loan waiver from a director	–	132
Compensation receivable from a director of a subsidiary (Note 19)	1,638	3,070
Waiver of debt from a vendor	892	–
Others	5	40
	8,365	10,602

6. OTHER OPERATING EXPENSES

	Group	
	2023	**2022**
	$'000	**$'000**
Continuing operations		
Property, plant and equipment written off	23	12
Employee benefits under profit sharing plan	32	19
Share-based payment transactions	119	188
Foreign exchange loss	989	285
Fair value loss on precious metal, net	87	196
Others	5	4
	1,255	704

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

7. FINANCE INCOME AND FINANCE COSTS

	Group	
	2023	**2022**
	$'000	**$'000**
Continuing operations		
Finance income:		
– Cash and cash equivalents	105	41
– Fixed deposit interest	265	–
	370	41
Finance costs:		
– Bank loans	(2,434)	(1,479)
– Lease liabilities	(276)	(228)
– Trust receipts	(102)	(70)
– Loan from a shareholder	–	(45)
– Bank overdrafts	–	(2)
	(2,812)	(1,824)
Net finance costs recognised in profit or loss	(2,442)	(1,783)

8. PROFIT BEFORE TAXATION

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

	Group	
	2023	**2022**
	$'000	**$'000**
Continuing operations		
Audit fees paid/payable to:		
– auditors of the Company	250	369
– other auditors	34	39
Non-audit fees paid/payable to:		
– auditors of the Company	–	20
– other auditors	–	5
Depreciation of property, plant and equipment	3,147	2,932
Inventories written off	21	45
Property, plant and equipment written off	23	12
Allowance for write-down of inventories	1,244	1,547
Allowance for impairment loss on trade and other receivables	10	–
Employee benefits expense (see below)	6,403	6,713
Employee benefits expense		
Salaries, bonuses and other costs	5,868	6,155
Contributions to defined contribution plans	416	370
Equity-settled share-based payment transactions	119	188
	6,403	6,713

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

9. INCOME TAX EXPENSE/(CREDIT)

	Group 2023 $'000	Group 2022 $'000
Current income tax		
– Current financial year	795	41
– Under provision in prior year	–	1
	795	42
Deferred tax expense (Note 27)		
– Origination and reversal of temporary differences	18	(537)
– (Over)/Under provision in prior years	(76)	281
	(58)	(256)
	737	(214)

	Group 2023 $'000	Group 2022 $'000
Income tax expense/(credit) attributable to the following:		
– Continuing operations	737	(214)
– Discontinued operations (Note 10)	–	–
	737	(214)

Reconciliation of effective tax rate:

	Group 2023 $'000	Group 2022 $'000
Profit before taxation from continuing operations	4,790	7,108
Loss before taxation from discontinued operations	(151)	(1,147)
	4,639	5,961
Tax calculated using Singapore tax rate of 17% (2022: 17%)	789	1,013
Effect of tax rates in foreign jurisdiction	–	(157)
Effect of results of associate presented net of tax	116	39
Tax-exempt income	(1,312)	(1,754)
Non-deductible expenses	816	481
Utilisation of prior year's unrecognised capital allowance brought forward	(36)	(128)
Utilisation of prior year's unrecognised tax losses brought forward	(99)	(697)
Deferred tax assets not recognised	594	751
Tax incentives	(66)	(44)
(Over)/Under provision in prior years	(76)	282
Other	11	–
	737	(214)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

9. INCOME TAX EXPENSE/(CREDIT) (CONTINUED)

The following temporary differences have not been recognised:

	Group 2023 $'000	Group 2022 $'000
Deductible temporary differences	(5,417)	(7,490)
Unutilised tax losses	(64,251)	(61,019)
Unutilised capital allowances	1,496	3,035
	(68,172)	(65,474)

The utilisation of tax losses are subject to agreement by the tax authorities and compliance with tax regulations in the respective countries in which certain subsidiaries operate. The deductible temporary differences, unutilised tax losses and capital allowance do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items due to the uncertainty of the availability of future taxable profit against which the Group can utilise the benefits.

10. DISCONTINUED OPERATIONS

During the year, the Group sold all plant and equipment from the construction and piling segment. The segment was not previously presented as discontinued operations as at 31 December 2022. Thus, the comparative statement of profit or loss has been re-presented to show the discontinued operations separately from continuing operations.

	Group 2023 $'000	Group 2022 $'000
Result of discontinued operations		
Revenue	127	2,369
Expenses	(119)	(3,748)
Result from discontinued operations before taxation	8	(1,379)
(Loss)/Gain on disposal of plant and equipment from discontinued operations	(159)	232
Loss from discontinued operations, net of tax	(151)	(1,147)
Cash flows from/(used in) discontinued operations		
Net cash from/(used in) operating activities	1,014	(19)
Net cash from investing activities	1,770	260
Net cash used in financing activities	(390)	(297)
Net cash flows for the year	2,394	(56)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

10. DISCONTINUED OPERATIONS (CONTINUED)

Contract balances

The following table provides information about contract assets from contracts with customers:

	2023 $'000	2022 $'000	1 January 2022 $'000
Contract assets	–*	268	1,150

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date on construction contracts. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customer.

The contract assets for the financial year ended 31 December 2023 and 2022 decreased due to the completion of contracts during the financial year.

Significant changes in the contract assets balances during the year are as follows:

	2023 $'000	2022 $'000
Contract assets reclassified to trade receivables	(377)	(3,138)
Changes in measurement of progress	109	2,273
Impairment loss on contract assets	–	(17)

* Denotes amount < $1,000

11. EARNINGS/(LOSS) PER SHARE

The calculation of basic and diluted earnings/(loss) per share attributable to ordinary shareholders of the Company is based on the following data:

	Group					
	Continuing operations		Discontinued operations		Total	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Profit/(Loss) attributable to ordinary shareholders	1,263	3,376	(151)	(1,147)	1,112	2,229

	2023 '000	2022 '000
Weighted-average number of ordinary shares for the purposes of basic earnings/(loss) per share	1,539,142	1,534,035

In 2023 and 2022, diluted earnings per share approximate the basic earnings per share as the unallocated ordinary shares arising from the Enviro-Hub Share Award Scheme (Note 21) is immaterial.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

12. PROPERTY, PLANT AND EQUIPMENT

Group	Leasehold buildings $'000	Plant and machinery $'000	Motor vehicles $'000	Furniture and fixtures $'000	Office equipment $'000	Renovation $'000	Construction in progress $'000	Total $'000
Cost								
At 1 January 2022	34,523	36,591	1,628	950	1,595	2,137	17,478	94,902
Additions	457	1,651	339	260	151	74	518	3,450
Disposals	–	(1,062)	(271)	–	(20)	–	–	(1,353)
Write-offs	–	(457)	(14)	–	(11)	–	–	(482)
Reclassification	140	1,166	–	288	24	2	(1,620)	–
Effect of movement in exchange rates	(65)	(422)	(3)	(64)	(11)	(5)	(54)	(624)
At 31 December 2022	35,055	37,467	1,679	1,434	1,728	2,208	16,322	95,893
Lease modification	110	–	–	–	–	–	–	110
Additions	–	249	204	14	76	965	–	1,508
Disposals	–	(13,841)	(14)	–	(5)	–	(4)	(13,864)
Write-offs	(4,497)	(1,136)	(19)	(41)	(505)	(25)	–	(6,223)
Reclassification	–	532	–	–	17	355	(904)	–
Effect of movement in exchange rates	(90)	(459)	(9)	(79)	(8)	(21)	2	(664)
At 31 December 2023	30,578	22,812	1,841	1,328	1,303	3,482	15,416	76,760
Accumulated depreciation and impairment loss								
At 1 January 2022	11,537	27,808	1,408	163	1,393	1,436	15,332	59,077
Depreciation charge for the year	1,871	1,324	86	136	92	287	–	3,796
Disposals	–	(1,032)	(192)	–	(11)	–	–	(1,235)
Write-offs	–	(450)	(9)	–	(11)	–	–	(470)
Effect of movement in exchange rates	(6)	(66)	(1)	(8)	(8)	(7)	–	(96)
At 31 December 2022	13,402	27,584	1,292	291	1,455	1,716	15,332	61,072
Depreciation charge for the year	1,689	1,144	114	141	90	302	–	3,480
Disposals	–	(11,902)	(14)	–	(4)	–	–	(11,920)
Write-offs	(4,497)	(1,116)	(18)	(41)	(504)	(14)	–	(6,190)
Impairment losses	–	49	–	–	–	–	–	49
Effect of movement in exchange rates	(18)	(107)	(5)	(13)	(5)	(13)	–	(161)
At 31 December 2023	10,576	15,652	1,369	378	1,032	1,991	15,332	46,330
Carrying amount								
At 31 December 2023	20,002	7,160	472	950	271	1,491	84	30,430
At 31 December 2022	21,653	9,883	387	1,143	273	492	990	34,821

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company	Motor vehicles $'000	Office equipment $'000	Construction in progress $'000	Total $'000
Cost				
At 1 January 2022	184	377	1	562
Additions	16	38	–	54
Disposals	(6)	–	–	(6)
Write-offs	–	(2)	–	(2)
At 31 December 2022	194	413	1	608
Additions	–	7	–	7
Write-offs	–	(71)	–	(71)
Reclassification	–	1	(1)	–
At 31 December 2023	194	350	–	544
Accumulated depreciation				
At 1 January 2022	127	319	–	446
Depreciation charge for the year	13	25	–	38
Disposals	(6)	–	–	(6)
Write-offs	–	(2)	–	(2)
At 31 December 2022	134	342	–	476
Depreciation charge for the year	13	27	–	40
Write-offs	–	(71)	–	(71)
At 31 December 2023	147	298	–	445
Carrying amount				
At 31 December 2023	47	52	–	99
At 31 December 2022	60	71	1	132

At 31 December 2023, various property, plant and equipment of the Group with the following carrying amounts were pledged to secure bank loans and borrowings (Note 24):

	Group 2023 $'000	Group 2022 $'000
Term loans:		
Leasehold properties	14,347	15,351
Lease liabilities:		
Motor vehicles	77	131
Plant and machinery	–	676
	14,424	16,158

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Impairment of property, plant and equipment

The Group reviews the carrying amount of these assets as at the reporting date to determine whether there is any indication of impairment. In the current year, the Group identified indicators of impairment on Healthcare CGU.

Management assessed that there were no indicators of impairment on the property, plant and equipment in Trading of e-waste CGU and Refinery CGU as the financial performance of the CGUs for the financial year exceeded management's expectations and budget. On this basis, no further assessments were performed by management for these CGUs.

Healthcare CGU

Due to the losses incurred by the Healthcare CGU and the actual financial performance was worse than expected in the current year, management assessed that there were indicators of impairment for the Healthcare CGU in the current year.

The recoverable amount of the Healthcare CGU was determined based on value-in-use calculations. The value-in-use calculations apply a discounted cash flow model using cash flow projections based on financial budgets and forecasts approved by management. The cash flow projections included specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate was determined based on management's estimate of the real gross domestic product rates in Malaysia, where the CGU operates. The cash flow projections of next five years are based on management's assessment of future trends and actual operating results.

The value-in-use calculation for the CGU was based on cash flow projections with the following key assumptions:

	Healthcare CGU	
	2023	**2022**
5 years compounded sales volume growth rate	29.5%	11.8%
5 years compounded average selling price ("ASP") growth rate	13.5%	13.0%
Average gross profit margin	12.4%	20.2%
Pre-tax discount rate	11.9%	16.4%
Terminal value growth rate	2.4%	4.4%

The cashflows in the projection period are primarily driven by and sensitive to the following key assumptions:

- The ability of the business to consistently meet the quality requirement of the higher-grade gloves and keep the rejection rates low. The CGU is expected to achieve economy of scale in the production of gloves with low rejection rates and generate higher margins.

- The ability for the business to gradually transition from the manufacturing of commodity gloves to specialty gloves.

- The ability for the business to expand from being an original equipment manufacturer to a retail business by leveraging distribution channels via the pharmacy chains in Malaysia and China.

- The forecasted revenue growth rate and ASP growth rate are estimated based on past year's performance, the expectations of market developments and future business plans.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The cashflows in the projection period are primarily driven by and sensitive to the following key assumptions (Continued):

- The profit margins are estimated based on the historical margins, cost differentials of operating in different business plans, and benchmarked against the margins of its peer group.

- The discount rates applied to the cash flow projections are based on Weighted Average Cost of Capital calculated using the historical industry average cost of capital.

As at 31 December 2023 and 2022, no impairment was required for the carrying amount of Healthcare CGU as the recoverable amounts were more than the carrying amounts.

The underlying future business plans assumed in the discounted cash flows are, however, subject to estimation uncertainties that may have a significant risk of resulting in material adjustments in future periods. Changes in the business plans and market outlook in the near term could lead to material impact on the CGU's financial performance.

13. INTANGIBLE ASSETS

		Group	
	Goodwill $'000	Patented technology $'000	Total $'000
Cost			
At 1 January 2022, 31 December 2022 and 31 December 2023	26,855	4,600	31,455
Accumulated amortisation			
At 1 January 2022, 31 December 2022 and 31 December 2023	–	4,600	4,600
Carrying amount			
At 1 January 2022, 31 December 2022 and 31 December 2023	26,855	–	26,855

Impairment of goodwill

The goodwill is allocated to Healthcare CGU, arose from the acquisition of Pastel Glove Sdn. Bhd. ("PGSB"). The goodwill is attributable mainly to the skills and technical talent of PGSB's work force in the healthcare business.

Management estimated the recoverable amounts of the Healthcare CGU based on its value-in-use. The recoverable amount of the CGU was determined based on key assumptions disclosed in Note 12.

As at 31 December 2023 and 2022, no impairment was required for the carrying amount of goodwill as the recoverable amount was in excess of its carrying amount.

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For the Financial Year ended 31 December 2023

14. INVESTMENT PROPERTIES

	Group	
	2023	**2022**
	$'000	**$'000**
At fair value		
At 1 January	62,155	59,702
Fair value gain	4,428	6,008
Gain on disposal	963	844
Disposals of strata units	(8,480)	(4,399)
At 31 December	59,066	62,155

Investment properties comprise a number of freehold industrial properties that are leased to third parties. Generally, each of the leases contains an initial non-cancellable period of 1 to 3 years. Subsequent renewals are negotiated with the lessee and on average, the renewal period is 1 to 3 years. No contingent rents are charged.

Changes in fair value are recognised as gain or loss in profit or loss and included in "other income".

The fair value measurement of the investment properties is disclosed in Note 34.

The following amounts are recognised in profit or loss:

	Group	
	2023	**2022**
	$'000	**$'000**
Rental income from investment properties (Note 4)	1,821	1,773
Direct operating expenses (including repairs and maintenance) from:		
– rental-generating investment properties	(454)	(540)

Investment properties of the Group are stated at fair value, which have been determined based on valuation performed as at the end of the financial year. The valuations were performed by independent professional valuer with recognised and relevant professional qualifications and with recent experience in the location and category of property being valued. The valuations are based on the properties' highest-and-best-use using the comparable market approach, by reference to sales prices of comparative properties in close proximity and made adjustments in consideration of property sizes and remaining lease tenures. The valuation conforms to International Valuation Standards. The most significant input is the price per square foot of comparable properties.

Investment properties are pledged as security to secure bank loans and borrowings (Note 24).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

14. INVESTMENT PROPERTIES (CONTINUED)

Details of the investment properties held by the Group are set out below:

Location	Description	Type
Lam Soon Industrial Building, 63 Hillview Avenue, Singapore 669569 (30 units)	Industrial strata units	Freehold properties

15. SUBSIDIARIES

	Company	
	2023 $'000	2022 $'000
Unquoted equity shares, at cost	221,871	221,871
Impairment loss	(199,039)	(196,769)
	22,832	25,102
Loans to subsidiaries	39,175	36,727
	62,007	61,829

Movements in the Company's provision of impairment losses for its investments in subsidiaries as at 31 December are as follow:

	Company	
	2023 $'000	2022 $'000
At beginning of year	196,769	196,078
Additions during the year	2,270	691
At end of year	199,039	196,769

Loans to subsidiaries form part of the Company's net investments in the subsidiaries. The loans are interest free, unsecured and settlement is neither planned nor likely to occur in the foreseeable future. These amounts are in substance capital contributions by the Company. Accordingly, these loans are stated at cost less accumulated impairment losses. Upon adoption of SFRS(I) 9, these balances are reclassified from loan and receivables to interest in subsidiaries.

In its assessment of the credit risk of the subsidiaries, the Company considered amongst other factors, the financial position of the subsidiaries as of 31 December 2023 and 2022, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that the credit risk is low. Accordingly, the Company measured the impairment loss allowance using 12-months ECL.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

15. SUBSIDIARIES (CONTINUED)

Impairment loss

The Company evaluates, amongst other factors, the future profitability of the subsidiary and its financial health and near-term business outlook, including factors such as industry and sector performance, changes in technology and operational and financial cash flows, to assess the recoverable amounts of its investments in the subsidiaries. The recoverable amount of the subsidiary could change significantly as a result of changes in market conditions and the assumptions used in determining the recoverable amount.

Differences between the actual performance of the subsidiaries and management's annual impairment review will affect the results of the period in which such differences are determined. An increase in impairment loss will increase other operating expenses and decrease non-current assets.

Healthcare CGU

Due to the losses incurred by the Healthcare CGU and the actual financial performance was worse than expected in the current year, management assessed that there were indicators of impairment for the Healthcare CGU in the current year.

The recoverable amount of the CGU was determined based on key assumptions disclosed in Note 12. Based on management's assessment, there was an impairment loss of $1,670,000 as at 31 December 2023 as the recoverable amount assessed was less than the carrying amount of the investment in subsidiary.

Piling CGU

The Company had recognised impairment of $600,000 for the investment in Piling CGU during the financial year as the CGU is in persistent loss since previous financial years.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

15. SUBSIDIARIES (CONTINUED)

Details of subsidiaries are as follows:

Name of subsidiaries	Principal activities	Principal places of business/ Country of incorporation	Effective equity interest held by the Group 2023 %	2022 %
Cimelia Resource Recovery Pte. Ltd. [1]	E-waste recycling and PGM refining	Singapore	100	100
EH Property & Investments Pte. Ltd. [1]	Investment holding	Singapore	51	51
Enviro-Metals Pte. Ltd. [1]	Recovery and processing of ferrous and non-ferrous metals and rental, servicing and sale of machinery and equipment	Singapore	100	100
Enviro-Power Pte. Ltd. [1,2]	Converting plastics to fuel and investment holding	Singapore	39	39
Enviro Property Pte. Ltd. [1]	Property holding	Singapore	100	100
HLS Environmental Pte. Ltd. [1]	Recycling and trading of e-waste	Singapore	80.25	80.25
Leong Hin Piling Pte Limited [1]	Piling contractor	Singapore	100	100
Enviro Healthcare Pte. Ltd. [1]	Investment holding	Singapore	100	100
Held by Leong Hin Piling Pte Limited				
Leong Hin Builders Pte. Ltd. [1]	Building and construction related engineering and technical services	Singapore	100	100
Held by EH Property & Investments Pte. Ltd.				
QF Properties Pte. Ltd. [1]	Investment holding	Singapore	51	51
Held by QF Properties Pte. Ltd.				
QF 1 Pte. Ltd. [1]	Real estate activities with own or leased property	Singapore	51	51
QF 3 Pte. Ltd. [1]	Real estate activities with own or leased property	Singapore	51	51
QF 4 Pte. Ltd. [1]	Real estate activities with own or leased property	Singapore	51	51
QF 7 Pte. Ltd. [1]	Real estate activities with own or leased property	Singapore	51	51
QF 8 Pte. Ltd. [1]	Real estate activities with own or leased property	Singapore	51	51
QF 9 Pte. Ltd. [1]	Real estate activities with own or leased property	Singapore	51	51

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

15. SUBSIDIARIES (CONTINUED)

Details of subsidiaries are as follows (Continued):

Name of subsidiaries	Principal activities	Principal places of business/ Country of incorporation	Effective equity interest held by the Group 2023 %	2022 %
Held by HLS Environmental Pte. Ltd.				
HLS Property Pte. Ltd. [1]	Property holding	Singapore	100	100
Held by Enviro Healthcare Pte. Ltd.				
Pastel Glove Sdn. Bhd. [3]	Manufacturing and trading of rubber gloves	Malaysia	100	100

1 Audited by Mazars LLP, Singapore.

2 This entity is classified as a subsidiary of the Group as management has determined that the Group controls the entity. Although the Group owns less than half of the entity, the Group holds more than half of the voting power of the entity by virtue of an agreement with its other investors. Based on the terms of agreements under which the entity is established, the Group has the ability to direct the entity's activities that most significantly affect its returns.

3 Audited by KPMG PLT, Malaysia.

The Group has the following subsidiaries which have non-controlling interests to the Group:

Subsidiaries	Proportion of ownership interest held by NCI		Profit allocated to NCI during the financial year		Accumulated NCI at the reporting date		Dividends paid to NCI	
	2023 %	2022 %	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
EH Property & Investments Pte. Ltd.	49	49	2,180	3,223	15,667	13,693	206	1,939
Enviro-Power Pte. Ltd.	61	61	(7)	(16)	(15,819)	(15,812)	–	–
HLS Environmental Pte. Ltd.	19.75	19.75	617	739	3,459	3,118	276	198
			2,790	3,946	3,307	999	482	2,137

Summarised financial information (before intercompany eliminations):

	EH Property & Investments Pte. Ltd.		Enviro-Power Pte. Ltd.		HLS Environmental Pte. Ltd.	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Assets						
Non-current	59,066	62,155	–	–	12,823	12,961
Current	4,547	4,007	6	5	16,133	15,537
Liabilities						
Non-current	30,361	37,145	–	2,550	6,940	7,910
Current	976	771	2,747	183	3,615	4,367
Net assets/(liabilities)	32,276	28,246	(2,741)	(2,728)	18,401	16,221
Revenue	1,821	1,792	–	–	12,940	9,541
Profit/(Loss) after taxation	4,450	6,579	(12)	(25)	3,438	3,932
Total comprehensive income	4,450	6,579	(12)	(25)	3,438	3,932
Net cash flow (used in)/from operation	(268)	83	2,536	(28)	4,447	4,247

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

16. INVESTMENT IN ASSOCIATE

The Group through its wholly-owned subsidiary, Pastel Glove Sdn. Bhd. ("PGSB") incorporated a company, Pastel Care Sdn. Bhd. ("PCSB") with an initial paid-up capital of MYR10 (equivalent to $3) where the Group invested 40% of the issued and paid-up capital of PCSB for a total consideration of MYR4 (equivalent to $1).

On 17 March 2022, PCSB increased its paid-up capital and share capital to MYR1,800,000 (equivalent to $566,000) by allotment of 1,800,000 ordinary shares. PGSB has subscribed 719,996 ordinary shares equivalent to 40% equity interest in PGSB for cash consideration of MYR719,996 (equivalent to $227,000).

On 17 December 2022, PCSB issued 6,008,889 redeemable convertible preference shares to PGSB by way of capitalising the shareholder loan of MYR6,009,000 (equivalent to $1,830,000).

During the financial year ended 31 December 2023, PCSB has issued a total of 8,340,000 redeemable convertible preference shares to PGSB by way of capitalising the shareholder loans of MYR8,340,000 (equivalent to $2,383,000).

Details of the associate as at reporting date are as follow:

Name of associate	Principal activities	Principal places of business/ Country of incorporation	Effective equity interest held by the Group 2023 %	2022 %
Pastel Care Sdn. Bhd. ("PCSB") [1]	Retail sale of pharmaceuticals, medical and orthopaedic goods	Malaysia	40	40

[1] Audited by KPMG PLT, Malaysia.

The following summarises, in aggregate, the financial information of PCSB for the year based on the financial statements prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies.

	2023 $'000	2022 $'000
Revenue	4,332	1,304
Loss for the year	1,467	827
Group's interest in net assets of investee at beginning of the year	1,830	–*
Addition during the year	2,292	2,057
Group's share of loss from operations	(684)	(227)
Carrying amount of interest in investee at end of the year	3,438	1,830

* Denotes amount < $1,000

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

17. JOINT OPERATION

The Group through its wholly-owned subsidiary, Leong Hin Builders Pte. Ltd., is a 40% partner in a joint arrangement formed with SB Procurement Pte Ltd to jointly develop the building of a 7-storey multiple-user general industrial development at 60 Jalan Lam Huat, Singapore 737869. The principal place of business of the joint arrangement is in Singapore. As the joint arrangement is not structured through a separate vehicle, the Group has classified it as a joint operation.

Details of the joint operation are as follows:

Name of joint operation	Principal activities	Principal places of business/ Country of incorporation	Effective equity interest held by the Group 2023 %	2022 %
<u>Held by Leong Hin Builders Pte. Ltd.</u>				
SB Procurement Pte Ltd	Property developer	Singapore	40	40

18. INVENTORIES

	Group 2023 $'000	2022 $'000
Trading inventories	3,320	6,163
Precious metal measured at fair value	898	1,151
Raw materials and consumables	72	194
Work-in-progress	8	355
	4,298	7,863

During the year, inventories of $24,236,000 (2022: $26,059,000) were recognised as an expense and included in cost of sales. In addition, following a review of the net realisable value of inventories, the Group recorded an allowance for write-down of inventories of $1,244,000 (2022: $1,547,000). The allowances were included in the cost of sales.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

19. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Trade receivables (Note i)	726	2,789	–	–
Impairment losses	(75)	(2)	–	–
	651	2,787	–	–
Contract assets (Note 10)	–*	285	–	–
Impairment losses (Note 10)	–	(17)	–	–
	–*	268	–	–
Amounts due from subsidiaries:				
– interest bearing loans (Note ii)	–	–	6,255	5,500
– non-interest bearing loans (Note ii)	–	–	1,635	1,915
– trade (Note ii)	–	–	720	725
– non-trade (Note ii)	–	–	1,782	1,710
Impairment losses	–	–	(310)	(295)
	–	–	10,082	9,555
Deposits	466	1,461	22	–
Amount due from a director of a subsidiary (Note iii)	1,638	3,070	–	–
Other receivables (Note iv)	914	1,465	7	–*
	2,552	4,535	7	–*
Financial assets at amortised cost	3,669	9,051	10,111	9,555
Prepayments	132	160	11	17
Total trade and other receivables	3,801	9,211	10,122	9,572

* Denotes amount < $1,000

(i) The Group's trade receivables are non-interest bearing and are generally ranging from 0 to 30 (2022: 0 to 30 days) days term. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

(ii) The interest-bearing amounts due from subsidiaries are unsecured, bear interest rates at 2.00% to 3.8% (2022: 2.00%) 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.

(iii) On 27 October 2021, the Group entered into a Sales and Purchase agreement for the acquisition of PGSB. Based on the Sales and Purchase agreement, the selling shareholder, who also serves as the director of PGSB, is liable to make payment to PGSB of an amount equal to the adjusted net loss after tax incurred by PGSB for the financial year under the profit guarantee period from 1 January 2022 to 31 December 2024. PGSB incurred an adjusted net loss after tax of $1,638,000 (2022: $3,070,000) as at 31 December 2023. The Group recognised an other income of $1,638,000 (2022: $3,070,000) representing the amount to be recovered from the director.

(iv) The Group's and Company's other receivable are unsecured, non-interest bearing and are repayable on demand.

The Group and the Company's exposure to credit risk, currency risk, interest rate risk and impairment loss related to trade and other receivables, are disclosed in Note 33.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

20. CASH AND CASH EQUIVALENTS

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Cash and bank balances	10,639	5,206	2,205	549
Deposits with financial institutions	5,050	10,337	–	5,000
Cash and cash equivalents in the statement of financial position	15,689	15,543	2,205	5,549
Bank overdrafts	–	(202)	–	–
Deposits pledged (Note 24)	(1,690)	(1,689)	–	–
Cash and cash equivalents in the consolidated statement of cash flows	13,999	13,652	2,205	5,549

The effective interest rates relating to deposits with financial institutions at 31 December 2023 for the Group range between 0.25% to 5.10% (2022: 0.24% to 5.38%). 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 (Note 24).

21. SHARE CAPITAL

	Group	
	2023	**2022**
	'000	**'000**
Fully paid ordinary shares, with no par value:		
At 1 January	1,536,995	1,532,995
Issuance of ordinary shares	4,169	4,000
At 31 December	1,541,164	1,536,995

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 28 September 2022, 4,000,000 ordinary shares were allotted to Mr Raymond Ng Ah Hua, a Controlling Shareholder and Director of the Company under Share Award Scheme 2012.

On 27 June 2023, 4,168,918 ordinary shares were allotted to Mr Raymond Ng Ah Hua, a Controlling Shareholder and Director of the Company under Share Award Scheme 2012.

The Company did not hold any outstanding convertibles and treasury shares as at 31 December 2023 and 31 December 2022. The Company's subsidiaries do not hold any shares in the Company as at 31 December 2023 and 31 December 2022.

Dividends

On 8 June 2023, first and final tax-exempt dividend of $0.001 per ordinary share totalling approximately $1,537,000 was paid to shareholders in respect of the financial year ended 31 December 2022.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

21. SHARE CAPITAL (CONTINUED)

Share Award Scheme 2012

The Enviro-Hub Share Award Scheme 2012 (the "2012 Scheme") of the Company was approved and adopted by its members at an Extraordinary General Meeting held on 22 November 2012.

Share Award I

Pursuant to the 2012 Scheme, a grant of Award was made to Mr Raymond Ng Ah Hua, a Controlling Shareholder and Director of the Company, on 21 December 2012. Details of the grant are as follows:

Number of shares granted	13,614,862 ordinary shares
Vesting period	The Awards granted to Mr Raymond Ng Ah Hua will be released, in whole or in part(s), from time to time during the period when the Scheme is in force at the discretion of the Scheme Committee, if certain pre-determined performance conditions, as determined by the Scheme Committee, are achieved, or otherwise in accordance with the rules of the Scheme.
Number of shares to be vested for each year if Performance Conditions are met	2,722,972 ordinary shares

Awards comprising 5,445,944 ordinary shares were entitled to Mr Raymond Ng Ah Hua under the scheme for the financial years ended 31 December 2013 and 2014 were allotted during the financial year ended 31 December 2018.

The 2012 scheme was terminated by its members at an Extraordinary General Meeting held on 28 April 2022.

On 28 September 2022, the remuneration committee reviewed the previous Performance Conditions and revised the Performance Conditions for Mr Raymond Ng Ah Hua to meet for 4,000,000 ordinary shares granted to him under the 2012 Scheme. The Revised Performance Conditions shall supersede and replace all previous Performance Conditions imposed on the outstanding share awards granted under the 2012 scheme. Awards comprising 4,000,000 ordinary shares were entitled to Mr Raymond Ng Ah Hua for the financial year ended 31 December 2022 under the scheme were allotted during the year.

Pursuant to allotment of 4,000,000 ordinary shares, the Performance Conditions of the outstanding 4,168,918 ordinary shares granted under the 2012 Scheme will be considered and determined by the Remuneration Committee in due course. On 27 June 2023, 4,168,918 ordinary shares have been vested and allotted as at 31 December 2023.

Share Award II

Awards comprising 2,200,000 ordinary shares were entitled to the Company's Non-Executive Directors under the Scheme for the financial year ended 31 December 2015, of which 1,650,000 ordinary shares were allotted to 3 Non-Executive Directors on 11 April 2018. In addition, the remaining 550,000 ordinary shares award was cancelled as a result of resignation of a director in 2016.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

21. SHARE CAPITAL (CONTINUED)

Share Award Scheme 2022

The Enviro-Hub Share Award Scheme 2022 (the "2022 Scheme") of the Company was approved and adopted by its members at an Extraordinary General Meeting held on 28 April 2022.

Pursuant to the 2022 Scheme, the Company intends to first issue and allot the 8,168,918 ordinary shares granted to Mr Raymond Ng Ah Hua under the 2012 Scheme, subject to the fulfilment of the Performance Conditions. Thereafter, the Company will grant the Share Awards representing 22,994,930 Shares under the 2022 Scheme to Mr Raymond Ng Ah Hua.

Award comprising 22,994,930 ordinary shares had not been granted to Mr Raymond Ng Ah Hua as at 31 December 2023.

22. FOREIGN CURRENCY TRANSLATION RESERVE

The foreign currency translation reserve comprises foreign exchange differences arising from the translation of the financial statements of entities (including foreign operations) whose functional currencies are different from the presentation currency of the consolidated financial statements.

23. OTHER RESERVES

Other reserve comprises adjustments to equity attributable to the Company's shareholders arising from transactions with non-controlling interests without a change in control.

24. LOANS AND BORROWINGS

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Non-current liabilities				
Secured bank loans	37,462	46,942	–	–
Lease liabilities (Note 25)	5,132	5,622	11	22
	42,594	52,564	11	22
Current liabilities				
Secured bank loans	2,700	2,708	–	–
Secured invoice financing	1,156	1,532	–	–
Lease liabilities (Note 25)	467	760	10	10
	4,323	5,000	10	10
Total loan and borrowings	46,917	57,564	21	32

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

24. LOANS AND BORROWINGS

Terms and conditions of all outstanding loans and borrowings are as follows:

	Nominal Interest rate	Note	Year of maturity	2023 Face value $'000	2023 Carrying amount $'000	2022 Face value $'000	2022 Carrying amount $'000
Group							
$ floating rate loans I	SORA@ + 1.50% – 2.00%	(b)(c)(e)(f)	2025	30,361	30,361	37,145	37,145
$ floating rate loan II	EBR# – 2.85% – 3.15%	(a)(e)(f)	2025	1,738	1,738	2,533	2,533
$ floating rate loan III	EBR# – 2.35% SORA@ + 0.80%	(a)(e)(f)	2025	2,500	2,500	3,300	3,300
$ floating rate loan VI	EBR# – 2.70%	(a)(d)	2034	4,457	4,457	4,995	4,995
$ fixed rate loan I	2.00%	(c)(e)(f)	2025	1,106	1,106	1,677	1,677
$ lease liabilities I	5.82% – 7.20%	(f)(g)	2026	11	8	310	296
$ lease liabilities II	3.27% – 6.55%		2026 – 2041	6,872	5,591	7,613	6,086
US$ invoice financing I	COF^ + 2.00%	(e)(f)	2024	1,173	1,156	695	683
US$ invoice financing II	COF^ + 1.50%	(f)	2023	–	–	865	849
				48,218	46,917	59,133	57,564
Company							
$ lease liabilities	3.27%		2023 – 2026	22	21	33	32

^ The respective bank's cost of funds.
# The respective bank's enterprise base rate.
@ 3-months compounded Singapore Overnight Rate Average.

The loans and borrowings' securities are as follows:

(a) First legal mortgages over certain leasehold properties with carrying amount of $14,347,000 (2022: $15,351,000);

(b) First legal mortgages over all investment properties with a carrying amount of $59,066,000 (2022: $62,155,000);

(c) Fixed deposits amounting to $1,690,000 (2022: $1,689,000);

(d) Guarantees by a subsidiary of the Company;

(e) Guarantees by the Executive Chairman of the Company;

(f) Guarantees by the Company (Note 30); and

(g) Property, plant and equipment with carrying amount of $77,000 (2022: $807,000).

The Group and the Company's exposure to interest rate risk, foreign currency risk and liquidity risk are disclosed in Note 33.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

25. THE GROUP AS A LESSEE

The Group leases leasehold properties, plant and machinery, motor vehicles and office equipment. The leases run for a period of 1 to 20 years (2022: 1 to 20 years). Some leases provide for additional rent payments that are based on changes in local price indices.

25(a) Right-of-use assets

The carrying amount of right-of-use assets by class of underlying asset classified within property, plant and equipment as follows:

Group	Leasehold land and buildings $'000	Plant and machinery $'000	Motor vehicles $'000	Office equipment $'000	Total $'000
2023					
At 1 January	5,827	680	130	71	6,708
Depreciation charge for the year	(675)	(12)	(16)	(20)	(723)
Lease modification	110	–	–	–	110
Derecognition	–	(65)	–	–	(65)
Disposal	–	(603)		–	(603)
Effect of movement in exchange rates	(39)	–	–*	–*	(39)
Balance at 31 December	5,223	–	114	51	5,388
2022					
At 1 January	6,312	720	105	74	7,211
Depreciation charge for the year	(858)	(40)	(13)	(19)	(930)
Additions	412	–	41	25	478
Derecognition	–	–	–	(9)	(9)
Effect of movement in exchange rates	(39)	–	(3)	–	(42)
Balance at 31 December	5,827	680	130	71	6,708

* Denotes amount < $1,000

Company	Office equipment $'000
2023	
At 1 January	32
Depreciation charge for the year	(10)
Balance at 31 December	22
2022	
At 1 January	42
Depreciation charge for the year	(10)
Balance at 31 December	32

The total cash outflow for leases of the Group during the financial year ended 31 December 2023 is $1,069,000 (2022: $1,126,000).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

25. THE GROUP AS A LESSEE (CONTINUED)

25(b) Lease liabilities

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Lease liabilities – non-current	5,132	5,622	11	22
Lease liabilities – current	467	760	10	10
	5,599	6,382	21	32

The maturity analysis of lease liabilities is disclosed in Note 33.

25(c) Amounts recognised in profit or loss

	Group	
	2023	2022
	$'000	$'000
Interest on lease liabilities	291	237
Income from sub-leasing right-of-use assets presented in "revenue" and "other income"	(505)	(449)

26. TRADE AND OTHER PAYABLES

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Deferred income	211	105	3	–
Trade payables	1,286	3,889	–	–
Project costs accruals	37	66	–	–
Other accruals	1,913	2,500	641	637
Other payables (Note i)	2,972	4,621	119	163
Security deposits	624	2,559	–	–
Amounts due to non-controlling interests:			–	
– Non-trade (Note ii)	2,550	2,550	–	–
Amounts due to subsidiaries:				
– interest bearing loan (Note iii)	–	–	16,703	14,421
– interest bearing loan (Note iv)	–	–	556	1,336
– non-trade (Note v)	–	–	4,173	3,925
	9,593	16,290	22,195	20,482
Representing:				
Non-current	167	2,717	–	–
Current	9,426	13,573	22,195	20,482
	9,593	16,290	22,195	20,482

(i) Other payables consist of an amount payable to a director of PGSB amounted to MYR799,000 (equivalent to $228,000) (2022: MYR7,198,000 (equivalent to $2,192,000)) as at 31 December 2023. The amount will be set-off against the amount due from the same director in next financial year upon finalisation of the audited financial statements of PGSB.

(ii) 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 2024.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

26. TRADE AND OTHER PAYABLES E (CONTINUED)

(iii) The amounts are unsecured, bear interest of 2.00% (2022: 2.00%) and are repayable on demand.

(iv) The amounts are unsecured, bear interest at bank's enterprise base rate minus 2.35% - 2.70% and 0.80% plus 3-month SORA (2022: bank's enterprise base rate minus 2.85% - 3.35%) and are repayable on demand.

(v) The amounts are unsecured, interest-free and are repayable on demand.

The Group and the Company's exposure to currency risk, liquidity risk and interest rate risk related to trade and other payables are disclosed in Note 33.

27. DEFERRED TAX LIABILITIES

Deferred tax liabilities are attributable to the following:

	Group	
	2023	**2022**
	$'000	**$'000**
Property, plant and equipment	2,478	690
Lease liabilities	(2,398)	(179)
Inventories	–	(384)
Others	–	17
	80	144

Movement in deferred tax balances

	Property, plant and equipment $'000	**Lease liabilities $'000**	**Inventories $'000**	**Other $'000**	**Total $'000**
At 1 January 2022	561	(129)	–	(16)	416
Recognised in profit or loss (Note 9)	166	(60)	(396)	34	(256)
Exchange differences	(37)	10	12	(1)	(16)
At 31 December 2022	690	(179)	(384)	17	144
Recognised in profit or loss (Note 9)	1,809	(2,222)	371	(16)	(58)
Exchange differences	(21)	3	13	(1)	(6)
At 31 December 2023	2,478	(2,398)	–	–	80

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

28. OPERATING LEASE COMMITMENTS

Lessor

The Group has entered into commercial property leases on its investment properties and leasehold building. These non-cancellable leases have remaining lease terms of between 1 and 3 years. All leases include a clause to enable upward revision of the rental charge of an annual basis based on prevailing market conditions.

As at the end of the financial year, future minimum rentals receivables under non-cancellable operating leases at the end of the financial year are as follows:

	2023 **$'000**	**2022** **$'000**
Future minimum lease payments receivable:		
Within one year	1,847	2,065
After one year but within five years	854	1,412
Total	2,701	3,477

29. COMMITMENTS

In 2023, the Group has entered into contracts to purchase machineries and renovation works for $127,000 (2022: $898,000) of which $85,000 (2022: $591,000) has been incurred as at the reporting date.

In addition, the Group is committed to incur the capital expenditure of $7,258,000 for the period from 28 February 2022 to 31 December 2024 for the expansion of pharmacy retail business in an associate, Pastel Care Sdn. Bhd. of which $4,470,000 (2022: $1,985,000) has been incurred as at reporting date.

30. CONTINGENT LIABILITIES

The Company issued financial guarantees to certain banks in respect of banking facilities granted to certain subsidiaries amounting to $41,431,000 (2022: $69,862,000), of which the amount drawn down at 31 December 2023 was $23,475,000 (2022: $31,444,000). The periods in which the financial guarantees will expire are as follows:

	2023 **$'000**	**2022** **$'000**
Within 1 year	4,351	5,315
After 1 year but within 5 years	19,124	26,129
	23,475	31,444

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

31. SIGNIFICANT RELATED PARTY TRANSACTIONS

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Group and Company if that person:

(i) Has control or joint control over the Company;

(ii) Has significant influence over the Company; or

(iii) Is a member of the key management personnel of the Group or Company or of a parent of the Company.

(b) An entity is related to the Group and Company if any of the following conditions applies:

(i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

The effect of the Group's and Company's transactions and arrangements with related parties is reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand unless otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

31. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

During the financial year, in addition to those disclosed elsewhere in these financial statements, the Group and the Company entered into the following significant transactions with related parties:

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Subsidiaries				
Dividend income	–	–	1,338	2,821
Management fee	–	–	1,891	1,891
Interest income	–	–	140	106
Interest expenses	–	–	(372)	(377)
Associate				
Sales	5	3	–	–
Staff costs recharged	(1)	–	–	–

Key management personnel remuneration

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group and the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

The Group's key management personnel are entitled to basic remuneration plan such as salaries, bonuses (which includes annual wages supplement and performance target bonus) and fees. In addition, the Controlling Shareholder and a Director of the Company is entitled to profit-sharing and share-based payments plan. The quantum of profit sharing is based on certain percentage of the Group's profit as stipulated in the profit-sharing plan and details of the share-based payments plan are disclosed in Note 21 – Share Award Scheme.

Key management personnel compensation comprises remuneration of directors and other key management personnel as follows:

	Group	
	2023	**2022**
	$'000	**$'000**
Short-term employee benefits	1,539	1,674
Post-employment benefits (including contribution to Central Provident Fund)	82	83
Directors' fees paid/payable to directors of the Group	204	169
Equity settled share-based payment	119	188

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

31. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

Key management personnel and director transactions

A director of the Company controls 50% of the voting shares in the Group's associate (Note 16).

A number of key management personnel hold positions in other entities that result in them having control over the financial or operating policies of these entities. A number of these entities transacted with the Group during the year. The transactions carried out in the normal course of business on terms agreed with key management personnel and entities over which they have control were as follows:

	Group	
	2023 $'000	2022 $'000
Sales	–	9
Purchases	(1)	(1)
Commission income	–	223
Loan waiver from a director	–	132
Management fees	(96)	(96)
Leasing expenses	(16)	–

32. OPERATING SEGMENTS

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 product

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.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

32. OPERATING SEGMENTS (CONTINUED)

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.

Information about reportable segments

	Trading, recycling and refining of e-waste/ metals $'000	Property investments and management $'000	Piling contracts, construction, rental and servicing of machinery (Discontinued) $'000	Manufacturing and trading of healthcare products $'000	Others $'000	Total $'000
31 December 2023						
Revenue from contracts with customers	33,987	–	127	3,978	–	38,092
Rental income	505	1,821	–	–	–	2,326
Depreciation of property, plant and equipment	(2,322)	–	(333)	(783)	–	(3,438)
Reportable segment profit/(loss) before taxation and finance costs	6,285	6,622	(135)	(986)	11	11,797
Share of loss of associate (net of taxation)	–	–	–	(684)	–	(684)
Other material non-cash items:						
– Fair value loss on precious metal, net	(87)	–	–	–	–	(87)
– Fair value gain on investment properties	–	4,428	–	–	–	4,428
– Finance income	252	59	1	–*	–*	312
– Finance costs	(870)	(1,918)	(15)	(22)	–	(2,825)
– Gain on disposal of investment properties	–	963	–	–	–	963
– Gain/(Loss) on disposal of property, plant and equipment	19	–	(159)	–	–	(140)
– Property, plant and equipment written off	(23)	–	(10)	–	–	(33)
– Compensation receivable from a director of a subsidiary	–	–	–	1,638	–	1,638
– Inventories written off	21	–	–	–	–	21
– Reversal of/(allowance for) write-down of inventories	11	–	–	(1,255)	–	(1,244)
– Reversal of/(allowance for) impairment losses on trade and other receivables	2	–	(46)	(12)	–	(56)
– Waiver of debt from a vendor	–	–	–	892	–	892
– Income tax (expense)/credit	(847)	(30)	–	140		(737)
– Impairment loss on property, plant and equipment	–	–	(49)	–	–	(49)
Reportable segment assets	28,764	59,112	78	36,364	4	124,322
Investment in associate	–	–	–	3,438	–	3,438
Capital expenditure	1,437	–	2	59	10	1,508
Reportable segment liabilities	20,511	31,337	73	2,048	2,613	56,582

* Denotes amount < $1,000

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

32. OPERATING SEGMENTS (CONTINUED)

Information about reportable segments (Continued)

	Trading, recycling and refining of e-waste/ metals $'000	Property investments and management $'000	Piling contracts, construction, rental and servicing of machinery (Discontinued) $'000	Manufacturing and trading of healthcare products $'000	Others $'000	Total $'000
31 December 2022						
Revenue from contracts with customers	33,459	–	2,369	6,059	–	41,887
Rental income	449	1,773	–	–	–	2,222
Depreciation of property, plant and equipment	(2,078)	–	(864)	(816)	–	(3,758)
Reportable segment profit/(loss) before taxation and finance costs	5,421	7,825	(1,122)	(513)	26	11,637
Share of loss of associate (net of taxation)	–	–	–	(227)	–	(227)
Other material non-cash items:						
– Fair value loss on precious metal, net	(196)	–	–	–	–	(196)
– Fair value gain on investment properties	–	6,008	–	–	–	6,008
– Finance income	20	18	–	–	–	38
– Finance costs	(748)	(1,001)	(25)	(28)	–	(1,802)
– Gain on disposal of investment properties	–	844	–	–	–	844
– Gain on disposal of property, plant and equipment	67	–	232	–	–	299
– Property, plant and equipment written off	(12)	–	–	–	–	(12)
– Compensation receivable from a director of a subsidiary	–	–	–	3,070	–	3,070
– Inventories written off	45	–	–	–	–	45
– Allowance for write-down of inventories	–	–	–	(1,547)	–	(1,547)
– Reversal of impairment losses on trade and other receivables	–	–	10	–	–	10
– Reversal of provision for onerous contract	–	–	5	–	–	5
– Loan waiver from a director	–	–	–	132	–	132
– Income tax (expense)/credit	–	(42)	–	256	–	214
Reportable segment assets	33,876	62,223	3,431	41,236	3	140,769
Investment in associate	–	–	–	1,830	–	1,830
Capital expenditure	2,320	–	28	1,043	–	3,391
Reportable segment liabilities	25,687	37,916	986	6,139	2,666	73,394

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

32. OPERATING SEGMENTS (CONTINUED)

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

	2023 $'000	2022 $'000
Revenue		
Total revenue for reportable segments	40,418	44,109
Elimination of discontinued operations	(127)	(2,369)
Consolidated revenue	40,291	41,740
Profit or loss		
Total profit for reportable segments before tax and finance costs	11,797	11,637
Elimination of discontinued operations	151	1,147
Unallocated amounts:		
– Other corporate expenses	(6,474)	(5,449)
Share of loss from investment in associate	(684)	(227)
Consolidated profit before taxation from continuing operations	4,790	7,108
Assets		
Total assets for reportable segments	124,322	140,769
Other unallocated amounts *	15,817	15,679
Investment in associate	3,438	1,830
Consolidated total assets	143,577	158,278
Liabilities		
Total liabilities for reportable segments	56,582	73,394
Other unallocated amounts	803	847
Consolidated total liabilities	57,385	74,241

* Unallocated assets are mainly related to cash and cash equivalents, a portion of the plant and equipment and other receivables which are utilised by more than one segment of the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

32. OPERATING SEGMENTS (CONTINUED)

Other material items

	Reportable segment totals $'000	Adjustments $'000	Consolidated totals $'000
31 December 2023			
Capital expenditure	1,508	1 [a]	1,509
Depreciation of property, plant and equipment	(3,438)	(42) [a]	(3,480)
Fair value loss on precious metal, net	(87)	–	(87)
Fair value gain on investment properties	4,428	–	4,428
Finance income	312	58 [a]	370
Finance costs	(2,825)	(2) [a]	(2,827)
Gain on disposal of investment properties	963	–	963
Loss on disposal of property, plant and equipment	(140)	–	(140)
Property, plant and equipment written off	(33)	–	(33)
Compensation receivable from a director of a subsidiary	1,638	–	1,638
Allowance for write-down of inventories	(1,244)	–	(1,244)
Allowance for impairment losses on trade and other receivables	(56)	–	(56)
Waiver of debt from a vendor	892	–	892
Income tax expense	(737)	–	(737)
Impairment loss on property, plant and equipment	(49)	–	(49)
31 December 2022			
Capital expenditure	3,391	59 [a]	3,450
Depreciation of property, plant and equipment	(3,758)	(38) [a]	(3,796)
Fair value loss on precious metal, net	(196)	–	(196)
Fair value gain on investment properties	6,008	–	6,008
Finance income	38	3 [a]	41
Finance costs	(1,802)	(47) [a]	(1,849)
Gain on disposal of investment properties	844	–	844
Gain on disposal of property, plant and equipment	299	–	299
Property, plant and equipment written off	(12)	–	(12)
Compensation receivable from a director of a subsidiary	3,070	–	3,070
Inventories written off	45	–	45
Allowance for write-down of inventories	(1,547)	–	(1,547)
Reversal of impairment losses on trade and other receivables	10	–	10
Reversal of provision for onerous contract	5	–	5
Loan waiver from a director	132	–	132
Income tax credit	214	–	214

[a] Other unallocated amounts

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

32. OPERATING SEGMENTS (CONTINUED)

Geographical segments

The Group's five business segments operate in four main geographical areas: Singapore, Hong Kong and China, Malaysia and United States of America (2022: Singapore, Hong Kong and China, Malaysia and United States of America). In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment non-current assets are based on the geographical location of the assets.

	Revenue $'000	Non-current assets [1] $'000
31 December 2023		
Singapore	11,612	109,632
Hong Kong and China	17,732	–
Malaysia	9,878	10,157
United States of America	263	–
Other countries	933	–
	40,418	119,789
31 December 2022		
Singapore	12,906	115,880
Hong Kong and China	20,039	–
Malaysia	9,577	9,781
United States of America	1,078	–
Other countries	509	–
	44,109	125,661

[1] Non-current assets consist of property, plant and equipment, intangible assets, investment properties and investment in associate.

Major customer

Revenue from a customer of the Group's trading, recycling and refining of e-waste/metals segment represents approximately 33% (2022: 34%) of the Group's revenue.

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS

The Group's activities expose it to credit risk, market risks (including foreign currency risk and interest rate risk) and liquidity risk. The Group's overall risk management strategy seeks to minimise adverse effects from the volatility of financial markets on the Group's financial performance.

The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. The Group Audit Committee oversees management's monitoring of compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the Group's operations and risks faced by the Group. The Group Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Group Audit Committee.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

There have been no changes to the Group's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers.

The carrying amounts of financial assets in the statements of financial position represent the Group and the Company's maximum exposure to credit risk, before taking into account any collateral held.

To assess and manage its credit risk, the Group categorises the financial assets and contract assets according to their risk of default. The Group defines default to have taken place when internal or/and external information indicates that the financial asset is unlikely to be received, which could include a breach of debt covenant, and/or where contractual payments are 90 days past due as per SFRS(I) 9's presumption.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Group has a credit policy in place which establishes credit limits for customers and monitors their balances on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The credit quality of customers is assessed after taking into account its financial position and the Group's past experience with the customers.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main component of this allowance is a specific loss component that relates to individually significant exposures.

The allowance account in respect of trade and other receivables is used to record impairment loss unless the Group is satisfied that no recovery of the amount owing is possible. At that point, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Credit risk (Continued)

Trade and other receivables (Continued)

The Group's internal credit risk grading categories are as follows:

Category	Description	Basis of recognising ECL
1	Low credit risk Note 1	12-months ECL
2	Non-significant increase in credit risk since initial recognition and financial asset is ≤ 90 days past due	12-months ECL
3	Significant increase in credit risk since initial recognition Note 2 or financial asset is > 90 days past due	Lifetime ECL
4	Evidence indicates that financial asset is credit-impaired Note 3	Difference between financial asset's gross carrying amount and present value of estimated future cash flows discounted at the financial asset's original effective interest rate
5	Evidence indicates that the management has no reasonable expectations of recovering the write off amount Note 4	Written-off

Note 1. Low credit risk

The financial asset is determined to have low credit risk if the financial assets have a low risk of default, the counterparty has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the counterparty to fulfil its contractual cash flow obligations. Generally, this is the case when the Group assesses and determines that the debtor has been, is in and is highly likely to be, in the foreseeable future and during the (contractual) term of the financial asset, in a financial position that will allow the debtor to settle the financial asset as and when it falls due.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Credit risk (Continued)

Trade and other receivables (Continued)

Note 2. Significant increase in credit risk

In assessing whether the credit risk of the financial asset has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial asset as of reporting date with the risk of default occurring on the financial asset as of date of initial recognition, and considered reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. In assessing the significance of the change in the risk of default, the Group considers both past due (i.e. whether it is more than 90 days past due) and forward looking quantitative and qualitative information. Forward looking information includes the assessment of the latest performance and financial position of the debtor, adjusted for the Group's future outlook of the industry in which the debtor operates based on independently obtained information (e.g. expert reports, analyst's reports etc.) and the most recent news or market talks about the debtor, as applicable. In its assessment, the Group will generally, for example, assess whether the deterioration of the financial performance and/or financial position, adverse change in the economic environment (country and industry in which the debtor operates), deterioration of credit risk of the debtor, etc. is in line with its expectation as of the date of initial recognition of the financial asset. Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contract payments are >90 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Note 3. Credit impaired

In determining whether financial assets are credit-impaired, the Group assesses whether one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit impaired includes the following observable data:

- Significant financial difficulty of the debtor;
- Breach of contract, such as a default or being more than 90 days past due;
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for the financial asset because of financial difficulties.

Note 4. Write off

Generally, the Group writes off, partially or fully, the financial asset when it assesses that there is no realistic prospect of recovery of the amount as evidenced by, for example, the debtor's lack of assets or income sources that could generate sufficient cash flows to repay the amounts subjected to the write-off.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Credit risk (Continued)

Trade and other receivables (Continued)

The Group performs ongoing credit evaluation of its counterparties' financial condition and generally does not require collateral.

The Group and Company do not have any significant credit exposure to any single counterparty or any groups of counterparties having similar characteristics.

With reference to Note 30, the Company provides financial guarantees to certain banks in respect of facilities granted to its subsidiaries. The date when the Group becomes a committed party to the guarantee is considered to be the date of initial recognition for the purpose of assessing the financial asset for impairment. In determining whether there has been a significant risk of a default occurring on the drawn-down facilities, the Group considered the change in the risk that the specified debtor (i.e. the applicable subsidiaries) will default on the contract. The Company assessed that the credit risk relating to the financial guarantees is insignificant to the Company.

Exposure to credit risk

The maximum exposure to credit risk for financial assets at amortised cost (including contract assets) at the reporting date (by type of customer) was as follows:

	Group		Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Contractors	73	957	–	–
Traders	574	2,092	–	–
Tenants	4	6	–	–
Others	3,018	5,996	10,111	9,555
	3,669	9,051	10,111	9,555

The Group's most significant customers, 4 traders (2022: a trader), accounts for $370,000 (2022: $808,000) of the Group's financial assets at amortised cost carrying amount as at 31 December 2023. Amounts due from subsidiaries account for 100% (2022: 100%) of the Company's financial assets at amortised cost as at 31 December 2023.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Credit risk (Continued)

Trade and other receivables (Continued)

Exposure to credit risk (Continued)

A summary of the Group's and the Company's exposures to credit risk for financial assets at amortised cost (including contract assets) is as follows:

	2023			2022		
	Note (i) $'000	**Category 1 $'000**	**Category 4 $'000**	**Note (i) $'000**	**Category 1 $'000**	**Category 4 $'000**
Group						
Four or more years' trading history with the Group *	176	–	45	667	–	–
Less than four years' trading history with the Group *	444	3,018	30	2,120	6,281	–
Higher risk	31	–	–	–	–	2
Total gross carrying amount	651	3,018	75	2,787	6,281	2
Loss allowance	–	–	(75)	–	(17)	(2)
	651	3,018	–	2,787	6,264	–
Company						
Four or more years' trading history with the Group *	–	48,496	310	–	45,480	295
Less than four years' trading history with the Group *	–	790	–	–	802	–
Total gross carrying amount	–	49,286	310	–	46,282	295
Loss allowance	–	–	(310)	–	–	(295)
	–	49,286	–	–	46,282	–

* Excluding higher risk

As at reporting date, the Company held non-trade receivables from its subsidiaries of $9,672,000 (2022: $9,125,000). These balances are amount provided to subsidiaries to satisfy their short-term operating requirements. The Company has assessed that the credit risks of these unimpaired balances are minimal and amount of allowance on these balances are insignificant.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Credit risk (Continued)

Trade and other receivables (Continued)

Expected credit loss assessment ("ECL")

The Group uses an allowance matrix to measure the ECLs of trade receivables and other receivables.

The allowance matrix is based on actual credit loss experience over the past three years. The ECL computed is purely derived from historical data which management is of the view that the historical conditions are representative of the conditions prevailing at the reporting date. The following table provides information about the exposure to credit risk and ECLs for trade and other receivables (including contract assets) as at 31 December 2023 and 31 December 2022:

	Weighted average loss rate %	Gross carrying amount $'000	Impairment loss allowance $'000	Credit impaired
Group				
31 December 2023				
Not past due	–	3,037	–	No
Past due 0 – 30 days	0.61	313	(12)	Yes
Past due 31 – 120 days	–	253	–	No
Past due 121 – 365 days	48.11	110	(63)	Yes
More than one year	–	31	–	No
		3,744	(75)	
31 December 2022				
Not past due	0.19	7,380	(17)	Yes
Past due 0 – 30 days	–	753	–	No
Past due 31 – 120 days	–	894	–	No
Past due 121 – 365 days	–	41	–	No
More than one year	0.02	2	(2)	Yes
		9,070	(19)	
Company				
31 December 2023				
Not past due	0.63	47,094	(303)	Yes
Past due 0 – 30 days	–	87	–	No
Past due 31 – 120 days	–	41	–	No
Past due 121 – 365 days	–	134	–	No
More than one year	0.01	2,240	(7)	Yes
		49,596	(310)	
31 December 2022				
Not past due	0.61	44,160	(282)	Yes
Past due 0 – 30 days	0.01	128	(1)	Yes
Past due 31 – 120 days	0.04	113	(4)	Yes
Past due 121 – 365 days	0.08	205	(8)	Yes
More than one year	–	1,971	–	No
		46,577	(295)	

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Credit risk (Continued)

The movements in the allowance for impairment in respect of trade and other receivables (including contract assets) during the year were as follows:

Group	**Trade receivables**			**Contract assets**			**Other receivables**	
Internal credit risk grading	**Note (i)**	**Category 4**	**Total**	**Note (i)**	**Category 4**	**Total**	**Category 1**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Impairment losses								
At 1 January 2022	–	2	2	–	113	113	–	–
Reversal of impairment losses	–	–	–	–	(10)	(10)	–	–
Amount written off	–	–	–	–	(86)	(86)	–	–
							–	
At 31 December 2022	–	2	2	–	17	17	–	–
Allowance for impairment losses	–	73	73	–	–	–	–	–
Reversal of impairment losses	–	–	–	–	(17)	(17)	–	–
At 31 December 2023	–	75	75	–	–	–	–	–
Gross carrying amount								
At 31 December 2022	2,787	2	2,789	268	17	285	5,996	5,996
At 31 December 2023	651	75	726	–*	–	–*	3,018	3,018
Net carrying amount								
At 31 December 2022	2,787	–	2,787	268	–	268	5,996	5,996
At 31 December 2023	651	–	651	–*	–	–*	3,018	3,018

* Denotes amount < $1,000

Note (i) For trade receivables, the Group uses the practical expedient under SFRS(I) 9 in the form of an allowance matrix to measure the ECL, where the loss allowance is equal to lifetime ECL.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Credit risk (Continued)

The movements in the allowance for impairment in respect of trade and other receivables (including contract assets) during the year were as follows (Continued):

Company	**Other receivables**		
Internal credit risk grading	**Category 1 $'000**	**Category 4 $'000**	**Total $'000**
Loss allowance			
At 1 January 2022	–	441	441
Reversal of impairment losses	–	(146)	(146)
At 31 December 2022	–	295	295
Allowance for impairment losses	–	15	15
At 31 December 2023	–	310	310
Gross carrying amount			
At 31 December 2022	46,282	295	46,577
At 31 December 2023	49,286	310	49,596
Net carrying amount			
At 31 December 2022	46,282	–	46,282
At 31 December 2023	49,286	–	49,286

The Group and the Company believe that the unimpaired amounts are still collectible in full, based on historic payment behaviour and extensive analyses of customer credit risk, including underlying customers' credit ratings, when available.

Cash and cash equivalents

The Group and the Company held cash and cash equivalents of $15,689,000 and $2,205,000 respectively as at 31 December 2023 (2022: $15,543,000 and $5,549,000 respectively). The cash and cash equivalents are held with bank and financial institution counterparties which are rated P-1 to P-2, based on Moody's ratings.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

The Group uses a similar approach for assessment of ECLs for cash and cash equivalents. The amount of the allowance on cash and cash equivalents is negligible.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Liquidity risk (Continued)

Exposure to liquidity risk

The following are the contractual maturities of financial liabilities. The amounts are gross and undiscounted, and include contractual interest payments and excluding the impact of netting agreements:

Group	Carrying amount $'000	Cash flows: Contractual cash flows $'000	Within 1 year $'000	Within 2 to 5 years $'000	More than 5 years $'000
31 December 2023					
Non-derivative financial liabilities					
Secured bank loans	40,162	(43,733)	(4,689)	(37,285)	(1,759)
Lease liabilities	5,599	(6,883)	(647)	(2,227)	(4,009)
Invoice financing	1,156	(1,156)	(1,156)	–	–
Trade and other payables #	9,382	(9,382)	(9,215)	(167)	–
	56,299	(61,154)	(15,707)	(39,679)	(5,768)
31 December 2022					
Non-derivative financial liabilities					
Secured bank loans	49,650	(55,849)	(5,034)	(48,315)	(2,500)
Bank overdrafts	202	(202)	(202)	–	–
Lease liabilities	6,382	(7,923)	(970)	(2,571)	(4,382)
Invoice financing	1,532	(1,560)	(1,560)	–	–
Trade and other payables #	16,185	(16,185)	(13,468)	(2,717)	–
	73,951	(81,719)	(21,234)	(53,603)	(6,882)

Excludes deferred income

Company	Carrying amount $'000	Cash flows: Contractual cash flows $'000	Within 1 year $'000	Within 2 to 5 years $'000
31 December 2023				
Non-derivative financial liabilities				
Lease liabilities	21	(23)	(11)	(12)
Trade and other payables #	22,192	(22,192)	(22,192)	–
Intra-group financial guarantees	–	(23,475)	(4,351)	(19,124)
	22,213	(45,690)	(26,554)	(19,136)
31 December 2022				
Non-derivative financial liabilities				
Lease liabilities	32	(33)	(11)	(22)
Trade and other payables	20,482	(20,482)	(20,482)	–
Intra-group financial guarantees	–	(31,444)	(5,315)	(26,129)
	20,514	(51,959)	(25,808)	(26,151)

Excludes deferred income

The maturity analysis shows the contractual undiscounted cash flows of the Group and the Company's financial liabilities on the basis of their earliest possible contractual maturity. Except for the cash flow arising from the intra-group financial guarantee, it is not expected that the cash flows included in the above analysis based on contractual maturity could occur significantly earlier or at significantly different amounts.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Market risks

Market risks are the risks that changes in market prices, such as interest rates and foreign exchange rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

The Group's exposure to changes in interest rates relates primarily to its interest-earning financial assets and interest-bearing financial liabilities. Interest rate risk is managed by the Group on an on-going basis with the primary objective of limiting the extent to which net interest expense could be affected by an adverse movement in interest rates.

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments, as reported to the management, was as follows:

	Group Nominal amount		Company Nominal amount	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Fixed rate instruments				
Financial assets	12,994	15,525	8,455	11,045
Financial liabilities	(6,705)	(8,059)	(16,724)	(14,453)
	6,289	7,466	(8,269)	(3,408)
Variable rate instruments				
Financial liabilities	(40,212)	(49,707)	(556)	(1,336)

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Market risks (Continued)

Interest rate risk (Continued)

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased/ (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2022.

	Profit or loss	
	100 bp increase $'000	**100 bp decrease $'000**
Group		
2023		
Variable interest rate loans	(402)	402
2022		
Variable interest rate loans	(497)	497
Company		
2023		
Variable interest rate loans	(6)	6
2022		
Variable interest rate loans	(13)	13

Foreign currency risk

The Group is exposed to transactional foreign currency risk on sales, purchases, expenses and borrowings, including inter-company sales, purchases and inter-company balances that are denominated in a currency other than the respective functional currencies of Group entities. The currencies in which these transactions primarily are denominated are Singapore dollar ("SGD"), United States dollar ("USD") and Malaysia Ringgit ("MYR").

The Group's exposure to foreign currency risk is closely monitored by management on an on-going basis. The Company's exposure to foreign currency risk is not significant.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Market risks (Continued)

Foreign currency risk (Continued)

The Group's exposure to foreign currencies in Singapore dollar equivalent are as follows:

	SGD $'000	USD $'000	MYR $'000
Group			
31 December 2023			
Trade and other receivables	997	275	1
Cash and cash equivalents	2,526	184	–
Loans and borrowings	(149)	–	–
Trade and other payables	(1,645)	(6,973)	(67)
Net statement of financial position exposure	1,729	(6,514)	(66)
31 December 2022			
Trade and other receivables	2,096	637	1
Cash and cash equivalents	784	1,632	–
Loans and borrowings	(285)	–	–
Trade and other payables	(895)	(571)	(67)
Net statement of financial position exposure	1,700	1,698	(66)

Sensitivity analysis

A 10% strengthening of the Singapore dollar, as indicated below, against USD and MYR as at 31 December would have increased/(decreased) profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecasted sales and purchases. The analysis is performed on the same basis for 2022.

Group	Profit before taxation $'000
31 December 2023	
SGD	173
USD	(651)
MYR	(7)
31 December 2022	
SGD	170
USD	170
MYR	(7)

A 10% weakening of Singapore dollar against the above currencies would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

34. FAIR VALUE OF ASSETS AND LIABILITIES

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 freehold 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 specialised publications and government database from the related markets and comparable transactions, adjusted for using certain unobservable inputs.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

34. FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

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:

(a) Level 1 - the fair values of assets and liabilities with standard terms and conditions and which trade in active markets that the Group can access at the measurement date are determined with reference to quoted market prices (unadjusted).

(b) Level 2 - in the absence of quoted market prices, the fair values of the assets and liabilities are determined using the other observable, either directly or indirectly, inputs such as quoted prices for similar assets/liabilities in active markets or included within Level 1, quoted prices for identical or similar assets/liabilities in non-active markets.

(c) Level 3 - in the absence of quoted market prices included within Level 1 and observable inputs included within Level 2, the fair values of the remaining assets and liabilities are determined in accordance with generally accepted pricing models.

Fair value measurements that use inputs of different hierarchy levels are 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.

The table below analyses the Group's assets that are measured at fair value on a recurring or non-recurring basis in the statement of financial position after initial recognition.

Group	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
31 December 2023				
Investment properties	–	–	59,066	59,066
Precious metal measured at fair value	898	–	–	898
31 December 2022				
Investment properties	–	–	62,155	62,155
Precious metal measured at fair value	1,151	–	–	1,151

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

34. FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

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.

Group	Investment properties $'000
Balance at 1 January 2022	59,702
Fair value gain	6,008
Gain on disposal	844
Disposals of strata units	(4,399)
Balance at 31 December 2022	62,155
Balance at 1 January 2023	62,155
Fair value gain	4,428
Gain on disposal	963
Disposals of strata units	(8,480)
Balance at 31 December 2023	59,066

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.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

34. FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

Accounting classifications and fair values

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

		Carrying amount			Fair value			
Group	Note	Amortised cost $'000	Other financial liabilities $'000	Total $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
31 December 2023								
Financial assets not measured at fair value								
Cash and cash equivalents	20	15,689	–	15,689				
Trade and other receivables *	19	3,669	–	3,669				
		19,358	–	19,358				
Financial liabilities not measured at fair value								
Loans and borrowings	24	–	(46,917)	(46,917)	–	(48,207)	–	(48,207)
Trade and other payables #	26	–	(9,382)	(9,382)				
		–	(56,299)	(56,299)				
31 December 2022								
Financial assets not measured at fair value								
Cash and cash equivalents	20	15,543	–	15,543				
Trade and other receivables *	19	9,051	–	9,051				
		24,594	–	24,594				
Financial liabilities not measured at fair value								
Bank overdrafts	20	–	(202)	(202)				
Loans and borrowings	24	–	(57,564)	(57,564)	–	(59,105)	–	(59,105)
Trade and other payables #	26	–	(16,185)	(16,185)				
		–	(73,951)	(73,951)				

* Excludes prepayments.
\# Excludes deferred income

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

34. FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

Accounting classifications and fair values (Continued)

Company	Note	Carrying amount: Amortised cost $'000	Carrying amount: Other financial liabilities $'000	Carrying amount: Total $'000	Fair value: Level 1 $'000	Fair value: Level 2 $'000	Fair value: Level 3 $'000	Fair value: Total $'000
31 December 2023								
Financial assets not measured at fair value								
Cash and cash equivalents	20	2,205	–	2,205				
Trade and other receivables *	19	10,111	–	10,111				
		12,316	–	12,316				
Financial liabilities not measured at fair value								
Loans and borrowings	24	–	(21)	(21)	–	(21)	–	(21)
Trade and other payables #	26	–	(22,192)	(22,192)				
		–	(22,213)	(22,213)				
31 December 2022								
Financial assets not measured at fair value								
Cash and cash equivalents	20	5,549	–	5,549				
Trade and other receivables *	19	9,555	–	9,555				
		15,104	–	15,104				
Financial liabilities not measured at fair value								
Loans and borrowings	24	–	(32)	(32)	–	(33)	–	(33)
Trade and other payables #	26	–	(20,482)	(20,482)				
		–	(20,514)	(20,514)				

* Excludes prepayments.
\# Excludes deferred income

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

35. CAPITAL MANAGEMENT POLICIES AND OBJECTIVE

The Group's capital management objective is focused on ensuring its ability to continue as a going concern in order to provide an adequate return to shareholders and economic benefits for stakeholders. The capital managed is defined as the shareholders' equity of the Group and the Company.

The Board of Directors monitors its operating results and net assets. The Group manages its capital structure and makes adjustments to it in consideration of many factors including (a) the changes in economic conditions, (b) the availability of comparatively advantageous financing strategies, (c) the cost of financing and (d) the impact of changes in the Group's liquidity and funding needs pertaining to the Group's business activities.

In order to adjust or maintain the capital structure, the Group may consider issuing debt of either on fixed or floating nature, arrange or restructure committed debt facilities, issue new shares or adjust dividend payments. There were no changes in the Group's approach to capital management during the year.

36. EVENT SUBSEQUENT TO THE REPORTING DATE

On 3 February 2024, PGSB subscribed for additional 2,439,444 redeemable convertible preference shares in PCSB at an issue price of MYR1 each for a cash consideration of MYR2,439,000 (equivalent to $697,000).

On 15 March 2024, the Company acquired additional 1.37% shareholding in the 80.25% owned subsidiary, HLS Environmental Pte. Ltd. for a cash consideration of $600,000. Thereafter, the effective equity interest held by the Company increases from 80.25% to 81.62%.

STATISTICS OF SHAREHOLDINGS

As At 15 March 2024

Issued and Fully Paid-Up Capital	:	S$127,127,144
Number of Share Issued	:	1,541,164,260
Class of Shares	:	Ordinary Shares
Voting Rights	:	1 vote per ordinary share

The Company has no treasury shares and *subsidiary holdings as at 15 March 2024.

* Subsidiary holdings-Defined in the SGX-ST Listing Manual to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act 1967.

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	Shareholders	%	No. of Shares	%
1 – 99	99	5.00	2,654	0.00
100 – 1,000	96	4.85	66,775	0.01
1,001 – 10,000	454	22.94	2,812,264	0.18
10,001 – 1,000,000	1,238	62.56	168,169,471	10.91
1,000,001 AND ABOVE	92	4.65	1,370,113,096	88.90
Total	**1,979**	**100.00**	**1,541,164,260**	**100.00**

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	RAYMOND NG AH HUA	437,220,782	28.37
2	MAYBANK SECURITIES PTE. LTD.	190,299,896	12.35
3	CITIBANK NOMINEES SINGAPORE PTE LTD	131,149,320	8.51
4	SEOW BAO SHUEN	82,838,025	5.38
5	CHEW GHIM BOK	58,605,433	3.80
6	PANG KIM WEE	52,382,616	3.40
7	SU MING TONG	51,841,076	3.36
8	YEOW CHING SHOONG	35,000,000	2.27
9	PHILLIP SECURITIES PTE LTD	29,086,199	1.89
10	NG CHUEN GUAN (HUANG JUNYUAN)	20,000,049	1.30
11	ONG MENG TEE	18,477,866	1.20
12	DBS NOMINEES (PRIVATE) LIMITED	13,188,225	0.86
13	TAN TAI KIM	11,267,200	0.73
14	SIM JOO BENG	10,470,100	0.68
15	LEE CHING KANG	9,118,700	0.59
16	CHUANG TZE MON (ZHUANG ZIMENG)	9,105,700	0.59
17	HUANG YUZHU	8,900,000	0.58
18	ONG HONG WOON (WANG FENGYUN)	8,317,500	0.54
19	ONG CHEE KANG	8,195,625	0.53
20	LOW HWEE THENG	7,987,000	0.52
	TOTAL	**1,193,451,312**	**77.45**

STATISTICS OF SHAREHOLDINGS

As At 15 March 2024

SUBSTANTIAL SHAREHOLDERS AS AT 15 MARCH 2024

(As shown in the Company's Register of Substantial Shareholders)

Name	No. of shares registered in the name of the substantial shareholers	No. of shares held by the substantial shareholders in the name of nominees	No. of shares in which substantial shareholders are deemed to be interested	Total No. of Shares	Percentage of Issued Shares
Raymond Ng Ah Hua	437,220,782	–	5,480,000 [1]	442,700,782	28.73%
Seow Bao Shuen	82,838,025	65,000,000 [2]	–	147,838,025	9.59%
Law Siau Woei	–	233,199,600 [3]	–	233,199,600	15.13%

Notes:

1 This represents Mr Raymond Ng Ah Hua's deemed interest held through his spouse.

2 This represents Ms Seow Bao Shuen's direct interest of 65,000,000 shares held in the name of Citibank Nominees Singapore Pte Ltd.

3 This represents Mr Law Siau Woei's direct interest of 53,199,600 shares held in the name of Citibank Nominees Singapore Pte Ltd and 180,000,000 shares held in the name of Maybank Securities Pte Ltd.

SHAREHOLDINGS HELD BY THE PUBLIC

Based on the information provided to the Company as at 15 March 2024, approximately 45.62% of the total number of issued shares of the Company is held by the public. Accordingly, the Company has compiled with Rule 723 of the SGX-ST Listing Manual.

NOTICE OF 26TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 26th Annual General Meeting of the Enviro-Hub Holdings Ltd (the "Company") will be held at 3 Gul Crescent, Singapore 629519 on Friday, 26 April 2024 at 10.30 a.m. to transact the following business:-

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2023, Directors' Statement and Report of the Auditors thereon. **(Resolution 1)**

2. To re-elect Dr Teo Ho Pin who retires by rotation in accordance with Regulation 107 of the Company's Constitution and who, being eligible, offers himself for re-election as a Director of the Company **(Resolution 2)**

   Dr Teo Ho Pin will, upon re-election as a Director of the Company, remain as a member of the Audit Committee and will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.

   [See Explanatory Note (A)]

3. To re-elect Mr Lau Chin Huat who retires in accordance with Regulation 112 of the Company's Constitution and who, being eligible, offers himself for re-election as a Director of the Company. **(Resolution 3)**

   Mr Lau Chin Huat will, upon re-election as a Director of the Company, remain as the Chairman of the Audit Committee and will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.

   [See Explanatory Note (A)]

4. To re-elect Ms Judy Ang Siew Geok who retires in accordance with Regulation 112 of the Company's Constitution and who, being eligible, offers herself for re-election as a Director of the Company **(Resolution 4)**

   Ms Judy Ang Siew Geok will, upon re-election as a Director of the Company, remain as a member of the Audit Committee and will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

   [See Explanatory Note (A)]

5. To re-appoint Messrs Mazars LLP as auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 5)**

6. To approve the payment of additional Directors' fees of S$27,600 for the financial year ended 31 December 2023. **(Resolution 6)**

   [See Explanatory Note (B)]

7. To approve the payment of Directors' fees of S$148,000 for the financial year ending 31 December 2024, payable quarterly in arrears. (2023: S$176,000) **(Resolution 7)**

   [See Explanatory Note (C)]

8. To transact any other ordinary business that may properly be transacted at an Annual General Meeting.

NOTICE OF 26TH ANNUAL GENERAL MEETING

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

9. **Authority to allot and Issue shares pursuant to the Share Issue Mandate**

"That pursuant to Section 161 of the Companies Act, the Listing Rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the Company's Constitution, authority be and is hereby given to the Directors of the Company to:-

(A) (i) issue shares of the Company ("**Shares**") whether by way of rights, bonus or otherwise, and/or

(ii) make or grant offers, agreements or options (collectively "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

(B) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors of the Company while this Resolution was in force,

provided that:

(a) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company (as calculated in accordance with sub-paragraph (b) below), of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company (as calculated in accordance with sub-paragraph (b) below);

(b) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (a) above, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company at the time this Resolution is passed, after adjusting for:

(i) new shares arising from the conversion or exercise of any convertible securities which were issued and are outstanding or subsisting at the time this Resolution is passed;

(ii) new shares arising from exercising share options or vesting of share awards which were issued and are outstanding or subsisting at the time this Resolution is passed, provided the options or awards were granted in compliance with the provisions of the Listing Manual of the SGX-ST; and

(iii) any subsequent bonus issue, consolidation or subdivision of shares,

and, in sub-paragraph (a) above and this sub-paragraph (b), "subsidiary holdings" has the meaning given to it in the Listing Manual of the SGX-ST;

NOTICE OF 26TH ANNUAL GENERAL MEETING

(c) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and

(d) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier" **(Resolution 8)**

10. **Proposed Renewal of the Shareholders' General Mandate for Interested Person Transactions**

That:

(a) approval be and is hereby given for the renewal of the general mandate for the purpose of Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), for the Company and its subsidiaries, and their associated companies, or any of them, to enter into any of the transactions falling within the types of "interested person transactions", particulars of which are set out in the Company's circular to shareholders dated 11 April 2024 ("**Circular**"), with any party who is of the class or classes of "interested persons" described in the Circular, provided that such transactions are made on normal commercial terms and in accordance with the guidelines and procedures for review and administration of "interested person transactions" as described in the Circular and will not be prejudicial to the interests of the Company and its minority shareholders; and

(b) the approval given in paragraph (a) above ("**IPT Mandate**") shall, unless revoked or varied by the Company in a general meeting of the Company, continue in force until the date on which the next annual general meeting of the Company is held or is required by law to be held, whichever is the earlier; and

(c) the audit committee of the Company be and is hereby authorised to take such action as it deems proper in respect of procedures and/or to modify or implement such procedures as may be necessary for the IPT Mandate to take into consideration any amendment to Chapter 9 of the SGX-ST Listing Manual which may be prescribed by the SGX-ST from time to time, and such other applicable laws and rules; and

(d) the Directors and any of them be and are hereby authorised and empowered to approve and complete and do all such acts and things (including to approve, modify, ratify, sign, seal, execute and deliver all such documents as may be required) as he or they may consider expedient, desirable or necessary or in the interests of the Company to give effect to the IPT Mandate and this resolution and the transactions contemplated and/or authorised by the IPT Mandate and this resolution. **(Resolution 9)**

NOTICE OF 26TH ANNUAL GENERAL MEETING

11. **Proposed Renewal of the Shares Purchase Mandate**

That:

(a) pursuant to Article 52(2) and for the purposes of the Companies Act 1967, the Directors of the Company be and are hereby authorised generally and unconditionally to make purchases of ordinary shares in the share capital of the Company ("Shares") from time to time (whether by way of market purchases or off-market purchases on an equal access scheme) of up to ten per cent. (10%) of the issued Shares (ascertained as at the date of the passing of this resolution, but excluding any Shares held as treasury Shares or subsidiary holdings) at the price of up to but not exceeding the Maximum Price (as defined below), in accordance with the guidelines described in the Circular, including the "Guidelines on Shares Purchases" set out in Appendix I of the Circular, and otherwise in accordance with all other laws and regulations, and the rules of the SGX-ST ("Shares Purchase Mandate"); and

(b) the Shares Purchase Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the earlier of:-

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; or

(iii) the date on which the purchases or acquisitions of Shares pursuant to the Shares Purchase Mandate are carried out to the full extent mandated; and

(c) in this Ordinary Resolution, "**Maximum Price**" means:

(i) in the case of a market purchase of Shares on the SGX-ST transacted through the SGX-ST's trading system or on another stock exchange on which the Company's equity securities are listed, one hundred and five per cent. (105%) of the Average Closing Price; and

(ii) in the case of an off-market purchase pursuant to an equal access scheme in accordance with Section 76C of the Companies Act 1967, one hundred and twenty per cent. (120%) of the Average Closing Price,

in either case, excluding related expenses of the Shares purchase.

For the above purposes:

"**Average Closing Price**" means the average of the closing market prices of a Share over the last five (5) market days on which transactions in the Shares were recorded preceding the day of the market purchase (which is deemed to be adjusted for any corporate action that occurs during the relevant 5-day period and the day on which the purchases are made);

(d) the Directors of the Company and any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they or he may consider necessary, expedient, incidental or in the interests of the Company to give effect to the Shares Purchase Mandate and this resolution, and the transactions contemplated and/or authorised by the Shares Purchase Mandate and this resolution. **(Resolution 10)**

NOTICE OF 26TH ANNUAL GENERAL MEETING

12. **Authority to Offer and Grant Awards and to Allot and Issue Shares under the Enviro-Hub Share Award Scheme 2022**

That pursuant to Section 161 of the Companies Act, the Directors of the Company be and are hereby authorized to offer and grant awards ("**Awards**") in accordance with the provisions of the "Enviro-Hub Share Award Scheme 2022" ("**2022 Scheme**") and (notwithstanding the authority conferred by this resolution may have ceased to be in force) to allot and issue from time to time such number of fully-paid new ordinary shares in the capital of the Company ("**Shares**") as may be required to be issued pursuant to the vesting of the Awards under the 2022 Scheme provided always that the aggregate number of Shares (comprising new Shares and/or treasury Shares) to be delivered pursuant to the 2022 Scheme, when added to the number of new Shares issued and issuable and the number of treasury Shares delivered in respect of all other share schemes or share plans of the Company (if any), shall not exceed fifteen per cent. (15%) of the total issued share capital of the Company (excluding treasury Shares and subsidiary holdings) from time to time, and provided also that, subject to such adjustments as may be made to the 2022 Scheme as a result of any variation in the capital structure of the Company, and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier. **(Resolution 11)**

By Order of the Board

Joanna Lim Lan Sim
Company Secretary
11 April 2024

NOTICE OF 26TH ANNUAL GENERAL MEETING

Explanatory Notes

(A) Resolutions 2 to 4

In relation to the Ordinary Resolutions 2 to 4 proposed in items 2 to 4 above, the detailed information on Dr Teo Ho Pin, Mr Lau Chin Huat and Ms Judy Ang Siew Geok are set out in the section entitled "Board of Directors", Table 3 in the Corporate Governance Report and "Additional Information on Directors Seeking Re-election" of the Company's 2023 Annual Report.

(B) Resolution 6

In relation to Resolution 6 proposed in item 6 above, the Board of Directors proposes the payment of additional directors' fees of S$27,600/- to the independent non-executive directors for financial year ended 31 December 2023 (to make up for the shortfall due to the renewal of the Board) and the directors' fee of S$176,000/- was approved at the previous AGM on 27 April 2023.

(C) Resolution 7

In relation to Resolution 7 proposed in item 7 above, the Board of Directors proposes the payment of directors' fees to all Independent Non-Executive Directors be approved by shareholders in advance at the Annual General Meeting. Upon approval, the directors' fees would then be paid in arrears on a quarterly basis by the Company.

Statement pursuant to Regulation 61(3) of the Company's Constitution

The effect of the resolutions under the heading "Special Business" in the Notice of the Annual General Meeting is:-

1. The **Ordinary Resolution 8** proposed in item 9 above, if passed, will empower the Directors of the Company (unless varied or revoked by the Company in general meeting) from the date of this Annual General Meeting until the date of the next Annual General Meeting, or the date by which the next Annual General Meeting is required by law to be held, whichever is the earlier, to issue shares and to make or grant instruments (such as warrants or debentures) convertible into shares and issue shares in pursuance of such instruments. The number of shares (including shares to be issued in pursuance of instruments made or granted) that the Directors of the Company may issue under Resolution 8 shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company at the time of the passing of Resolution 8, of which up to twenty per centum (20%) may be issued other than on a pro rata basis to the shareholders. The aggregate number of shares which may be issued shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company at the time that Resolution 8 is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time that Resolution 8 is passed, and (b) any subsequent bonus issue or consolidation or subdivision of shares. As at 15 March 2024 (the "Latest Practicable Date"), the Company had no treasury shares and subsidiary holdings.

2. The **Ordinary Resolution 9** proposed in item 10 above, if passed, will authorise the types of "interested person transactions" as described in the Company's circular to shareholders dated 11 April 2024 and recurring in the year and will empower the Directors of the Company to do all acts necessary to give effect to the IPT Mandate (as defined in Resolution 9 above). This authority will, unless revoked or varied by the Company at a general meeting, expire on the date on which the next annual general meeting of the Company is held or is required by law to be held, whichever is earlier. Details of the IPT Mandate are set out in the Company's circular to shareholders dated 11 April 2024.

NOTICE OF 26TH ANNUAL GENERAL MEETING

3. The **Ordinary Resolution 10** proposed in item 11 above, if passed, will authorise the Directors of the Company to make on-market and off-market purchases or acquisitions of ordinary shares in the share capital of the Company ("**Shares**") of up to 10 per cent. (10%) of the issued shares (excluding treasury Shares and subsidiary holdings) (ascertained as at the date of the passing of Resolution 10 above) at such price(s) up to the Maximum Price (as defined in Resolution 10 above) and will empower the Directors of the Company to do all acts necessary to give effect to the Share Purchase Mandate (as defined in **Resolution 10** above). This authority will, unless revoked or varied by the Company at a general meeting, expire on the date on which the next annual general meeting of the Company is held, or the day by which the next annual general meeting of the Company is required by law to be held, or the date on which the purchases or acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated, whichever is the earlier. Detailed information on the Shares Purchase Mandate, including the sources of funds to be used for the purchase or acquisition, the amount of financing (if any) and the illustrative financial impact on the Company's financial position, is set out in the Company's circular to shareholders dated 11 April 2024.

4. The **Ordinary Resolution 11** proposed in item 12 above, if passed, will authorise the Directors of the Company to offer and grant awards and to allot and issue new ordinary shares in the capital of the Company ("**Shares**") pursuant to the "Enviro-Hub Share Award Scheme 2022" ("**2022 Scheme**"), the details of the 2022 Scheme and a summary of the rules of which are set out in the Company's circular to shareholders dated 6 April 2022 (which was approved at the Extraordinary General Meeting of the Company held on 28 April 2022), provided always that the aggregate number of Shares (comprising new Shares and/or treasury Shares) to be delivered pursuant to the 2022 Scheme, when added to the number of new Shares issued and issuable and the number of treasury Shares delivered in respect of all other share schemes or share plans of the Company (if any), shall not exceed fifteen per cent. (15%) of the total issued share capital of the Company (excluding treasury Shares and subsidiary holdings) from time to time. This authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.

Important Notes:

Physical Meeting

(1) The Annual General Meeting of the Company (the "AGM") will be held physically with no option for shareholders to participate virtually.

(2) Printed copies of this Notice of AGM, Proxy Form and the Request Form (to request for printed copy of the Annual Report 2023) have been despatched to Shareholders and are also available on SGXNet at the URL https://www.sgx.com/securities/company-announcements and the Company's website at the URL https://www.enviro-hub.com/investor-relation/newsrooms/. The Annual Report 2023 and Circular to Shareholders have been published and is available for download for online viewing by the Shareholders on SGXNet at the URL https://www.sgx.com/securities/company-announcements and the Company's website at the URL https://www.enviro-hub.com/investor-relation/newsrooms/. Printed copies of the Annual Report 2023 will not be sent to the Shareholders unless requested by the Shareholders via the submission of the Request Form. Shareholders who wish to receive a printed copy of the Annual Report 2023 are required to complete the Request Form and return it to the Company by 18 April 2024 by post to the Company's Registered Office address at 3 Gul Crescent, Singapore 629519; or electronically via email to info@enviro-hub.com.

(3) Please bring along your NRIC/passport so as to enable the Company to verify your identity. Shareholders are requested to arrive early to facilitate the registration process and are advised not to attend the AGM if they are feeling unwell.

NOTICE OF 26TH ANNUAL GENERAL MEETING

(4) Shareholders (including investors under the Central Provident Fund and the Supplementary Retirement Scheme ("**CPF and SRS Investors**")) may participate in the AGM by:

(a) attending the AGM in person;

(b) raising questions at the AGM or submitting questions in advance of the AGM; and/or

(c) voting at the AGM

(i) themselves personally; or

(ii) through their duly appointed proxy(ies).

(5) Investors who hold shares through relevant intermediaries as defined in Section 181 of the Companies Act, including CPF and SRS Investors, who wish to participate in the AGM should approach their respective agents at least (7) seven working days before the AGM, so that the necessary arrangements can be made by the relevant agents for their participating in the AGM.

Voting

1. A member of the Company who is not a relevant intermediary is entitled to appoint not more than (2) two proxies to attend, speak and vote on his/her behalf at the meeting. Where such member appoints more than (1) one proxy, the proportion of his shareholding concerned to be represented by each proxy shall be specified in the form of proxy. A proxy need not be a Member of the Company.

2. A member of the Company who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two proxies, the number of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "Relevant Intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.

3. A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory.

4. If a member wishes to appoint the Chairman of the Meeting as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the Meeting as proxy. If no specific direction as to voting or abstentions from voting in respect of a resolution in the form of proxy, the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

5. The instrument appointing a proxy or proxies, duly completed and signed, must be submitted to the Company in the following manner:

   (a) by email to info@enviro-hub.com; or

   (b) by depositing a hard copy by post at the registered office of the Company at 3 Gul Crescent, Singapore 629519,

   in either case, by no later than 10.30 a.m. on 23 April 2024 (being not less than seventy-two (72) hours before the time appointed for holding the AGM or at any adjournment thereof) and in default the proxy form for the AGM shall not be treated as valid.

NOTICE OF 26TH ANNUAL GENERAL MEETING

6. A member who wishes to submit a proxy form must complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

7. Investors who hold shares through relevant intermediaries as defined in Section 18 of the Companies Act, including CPF and SRS investors, who wish to appoint a proxy or proxies (including the Chairman), should approach their respective agents to submit their votes at least seven (7) working days before the AGM in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to vote on their behalf by 5.00 p.m. on 17 April 2024.

8. The instrument appointing a proxy or proxies must be under the hand of the appointor or by his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

9. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM in accordance with Section 179 of the Companies Act 1967.

Submission of Questions in Advance

(1) Members may also submit questions relating to the resolutions to be tabled for approval at the AGM in advance of the AGM.

(2) All questions must be submitted by no later than 10.30 a.m. on 18 April 2024 through any of the following means:

(a) by email to info@enviro-hub.com; or

(b) by depositing a hard copy by post at the registered office of the Company at 3 Gul Crescent, Singapore 629519 and provide the following particulars, for verification purpose:

- full name as it appears on his/her/its CDP and/or SRS share records;
- NRIC/Passport/UEN number;
- contact number and email address; and
- the manner in which you hold in the Company (e.g. via CDP and/or SRS).

Please note that the Company will not be able to answer questions from persons who provide insufficient details to enable the Company to verify his/her/its shareholder status.

Alternatively, Shareholders may also ask questions during the AGM

(3) The Company will endeavour to address all substantial and relevant questions received from shareholders by 21 April 2024, 10.30 a.m., being not less than forty-eight (48) hours before the closing date and time for the lodgment of the proxy form, via SGX-ST's website and the Company's corporate website. The Company will also address any subsequent clarifications sought or follow-up questions during the AGM in respect of substantial and relevant matters. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions will be individually addressed. The responses from the Board and the management of the Company shall thereafter be published on the SGX-ST's website at the URL https://www.sgx.com/securities/company-announcements. The minutes of the AGM will be published within one (1) month after the conclusion of the AGM. The minutes will include the responses to substantial and relevant questions received from shareholders which are addressed during the AGM.

NOTICE OF 26TH ANNUAL GENERAL MEETING

PERSONAL DATA PRIVACY.

By (a) submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, or (b) submitting any question prior to the AGM of the Company in accordance with this Notice, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, (iii) addressing substantial and relevant questions from members received before the AGM and if necessary, following up with the relevant members in relation to such questions, (iv) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities, and (iv) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Dr Teo Ho Pin, Ms Judy Ang Siew Geok and Mr Lau Chin Huat are the Directors seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on Friday, 26 April 2024 (“**AGM**”) (collectively, the “**Retiring Directors**” and each a “**Retiring Director**”).

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the following is the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST:

	MS JUDY ANG SIEW GEOK	**MR LAU CHIN HUAT**	**DR TEO HO PIN**
Date of Initial Appointment	17 July 2023	09 October 2023	08 March 2022
Date of last re-appointment	N.A.	N.A.	28 April 2022
Age	60	64	64
Country of principal residence	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered the recommendation of the Nominating Committee and has reviewed and considered the qualification, work experiences, contribution and performance, attendance, preparedness, participation and suitability of Ms Judy Ang Siew Geok for re-election as Independent Non-Executive Director of the Company. The Board has reviewed and concluded that Ms Judy Ang Siew Geok possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered the recommendation of the Nominating Committee and has reviewed and considered the qualification, work experiences, contribution and performance, attendance, preparedness, participation and suitability of Mr Lau Chin Huat for re-election as Independent Non-Executive Director of the Company. The Board has reviewed and concluded that Mr Lau Chin Huat possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered the recommendation of the Nominating Committee and has reviewed and considered the qualification, work experiences, contribution and performance, attendance, preparedness, participation and suitability of Dr Teo Ho Pin for re-election as Independent Non-Executive Director of the Company. The Board has reviewed and concluded that Dr Teo Ho Pin possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	• Independent Director • Chairman of the Remuneration Committee • Member of Audit and Nominating Committees	• Independent Director • Chairman of the Audit Committee • Member of the Nominating and Remuneration Committees	• Lead Independent Director • Chairman of the Nominating Committee • Members of the Audit and Remuneration Committees
Professional qualifications	Please refer to Board of Directors' section for details.	Please refer to Board of Directors' section for details.	Please refer to Board of Directors' section for details.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MS JUDY ANG SIEW GEOK	MR LAU CHIN HUAT	DR TEO HO PIN
Working experience and occupation(s) during the past 10 years	2023 – Present: Independent Director Enviro-Hub Holdings Ltd 2022 – Present: Independent Consultant 2020 – 2022: Corporate Consultant Swire Shipping Pte Ltd 2018 – 2020: Finance Director Bengal Tiger Line Pte Ltd 2016 – 2018: Director Group Accounting & Reporting DSM Sinochem Pharmaceuticals Pte Ltd 2016: Corporate Consultant Apparel Manufacturer in Cambodia 2015: Executive Director Enviro-Hub Holding Ltd 2009 – 2015: Financial Controller The China Navigation Co. Pte Ltd	1986 - Present: Founder / Executive Public Accountant Lau Chin Huat & Co 2023 – Present: Independent Director Enviro-Hub Holdings Ltd 2021 – Present: Independent Non-Executive Chairman Kimly Limited 2023 – Present: Independent Director Willas-Array Electronics (Holdings) Limited 2019 – 2021: Independent Director Kimly Limited 1995 – Present: Director Technic Inter-Asia Pte Ltd 2003 – Present: Director Adagio International Pte Ltd 2004 – Present: Director Altigen Communications Pte Ltd 2006 – Present: Director Enterprise Showroom Pte Ltd 2006 – Present: Director Enterprise 1 Pte Ltd 2007 – Present: Director Bedok Lake Pte Ltd 2007 – Present: Director Northstar One Pte Ltd 2008 – Present: Director North Face Pte Ltd 2009 – Present: Director One Commonwealth Pte Ltd	2023 – Present: Lead Independent, Director Enviro-Hub Holdings Ltd 2023 – Present: Non-Executive Chairman Tiong Seng Holdings Limited 2021 – Present: Independent Director Broadway Industrial Group Limited 2021 – Present: Independent Director ISOTeam Ltd 2021 – Present: Independent Director, King Wan Corporation Limited 2022 – 2023: Independent Director Enviro-Hub Holdings Ltd 2020 – 2023: Independent Director Tiong Seng Holdings Limited 2020 – Present: Senior Advisor, Surbana Jurong Private Limited (Managed Services Division) 2020 – Present: Visiting Professor Singapore University of Technology and Design 2022 – Present: Adjunct Professor Singapore University of Social Science 2017 – Present: Adjunct Professor Department of Built Environment, National University of Singapore 1999 – Present: President, Building and Estate Management Alumni, National University of Singapore

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MS JUDY ANG SIEW GEOK	MR LAU CHIN HUAT	DR TEO HO PIN
			2022 – Present: Senior Adviser, Singapore Environment Council 2004 – 2022: Vice Chairman/Director Singapore Environment Council 2023 – Present: Chairman Traditional Chinese Medicine Practitioners Board 2021 – Present: Senior Advisor, Global Training Services Pte Ltd 2021 – Present: Special Advisor Blue Martin Marine Pte Ltd 2020 – Present: Senior Advisor MR Technology Pte Ltd 2020 – Present: Senior Advisor Hai Leck Holdings Limited 2021 – 2022: Director Haru Imports International Pte Ltd 2021 – 2022: Director Resilient Crisis Management Solutions Pte Ltd 2014 – 2015: Chairman Mayor's Committee 2011 – 2015: Deputy Government Whip 2006 – 2020: Co-ordinating Chairman PAP Town Councils 2001 – 2020: Chairman, Holland-Bukit Panjang Town Council 2001 – 2020: Mayor of North West District of Singapore 1996 – 2020: Member of Parliament for Bukit Panjang Constituency

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MS JUDY ANG SIEW GEOK	MR LAU CHIN HUAT	DR TEO HO PIN
Shareholding interest in the listed issuer and its subsidiaries	NIL	NIL	NIL
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No	No
Conflict of Interest (including any competing business)	No	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes
Other Principal Commitments* Including Directorships# Past (for the last 5 years)	Please refer to the section on "Working experience and occupation(s) during the past 10 years" above.	Please refer to the section on "Working experience and occupation(s) during the past 10 years" above.	Please refer to the section on "Working experience and occupation(s) during the past 10 years" above.
Present	**Present Directorship** • Enviro-Hub Holdings Ltd	**Present Directorships** • Enviro-Hub Holdings Ltd • Lau Chin Huat & Co • Kimly Ltd • Willas-Array Electronics (Holdings) Limited • Technic Inter-Asia Pte Ltd • Adagio International Pte Ltd • Altigen Communications Pte Ltd • Enterprise Showroom Pte Ltd • Enterprise 1 Pte Ltd • Bedok Lake Pte Ltd • Northstar One Pte Ltd • North Face Pte Ltd • One Commonwealth Pte Ltd	**Present Directorships** • Enviro-Hub Holdings Ltd • ISOTeam Ltd • Tiong Seng Holdings Limited • King Wan Corporation Limited • Broadway Industrial Group Limited

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MS JUDY ANG SIEW GEOK	MR LAU CHIN HUAT	DR TEO HO PIN
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.			
a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No
b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
c) Whether there is any unsatisfied judgment against him?	No	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MS JUDY ANG SIEW GEOK	MR LAU CHIN HUAT	DR TEO HO PIN
d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No
e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MS JUDY ANG SIEW GEOK	MR LAU CHIN HUAT	DR TEO HO PIN
g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No
j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–	No	No	No
i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MS JUDY ANG SIEW GEOK	MR LAU CHIN HUAT	DR TEO HO PIN
ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No
iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No
iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No
k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MS JUDY ANG SIEW GEOK	MR LAU CHIN HUAT	DR TEO HO PIN
Disclosure applicable to the appointment of Director only			
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Not Applicable	Not Applicable	Not Applicable

ENVIRO-HUB HOLDINGS LTD
Company Registration Number: 199802709E
(Incorporated in the Republic of Singapore)

IMPORTANT:
1. Printed copies of this proxy form will be sent to shareholders of the Company via post. This proxy form has also been made available on the SGXNET at https://www.sgx.com/securities/company-announcements.
2. Relevant intermediaries (as defined in Section 181(6) of the Singapore Companies Act 1967) may appoint more than two (2) proxies to attend, speak and vote at the annual general meeting ("**AGM**").
3. This proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by CPF/SRS investors who hold the Company's shares through CPF agent banks or SRS operators. CPF/SRS investors should contact their respective CPF agent banks or SRS operators if they have any queries regarding appointment of their proxies.
4. CPF or SRS investors who wish to vote should approach their respective CPF agent banks or SRS operators to submit their votes at least seven (7) working days before the AGM i.e. by 5.00 p.m. on 17 April 2024.

PROXY FORM

(Please see notes overleaf before completing this Form)

*I/We**,** ____________________ (Name) ____________________ (NRIC/Passport No./ Co. Reg. No.)

of ____ (Address)

being a *member/members of Enviro-Hub Holdings Ltd ("**Company**"), hereby appoint:

Name	Address	NRIC / Passport / Co. Reg. No.	Proportion of Shareholding(s) (%)

and/or (delete as appropriate)

Name	Address	NRIC / Passport / Co. Reg. No.	Proportion of Shareholding(s) (%)

or failing *him/her/them, the Chairman of the Annual General Meeting of the Company ("**AGM**") as *my/our *proxy/proxies to attend and vote for *me/us on *my/our behalf at the 26th Annual General Meeting ("AGM") of the Company to be held on Friday, 26 April 2024 at 10.30 a.m. at 3 Gul Crescent, Singapore 629519 and at any adjournment thereof.

*I/We have directed *my/our proxy/proxies to vote for or against, or to abstain from voting on the ordinary resolutions to be proposed at the AGM as indicated hereunder. If no specific directions as to voting are given, the *proxy/proxies may vote or abstain from voting at *his/their discretion, as *he/they will on any other matters arising at the AGM and/or at any adjournment thereof. The ordinary resolutions proposed at the AGM as indicated hereunder will be put to vote at the AGM by way of poll.

(Please indicate your votes "For", "Against" or to "Abstain" from voting, with a tick *(√)* within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box, you are directing your proxy, who is the Chairman of the AGM, not to vote on the special resolution on a poll and your votes will not to be counted in computing the required majority on a poll.)

No.	Ordinary Resolutions	For	Against	Abstain
ORDINARY BUSINESS				
1.	To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 December 2023 and the Directors' Statement and the Auditors' Report thereon.			
2.	To re-elect Dr Teo Ho Pin as a Director (Retiring under Regulation 107)			
3.	To re-elect of Mr Lau Chin Huat as a Director (Retiring under Regulation 112)			
4.	To re-elect Ms Judy Ang Siew Geok as a Director (Retiring under Regulation 112)			
5.	To re-appoint Messrs Mazars LLP as Company's Auditors and to authorise the Directors to fix their remuneration.			
6.	To approve the payment of additional Directors' fees of S$27,600 for the financial year ended 31 December 2023.			
7	To approve the payment of Directors' fees of S$148,000 for the financial year ending 31 December 2024, payable quarterly in arrears. (2023: S$176,000)			
SPECIAL BUSINESS				
8.	To authorise the Directors to allot and issue shares pursuant to the Share Issue Mandate. .			
9.	To approve the Proposed Renewal of the Shareholders' General Mandate for Interested Person Transactions.			
10.	To approve the Proposed Renewal of the Shares Purchase Mandate.			
11.	To authorise the Directors to offer and grant awards and to allot and issue shares under the Enviro-Hub Share Award Scheme 2022.			

Dated this ________ day of ____________ 2024

Total Number of Shares Held	
CDP Register	
Register of Members	

____
Signature of Shareholder(s)
and, Common Seal of Corporate Shareholder

Notes:

1. Please insert the total number of shares in the capital of the Company ("**Shares**") held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing your proxies or proxies shall be deemed to relate to all the Shares held by you.
2. In relation to the appointment of proxy(ies) to attend, speak and vote on his/her/its behalf at the AGM, a member (whether individual or corporate) appointing his/her/its proxy(ies) should give specific instructions as to his/her/its manner of voting, or abstentions from voting, in respect of a resolution in the instrument of proxy. If no specific instructions as to voting are given, or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy(ies) will vote or abstain from voting at his/her/their discretion.
3. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing the proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing the proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument, failing which the instrument may be treated as invalid.
4. The completed proxy form, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must be submitted to the Company in the following manner:

   (a) by email info@enviro-hub.com; or

   (b) by depositing a hard copy by post at the registered office of the Company at 3 Gul Crescent, Singapore 629519

   in either case, by no later than 10.30 a.m. on 23 April 2024 (being not less than seventy-two (72) hours before the time appointed for holding the AGM or at any adjournment thereof) and in default the proxy form for the AGM shall not be treated as valid.
5. A shareholder can appoint the Chairman of the Meeting as his/her/its proxy, but this is not mandatory.
6. The proxy must bring along his/her NRIC/passport so as to enable the Company to verify his/her identity.

Fold along this line

Affix Postage Stamp Here

The Company Secretary
ENVIRO-HUB HOLDINGS LTD
3 Gul Crescent
Singapore 629519

Fold along this line

7. A shareholder who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such shareholder appoints two (2) proxies, he/she/it should specify the proportion of his/her/its shareholding (expressed as a percentage of the whole) to be presented by each proxy in the instrument appointing a proxy or proxies.

   A shareholder who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such shareholder. Where such shareholder appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies.

   "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967
8. An investor who holds shares under the SRS may attend and cast his/her vote(s). For CPF or SRS investors who wish to appoint the Chairman of the AGM as their proxy, they should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the AGM (i.e. by 5.00 p.m. on 17 April 2024).
9. Completion and submission of the Proxy Form by a member will not prevent him/her/it from attending, speaking, and voting at the AGM if he/she/it so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the member attends the AGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant Proxy Form(s) to the AGM.
10. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed, or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the shareholder being the appointor, is not shown to have shares entered against the depositor's name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy: By submitting an instrument appointing a proxy(ies) or the Chairman of the Meeting as proxy, the member of the Company accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 11 April 2024.

ENVIRO-HUB HOLDINGS LTD
Company Registration No. 199802709E

3 Gul Crescent
Singapore 629519
Tel: 6863 2100
Fax: 6861 2100
Email: info@enviro-hub.com

www.enviro-hub.com