

A. ACQUISITION OF PROPERTY AT 8 TUAS VIEW CIRCUIT SINGAPORE 637777
B. SETTING UP OF NEW SUBSIDIARY HCG ENVIRONMENT PTE LTD

1. Introduction

The Board of Directors (the “Board” or the “Directors”) of Enviro-Hub Holdings Ltd (the “Company”) wishes to announce that HCG Environment Pte Ltd (“HCG”), wholly-owned subsidiary of HLS Electronics Pte. Ltd., a subsidiary of the Company in which the Company owns a 65% shareholding interest as at the date of this announcement (“Announcement”), has secured the rights to purchase (the “Agreement”) a property (the “Acquisition”) at 8 Tuas View Circuit, Singapore 637777 (the “Property”) from the vendors of the Property (the “Vendors”) for a cash consideration of S\$8,400,000 (the “Purchase Price”). HCG was incorporated on 31 July 2012 for the purpose of securing the rights to purchase the Property. It has a nominal paid up share capital of S\$1.

The Vendors are not related to the Directors and controlling shareholders of the Company.

2. Details of the Property, Usage and Conditions of Sale

The Property has a land area of approximately 12,000 square metres and a build-up area of 6,600 square metres comprising covered warehouses and staff dormitories. It is leased from Jurong Town Corporation (“JTC”) to the Vendors for a period of 30 years commencing 1 May 1997. The Property is currently used as a warehouse for recyclable and construction materials.

The Company intends to use the Property for the Group’s recycling business and the dormitories to house the Group’s workers.

The Acquisition is conditional upon, inter alia, the following:

- (a) JTC’s approval ; and
- (b) satisfactory replies having been obtained to legal requisitions from government departments.

3. The Purchase Price and Financing

HCG has paid the sum of S\$449,400 as deposit towards the Purchase Price. The remaining balance of the Purchase Price of S\$7,950,000 shall be payable on completion of the sale and purchase in accordance with the terms of the Agreement. The Purchase Price was arrived at on a “willing-buyer and willing-seller” basis and will be funded by a combination of internal resources and bank borrowings.

4. Financial Effects of the Acquisition

- (a) Illustrative effects of the Acquisition on the Net Tangible Assets (“NTA”) and Earnings Per Share (“EPS”) of the Group

The pro forma financial effects of the Acquisition on the Group have been prepared based on the Group’s audited consolidated financial statements for the financial year ended 31

December 2011. These pro forma financial effects are purely for illustrative purposes only and do not reflect the future actual financial position and results of the Group after the Acquisition.

(i) NTA

Assuming that the Acquisition had been completed on 31 December 2011, the pro forma financial effects of the Acquisition on the NTA per share of the Group as at 31 December 2011 would have been as follows:

	Before the Acquisition	After the Acquisition
NTA ⁽¹⁾ (S\$'000)	64,081	64,081
Number of issued shares ('000)	866,084	866,084
NTA per share (cents)	0.07	0.07

Note:

⁽¹⁾ "NTA" means total tangible assets less total liabilities.

(ii) EPS

Assuming that the Acquisition had been completed on 1 January 2011, the pro forma financial effects of the Acquisition on the EPS of the Group for the financial year ended 31 December 2011 would have been as follows:

	Before the Acquisition	After the Acquisition
Profit attributable to shareholders ⁽¹⁾ (S\$'000)	3,392	2,970
Basic EPS		
Weighted average number of issued shares ('000)	865,923	865,923
Basic EPS (cents)	0.39	0.34
Diluted EPS		
Weighted average number of issued shares ('000)	893,749	893,749
Diluted EPS (cents)	0.38	0.33

Note:

⁽¹⁾ "Profit attributable to Shareholders" means profit or loss after income tax, minority interests and extraordinary items.

(b) Relative Figures Calculated on the Bases set out in Rule 1006 of the Listing Manual (the "Listing Manual") of the Singapore Exchange Securities Trading Limited (the "SGX-ST")

(a)	Rule 1006(a) The net asset value (“NAV”) of the assets to be disposed of, compared with the Group’s NAV. This basis is not applicable to an acquisition of assets.	Not applicable
(b)	Rule 1006(b) The net profits ⁽¹⁾ attributable to the assets acquired or disposed of, compared with the Group’s net profits ⁽¹⁾⁽²⁾	Not applicable
(c)	Rule 1006(c) The aggregate value of consideration given or received, compared with the issuer’s market capitalisation ⁽³⁾ based on the total number of issued shares excluding treasury shares.	8.8%
(d)	Rule 1006(d) The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable

Notes:

- (1) **Under Rule 1002(3)(b) of the Listing Manual, “net profits” means profit or loss before income tax, minority interests and extraordinary items.**
- (2) **Based on the audited profit and loss accounts for the financial year ended 31 December 2011.**
- (3) **Under Rule 1002(5) of the Listing Manual, the market capitalisation of the Company is determined by multiplying the number of shares in issue by the weighted average price of such shares transacted on the market day preceding the date of the sale and purchase agreements.**

As the relative figure calculated under Rule 1006(c) of the Listing Manual is more than 5% but is not more than 20%, the Acquisition is considered a discloseable transaction under Chapter 10 of the Listing Manual.

5. Directors’ and Controlling Shareholders’ Interests

Save or their respective shareholdings in the Company, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Acquisition.

6. Agreement available for inspection

A copy of the Agreement will be made available for inspection during normal business hours at the Company’s registered office for a period of three months from the date of this announcement.

By Order of the Board

Raymond Ng
Executive Chairman
9 October 2012