

# ENVIRO-HUB INVESTOR FACTSHEET

## JANUARY 2023

### Company Profile

Enviro-Hub Holdings Ltd (“Enviro-Hub”) has a diverse portfolio that includes trading, recycling and refining of e-waste/metals, piling contracts, construction, rental and servicing of machinery, property investments and management, as well as plastics to fuel refining. In 2021, Enviro-Hub completed the acquisition of Malaysian glove manufacturer Pastel Glove. This marks the Group’s foray into the glove manufacturing and healthcare consumables sectors, which offer robust long-term prospects.

### Stock Info

**0.044**

Price

**67.5m**

Market Cap

**31/12/23**

YE

**43.2%**

Free float

### Key Financial Highlights

Key Highlights (S\$m)	2019	2020	2021
Revenue	34.2	30.8	40.4
Gross Profit	6.9	5.2	9.2
Gross Profit Margin	20.1%	17.0%	22.8%
Net Profit	0.8	(0.6)	6.1
Net D/E	2.3	1.6	0.5

Source: Company Data

### Business Segments

CURRENT

STREAMLINING  
Focus on profitability and cashflow



Trading, Recycling & Refining of E-Waste and Metals



Supply and Manufacturing of Healthcare Products



Piling Contracts, Construction, Rental & Servicing Of Machinery (“Piling & Construction”)



Property Investments & Management (“Property Investment”)

FUTURE



Disposal of Property Investment and Piling & Construction business segments will free up resources to grow the Recycling and Healthcare Sector

### Outlook



**E-waste Recycling Segment To Remain Robust**

**Robust 1HFY2022 performance**

- Recycling of e-waste segment recorded 1HFY2022 revenue of S\$16.4m (+17% yoy) and segmental PBT of S\$3.5m (21.5% PBT margin)

**Expansion of capacity**

- Processing capacity increased from 3,600 tonnes/year to 5,100 tonnes/year
- Expansion completed by **2H2022**, with **maiden revenue contribution expected for 1H2023**

**New customers in the pipeline for recycling of e-waste**



**Healthcare Sector Marches On its Expansion Plan**

**Pharmaceutical Retail Business**

- 40%-owned JV
- Opened its first outlet in Klang Valley in Apr 2022
- Target to expand up to **25 outlets by April 2023**, including the expansion into e-stores, and **90 stores by end 2024**

## Investment Merits



### Resources to be freed up on potential streamlining of business segments

The Group is looking to streamline its businesses to focus on recycling of e-waste and supply and manufacturing of personal protective equipment, which could see it potentially disposing its investment properties and piling & construction segment

As at 31 Dec 21	S\$ million
Investment properties	59.7
Assets held for sale	6.7
Loans & Borrowings	(53.3)
Cash	15.3
<b>Potential "freed" resources</b>	<b>28.4</b>
<b>Piling &amp; Construction segmental equity</b>	<b>3.4</b>



### Higher earnings contribution from recycling of e-waste

The segment saw a 15% y-o-y jump in revenue in 1H2022 due to an addition of a new MNC electronics customer. The healthy growth from the business segment is expected to continue in the years ahead given its expanded capacity and commencement of new projects from new customers in 2022 onwards.



### Higher earnings contribution from supply of healthcare products

Enviro-Hub's 100%-owned Pastel Glove Sdn Bhd (PGSB) is poised to benefit from the constructive long-term demand for gloves. According to the Malaysian Rubber Glove Manufacturers Association (MARGMA) in 2022, global demand for gloves is set to resume, with forecast growth of 12-15% in 2023. Export value for rubber gloves in Malaysia is expected to grow at a CAGR of 10% between 2023 and 2030. Key drivers of growth include rising hygiene awareness, ageing population and recovery in non-COVID-19 related demand.

Looking ahead, PGSB is expected to see full year ramp up from a 100% stake contribution from Pastel Glove, underpinned by profit guarantee of S\$23.4m over 3 years. PSGB will also focus on specialized gloves, which will provide higher profit margins while ensuring demand from the niche segment of the glove market.

**History behind Pastel Glove:** Pastel Glove is led by industry veterans Mr. Law Siau Woei and Mr. Choo Kuan Ping who have over 20 years of experience in the gloves trading and manufacturing industry. Mr Law, in particular, pioneered Black Dragon® examination gloves during his stint in Medtexx Partners in 2010, which are recognised as the pioneer in high quality disposable black latex examination gloves in the tattoo, medical and law enforcement industries. Black Dragon® examination gloves was subsequently acquired by Microflex in 2010.



### Retail pharmaceutical business to boost mid-to-long term earnings prospects

40%-owned R-Pharmacy, a retail pharmaceutical brand is on track to open 90 stores in Malaysia by end-2024, in strategic locations such as new housing estate areas, upcoming malls, and healthcare hubs. The brand focuses on a diverse and exclusive range of health supplements, prescriptive and common aliment products through the engagement of more independent suppliers to capture higher margins. R-Pharmacy has deployed both physical and e-commerce distribution strategies to accelerate its geographical reach and brand awareness within Malaysia. Top sales products including adult milk powder are recurring in nature. The expansion of retail distribution network is synergistic to the Group as it provides downstream distribution to EHH's 100%-owned Pastel Glove, allowing the Group to be an integrated supplier of healthcare products.