



## ENVICTUS INTERNATIONAL HOLDINGS LIMITED

*(formerly known as Etika International Holdings Limited)*  
Company Registration No. 200313131Z

---

### NEWS RELEASE

#### ENVICTUS REPORTS 6.3% SALES GROWTH OF RM75.7 MILLION<sup>1</sup> IN Q3FY2014

- ***Proposes a tax-exempt special interim dividend of SGD0.30 (RM0.77) per share***
- ***Recorded net profit of RM598.1 million<sup>2</sup>, including a one-time extraordinary gain of RM603.7 million arising from Group's disposed dairies and packaging businesses and relevant intellectual property***
- ***Change of name to Envictus International Holdings Limited on July 15, 2014 to better reflect the Group's identity as a Food Group following the disposal of dairies business***
- ***Firmly focused on enhancement of growth of remaining businesses in the Trading and Frozen Food, Nutrition and Others Divisions***
  - ***Further increase visibility of strong brand name – "Pok Brothers" – in supermarket and hypermarket chains across the country***
  - ***New product launches with new bar and powder based products currently under development by Nutrition Division***
  - ***Growth of "Texas Chicken" outlets to 12, with another three within next five months***
  - ***Initial stages of introduction of 325ml PET bottle carbonated drink produced in June 2014 by beverages business***
- ***Net cash position, with healthy cash and bank balances of approximately RM773.0 million that can be utilised for business expansion through potential acquisitions, joint ventures and collaborations and distribution to shareholders***

---

<sup>1</sup> Revenue from remaining businesses of Trading and Frozen Food, Restaurant and Nutrition, post completion of sale of Dairies and Packaging businesses to Asahi Group Holdings, Ltd.. Approximately S\$29.5 million. Currency conversion based on S\$1.00 = RM2.563

<sup>2</sup> Approximately S\$233.4 million. Currency conversion based on S\$1.00 = RM2.563

**Singapore, August 6, 2014** – Envictus International Holdings Limited (“Envictus” “恒益德國際控股有限公司” or the “Group”), formerly known as Etika International Holdings Limited, a regional Food & Beverage (“F&B”) Group, today announced a 6.3% growth in revenue to RM75.7 million for the third quarter ended June 30, 2014 (“Q3FY2014”), up from RM71.2 million for the third quarter ended June 30, 2013 (“Q3FY2013”).

The Group’s revenue growth was mainly due to better performance from the Group’s Trading and Frozen Food Division as well as restaurant business (under Others Division), although there was some impact from lower sales performance in the Nutrition Division as well as the noodles business (under Others Division). Correspondingly net profit rose to RM598.1 million for Q3FY2014, up from RM0.24 million recorded in Q3FY2013 mainly attributed to a one-time extraordinary gain of RM603.7 million arising from Group’s disposed dairies and packaging businesses and relevant intellectual property, higher gross profit, other operating income and a reduction in warehouse and distribution expenses; with some impact mainly from an increase in administrative and selling and marketing expenses.

Envictus’ Group Chairman, Dato’ Jaya Tan said, “With the disposal of our Dairies and Packaging Divisions to Asahi Group now fully completed, we are firmly focused on the expansion of our remaining three business divisions and are actively on the lookout for potential news businesses to enhance long-term shareholder value.

“In line with our new company name, “Envictus”, which represents “enhanced good food”, we are committed to bringing quality F&B products to consumers regionally. We are ever-ready to prudently move forward in new markets and products within our core expertise and explore business expansion opportunities through potential acquisitions, joint ventures and collaborations. At the same time, we will continue to intensify all marketing efforts and operational efficiencies to further increase the profitability of our three remaining businesses.”

## Financial Review

The Group's RM4.5 million or 6.3% increase in revenue to RM75.7 million for Q3FY2014 was mainly due to better performance of the Group's Trading and Frozen Food Division as well as restaurant business (under Others Division), which recorded a growth of RM3.7 million each as a result of increasing number of retail outlets, small F&B outlets, cafes and restaurants. However, there was some impact from lower sales performance in the Nutrition Division of RM1.5 million due to a significant influx of US products given the current weak USD currency, while the noodles business (under Others Division) saw a reduction in revenue by RM1.3 million.

Gross profit margin remained at a healthy 24% as compared to the same corresponding period while the net loss before tax, (excluding the one-off exceptional gain), increased by RM0.4 million or 6.7% from RM6.0 million to RM6.4 million.

Overall, operating expenses increased by 12% from RM20.9 million in Q3FY2013 to RM23.4 million in Q3FY2014 mainly due to higher administrative, selling and marketing expenses. This was mitigated by lower warehouse and distribution expenses as compared to the previous corresponding period.

Administrative expenses increased by RM2.0 million mainly attributable to the increase in staff costs as a result of additional headcount in the beverage plant in New Zealand and depreciation charges. The selling and marketing expenses increased by RM1.5 million principally due to the write off of trademarks, provision for doubtful debts, increase in staff costs and rental of outlets which were offset against the lower advertising and promotion expenses incurred by the noodles business of RM5.0 million. These increases were cushioned by the reduction in warehouse and distribution expenses of RM1.0 million which was primarily due to the classification of depreciation to cost of sales on commencement of commercial production by a subsidiary.

Other operating income surged over eight times to RM1.6 million in Q3FY2014 from RM0.2 million in Q3FY2013, mainly due to favourable movements in foreign currency exchange rate.

As at June 30, 2014, the Group maintained a healthy balance sheet with a net assets position and strong cash and bank balances of approximately RM773.0 million.

### **Proposed Dividend**

To reward all loyal shareholders, the Group has proposed a tax-exempt special interim dividend of SGD 0.30 (RM0.77) per share.

### **Outlook**

Group Chief Executive Officer, Dato' Kamal Tan, said, "Our Trading and Frozen Food Division under "Pok Brothers" has performed well, fuelled by the vibrant and growing food business in Malaysia. Our "Gourmessa" range of quality butchery products too has built strong brand recognition, with raised visibility in most supermarket and hypermarket chains across the country.

"As we prepare for further expansion, we have recently acquired Polygold Foods Sdn. Bhd. and Polygold Marketing Sdn. Bhd., which will be nurtured to manufacture and market F&B products respectively. Looking ahead, whilst we're cognizant of challenging macro factors brought on by meat demand and supply dynamics particularly from Australia, as well as domestic developments that may affect the tourism sector and curb consumer spending somewhat, we will continue to streamline our sales, marketing and operations to further improve efficiency whilst maintaining customer satisfaction.

“As for the Nutrition Division, we remain as the dominant player in the New Zealand supermarket channel for pre-workout nutritional products as well as ready to consume products. We are in a good position to leverage on our strong branding to launch new products. Apart from the recent launch of our several ready-to-drink sports nutrition beverages (such as isotonic drinks, protein drinks, weight loss water and pre-workout drinks), new bar and powder based products are currently under development. We will continue to focus on new product launches to meet the growing consumer demand.

“We have opened another three “Texas Chicken” outlets in Main Place, Subang Jaya, Jaya Shopping Centre, Petaling Jaya and Tesco Extra Cheras, Kuala Lumpur, bringing overall outlets to twelve. Another three are slated for opening within the next five months. In addition, for Beverages, we have successfully produced the 325ml PET bottle carbonated drink in June 2014 and it’s now in the initial stages of introduction. We expect the product to be well received by customers.”

Barring unforeseen circumstances, the Group remains cautiously optimistic on its prospects. It continues to take active steps to further shore up its fundamentals and grow its businesses to derive greater value for shareholders.

## **ABOUT ENVICTUS INTERNATIONAL HOLDINGS LIMITED**

Listed on SGX Catalist (previously known as the SGX-SESDAQ) in 2004, and upgraded to the Mainboard in 2009, Envictus International Holdings Limited, formerly known as Etika International Holdings Limited, is a regional Food & Beverage (“F&B”) Group. The Group has an established portfolio of businesses and brands operating under its three key business divisions – Trading and Frozen Food, Nutrition and Others.

The Group’s wholly-owned subsidiary, Pok Brothers Sdn Bhd, is one of Malaysia’s leading frozen food and premium food wholesaler and is a supplier to several internationally known restaurant chains in Malaysia such as A&W, Chili’s, TGIF, Bubba Gum and Bulgogi Brothers. Pok Brothers currently has 2 sub-divisions -

Frozen Food trading and Butchery and Bakery business under De-luxe Food Services Sdn Bhd which produces frozen bakery items and the “Gourmessa” range of butchery products. Together with another wholly-owned subsidiary, Family Group, which produces fresh breads and buns under the “Daily Fresh” and “Family” brand, they form the bedrock of Envictus’ Trading and Frozen Food business.

For Nutrition, the Group markets its range of branded sports nutrition and weight management food products for mass consumer markets under the Horleys™ brand name and other proprietary brands such as Sculpt™ (a weight management product tailored for women), Replace™ (an isotonic sports drink in both powder and carbonated format) and Pro-Fit™ (a high protein ready-to-drink beverage). In New Zealand, NNL’s products are primarily distributed through the route channels (gyms, health food shops, specialty stores and specialty nutrition shops) and retail channels (supermarkets, oil and convenience retail outlets) whilst its Australian sales are made predominantly through the route. The Group entered into the ready-to-drink segment via a joint venture in Etika Dairies NZ Limited to establish New Zealand’s first state-of-art, UHT Aseptic PET bottling line for dairy, juice and water products at the Whakatu Industrial Park.

Under the Group’s Others Division, Envictus holds exclusive rights for a 10-year period since July 2012 to develop and operate the fast growing American-styled “Texas Chicken” fast food restaurant chains in Malaysia and Brunei. Since its first flagship outlet opened in January 2013 at Aeon Bukit Tinggi Shopping Centre, Klang, Malaysia, the robust demand for the “Texas Chicken” restaurant concept has driven the Group to expand its store footprint at a healthy pace.

In June 2014, the Group unlocked shareholders’ value in the business through the completion of its divestment of the Dairies and Packaging divisions to Asahi Group Holdings Southeast Asia Pte. Ltd.

For more details, please visit the Group’s corporate website at [www.envictus-intl.com](http://www.envictus-intl.com).

---

ISSUED ON BEHALF OF : Envictus International Holdings Limited  
BY : Citigate Dewe Rogerson, i.MAGE Pte Ltd  
55 Market Street  
#02-01  
SINGAPORE 048941  
CONTACT : Ms Dolores Phua / Mr Han Zhongchou  
at telephone  
DURING OFFICE HOURS : 6534-5122 (Office)  
AFTER OFFICE HOURS : 9750-8237 / 9154-3765 (Handphone)  
EMAIL : [dolores.phua@citigatedrimage.com](mailto:dolores.phua@citigatedrimage.com)  
[zhongchou.han@citigatedrimage.com](mailto:zhongchou.han@citigatedrimage.com)

---

August 6, 2014