



ENVICTUS INTERNATIONAL HOLDINGS LIMITED

(Company Registration No: 200313131Z)

RESPONSE TO QUERIES FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ON THE UNAUDITED HALF YEAR RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020

The Board of Directors (“Board”) of Envictus International Holdings Limited (the “Company”) refers to the queries raised by the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 15 June 2020 in relation to the Company’s unaudited half year results for the financial period ended 31 March 2020 which was announced on 14 May 2020.

Question 1

Please disclose the total amount granted as a moratorium payment for certain term loans and hire purchase payables as compared to the total term loans and hire purchase payables respectively.

Company’s response to Question 1:

Total borrowings and hire purchase payables as at 31 March 2020 are as follows:

	Term loans	Banker’s acceptance	Bank overdraft	Hire Purchase payables	Total
	RM’000	RM’000	RM’000	RM’000	RM’000
Within one year	14,226	34,447	234	10,320	59,227
Between one to two years	16,276	-	-	9,748	26,024
Between two to three years	33,736	-	-	5,709	39,445
Between three to four years	29,870	-	-	3,158	33,028
Between four to five years	33,379	-	-	1,337	34,716
After five years	75,859	-	-	105	75,964
Total	203,346	34,447	234	30,377	268,404

Certain term loans, banker’s acceptance and hire purchase payables were granted a moratorium payment as follow:

	Due within one year	Moratorium payment
	RM’000	RM’000
Term loans	14,226	9,950
Banker’s acceptance	34,447	12,654
Hire purchase payables	10,320	5,446
Total	58,993	28,050

Question 2

With regards to the financial line item “Trade and other receivables” on page 3 of the Financial Statements, please disclose the following:

- (a) Breakdown between trade receivables and other receivables;
- (b) Nature of the other receivables;
- (c) The credit terms extended to trade receivables and aging of trade receivables; and
- (d) The Board’s assessment of the recoverability of trade receivables.

Company's response to Question 2:

- (a) Breakdown between trade receivables and other receivables:

	RM'000
Trade receivables	30,725
Other receivables	24,753
Total	55,478

- (b) Nature of the other receivables:

	RM'000
Deposits for rental, utilities and others	12,425
Advance payments to suppliers (Note 1)	4,176
Prepayment for hire purchase (Note 2)	1,771
Prepayments (Note 3)	2,788
Claims from marketing promotions	1,116
Receivable amount from sale of assets	1,326
Others	1,151
Total	24,753

Note 1: Advance payments made to foreign suppliers of RM4,176,000. However, the goods have not been received yet due to the Movement Control Order ("MCO") and longer custom clearance process.

Note 2: Prepayment for hire purchase of RM1,771,000 relates to prepaid instalments made for the new application of hire purchase facilities for the opening of new restaurant outlets.

Note 3: Prepayments of RM2,788,000 were mainly comprised prepayment made for insurance, rental, booking fee and other operating expenses.

- (c) The credit terms extended to trade receivables are 30 to 90 days.

The aging of trade receivables are as follows:

	RM'000
Current	12,769
Past due 1 day to 3 months	15,358
Past due over 3 to 6 months	1,074
Past due over 6 to 12 months	844
Past due over 12 months	680
Total	30,725

- (d) The Board's assess the recoverability of trade receivables by using the methodology as stipulated in SFRS(I) 9. The Group measures loss allowance for trade receivables at an amount equal to lifetime expected credit losses ("ECL"). The ECL on trade receivables, excluding trade receivables determined to be credit impaired, are determined based on historical credit loss rate and historical payment pattern, adjusted for current conditions and forecast of future economic conditions that may affect the ability of the customer to settle the trade receivables at the reporting date.

By Order of the Board
ENVICTUS INTERNATIONAL HOLDINGS LIMITED

DATO' KAMAL Y P TAN
Acting Group Chief Executive Officer

18 June 2020