

11 October 2019

**E-Plus Ltd (the “Company” or “8EP”)**

**RESPONSE TO PERIODIC DISCLOSURE QUERY**

In response to the following questions below.

- 1) *Please explain the basis for and the factors considered by the directors of the Company to satisfy themselves that the receivables due from related parties is \$2,452,855, given the auditor has been unable to obtain sufficient appropriate evidence about the carrying amount of these receivables from related parties.*

The Directors of the Company are satisfied that part of the amount due from related companies will be recovered in Q4 2019. The loans were given to finance regional projects. Part of the criteria to satisfy the condition for the award of regional contracts is to host the event and pay rights and royalty fees in regional countries.

- 2) *In relation to the qualified conclusion please explain why the auditor has been unable to obtain sufficient evidence to verify the carrying amount of the receivables from related parties. In your response please include details of the information that was requested by the auditors, but that the Company was unable to provide.*

Auditors have requested signed contracts; award letters or invoices to satisfy revenue collection for the related entities to ensure some of the loans were repaid. The documents requested were not available at the point of financial report submission; hence the Company was not able to comply. The Company will make a public announcement once the details are confirmed and MOU signed, which is expected to be in Q4 of 2019.

- 3) *What steps have been taken or will be taken, by the Company to obtain an unqualified opinion or conclusion regarding its future financial statements?*

The Company are in discussion with respective related entity for a repayment plan.

- 4) *Given the auditor has indicated that a significant uncertainty exists to whether the Company can continue as a going concern and, as at 30 June 2019, receivables from related parties constitute a significant amount to*

*the company's total assets, on what basis do the directors consider that the Company can continue as a going concern?*

The directors have agreed to support the Company as required. The company have taken steps to reduce the amount of receivables from the related parties.

- 5) *Does the Company consider it has sufficient asset to warrant the continue listing of its securities on the Exchange, noting receivables from related parties constitute a significant amount of the Company's total assets? Please also explain the basis of this conclusion.*

Yes, the Company are taking action to reduce receivables from related entities, and the directors are committed to support as required.

- 6) *Aging analysis of the receivables.*

Outstanding Period	Eplus SG	Eplus Phip	Eplus Indo	Eplus Thai
Less than 1 mth	-	-	-	-
1-3 mth	5,773.12	5,272.88	5,272.88	5,272.88
3-6 mth	-	68,564.35	72,774.60	1,542.07
6-12 mth	331,669.03	376,544.40	466,161.69	659,844.19
More than 12 mth	150,173.85	43,688.37	103,876.83	138,393.86
<b>Total in AUD</b>	<b>487,616.00</b>	<b>494,070.00</b>	<b>648,086.00</b>	<b>805,053.00</b>

Andrew Ching  
CEO