

UnUsUaL™

飛凡有限公司 LIMITED

a mm2 company



THE FUTURE IS AHEAD OF US

ANNUAL REPORT 2017





This annual report has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Hong Leong Finance Limited (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this annual report.

This annual report has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report. The contact person for the Sponsor is Mr Tang Yeng Yuen, Vice President, Head of Corporate Finance, Hong Leong Finance Limited, at 16 Raffles Quay, #01-05 Hong Leong Building, Singapore 048581, Telephone (65) 6415 9886





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# CORPORATE PROFILE

**Founded in 1997, the UnUsUaL Group is an established producer and promoter of large-scale live events and concerts in Singapore and in the region.**

Under our production business segment, we provide a full range of support to the artiste's team or the event organiser in terms of their design set creation and stage design, as well as the installation of sound, light and video ("SLV") requirement. We also assist to conceptualise and develop creative inputs for the entire event.

Under our promotion business segment, we usually take charge of the planning and managing of concerts and events, down to the coordinating of ticketing matters, as well as the marketing activities leading to the opening of the concert/event.

UnUsUaL Limited is the holding company of UnUsUaL Entertainment Pte. Ltd. ("**UnUsUaL Entertainment**"), UnUsUaL Productions Pte Ltd ("**UnUsUaLProductions**"), UnUsUaL Development Pte. Ltd. ("**UnUsUaL Deveopment**"), UnUsUaL Productions (M) Sdn. Bhd. ("**UnUsUaL Malaysia**"), and UnUsUaL Entertainment International Limited ("**UnUsUaL Hongkong**") (collectively referred to as the "**Group**").

Our major shareholder is mm2 Asia Ltd ("**mm2**"). mm2 is a leading producer and distributor of content in the region. We expect to synergise with mm2 in our effort to move into the North Asia Region.

On 10 April 2017, the Company was listed on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Catalist Board (SGX stock code: 1D1).

"UnUsUaL" is a registered trademark in Malaysia, China, Taiwan and Singapore. Through the years, we have won numerous awards and accolades awarded by the Ministry of Defence, Ministry of Education as well as the People's Association and others.

For more information, please visit <http://www.unusual.com.sg>



A woman in a red dress is performing on stage, illuminated by spotlights. She is holding a microphone and has her arms outstretched. The background is dark with bright light beams.

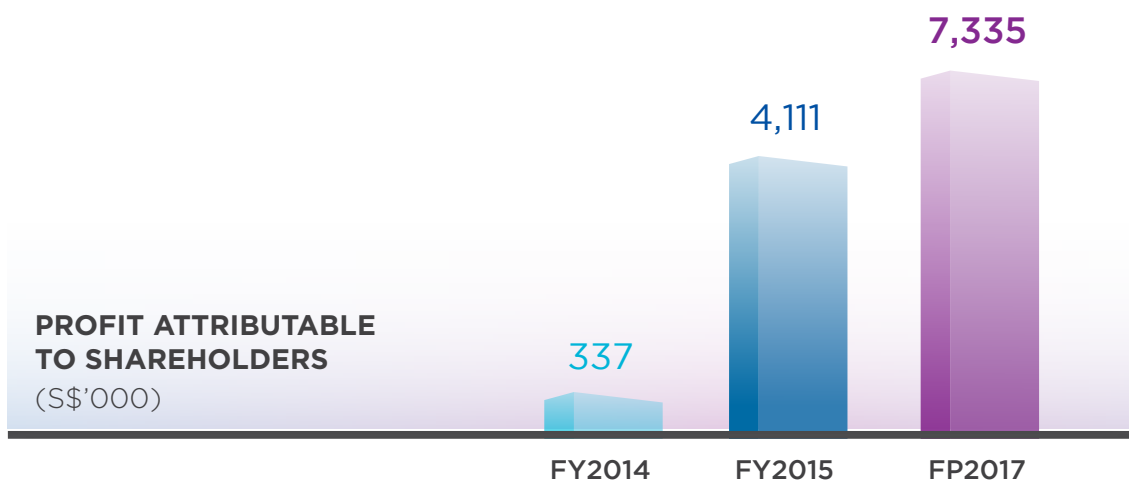
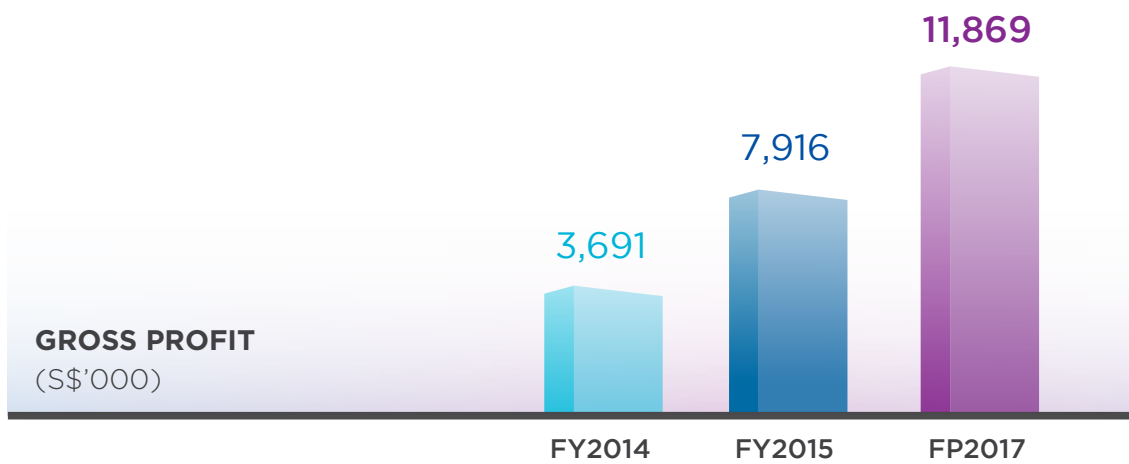
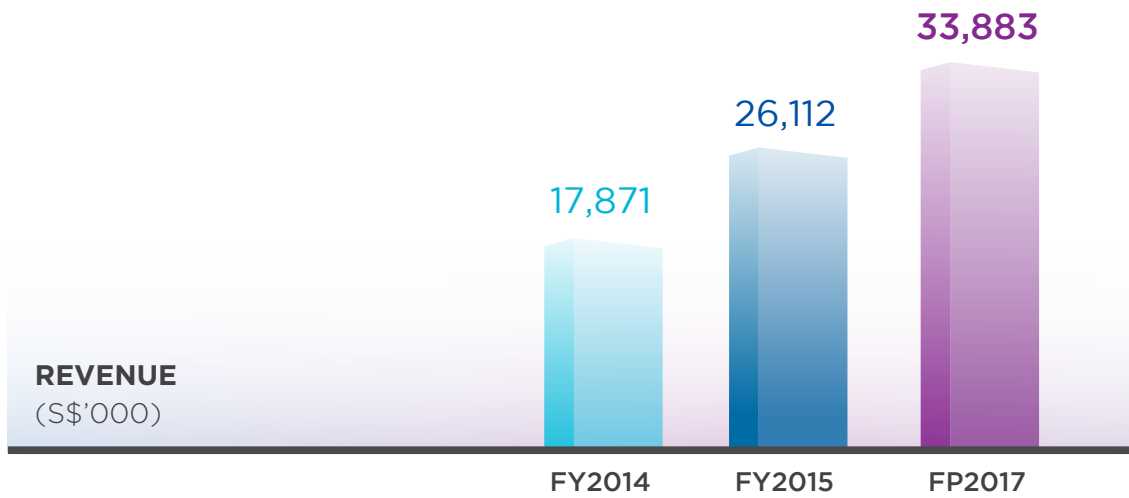
## REVENUE SOURCES

**Production income** is derived from the provision of technical and creative expertise to the large-scale live events and concerts. We conceptualise and develop creative input, provide consultancy services, design solutions for set creation, stage design and other requirements.

**Promotion income** is derived from the promotion of the concerts and events. We take charge of the overall planning and managing of concerts and events which includes working with artiste managers to assess venues and co-ordinate artistes' availability, handling ticketing matters, marketing and promotion of concerts and events.

**Other income** is derived mainly from the collaboration with SingEx Ventures Group for the use of The Max Pavilion @ Singapore Expo ("TMP"). Under our collaboration, event holders at TMP may utilise our SLV equipment which are already pre-installed. For this, we share a portion of the rental.

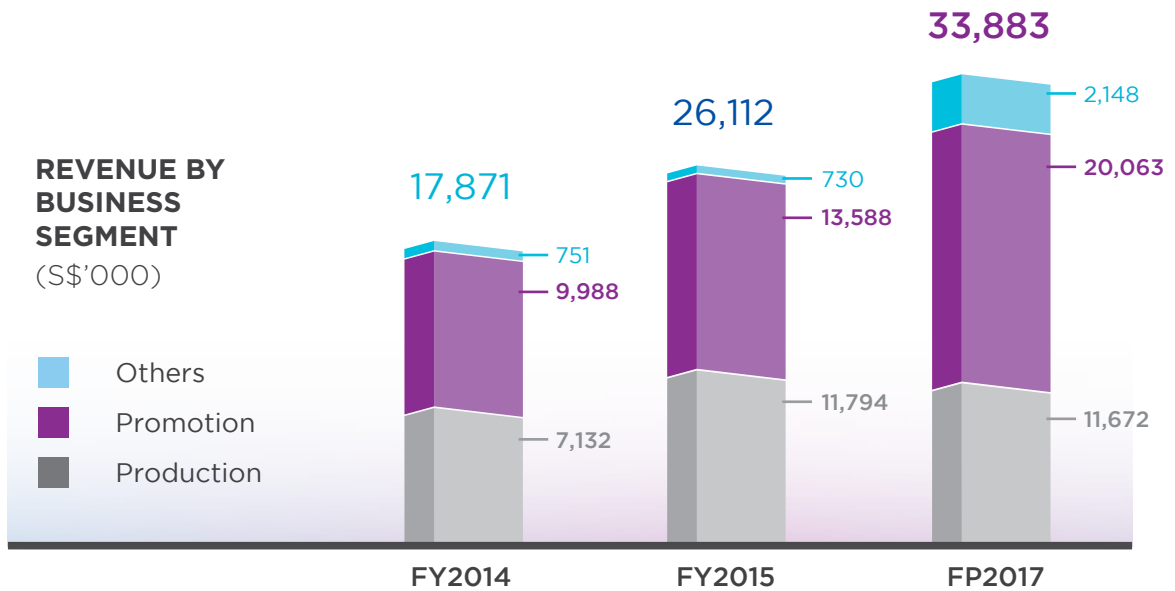
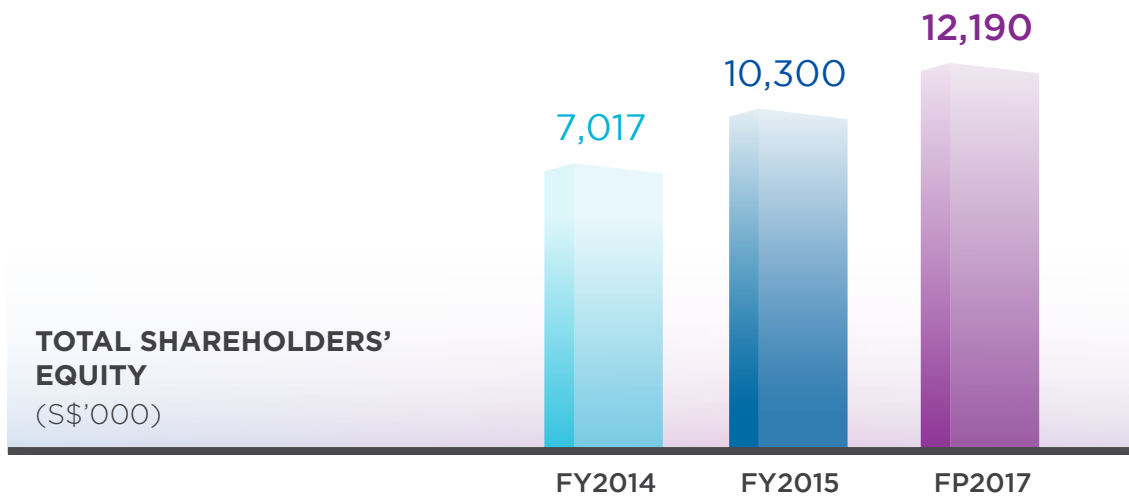
# FINANCIAL HIGHLIGHTS



FY2014: 12 months

FY2015: 12 months

FP2017: 15 months



FY2014: 12 months

FY2015: 12 months

FP2017: 15 months

# OPERATING FINANCIAL REVIEW\*

## COMPREHENSIVE INCOME

### Revenue

The Group's revenue had increased by S\$7.8 million or 29.8% from the corresponding year in FY2015 to approximately S\$33.9 million in FP2017. The increase was due mainly to higher promotion revenue which increased by S\$6.5 million. Other revenue also increased by S\$1.4 million. Both increase were offset by a decrease in production revenue of approximately S\$0.1 million.

### Cost of sales, and Gross Profit and Gross Profit Margin

The Group's cost of sales increased, in line with the higher revenue, from S\$18.2 million in FY2015 to S\$22.0 million in FP2017. However, the percentage increase in cost of sales was lower than the percentage increase in revenue. This resulted in higher gross profit margin of 35% in FP2017 as compared to 30.3% in FY2015, which represents an increase of 4.7%. This was achieved through more projects utilising internal resources rather than outsourced.

### Other gains - net

Other gains - net increased by S\$1.0 million or 195.9% due mainly to a gain on disposal of equipment.

### Administrative Expenses

Administrative expenses increased by S\$1.2 million or 32.3% from S\$3.8 million in FY2015 to S\$5.0 million in FP2017. Staff costs increased by S\$0.8 million due to wage increase. Other general administrative expenses increased by approximately S\$0.2 million due to an increase in professional and legal fees. Additional rental expense of S\$0.1 million was incurred due to the extended year end.

### Finance Costs

Finance costs increased by S\$18,000 or 272.0% due to borrowings on short term loan.

### Income Tax Expense

Income tax expense increased by S\$0.4 million or 66.8% due to higher profits.

### Profit after tax

The Group's profit after tax was S\$7.3 million over a 15 month period compared to S\$4.1 million in FY2015, which represents an increase of S\$3.2 million or 78.4%.

## FINANCIAL POSITION

As at 31 March 2017, the Group's total shareholders' equity stood at S\$12.2 million.

### The Group's current assets decreased by S\$0.4 million due to the following reasons:-

- Trade receivables decreased by S\$4.4 million or 71.1% due to better collection from trade debtors of S\$1.2 million and assignment of trade receivables of approximately S\$1.5 million to our shareholders pursuant to the settlement arrangement. Average trade receivable days improved from 56 days in FY2015 to 53 days in FP2017;
- Other receivables decreased by S\$3.0 million or 97.5% mainly due to assignment of other receivables to our shareholders under the settlement arrangement;
- Deferred cost increased by S\$2.0 million or 188.9% mainly due to deposits and prepayments, in relation to the production and promotion businesses;
- Increase in inventories by S\$0.1 million for purchasing consumables to take advantage of lower costs for bulk purchasing.

### Non-current assets

Non-current assets increased by S\$2.9 million or 73.2% due to purchases of equipment for S\$5.6 million, offset by depreciation of S\$1.0 million and disposal of equipment of S\$1.6 million.

### The Group's current liabilities increased by S\$1.6 million due to the following increases:-

- Bank borrowings increased by S\$0.5 million due to financing via short term bank borrowings;
- Income tax payables increased by S\$1.0 million or 441.6% due to the increase in profits.

\*This review is comparing FY2015 (1 Jan 15 to 31 Dec 15) and FP2017 (1 Jan 16 to 31 Mar 17). This is due to the change in the financial year end from 31 Dec to 31 Mar.





## CASH POSITION

### Net cash generated from operating activities

The Group generated positive cash flows from operating activities of S\$8.2 million before changes in working of capital of S\$0.6 million. Our net working capital inflows of S\$0.6 million was due to a decrease of trade and other receivables of S\$0.7 million as well as an increase in trade and other payables of S\$0.1 million, offset by an increase in inventories of S\$0.1 million and income tax paid of S\$0.1 million

The positive cash flows generated was used in the following activities:

### Net cash used in investing activities

Net cash used in investing activities amounted to S\$2.6 million, mainly for the purchase of equipment of S\$5.5 million offset by S\$2.9 million from proceeds from disposal of equipment.

### Net cash used in financing activities

Net cash used in financing activities amounted to S\$0.5 million. The Group raised S\$3.0 million from convertible loan, increased borrowings from banks of S\$0.5 million, paid dividends to shareholders of S\$3.9 million and repaid finance lease payables of S\$0.1 million.

### Net increase in cash and cash equivalents

The Group's cash and cash equivalents increased by approximately S\$5.7 million from S\$4.5 million in FY2015 to S\$10.3 million in FP2017.



# CHAIRMAN'S STATEMENT

## DEAR SHAREHOLDERS,

On behalf of the Board of Directors of UnUsUaL Limited (the “**Board**”), I am pleased to present the inaugural annual report of UnUsUaL Limited. (“**UnUsUaL**” or the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”), for the financial period ended 31 March 2017 (“**FP2017**”).

On 10 April 2017, UnUsUaL listed on the Catalist Board of the SGX-ST. The Initial Public Offering (“**IPO**”), which raised net proceeds of approximately S\$17.4 million, has helped equip us with stronger networks and resources to grow as a leading event and concert production and promotion company.

To-date, the Group has produced and promoted more than 150 concerts and 200 events. The projects the Company has taken on continue to grow in scale and budget, with the Group’s net profit for FP2017 increasing to S\$7.3 million.

The Board believes that the outlook for the production and promotion business in Singapore and the region is expected to remain positive. UnUsUaL will continue to expand its operations both locally and regionally, and as a subsidiary of mm2, we will be able to tap on mm2’s presence and network in China and Hong Kong, which are far greater concert markets.

As we move into the financial year ending 31 March 2018 (“**FY2018**”), we see opportunities to expand our operations via acquisitions, joint-venture companies (“**JVCs**”) and investments. With the support of our management, staff and our shareholders, the Board will continue to drive the Group to grow and become a top regional production and promotion company in Asia.

Melvin Ang  
Non-Executive Chairman and Non-Independent Director





# CEO'S STATEMENT

## DEAR SHAREHOLDERS,

This year we celebrate our Group's twentieth anniversary and also, our listing on SGX Catalist on 10 April 2017. Since our humble beginnings in 1997, we have had twenty exciting years in this industry. With our listing, the future is going to be even more exciting.

The entertainment and lifestyle industry has been growing and evolving. As an experienced all-rounded producer and promoter for large-scale live events and concerts by renowned artistes in Singapore and in the region, the UnUsUaL Group is well-positioned to tap into the many opportunities presented to us.

UnUsUaL will continue to expand its footprint on the regional market with more events planned for the current financial year. The North Asian market is a key focus point of our growth strategy. We look forward to develop more projects in Hong Kong, Taiwan and China.

UnUsUaL Entertainment, our wholly-owned subsidiary, is co-organising two-night sold-out Jacky Cheung "A Classic Tour" in Zhongshan, Guangdong Province, PRC. We are working on other similar projects in these markets. We will make the appropriate announcements when the time is right.

In August 2017, UnUsUaL will also be bringing our first western act since its listing – international stadium/arena headliners Foo Fighters – to Singapore. We will continue to bring more shows/acts from the global stage to this region.

With the revamped mm2 Group Red Carpet Club launched in April 2017, we look forward to continuously engaging our shareholders through invitations to events and concerts produced and promoted by the Group.

We are a young listed company, managed by a driven and experienced management team. On behalf of the Group, we would like to thank all stakeholders who have supported us all these years. We will continue to grow with the aim to become an event and concert leader in Asia.

Leslie Ong  
Chief Executive Officer and Executive Director

# BOARD OF DIRECTORS



**Melvin Ang Wee Chye (“Melvin Ang”)** is our Non-Executive Chairman and Non-Independent Director. He is concurrently the Executive Chairman of mm2. Mr. Melvin Ang was the Vice President, Business Development in Television Corporation of Singapore during August 1997. He was subsequently employed by SPH MediaWorks Ltd as its Chief Operating Officer of its Media Business Group between November 2000 and April 2003.

Between July 2003 and March 2007, Mr. Melvin Ang was employed as Managing Director of MediaCorp Studios. Before setting up mm2 Malaysia and mm2 Singapore in January 2009, he served as Media Prima Berhad’s Executive Advisor between July 2007 and December 2008.

Mr. Melvin Ang graduated from Macquarie University with an MBA in 1997.



**Leslie Ong Chin Soon (“Leslie Ong”)** is our Executive Director and Chief Executive Officer (“**CEO**”). He is responsible for the overall management operations, strategic planning and business development of our Group. Leslie has been with our Group since its inception in 1997 and has nearly 20 years of experience in the Production and Promotion business. Mr. Leslie Ong obtained his diploma in Electronic Engineering in 1988 from Ngee Ann Polytechnic.



**Johnny Ong Chin Leong (“Johnny Ong”)** is our Executive Director and Chief Operating Officer (“**COO**”). He is responsible for the day-to-day operations of our Group, including managing our Group’s overall business development and operations. Together with Mr. Leslie Ong, Mr. Johnny Ong has been with our Group since its inception in 1997 and has nearly 20 years of experience in the Production and Promotion business.





**Tan Wee Peng Kelvin (“Kelvin Tan”)** is our Lead Independent Director and Chairman of the Audit Committee. He has over 30 years of professional and management experience in the private and public sectors in Singapore. From 1996 to 2003, Mr. Kelvin Tan was with Temasek Holdings Pte Ltd, where his last held position was the Managing Director of its Private Equity Funds Investment Unit. From 2003 to 2004, he was the Global Head of Business Development of PSA International Pte. Ltd. and concurrently CEO of PSA India Pte Ltd. He later assumed the position of the President of AETOS Security Management Pte Ltd from 2004 to 2008. From 2008 to 2014, Mr. Kelvin Tan was the Managing Director of GBE Holdings Pte. Ltd. Mr. Kelvin Tan also advises private companies and private equity funds in the areas of corporate governance, finance and investments, business strategy and corporate development, and leadership development in addition to being an Adjunct Associate Professor with the NUS Business School.

Mr. Kelvin Tan graduated from the National University of Singapore with a Bachelor of Accountancy (First Class Honours) on a Police Scholarship and also obtained a Master of Business Administration from the National University of Singapore. He has also attended the Program for Management Development at the Harvard Business School. Mr. Kelvin Tan is a fellow of the Institute of Singapore Chartered Accountants and a member of the Singapore Institute of Directors.



**Tan Yew Chee William (“William Tan”)** is our Independent Director and Chairman of the Remuneration Committee. He has more than 20 years of experience in the accounting and finance industries. He started his career as an audit assistant at a local audit firm in 1990. From 1992 to 2001, he was Managing Director for a local small and medium enterprise before joining Nixvue Systems Pte Ltd as Financial Controller from 2001 to 2005.

From 2005 to 2007, Mr. William Tan was the Group Financial Controller of Unidux Electronics Ltd where he was responsible for the overall finance and accounting, human resource, business development and planning functions of the group. In July 2007, he joined SNF Corporation Ltd as Group Chief Financial Officer. In 2008, Mr. William Tan was engaged as a financial consultant by Sinocom Solar Group, a solar energy solutions provider in Beijing. From 2012 to 2015, Mr. William Tan was a non-executive independent director of China Sky Chemical Fibre Co Ltd, a company listed on the Mainboard of the SGX-ST. He has been the Chief Financial Officer of Sinostar PEC Holdings Limited, a company listed on the Mainboard of the SGX-ST, since 2008.

Mr. William Tan is a non-practicing member of the Institute of Singapore Chartered Accountants and a fellow of the Association of Certified Chartered Accountants (UK).

# BOARD OF DIRECTORS



**Tang Tung Kin Michael (“Michael Tang”)** is our Independent Director and Chairman of the Nominating Committee. He has about 23 years of experience in the media industry, across areas such as broadcast engineering, channel programming, pay TV, satellite services business and subtitling and dubbing services. He started his career as a broadcast engineer with the Television Corporation of Singapore in 1992. He was a programming manager (Channel 5) from 1996 to 1998 and worked at Channel NewsAsia as a programming manager from 1998 to 2000, before joining Williams Vyvx Services as a Regional Director in 2000. He was the Director of Affiliate Sales, South East Asia, at Turner Broadcasting System Asia Pacific, Inc. from 2001 to 2004. Mr. Michael Tang joined SDI Media Hong Kong Limited as its Managing Director, Asia in 2004 where he is responsible for the management, overall business development and operations of the SDI Media Group across Asia. Mr. Michael Tang is also a director of SDI Media Hong Kong Limited, SDI Media Japan KK, SDI Media (Thailand) Ltd, SDI Media (Malaysia) Sdn Bhd, and Causeway Challenge Sdn. Bhd.

Mr. Michael Tang graduated from Imperial College London with a Bachelor in Electrical Engineering (First Class Honours) on a Singapore Broadcasting Corporation Scholarship in 1992 and was also conferred an Associateship of the City and Guilds of London Institute in the same year.



**Loh Woon Yen** is our Non-Executive Director appointed to the board on 28 June 2017. She heads the teams responsible for developing the adjacencies of SPH’s Chinese Media Group (CMG), including education, events and contract publishing. Prior to taking up this portfolio in December 2016, she was Deputy Digital Editor of CMG. She was the Business Editor of Lianhe Zaobao for two years till November 2015. Ms. Loh Woon Yen started her career as a business journalist with Lianhe Zaobao, after which she spent seven years spearheading investor relations and corporate communications at China Aviation Oil (Singapore) Ltd, a Singapore-listed company, after the restructuring of the company in 2005. She is a Chartered Financial Analyst.



# SENIOR MANAGEMENT

**Tay Joo Heng** is our Group Chief Financial Officer (“**CFO**”). He joined us on 18 April 2016 and is responsible for managing and overseeing the financial related activities of our Group. He has more than 20 years of financial and operational experience in media, content production, technology and trading industries. In the early part of his career, he worked with a multinational corporation as a financial analyst. From 1994 to 1996, he worked as a Lecturer with Nanyang Polytechnic’s School of Business Management. He joined the SPH Group in 1997 and served in the Finance Department. In 2004, he joined Scorpio East Pte Ltd primarily to work on Scorpio East’s initial public offering preparation. He left in 2006 and re-joined the media industry taking up a Business Planning position with Mediacorp Studios Pte Ltd, till 2007. Subsequently, he joined Leeden Limited as Assistant General Manager and thereafter was General Manager of National Industrial Gases Pte Ltd, a subsidiary of Leeden Limited. He left Leeden Limited in March 2013. Prior to joining our Company, he held the position of the Chief Financial Officer of mm2 Asia Ltd.

Mr. Tay Joo Heng graduated from the National University of Singapore with a degree in Accountancy in 1989 and is a member of the Institute of Singapore Chartered Accountants.

**Meng Why Yin (“Alan Meng”)** is the Director of Sales and Operations of our Group. He is primarily responsible for building our market position by locating, developing, negotiating and closing business relationships and opportunities. Mr. Alan Meng has been with us since 2004 and has over 20 years of experience in the production and venue management industries. From 1993 to 1999, Alan worked at Pico Art International Pte. Ltd. as their Customer Service Manager. From 2000 to 2003, he joined Rendition Design and Communications Pte Ltd as a Senior Customer Service Manager.

Mr. Alan Meng attended a course moderated by the Informatics Computer School, Singapore and graduated with an International Diploma in Computer Studies awarded by the National Centre for Information Technology, United Kingdom in 1991.





# GROUP STRUCTURE

**UnUsUaL**<sup>TM</sup>  
飛凡有限公司 LIMITED

UnUsUaL  
Entertainment  
Pte. Ltd.

100%

UnUsUaL  
Productions  
Pte. Ltd.

100%

UnUsUaL  
Development  
Pte. Ltd.

100%

UnUsUaL  
Productions  
Malaysia  
Sdn. Bhd.

100%

UnUsUaL  
Entertainment  
International  
Limited

100%



# CORPORATE INFORMATION

## Board of Directors

Melvin Ang (Non-Executive Chairman and non Independent Director)  
Leslie Ong (CEO and Executive Director)  
Johnny Ong (COO and Executive Director)  
Kelvin Tan (Lead Independent Director)  
William Tan (Independent Director)  
Michael Tang (Independent Director)  
Loh Woon Yen (Non-Executive Director)

## Audit Committee

Kelvin Tan (Chairman)  
William Tan  
Michael Tang

## Remuneration Committee

William Tan (Chairman)  
Kelvin Tan  
Michael Tang

## Nominating Committee

Michael Tang (Chairman)  
Leslie Ong  
Kelvin Tan

## Company Secretary

Shirley Tan Sey Liy (ACIS)

## Head Office and Principal Place of Business in Singapore

45 Kallang Pudding Road  
#01-01 Alpha Building  
Singapore 349317

## Share Registrar

B.A.C.S. Private Limited  
8 Robinson Road  
#03-00, ASO Building  
Singapore 048544

## Independent Auditor

Nexia TS Public Accounting Corporation  
100 Beach Road, #30-00  
Shaw Tower  
Singapore 189702

Director-in-charge: Low See Lien  
(Appointed since financial period ended 31 March 2017)

## Principal Bankers

CIMB Bank Berhad  
50 Raffles Place #09-01  
Singapore Land Tower  
Singapore 048623

Standard Chartered Bank (Singapore) Limited  
8 Marina Boulevard #27-01  
Marina Bay Financial Centre  
Singapore 018981

United Overseas Bank Ltd  
80 Raffles Place  
UOB Plaza  
Singapore 048624

## Continuing Sponsor

Hong Leong Finance Limited  
16 Raffles Quay, #01-05  
Hong Leong Building  
Singapore 048581

## Company Website

<http://www.unusual.com.sg>

## Stock Code

1D1

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# CORPORATE GOVERNANCE REPORT

The Board of Directors (the “**Board**”) of UnUsUal Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) are firmly committed to set in place corporate governance practices to provide the structure through which the objectives of protection of shareholders’ interests and enhancement of long-term sustainability of the Group’s business and performance are met.

This report outlines the Group’s main corporate governance structures and practices that were in place throughout and/or during the financial period ended 31 March 2017 (“**FP2017**”) or which will be implemented and where appropriate, with specific reference made to the Code of Corporate Governance 2012 (the “**Code**”) issued in May 2012 and the Disclosure Guide on Compliance with the Code developed by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) in January 2015, which forms part of the continuing obligations of the Listing Manual – Section B: Rules of Catalist of the SGX-ST (“**Catalist Rules**”). The Company has provided explanations for deviation from the Code.

## (A) BOARD MATTERS

### BOARD’S CONDUCT OF ITS AFFAIRS

***Principle 1: Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the long-term success of the company. The Board works with Management to achieve this objective and Management remains accountable to the Board.***

The Board’s primary role is to protect and enhance long-term shareholder value. It sets the overall strategy for the Group and supervises management (“**Management**”). To fulfil this role, the Board sets the Group’s strategic direction, establishes goals for Management and monitors the achievement of these goals, thereby taking responsibility for the overall corporate governance of the Group.

The principal functions of the Board, apart from its statutory responsibilities, include:

- (1) providing entrepreneurial leadership and settings the overall strategy and direction of the Group;
- (2) reviewing and overseeing the management of the Group’s business affairs, financial controls, performance and resource allocation;
- (3) approving the Group’s strategic plans, key business initiatives, acquisition and disposal of assets, significant investments and funding decisions and major corporate policies;
- (4) overseeing the processes of risk management, financial reporting and compliance and evaluate the adequacy of internal controls;
- (5) approving the release of the Group’s quarterly and full-year financial results, related party transactions of material nature and the submission of the relevant checklists to the SGX-ST;
- (6) appointing directors and key management staff, including the review of performance and remuneration packages; and
- (7) assuming the responsibilities for corporate governance.

All Directors objectively discharge their duties and responsibilities at all times and make objective decisions in the interests of the Company.

To assist in the execution of its responsibilities, the Board is supported by three Board Committees, namely, the Audit Committee (“**AC**”), the Nominating Committee (“**NC**”) and the Remuneration Committee (“**RC**”) (collectively “**Board Committees**”). These Board Committees operate within clearly defined terms of reference and they play an important role in ensuring good corporate governance in the Company and within the Group. The terms of reference of the Board Committees are reviewed on a regular basis to ensure their continued relevance.

The Board holds regular scheduled meetings to review the Group’s key activities, business strategies, funding decisions, financial performance and to approve the release of the results of the Group. Ad-hoc meetings are convened when circumstances require. The Board also approves transactions through circular resolutions which are circulated to the Board together with all relevant information to the proposed transaction. Meetings via telephone or video conference are permitted by the Company’s Constitution.

# CORPORATE GOVERNANCE REPORT

There were no Board and Board Committees' meetings held during FP2017 as the Company was listed on the Official List of SGX-Catalist on 10 April 2017. However, the Company had arranged the meeting sessions for the Board and verification meetings for the purpose of the initial public offering ("**IPO**") of the Company.

The Group had adopted a set of internal guidelines setting forth financial authorisation and approval limits for investments, acquisitions and disposals. Transactions falling outside the ordinary course of business and where the value of a transaction exceeds these limits have to be approved by the Board.

Matters requiring the Board's decision and approval include the following:

- (1) Approval of the Group's major investments/divestments and funding decisions;
- (2) Approval of the Group's quarterly financial updates, quarterly and full-year financial result announcements for release to the SGX-ST;
- (3) Approval of any agreement which is not in the ordinary course of business;
- (4) Approval of any major borrowings or corporate guarantees in relation to borrowings;
- (5) Entering into any profit-sharing arrangement;
- (6) Incorporation or dissolution of any subsidiary;
- (7) Issuance of shares or declaration of dividends;
- (8) Approval of the annual report and audited financial statements;
- (9) Convening of general meetings;
- (10) Approval of corporate strategies;
- (11) Approval of material acquisitions and disposal of assets; and
- (12) Approval of announcements or press releases concerning the Group for release via the SGX-Net.

The Directors are also updated regularly with changes to the SGX-ST Catalist Rules, risk management, corporate governance, insider trading and the key changes in the relevant regulatory requirements and financial reporting standards and the relevant laws and regulations to facilitate effective discharge of their fiduciary duties as Board or Board Committees members.

New releases issued by the SGX-ST and Accounting and Corporate Regulatory Authority ("**ACRA**") which are relevant to the Directors are circulated to the Board. The Company Secretary informs the Directors of upcoming conferences and seminars relevant to their roles as Directors of the Company. Annually, the Independent auditor update the AC and the Board on the new and revised financial reporting standards that are applicable to the Company or the Group.

The Directors are encouraged to attend seminars and receive training to improve themselves in the discharge of Directors' duties and responsibilities. Changes to regulations and accounting standards are monitored closely by the Management. To keep pace with such regulatory changes, the Company provides opportunities for ongoing education and training on Board processes and best practices as well as updates on changes in legislation and financial reporting standards, regulations and guidelines from the SGX-ST Catalist Rules that affect the Company and/or the Directors in discharging their duties.

Newly appointed Directors receive appropriate training, if required. The Group provides background information about its history, mission and values to its Directors. In addition, the Management regularly updates and familiarises the Directors on the business activities of the Company during Board meetings. Directors will also be given opportunities to attend various events/concerts organised by the Group and meet the Management so as to gain a better understanding of the Group's business.

A formal letter of appointment would be furnished to every newly-appointed Director upon their appointment explaining, among other matters, their roles, obligations, duties and responsibilities as member of the Board.



# CORPORATE GOVERNANCE REPORT

## BOARD COMPOSITION AND GUIDANCE

**Principle 2: There should be a strong and independent element on the Board, which is able to exercise objective judgment on corporate affairs independently, in particular, from Management and 10% shareholders. No individual or small group of individuals should be allowed to dominate the Board's decision making.**

Presently, the Board comprises one Non-Executive Chairman, two Executive Directors, one Non-Executive Director and three Independent Directors, as follows:

Name of Directors	Date of first Appointment	Date of Last Re-election	Board	AC	NC	RC
Melvin Ang Wee Chye ("Melvin Ang")	11 August 2016	–	Non-Executive Chairman and Non-Independent Director	–	–	–
Leslie Ong Chin Soon ("Leslie Ong")	3 May 2016	–	Executive Director and Chief Executive Officer ("CEO")	–	Member	–
Johnny Ong Chin Leong ("Johnny Ong")	3 May 2016	–	Executive Director and Chief Operating Officer ("COO")	–	–	–
Loh Woon Yen	28 June 2017	–	Non-Executive Director	–	–	–
Tan Wee Peng Kelvin ("Kelvin Tan")	17 March 2017	–	Lead Independent Director	Chairman	Member	Member
Tan Yew Chee William ("William Tan")	17 March 2017	–	Independent Director	Member	–	Chairman
Tang Tung Kin Michael ("Michael Tang")	17 March 2017	–	Independent Director	Member	Chairman	Member

Presently, there is a strong and independent element on the Board. Three out of seven Directors of the Company are Independent Directors, of which their independence is reviewed by the NC.

### Independent Directors

The NC considers an "independent" Director as one who has no relationship with the Company, its related corporations or its officers that could interfere or be reasonably perceived to interfere, with the exercise of the Director's independent business judgment with a view to the best interests of the Company.

The NC has reviewed the independence of each Independent Director and is of the view that these Directors are independent.

There is no Independent Director who has served on the Board beyond nine years from the date of his first appointment.

The NC has reviewed the size and composition of the Board. The NC is satisfied that the current size and composition of the Board is appropriate and provides it with adequate ability to meet the existing scope of needs and the nature of operations of the Company, which facilitates effective decision-making. From time to time, the NC will review the appropriateness of the current Board size, taking into consideration the changes in the nature and scope of operations as well as the regulatory environment.

The Board is made up of Directors who are qualified and experienced in various fields including business administration, strategic planning, business management, legal, accounting and finance. Accordingly, the current Board comprises persons who have the necessary competencies to lead and manage the Group's businesses and operations.

# CORPORATE GOVERNANCE REPORT

Non-Executive Directors and Independent Directors exercise no management functions in the Group. Although all the Directors have equal responsibility for the performance of the Group, the role of the Non-Executive Directors and Independent Directors is particularly important in ensuring that the strategies proposed by Management are fully discussed and rigorously examined and take into account the long-term interests of not only the shareholders, but also of the employees, customers, suppliers and the communities in which the Group conducts its business and reviewing the performance of Management in meeting agreed goals and objectives and monitor the reporting of performance. The NC considers its Non-Executive Directors and Independent Directors to be of sufficient calibre and size and their views to be of sufficient weight such that no individual or small group of individuals dominates the Board's decision-making process.

The Company co-ordinates informal meeting sessions for Non-Executive Directors and Independent Directors to meet on a need-basis without the presence of the Management to discuss matters such as the Group's financial performance, corporate governance initiatives, Board processes, succession planning as well as leadership development and the remuneration of the Executive Directors.

The profiles of each of the Directors are set out on pages 10 to 12 of this Annual Report.

## CHAIRMAN AND CHIEF EXECUTIVE OFFICER

***Principle 3: There should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the company's business. No one individual should represent a considerable concentration of power.***

The Company practices a clear division of responsibilities between the Chairman and CEO to ensure that an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making. The roles of the Chairman and CEO are separate. Mr. Melvin Ang is the Non-Executive Chairman while Mr. Leslie Ong is the CEO of the Company. The Non-Executive Chairman and the CEO are not related.

The Non-Executive Chairman ensures effective and comprehensive Board discussion on matters brought to the Board including strategic issues as well as business planning and provides executive leadership and supervision to the Executive Directors and the Senior Management team of the Company and the Group.

The responsibilities of the Non-Executive Chairman include:

- (1) Scheduling of meetings to enable the Board to perform its duties responsibly while not interfering with the flow of the Group's operations;
- (2) Ensuring that Directors receive accurate, timely and clear information, and ensuring effective communication with shareholders;
- (3) Ensuring the Group's compliance with the Code; and
- (4) Acting in the best interest of the Group and of the shareholders.

The Company Secretary may be called to assist the Non-Executive Chairman in any of the above.

The role of the CEO including the execution of strategic business directions as well as oversight of the operations and business development of the Group.

All major decisions made by the Board are subject to majority approval of the Board. The Board believes that there are adequate safeguards in place to ensure an appropriate balance of power and authority within the spirit of good corporate governance.

The Company is in compliance with the Guideline 3.3 of the Code with Mr. Kelvin Tan appointed as the Lead Independent Director of the Company. Mr. Kelvin Tan will co-ordinate and lead the Independent Directors to provide a non-executive and independent perspective and contribute to balance view points on the Board. He is the main liaison on Board issues and in accordance with the Code, will serve as an alternative channel to address shareholders' concerns.



# CORPORATE GOVERNANCE REPORT

The Independent Directors, led by the Lead Independent Director, meet amongst themselves without the presence of the other Directors and Management where necessary, and the Lead Independent Director will provide feedback to the Non-Executive Chairman after such meetings.

## BOARD MEMBERSHIP

***Principle 4: There should be a formal and transparent process for the appointment and re-appointment of directors to the Board.***

The NC currently comprises of two Independent Directors and one Executive Director, a majority of whom are independent, including the NC Chairman.

### **Nominating Committee**

Mr. Michael Tang (Chairman)  
Mr. Kelvin Tan  
Mr. Leslie Ong

The NC has its terms of reference, setting out their duties and responsibilities, which include the following:

- (a) to make recommendations to the Board on all board appointments, including re-nominations, having regard to the Director's contribution and performance (for example, attendance, preparedness, participation and candour) including, if applicable, as an Independent Director;

All Directors should be required to submit themselves for re-nomination and re-election at regular intervals and at least every three years;

- (b) to determine annually whether or not a Director is independent;
- (c) in respect of a Director who has multiple board representations on various companies, to decide whether or not such director is able to and has been adequately carrying out his/her duties as director, having regard to the competing time commitments that are faced when serving on multiple boards;
- (d) reviewing and approving any new employment of related persons and the proposed terms of their employment and
- (e) to decide how the Board's performance is to be evaluated and propose objective performance criteria, subject to the approval by the Board, which address how the Board has enhanced long term shareholders' value. The Board will also implement a process to be proposed by the NC for assessing the effectiveness of the Board as a whole and for assessing the contribution of each individual Director to the effectiveness of the Board (if applicable).

The NC is responsible for identifying and recommending new Directors to the Board, after considering the necessary and desirable competencies. In selecting potential new Directors, the NC will seek to identify the competencies required as well as evaluate the profession, knowledge and experience of the candidate to enable the Board to fulfil its responsibilities.

The NC may engage consultants to undertake research on, or assess, candidates applying for new positions on the Board, or to engage such other independent experts, as it considers necessary to carry out its duties and responsibilities. Recommendations for new Directors are put to the Board for their consideration and/or approval.

The NC makes recommendation to the Board on re-appointment of Directors based on, among others, the Director's attendance record at meetings of the Board and Board Committees, participation at meetings and contributions to the Group's business and affairs.

The Board and the NC have endeavoured to ensure that the Directors appointed to the Board possess the relevant experience, knowledge and expertise critical to the Group's business.

# CORPORATE GOVERNANCE REPORT

Regulation 97 of the Company's Constitution requires one-third of the Board to retire by rotation at every Annual General Meeting ("**AGM**"). Each Director shall retire from office once every three years. Pursuant to Regulation 96 of the Company's Constitution, Directors of the Company who were newly appointed by the Board since the last AGM will have to retire at the forthcoming AGM. A retiring Director shall be eligible for re-election at the meeting at which he retires. Each member of the NC shall abstain from voting on any resolutions in respect to his re-nomination as a Director.

The NC has recommended to the Board that Mr. Melvin Ang, Mr. Leslie Ong, Mr. Johnny Ong, Ms. Loh Woon Yen, Mr. Kelvin Tan, Mr William Tan, and Mr. Michael Tang, be nominated for re-election at the forthcoming AGM. The Board had accepted the NC's recommendation.

Mr. Michael Tang, being the Chairman of NC, who is retiring at the AGM abstained from voting on the resolution in respect of his re-nomination as a Director.

Mr. Kelvin Tan and Mr. Leslie Ong, being members of the NC, who are retiring at the AGM abstained from voting on the resolution in respect of their re-nomination as a Director.

For the financial period under review, the NC is of the view that the Independent Directors of the Company are independent (as defined in the Code) and are able to exercise judgment on the corporate affairs of the Group independent of the Management.

Despite some of the Directors having other Board representations, the NC is satisfied that these Directors are able to and have adequately carried out their duties as Directors of the Company. Currently, the Board has not determined the maximum number of listed Board representations which any Director may hold. The NC and the Board will review the requirement to determine the maximum number of listed Board representations as and when it deems fit.

There is no alternate director being appointed to the Board.

The key information regarding Directors, such as academic and professional qualifications, Board Committees served, directorships, chairmanships or as a member both present and past held over the preceding three years in other listed companies and other major appointments or its related corporations, whether the appointment is executive or non-executive are set out on page 33 of the Annual Report.

## BOARD PERFORMANCE

***Principle 5: There should be a formal annual assessment of the effectiveness of the Board as a whole and its board committees and the contribution by each Director to the effectiveness of the Board.***

In line with the principles of good corporate governance, the NC has recommended the adoption of the formal annual evaluation form for the Board, Board Committees and individual Directors. The performance criteria include financial targets, the contribution by Directors, their expertise, their independence and their industry knowledge. This encourages constructive feedback from the Board and leads to an enhancement of its performance over time. The Board has met to discuss and has accepted the NC's recommendation to adopt a formal evaluation process which comprises a formal annual evaluation form to assess the performance and effectiveness of the Board as a whole, Board Committees and individual Directors. The formal annual evaluation form will be adopted with effect from financial year 2018.

The results of the evaluation exercise will be collated by the Company Secretary for the NC's review and consideration. Thereafter, the NC will make recommendations to the Board on enhancements to improve the effectiveness of the Board as a whole, Board Committees and individual Directors.

The Board is not evaluated for the FP2017 as the Company was listed the Official List of SGX-Catalist on 10 April 2017.

# CORPORATE GOVERNANCE REPORT

## ACCESS TO INFORMATION

**Principle 6: In order to fulfil their responsibilities, directors should be provided with complete, adequate and timely information prior to board meetings and on an on-going basis so as to enable them to make informed decisions to discharge their duties and responsibilities.**

To enable the Board to fulfil its responsibility, the Management strives to provide Board members with adequate and timely information for Board and Board Committees' meetings on an on-going basis. The Board and Board Committees' papers are prepared for each meeting and are disseminated to the members before the meetings. The Board and Board Committees' papers include financial, business and corporate matters of the Group so as to enable the Directors to be properly briefed on matters to be considered at the Board and Board Committees' meetings. Directors are given separate and independent access to the Group's Management and Company Secretary to address any enquiries.

The Directors have separate and independent access to the Company's Management and the Company Secretary at all times to address any enquiries. Should the Directors, whether as a group or individually, require independent professional advice, such professionals (who will be selected with the concurrence of the Chairman or the Chairman of the Board Committees requiring such advice) will be appointed at the Company's expense.

The Company Secretary or her representative administers, attend and prepare minutes of all Board and Board Committees' meetings and assists the Chairman of the Board and/or the AC, RC and NC in ensuring that proper procedures at such meetings are followed and reviewed so that the Board and the Committees function effectively. The appointment and removal of the Company Secretary is subject to the approval of the Board.

The Directors, either individually or as a group have the right to seek independent professional advice, if necessary, to furtherance their duties. The costs of such services will be borne by the Company.

## (B) REMUNERATION MATTERS

### PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

**Principle 7: There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.**

The RC currently comprises three members, all of whom (including the Chairman of the RC) are Independent Directors.

#### Remuneration Committee

Mr. William Tan (Chairman)  
Mr. Kelvin Tan  
Mr. Michael Tang

The RC has its terms of reference, setting out their duties and responsibilities, which include the following:

- (a) to recommend to our Board a framework of remuneration for our Directors and Executive Officers, and to determine specific remuneration packages for each Executive Director and any CEO (or executive of equivalent rank) and key management personnel, if such CEO and key management personnel is not an Executive Director, such recommendations to be submitted for endorsement by our entire Board and should cover all aspects of remuneration, including but not limited to director's fees, salaries, allowances, bonuses, options, benefits in kind;
- (b) in the case of service contracts (if any) for any Director or Executive Officer, to consider what compensation commitments the Directors' or Executive Officers' contracts of service, if any, would entail in the event of early termination with a view to be fair and avoid rewarding poor performance; and
- (c) in respect of any long-term incentive schemes including share schemes as may be implemented, to consider whether any Director should be eligible for benefits under such long-term incentive schemes.



# CORPORATE GOVERNANCE REPORT

No Director will be involved in determining his own remuneration. The RC has full authority to engage any external professional advice on matters relating to remuneration as and when the need arises. The expense of such services shall be borne by the Company. There were no remuneration consultants engaged by the Company in FP2017.

In reviewing the service agreements of the Executive Directors and key management personnel of the Company, the RC will review the Company's obligations arising in the event of termination of these service agreements, to ensure that such service agreements contain fair and reasonable termination clauses which are not overly generous. The RC aims to be fair and avoid rewarding poor performance.

## BOARD PERFORMANCE

### Level and Mix of Remuneration

**Principle 8: The level and structure of remuneration should be aligned with the long-term interest and risk policies of the company, and should be appropriate to attract, retain and motivate (a) the directors to provide good stewardship of the company and (b) key management personnel to successfully manage the company. However, companies should avoid paying more than is necessary for this purpose.**

The RC will take into account the industry norms, the Group's performance as well as the contribution and performance of each Director when determining remuneration packages.

The remuneration for the Executive Directors and certain key management personnel comprise a fixed and variable component. The variable component is performance related and is linked to the Group's performance as well as the performance of each individual Executive Director and key management personnel.

The Company has adopted the UnUsUaL Employee Share Option Scheme ("UnUsUaL ESOS") and UnUsUaL Performance Share Plan ("UnUsUaL PSP"). The Group's Executive Directors and Non-Executive Directors (including Independent Directors), controlling shareholders or associates of a controlling shareholder are eligible to participate in the UnUsUaL ESOS and UnUsUaL PSP in accordance with the Rules of the UnUsUaL ESOS and UnUsUaL PSP. There have been no options granted under the UnUsUaL ESOS and UnUsUaL PSP in FP2017.

The Independent Directors receive Directors' fees in accordance with their contributions, taking into account factors such as effort and time spent, responsibilities of the Directors and the need to pay competitive fees to attract, retain and motivate the Directors. The Independent Directors shall not be over-compensated to the extent that their independence may be compromised. There were no share-based compensation schemes in place for Independent Directors and Non-Executive Directors.

The Company does not use contractual provisions to allow the Company to reclaim incentive components of remuneration from Executive Directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. The Executive Directors owe a fiduciary duty to the Company. The Company should be able to avail itself to remedies against the Executive Directors in the event of such breach of fiduciary duties.

## DISCLOSURE ON REMUNERATION

**Principle 9: Each company should provide clear disclosure of its remuneration policies, level and mix of remuneration, and the procedure for setting remuneration in the company's Annual Report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key management personnel, and performance.**

The details of the level and mix of remuneration of the Directors of the Group for the services rendered during FP2017 are as follows:

Remuneration Band and Name of Directors	Salary (%)	Bonus (%)	Other Benefits (%)	Share Options (%)	Directors' Fees (%)	Total (%)
<b>S\$250,000 to below S\$500,000</b>						
Mr. Leslie Ong <sup>(1)</sup>	97	–	–	–	3	100
Mr. Johnny Ong <sup>(2)</sup>	97	–	–	–	3	100
<b>Below S\$250,000</b>						
Mr. Melvin Ang <sup>(3)</sup>	–	–	–	–	–	–
Ms. Loh Woon Yen <sup>(4)</sup>	–	–	–	–	–	–
Mr. Kelvin Tan <sup>(5)</sup>	–	–	–	–	100	100
Mr. William Tan <sup>(5)</sup>	–	–	–	–	100	100
Mr. Michael Tang <sup>(5)</sup>	–	–	–	–	100	100

# CORPORATE GOVERNANCE REPORT

## Notes:

- (1) Mr. Leslie Ong was appointed as the Executive Director and CEO on 3 May 2016.
- (2) Mr. Johnny Ong was appointed as the Executive Director and COO on 3 May 2016.
- (3) Mr. Melvin Ang was appointed as the Non-Executive Chairman and Non-Independent Director on 11 August 2016.
- (4) Ms. Loh Woon Yen was appointed as Non-Executive Director of the Company on 28 June 2017.
- (5) Mr. Kelvin Tan, Mr. William Tan and Mr. Michael Tang were appointed as the Independent Directors on 17 March 2017.

In FP2017, the Company only identified two key management personnel (who are not the Directors or the CEO). The details of the remuneration of relevant key management personnel of the Group for services rendered during FP2017 are as follows:

Name of Key Management Personnel	Salary (%)	Bonus (%)	Other Benefits (%)	Share Options (%)	Total (%)
<b>Below S\$250,000</b>					
Tay Joo Heng	100	–	–	–	100
Alan Meng Why Yin	100	–	–	–	100

For FP2017, the aggregate total remuneration paid to the relevant key management personnel (who are not Director or the CEO) amounted to S\$356,551.

For FP2017, there were no terminations, retirement or post-employment benefits granted to Directors and relevant key management personnel other than the standard contractual notice period termination payment in lieu of service.

## Remuneration of employees who are immediate family and members of a director or the CEO

Mr. Leslie Ong, Executive Director and CEO, and Mr. Johnny Ong, Executive Director and COO are brothers. Both of their remunerations exceeds S\$50,000 during FP2017.

Save for the above disclosure, there were no employees who were immediate family members of a Director or CEO whose remuneration exceeds \$50,000 in the Group's employment during FP2017.

In view of confidentiality of remuneration matters, the Board is of the opinion that it is in the best interests of the Group not to disclose the exact remuneration of Directors and key management personnel in Annual Report and that the disclosure based on the above remuneration bands is appropriate.

## (C) ACCOUNTABILITY AND AUDIT

### ACCOUNTABILITY

**Principle 10: The Board should present a balanced and understandable assessment of the company's performance, position and prospects.**

The Board understands its accountability to the shareholders on the Group's position, performance and progress. The objectives of the presentation of the annual audited financial statements, quarterly and full-year results to its shareholders are to provide the shareholders with a balanced and understandable analysis and explanation of the Group's financial performance and position and prospects.

The Management understands its role to provide all members of the Board with a balanced and understandable assessment of the Group's performance, position and prospects. The Management provides the Board with appropriately detailed information on the Company's performance, position, and prospects on quarterly basis and when deem appropriate.

The Board will take adequate steps to ensure compliance with legislative and regulatory requirements. In line with the SGX-ST Catalist Rules, the Board will provide a negative assurance statement to the shareholders in respect of the interim financial statement. The Company is not required to issue a negative assurance statement for its full year results announcement.

# CORPORATE GOVERNANCE REPORT

The Management is accountable to the Board and maintains regular contact and communication with the Board including preparing and circulation to the Board of quarterly and full year financial statements of the Group. These enable the Board to make a balanced and informed assessment of the Company's performance, position and prospects.

## RISK MANAGEMENT AND INTERNAL CONTROLS

***Principle 11: The Board is responsible for the governance of risk. The Board should ensure that the management maintains a sound system of risk management and internal controls to safeguard the shareholders' interests and the company's assets, and should determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.***

The Board acknowledges its responsibility for the governance of risk and ensures that the Management maintains a sound system of internal controls and effective risk management policies to safeguard the shareholders' investment and the Company's assets. However, the Board also acknowledges that no cost-effective internal control system will preclude all errors and irregularities. The system is designed to manage rather than eliminate risks of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss. The internal controls in place will address the financial, operational, compliance and information technology risks and the objectives of these controls are to provide reasonable assurance that there are no material financial misstatements or material loss, there are maintenance of proper accounting records, financial information are reliable, and assets are safeguarded.

Management is responsible for designing, implementing and monitoring the risk management and internal control systems within the Group. Management regularly reviews the Group's business and operational activities to identify areas of significant risks as well as appropriate measures to control and mitigate these risks. Any significant matters are highlighted to the Board and the AC for their deliberation. To further review the adequacy and effectiveness of internal controls, the AC is assisted by various independent professional service providers. The assistance of the internal auditor enabled the AC to carry out assessments of the effectiveness of key internal controls during the period. Material non-compliance or weaknesses in internal controls or recommendations from the internal auditor and independent auditor to further improve the internal controls were reported to the AC including the Management action plans to be undertaken to address the recommendations.

The AC also follows up on the actions taken by the Management on the recommendations made by the internal auditor and independent auditor arising from their work performed. Based on the reports submitted by the internal and independent auditor received by the AC and the Board, nothing material has come to the attention of the AC and the Board to cause the AC and the Board to believe that the internal controls are not satisfactory based on the current size and nature of the Company's business.

To further enhance the risk management procedures in place, the Group is working with its internal auditor, BDO LLP, to establish a structured Enterprise Risk Management ("ERM") framework which will provide documented guidance on the process for identifying and assessing risks, adequacy of counter measures and the manner in which risks matters are reported to the Board and AC.

The Directors have received and considered the representation letters from the CEO and CFO in relation to the financial information for the period. Associates and joint ventures which the Company does not control are not dealt with for the purposes of this statement. The CEO and the CFO have assured the Board that:

- a. The financial records have been properly maintained and the financial statements for the FP2017 give a true and fair view in all material respects, of the Company's operations and finances; and
- b. The Group's internal control systems are operating effectively in all material respects given its current business environment.

Based on the internal controls established and maintained by the Group, work performed by the internal auditor and independent auditor, reviews performed by Management and the controls and processes which are currently in place, the Board with the concurrence of the AC, is of the opinion that the Group's internal controls and risk management systems are adequate and effective in addressing the financial, operational, compliance and information technology control risks of the Group for FP2017.



# CORPORATE GOVERNANCE REPORT

## AUDIT COMMITTEE

***Principle 12: The Board should establish an Audit Committee with written terms of reference which clearly set out its authority and duties.***

The AC currently comprises three members, all of whom (including the Chairman of the AC) are Independent Directors.

### **Audit Committee**

Mr. Kelvin Tan (Chairman)  
Mr. William Tan  
Mr. Michael Tang

The Board is of the view that the AC members possess experience in finance, legal and business management which are appropriately qualified, having the relevant accounting or related financial management expertise to discharge their responsibilities.

The role of the AC is to assist the Board with discharging its responsibility to safeguard the Company's assets, maintain adequate accounting records and develop and maintain effective systems of internal control. The AC has full access to and the co-operation of Management and the full discretion to invite any Director or Executive Officer to attend its meetings, and has reasonable resources to enable it to discharge its functions properly. The independent auditor have unrestricted access to the AC.

The AC has its terms of reference, setting out their duties and responsibilities, which include the following:

- (a) review with the independent auditor the audit plans, their audit report, their management letter and our management's response;
- (b) review with the internal auditor the internal audit plans and their evaluation of the adequacy of our internal control and accounting system before submission of the results of such review to our Board for approval prior to the incorporation of such results in our annual report (where necessary);
- (c) review the effectiveness and adequacy of our internal control and procedures and ensure coordination between the independent auditor and our management, and review the assistance given by our management to the independent auditor, and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the independent auditor may wish to discuss (in the absence of our management where necessary);
- (d) review the co-operation given by our Company's officers to independent auditor;
- (e) review the quarterly and full-year financial statements and results announcements before submission to our Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with accounting standards as well as compliance with any stock exchange and statutory/regulatory requirements;
- (f) review and discuss with the independent and internal auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on our Group's operating results or financial position, and our management's response;
- (g) consider the appointment or re-appointment of the independent auditor and matters relating to resignation or dismissal of the independent auditor;
- (h) review transactions falling within the scope of Chapter 9 and Chapter 10 of the Listing Manual (if any);
- (i) review potential conflicts of interests (if any) and to set out a framework to resolve or mitigate any potential conflicts of interest;
- (j) review the effectiveness and adequacy of our administrative, operating, internal accounting and financial control procedures;

# CORPORATE GOVERNANCE REPORT

- (k) review our key financial risk areas, with a view to providing an independent oversight on our Group's financial reporting, the outcome of such review to be disclosed in the annual reports or if the findings are material, immediately announced via SGX-Net;
- (l) undertake such other reviews and projects as may be requested by our Board and report to our Board its findings from time to time on matters arising and requiring the attention of our Audit Committee;
- (m) generally to undertake such other functions and duties as may be required by statute or the Listing Manual, and by such amendments made thereto from time to time;
- (n) review arrangements by which our staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting and to ensure that arrangements are in place for the independent investigations of such matter and for appropriate follow-up; and
- (o) review our Group's compliance with such functions and duties as may be required under the relevant statutes or the Listing Manual, including such amendments made thereto from time to time.

Apart from the duties listed above, the AC is given the task of commissioning investigations into matters where there is suspected fraud or irregularity, or failure of internal controls or infringement of any law, rule or regulation which has or is likely to have a material impact on the Company's operating results or financial position, and to review its findings.

In July 2010, SGX-ST and ACRA had launched the "Guidance to Audit Committees on Evaluation of Quality of Work performed by External Auditors" ("**Guidance**") which aims to facilitate the AC in evaluating the independent auditor. Accordingly, the AC had evaluated the performance of the independent auditor based on the key indicators of audit quality and guidance, where relevant, as set out in the Guidance.

The AC recommends to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the independent auditor and approving the remuneration of the independent auditor. The AC has recommended to the Board the nomination of Nexia TS Public Accounting Corporation for re-appointment as independent auditor of the Company at the forthcoming AGM. The Company confirms that Rule 712 and Rule 715 of the Catalist Rules have been complied with.

Annually, the AC conducts a review of all non-audit services provided by the independent auditor and is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the independent auditor. The AC received an audit report from the independent auditor setting out the non-audit services provided and the fees charge for FP2017. The aggregate amount paid to the independent auditor for audit and non-audit services for FP2017 are as follows:

	<b>S\$'000</b>
Audit Fees	55
Non-audit Fees	13
IPO-related Fees	194

The AC will meet with the independent auditor and internal auditor without the presence of Management, as and when necessary, to review the adequacy of audit arrangements, with emphasis on the scope and quality of their audit, the independence, objectivity and observations of the independent auditor.

For FP2017, the AC agreed with the independent auditor that revenue recognition was a key audit matter and is pleased to report that the AC is satisfied with the audit process undertaken by the independent auditor and their findings therefrom. There were no significant judgements nor estimates made in revenue recognition as all the contracts were completed within the financial period.

# CORPORATE GOVERNANCE REPORT

## **Fraud and whistle blowing policy**

The Group has implemented a whistle blowing policy whereby accessible channels are provided for employees to raise concerns about possible improprieties in matters of financial reporting or other matters which they become aware and to ensure that:

- (i) independent investigations are carried out in an appropriate and timely manner;
- (ii) appropriate action is taken to correct the weakness in internal controls and policies which allowed the perpetration of fraud and/or misconduct and to prevent a recurrence; and
- (iii) administrative, disciplinary, civil and/or criminal actions that are initiated following the completion of investigations are appropriate, balance and fair, while providing reassurance that employees will be protected from reprisals or victimisation for whistle-blowing in good faith and without malice.

To date, there were no reports received through the whistle blowing mechanism.

The AC is kept updated annually or from time to time on any changes to the accounting and financial reporting standards by the independent auditor. No former partner or director of the Company's existing auditing firm has acted as a member of the AC.

## **INTERNAL AUDIT**

***Principle 13: The Company should establish an effective internal audit function that is adequately resourced and independent of the activities it audits.***

The internal audit function is currently outsourced to BDO LLP ("**BDO**"), a member firm of the international BDO network of auditing firms, and they report directly to the AC on audit matters and the Non-Executive Chairman and CEO on administrative matters. BDO performs their work in accordance with the BDO Global Internal Audit Methodology which is consistent with the Standards for the Professional Practice of Internal Auditing established by The Institute of Internal Auditor.

The AC approves the hiring, removal, evaluation and compensation of the internal audit function. The internal auditor have unfettered access to all the Company's documents, records, properties and personnel, including access to the AC.

The annual internal audit plan is submitted to the AC for approval prior to the commencement of the internal audit work. In accordance with the internal audit plan, the internal auditor conduct internal audit reviews over the effectiveness of internal controls over the key business processes in the Group including those to address applicable financial, operational and compliance risks. Findings and recommendations arising from the internal audits are agreed with the Management and presented to the AC. The internal auditor also assists the AC in overseeing and monitoring the subsequent implementation of recommendations on internal control weaknesses identified.

The AC reviews the scope and results of the internal audit and ensures that the internal audit function is adequately resourced. Following the review of BDO's internal audit plan and their evaluation of the system of internal controls, the AC is satisfied that the internal audit is effective, adequately resourced and has the appropriate standing within the Group.

The AC would annually review the adequacy and effectiveness of the internal audit function of the Group.



# CORPORATE GOVERNANCE REPORT

## (D) SHAREHOLDER RIGHTS AND RESPONSIBILITIES

### SHAREHOLDER RIGHTS

**Principle 14: Companies should treat all shareholders fairly and equitably, and should recognise, protect and facilitate the exercise of shareholders' rights, and continually review and update such governance arrangements.**

In line with the continuous obligations of the Company under the SGX-ST Catalyst Rules and the relevant rules and regulations, the Board's policy is that all shareholders should equally and on a timely basis be informed of all major developments that impact the Group via SGX-Net.

Shareholders are informed of the general meetings through the announcement released to the SGX-Net and notices contained in the Annual Report or circulars sent to all shareholders. These notices are also advertised in a national newspaper. All shareholders are entitled to attend the general meetings and are provided the opportunity to participate in and vote at the general meetings. If any shareholder is unable to attend, he/she is allowed to appoint up to two proxies to vote on his/her behalf at the general meeting through proxy form sent in advance. The Company's Constitution does not include the nominee or custodial services to appoint more than two proxies.

On 3 January 2016, the legislation was amended, among other things, to allow certain members, defined as "Relevant Intermediary" to attend and participate in general meetings without being constrained by the two-proxy requirement. Relevant Intermediary includes corporations holding licenses in providing nominee and custodial services and CPF Board which purchases shares on behalf of the CPF investors.

### COMMUNICATION WITH SHAREHOLDERS

**Principle 15: Companies should actively engage their shareholders and put in place an investor relations policy to promote regular, effective and fair communication with shareholders.**

The Company firmly believes in high standards of transparent corporate disclosure by disclosing to its stakeholders, including its shareholders the relevant information on a timely basis through SGX-Net. Where there is inadvertent disclosure made to a selected group, the Company will make the same disclosure publicly to all others as soon as practicable. Communication is made through:-

- (1) Annual Reports that are prepared and sent to all shareholders. The Board ensures that the Annual Report includes all relevant material information about the Company and the Group, including future developments and other disclosures required by the relevant rules and regulations;
- (2) Quarterly announcements containing a summary of the financial information and affairs of the Group for that period;
- (3) Notices of explanatory memoranda for AGMs and Extraordinary General Meetings ("**EGM**"). The notice of AGM and EGM are also advertised in a national newspaper; and
- (4) Press and news releases on major developments of the Company and the Group;

By supplying shareholders with reliable and timely information, the Company is able to strengthen the relationship with its shareholders based on trust and accessibility.

The Company does not practice selective disclosure. Price sensitive information is first publicly released through SGX-Net, either before the Company meets with any investors or analysts. All shareholders of the Company will receive the Annual Report together with the notice of AGM by post and published in the newspapers within the mandatory period, which is held within four months after the close of the financial period.

The Group does not have a formal dividend policy at present. The form, frequency and amount of dividends declared each year will take into consideration the Group's earnings, general financial condition, results of operations, capital requirements, cash flow, general business conditions, the Group's development plans and other factors as the Board may deem appropriate. As a growth company, the Group is preserving its funds for future expansions. Therefore, no dividends will be paid in respect of FP2017.

# CORPORATE GOVERNANCE REPORT

## CONDUCT OF SHAREHOLDER MEETING

**Principle 16: Companies should encourage greater shareholder participation at general meeting of shareholders, and allow shareholders the opportunity to communicate their views on various matters affecting the company.**

The shareholders are encouraged to attend the Company's general meetings to ensure a high level of accountability and to be updated on the Group's strategies and goals. Notice of the general meeting is dispatched to shareholders, together with explanatory notes or a circular on items of special businesses (if necessary), at least 14 clear calendar days before the meeting. The Board welcomes questions from shareholders who wish to raise issues, either informally or formally before or during the AGM.

Each item of special business included in the notice of the general meetings will be accompanied by explanation of the effects of a proposed resolution. All the resolutions at the general meetings are single item resolutions.

The Chairman of the Board Committees are intended to be/required to be present and available to address questions relating to the work of their respective Board Committees at general meetings. Furthermore, the independent auditor will be present to assist the Board in addressing any relevant queries by our shareholders. The Company will make available minutes of general meetings to shareholders upon their requests.

The Company acknowledges that voting by poll in all its general meeting is integral in the enhancement of corporate governance. The Company will adhere to the requirements of the Code where all resolutions at the Company's general meetings held after 1 August 2015, if any, are put to vote by poll. For cost effectiveness, the Company will adopt manual polling for the voting of the resolutions at the general meetings. The detailed results of each resolution are announced via SGX-Net after the general meetings.

## (E) RISK MANAGEMENT

The Company is continually reviewing and improving the business and operational activities to take into account the risk management perspective. This includes reviewing management and manpower resources, updating work flows, processes and procedures to meet the current and future market conditions. All the significant controls policies and procedures and all significant matters are highlight to the AC and the Board.

## (F) MATERIAL CONTRACTS

There were no material contracts of the Company or its subsidiaries involving the interest of the non-Executive Chairman, or any director or controlling shareholder subsisting at the end of the financial period.

## (G) INTERESTED PERSON TRANSACTIONS

The Company has established guidelines and review procedures for the ongoing and future interested person transactions ("IPTs"). The IPTs are subject to review by the AC to ensure that they are on normal commercial terms and on an arm's length basis, that is, the transactions are transacted in terms and prices not more favourable to the interested persons than if they were transacted with a third party and are not prejudicial to the interests of the Group or our minority shareholders in any way.

The aggregate value of IPTs for FP2017, disclosed in accordance with Rule 907 of the Catalist Rules, was as follows:-

Name of interested person	Aggregate value of all interested person transactions during the financial period under view (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Catalist Rules)	Aggregate value of all interested person transactions conducted during shareholders' mandate pursuant to Rule 920 of the Catalist Rules (excluding transactions less than S\$100,000)
Axcel Properties Pte Ltd	S\$540,000	Nil

# CORPORATE GOVERNANCE REPORT

## (H) DEALINGS IN SECURITIES

The Company has adopted its own internal Code of Best Practices to provide guidance to all officers and employees of the Company and its subsidiaries with regard to dealings in the Company's securities in compliance with Rule 1204 (19) of the Catalist Rules of the SGX-ST. The Company and its officers are prohibited from dealing in the Company's securities during the periods commencing one month before the announcement of the Company's quarterly and full year results and ending on the date of the announcement of the relevant results.

Directors and executives are also expected to observe insider-trading laws at all times even when dealing with securities within the permitted trading period or while they are in possession of unpublished price-sensitive information of the Group. They are not to deal in the Company's securities on short-term considerations.

## (I) CATALIST SPONSOR

The Company is currently under the SGX-ST Catalist sponsor-supervised regime and the continuing sponsor of the Company is Hong Leong Finance Limited. In compliance with Rule 1204(21) of the Catalist Rules, there was no non-sponsor fee paid to the Sponsor for FP2017.

## (J) USE OF INITIAL PUBLIC OFFERING ("IPO") PROCEEDS

Pursuant to the IPO on 10 April 2017, the Company received gross proceeds of S\$19.40 million.

As at the date of this Annual Report, the status of the use of IPO proceeds is as follows:

Use of IPO Proceeds	Amount allocated (S\$'000)	Amount Utilised (S\$'000)	Amount Reallocated (S\$'000)	Balance (S\$'000)
Investments in promotion and production projects	10,000	3,500	–	6,500
Expansion of the Group's business by way of acquisition, joint ventures and/or strategic alliances	4,000	–	–	4,000
General working capital	3,398	1,150	144	2,392
IPO expenditure	2,000	1,856	(144)	–
<b>Total</b>	<b>19,398</b>	<b>6,506</b>	<b>–</b>	<b>12,892</b>



# CORPORATE GOVERNANCE REPORT

## PARTICULARS OF DIRECTORS PURSUANT TO THE CODE OF CORPORATE GOVERNANCE 2012

Name of Director	Academic/ Professional Qualifications	Board Appointment Executive/ Non-executive	Board Committees as Chairman or Member as at the date of this Annual Report	Directorship Date First Appointed	Date of Last Re-election	Directorships in other listed companies	Past directorships in other listed companies over the preceding 3 years	Other Principal Commitments
Melvin Ang	Master of Business Administration from Macquarie University	Non-Executive Chairman and Non-Independent Director	Board Chairman	11 August 2016	-	<ul style="list-style-type: none"> <li>mm2 Asia Ltd.</li> </ul>	-	-
Leslie Ong	Diploma in Electronic Engineering from Ngee Ann Polytechnic	Executive Director and CEO	Board member and member of the NC	3 May 2016	-	-	-	-
Johnny Ong	Secondary Education	Executive Director and COO	Board member	3 May 2016	-	-	-	-
Loh Woon Yen	Bachelor of Accountancy and Finance (First Class Honour) from Lancaster University	Non-Executive Director	Board member	28 June 2017	-	-	-	-
Kelvin Tan	Master of Business Administration from National University of Singapore, Bachelor of Accountancy (First Class Honours) from National University of Singapore, a fellow member of the Institute of Singapore Chartered Accountant and a member of Singapore Institute of Directors	Lead Independent Director	Board member, Chairman of the AC and member of the NC and RC	17 March 2017	-	<ul style="list-style-type: none"> <li>Viking Offshore and Marine Limited</li> <li>Transcorp Holdings Limited</li> <li>IREIT Global</li> </ul>	<ul style="list-style-type: none"> <li>Accrelist Ltd</li> <li>Shanghai Turbo Enterprises Limited</li> </ul>	-
William Tan	A non-practicing member if the Institute of Singapore Chartered Accountants and a fellow member of the Association of Certified Chartered Accountants (UK)	Independent Director	Board member, Chairman of the RC and member of the AC and NC	17 March 2017	-	-	<ul style="list-style-type: none"> <li>China Sky Chemical Fibre Co Ltd</li> </ul>	-
Michael Tang	Bachelor in Electrical Engineering (First Class Honours) from Imperial College London	Independent Director	Board member, Chairman of the NC and member of the AC and RC	17 March 2017	-	-	-	-

# DIRECTORS' STATEMENT

For the financial period ended 31 March 2017

The directors present their statement to the members together with the audited financial statements of the Group for the financial period from 1 January 2016 to 31 March 2017 and the statement of financial position of the Company as at 31 March 2017.

In the opinion of the directors,

- (i) the statement of financial position of the Company and the consolidated financial statements of the Group as set out on pages 44 to 88 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 March 2017 and of the financial performance, changes in equity and cash flows of the Group for the financial period ended on 31 March 2017 covered by the consolidated financial statements; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

## Directors

The directors of the Company in office at the date of this statement are as follows:

Ong Chin Soon	(Appointed on 3 May 2016)
Ong Chin Leong	(Appointed on 3 May 2016)
Ang Wee Chye (" <b>Melvin Ang</b> ")	(Appointed on 11 August 2016)
Tan Wee Peng Kelvin	(Appointed on 17 March 2017)
Tan Yew Chee William	(Appointed on 17 March 2017)
Tang Tung Kin	(Appointed on 17 March 2017)
Loh Woon Yen	(Appointed on 28 June 2017)

## Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial period was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

## Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial period had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in the name of director			Holdings in which director is deemed to have an interest		
	At	At	At 3.5.2016 or date of appointment, if later	At	At	At 3.5.2016 or date of appointment, if later
	21.04.2017	31.03.2017		21.04.2017	31.03.2017	
<b>UnUsUaL Limited</b>						
(No. of ordinary shares)						
Melvin Ang <sup>(1)</sup>	–	–	–	528,600,000	528,600,000	–
Ong Chin Leong <sup>(2)(3)</sup>	–	–	50	528,750,000	528,600,000	–
Ong Chin Soon <sup>(2)(3)</sup>	–	–	50	528,750,000	528,600,000	–
Tan Wee Peng Kelvin	50,000	–	–	–	–	–
Tan Yew Chee William	50,000	–	–	–	–	–
Tang Tung Kin	50,000	–	–	–	–	–

# DIRECTORS' STATEMENT

For the financial period ended 31 March 2017

## Directors' interests in shares or debentures (continued)

	Holdings registered in the name of director			Holdings in which director is deemed to have an interest		
	At	At	At 3.5.2016 or date of appointment, if later	At	At	At 3.5.2016 or date of appointment, if later
	21.04.2017	31.03.2017		21.04.2017	31.03.2017	
<b>Immediate Holding Corporation</b>						
<b>- UnUsUaL Management Pte. Ltd.</b>						
(No. of ordinary shares)						
Melvin Ang	–	–	–	102	102	–
Ong Chin Leong	49	49	–	–	–	–
Ong Chin Soon	49	49	–	–	–	–
<b>Ultimate Holding Corporation</b>						
<b>- mm2 Asia Ltd.</b>						
(No. of ordinary shares)						
Melvin Ang	145,844,000	145,844,000	157,322,000	317,910,000	317,910,000	78,600,000
Tan Wee Peng Kelvin	600,000	600,000	600,000	–	–	–
Tang Tung Kin	800,000	800,000	800,000	–	–	–

<sup>(1)</sup> Mr. Melvin Ang, who by virtue of his interest of not less than 20% of the issued capital of the ultimate holding corporation, is deemed to have interests in the shares of the Company and all the subsidiary corporations.

<sup>(2)</sup> Mr. Ong Chin Soon and Mr. Ong Chin Leong, who by virtue of their interests of not less than 20% of the issued capital of the immediate holding corporation, are deemed to have interests in the shares of the Company and all the subsidiary corporations.

<sup>(3)</sup> As at 21 April 2017, Mr. Ong Chin Soon and Mr. Ong Chin Leong's deemed interests of 150,000 shares respectively are held by their spouses.

## Share Options

On 15 March 2017, the Shareholder approved a share option scheme known as the UnUsUaL employee share option scheme (the "UnUsUaL ESOS") for the executive directors and employees of the Group and the associated companies ("Group Employees") and non-executive directors (including the Independent Directors) of the Group, are eligible to participate in the UnUsUaL ESOS. For this purpose, a company is the "associated company" if we and/or the subsidiaries hold at least 20.0% but not more than 50.0% of the issued shares in that company and provided the Company has control (as defined in the Listing Manual) over the associated company. The UnUsUaL ESOS is administered by the Remuneration Committee (the "RC") which comprises three (3) independent directors, namely Tan Yew Chee William, Tan Wee Peng Kelvin and Tang Tung Kin.

The UnUsUaL ESOS is designed to provide eligible participants with an opportunity to participate in the equity of the Company through the grant of Options, and to motivate them towards better performance through increased dedication and loyalty.



# DIRECTORS' STATEMENT

For the financial period ended 31 March 2017

## Share Options (continued)

The Options that are granted under the UnUsUaL ESOS may have exercise prices that are, at the Remuneration Committee's discretion, set at a price (the "**Market Price**") equal to the average of the last dealt prices for a Share on the Official List of the SGX-ST for the five (5) consecutive market days immediately preceding the date on which an offer to grant an Option is made or at a discount to the Market Price (subject to a maximum discount of 20.0%). Options which are fixed at the Market Price ("**Market Price Option**") may be exercised after the first anniversary of the date on which an offer to grant that Option is made while Options exercisable at a discount to the Market Price may be exercised after the second anniversary from the date on which an offer to grant that Option is made ("**Incentive Option**"). Options granted under the UnUsUaL ESOS will have a life span of up to 10 years. The Option may be exercised in whole or in part in respect of 100 Shares or any multiple thereof, on the payment of the exercise price.

The aggregate number of Shares over which the Remuneration Committee may grant Options on any date, when added to the number of Shares issued and issuable or transferred and to be transferred in respect of all Options granted under the UnUsUaL ESOS and the number of Shares issued and issuable or transferred and to be transferred in respect of all options or awards granted under any other share option schemes or share schemes of the Company, shall not exceed 15.0% of the total number of issued Shares (excluding Shares held by the Company as treasury shares) on the day immediately preceding the date on which an offer to grant an Option is made.

No shares have been granted to the directors or the controlling shareholders of the Company or their associates (as defined in the Listing Manual of the Singapore Exchange Securities Trading Limited) or participants under the UnUsUaL ESOS since the commencement of the UnUsUaL ESOS. At the end of the financial period, there were no shares granted under the UnUsUaL ESOS.

No shares have been issued during the financial period by virtue of the exercise of options to take up unissued shares of the Company or its subsidiary corporations.

There were no unissued shares of the Company under option at the end of the financial period.

## Performance Share Plan

On 15 March 2017, the company Shareholder has approved a performance share scheme known as the UnUsUaL performance share plan (the "**UnUsUaL PSP**"). This plan awards the participant to receive fully paid Shares free of charge, provided that certain prescribed performance targets (if any) are met and upon expiry of the prescribed performance period.

Full-time Group Executives who have attained the age of 21 years and hold such rank as may be designated by the Remuneration Committee from time to time are eligible to participate in the UnUsUaL PSP. Group Executive Directors and Group Non-Executive Directors (including Independent Directors) of the Group are also eligible to participate in the UnUsUaL PSP. The participant must also not be an undischarged bankrupt and must not have entered into a composition with his creditors.

Persons who are Controlling Shareholders or Associates of a Controlling Shareholder who meet the criteria above are also eligible to participate in the UnUsUaL PSP provided that the participation of and the terms of each grant and the actual number of Awards granted under the UnUsUaL PSP to a participant who is a Controlling Shareholder or an Associate of a Controlling Shareholder shall be approved by the independent Shareholders in separate resolutions for each such person subject to the following:

- (a) the aggregate number of Shares comprised in Awards granted to Controlling Shareholders or Associates of Controlling Shareholders under the UnUsUaL PSP shall not exceed 25.0% of the aggregate number of Shares (comprised in Awards) which may be granted under the UnUsUaL PSP; and
- (b) the number of Shares available to each Controlling Shareholder or Associate of a Controlling Shareholder shall not exceed 10.0% of the Shares available under the UnUsUaL PSP.

# DIRECTORS' STATEMENT

For the financial period ended 31 March 2017

## Performance Share Plan (continued)

The UnUsUaL PSP is a share incentive scheme which will allow the Company, inter alia, to target specific performance objectives and to provide an incentive for participants to achieve these targets. The directors believe that the UnUsUaL PSP will help to achieve the following positive objectives:

- (a) foster a culture of ownership within the Group which aligns the interests of Group Executives with the interests of Shareholders;
- (b) motivate participants to achieve key financial and operational goals of the Company and/or their respective business units and encourage greater dedication and loyalty to the Group; and
- (c) make the total employee remuneration sufficiently competitive to recruit new participants and/or retain existing participants whose contributions are important to the long term growth and profitability of the Group.

The UnUsUaL PSP is administered by the Remuneration Committee (the "RC") which comprises three (3) independent directors, namely Tan Yew Chee William, Tan Wee Peng Kelvin and Tang Tung Kin.

The UnUsUaL PSP shall continue in force at the discretion of the Remuneration Committee, subject to a maximum period of 10 years commencing from the date of listing of the Company on Catalist, provided always that the UnUsUaL PSP may continue beyond the above stipulated period with the approval of Shareholders in general meeting and of any relevant authorities which may then be required.

The Company may deliver Shares to Participants upon vesting of their Awards by way of either

- (i) an allotment and issue of new Shares deemed to be fully paid upon their issuance and allotment;
- (ii) a transfer of Shares acquired by the Company pursuant to a share purchase mandate and/or held by the Company in treasury; and/or
- (iii) cash in lieu of shares, based on the aggregate market value of such shares.

The total number of new Shares which may be issued or transferred pursuant to Awards granted under the UnUsUaL PSP, when added to (i) the number of new Shares issued and issuable or transferred and to be transferred in respect of all Awards granted thereunder, and (ii) all Shares issued and issuable or transferred and to be transferred in respect of all options granted or awards granted under any other share option schemes or share schemes adopted by our Company for the time being in force, shall not exceed 15.0% of the total number of issued Shares (excluding Shares held by our Company as treasury shares) on the day immediately preceding that date.

No performance shares have been awarded pursuant to the plan.

## Audit Committee

The members of the Audit Committee (the "AC") at the end of the financial period and at the date of this statement are as follows:

Tan Wee Peng Kelvin	Lead Independent director, Chairman
Tan Yew Chee William	Independent director
Tang Tung Kin	Independent director

# DIRECTORS' STATEMENT

For the financial period ended 31 March 2017

## Audit Committee (continued)

The AC perform the functions in accordance with Section 201B(5) of the Singapore Companies Act, (the “Act”), the Singapore Exchange Securities Trading Limited (“SGX-ST”) Listing Manual and the Code of Corporate Governance. In performing those functions, the AC:

- Review with the independent auditor the audit plans, the audit report, the management letter and the management's response;
- Review with the internal auditor the internal audit plans and their evaluation of the adequacy of the internal control and accounting system before submission of the results of such review to the Board for approval prior to the incorporation of such results in the annual report (where necessary);
- Review the effectiveness and adequacy of the internal control and procedures and ensure coordination between the independent auditor and the management, and review the assistance given by the management to the independent auditor, and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the independent auditor may wish to discuss (in the absence of the management where necessary);
- Review the co-operation given by the Company's officers to independent auditor;
- Review the quarterly and full-year financial statements and results announcements before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with accounting standards as well as compliance with any stock exchange and statutory/regulatory requirements;
- Review and discuss with the independent and internal auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and the management's response;
- Consider the appointment or re-appointment of the independent auditor and matters relating to resignation or dismissal of the independent auditor;
- Review transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules (if any);
- Review potential conflicts of interests (if any) and to set out a framework to resolve or mitigate any potential conflicts of interest;
- Review the effectiveness and adequacy of the administrative, operating, internal accounting and financial control procedures;
- Review the key financial risk areas, with a view to providing an independent oversight on the Group's financial reporting, the outcome of such review to be disclosed in the annual reports or if the findings are material, immediately announced via SGX-Net;
- Undertake such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the AC;
- Generally to undertake such other functions and duties as may be required by statute or the Catalist Rules, and by such amendments made thereto from time to time;
- Review arrangements by which the staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting and to ensure that arrangements are in place for the independent investigations of such matter and for appropriate follow-up; and
- Review the Group's compliance with such functions and duties as may be required under the relevant statutes or the Catalist Rules, including such amendments made thereto from time to time.

The AC has recommended to the Board that the independent auditor, Nexia TS Public Accounting Corporation, be nominated and re-appointment at the forthcoming Annual General Meeting of the Company.



# DIRECTORS' STATEMENT

For the financial period ended 31 March 2017

## Independent Auditor

The independent auditor, Nexia TS Public Accounting Corporation, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors

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Ong Chin Leong  
Director

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Ong Chin Soon  
Director

28 June 2017

# INDEPENDENT AUDITOR'S REPORT

To the members of UnUsUaL Limited

## Report on the Audit of the Financial Statements

### *Opinion*

We have audited the accompanying financial statements of UnUsUaL Limited (the “**Company**”) and its subsidiary corporations (the “**Group**”), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2017, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial period from 1 January 2016 to 31 March 2017, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 44 to 88.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provision of the Companies Act, Chapter 50 (the “**Act**”) and Financial Reporting Standards in Singapore (“**FRSs**”) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2017 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the period from 1 January 2016 to 31 March 2017.

### *Basis for Opinion*

We conducted our audit in accordance with Singapore Standards on Auditing (“**SSAs**”). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (“**ACRA**”) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (“**ACRA Code**”) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Key Audit Matters*

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### *Revenue recognition*

[Refer to Notes 2.2 and 4]

### *Area of focus*

*For the financial period ended 31 March 2017, production and promotion segments continued to be the main business segments and contributed \$11,672,408 and \$20,062,450 respectively.*

*Generally, the Group recognises revenue upon the completion of production and promotion events, except when the event stretches over two financial periods, in which the revenue would be allocated in a basis which reflects the extent to which services are performed at each event respectively. For trading of performance rights, revenue is recognised when significant risks and rewards of ownership have been transferred to the buyer.*

*By considering the inherent nature of business activities, higher potential risk of misstatement associated with the completeness of revenue recognised and given the materiality of revenue recognised in the overall consolidated financial statements of the Group, this matter is considered as our key audit matter.*

# INDEPENDENT AUDITOR'S REPORT

To the members of UnUsUaL Limited

*How our audit addressed the area of focus*

*In obtaining sufficient audit evidence, we:*

- *considered the effectiveness of the internal controls over revenue cycle and tested the key controls.*
- *reviewed major production and promotion agreements during the financial period to assess whether the revenue are recognised in accordance with the Group's accounting policies as disclosed in Note 2.2.*
- *inspected samples of revenue by events and concerts to assess whether the revenue are accurately recorded in the accounting system and had been correctly recognised in proper financial period.*
- *reviewed journal entries posted to revenue accounts to identify if there are any unusual or irregular items.*

*We found that revenue recognised by the Group was consistent with the accounting policies and relevant disclosures in financial statements are appropriate.*

*Other Information*

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

*Responsibilities of Management and Directors for the Financial Statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

*Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



# INDEPENDENT AUDITOR'S REPORT

To the members of UnUsUaL Limited

## *Auditor's Responsibilities for the Audit of the Financial Statements (continued)*

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

# INDEPENDENT AUDITOR'S REPORT

To the members of UnUsUaL Limited

## **Report on Other Legal and Regulatory Requirements**

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditor have been properly kept in accordance with the provisions of the Act.

The engagement director on the audit resulting in this independent auditor's report is Mr. Low See Lien.

**Nexia TS Public Accounting Corporation  
Public Accountants and Chartered Accountants**

Singapore  
28 June 2017

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial period ended 31 March 2017

		Group	
		1 January 2016 to 31 March 2017 (15 months)	1 January 2015 to 31 December 2015 (12 months)
	Note	\$	\$
Revenue	4	33,883,022	26,112,158
Cost of sales		<u>(22,013,909)</u>	<u>(18,195,939)</u>
Gross profit		11,869,113	7,916,219
Other income	7	126,676	181,896
Other gains - net	8	1,522,947	503,435
Expenses			
- Administrative		(5,069,387)	(3,829,957)
- Finance	9	<u>(23,930)</u>	<u>(6,432)</u>
Profit before income tax		8,425,419	4,765,161
Income tax expense	10	<u>(1,090,113)</u>	<u>(653,529)</u>
<b>Net profit for the financial period/year</b>		<u>7,335,306</u>	<u>4,111,632</u>
<b>Other comprehensive losses, net of tax:</b>			
Currency translation differences arising from consolidation – losses	22(b)(i)	<u>(22)</u>	<u>(29,158)</u>
<b>Total comprehensive income</b>		<u>7,335,284</u>	<u>4,082,474</u>
<b>Net profit attributable to:</b>			
Equity holders of the Company		<u>7,335,306</u>	<u>4,111,632</u>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the Company		<u>7,335,284</u>	<u>4,082,474</u>
<b>Earnings per share for profit attributable to equity holders of the Company (cents per share)</b>			
Basic and diluted	11	<u>1.34</u>	<u>0.78</u>

The accompanying notes form an integral part of these financial statements



# STATEMENTS OF FINANCIAL POSITION

As at 31 March 2017

	Note	Group		Company
		31 March 2017	31 December 2015	31 March 2017
		\$	\$	\$
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	12	10,669,000	5,073,880	1,577,535
Inventories	13	109,429	–	–
Trade and other receivables	14	5,604,399	10,904,816	1,760,281
Income tax recoverable		11,185	7,944	–
		<u>16,394,013</u>	<u>15,986,640</u>	<u>3,337,816</u>
<b>Non-current assets</b>				
Property, plant and equipment	15	6,941,960	4,007,940	–
Investments in subsidiary corporations	16	–	–	33,496
		<u>6,941,960</u>	<u>4,007,940</u>	<u>33,496</u>
<b>Total assets</b>		<u>23,335,973</u>	<u>19,994,580</u>	<u>3,371,312</u>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	17	9,289,708	9,188,768	258,787
Borrowings	18	567,936	65,001	–
Income tax payable		1,224,003	226,430	6,120
		<u>11,081,647</u>	<u>9,480,199</u>	<u>264,907</u>
<b>Non-current liabilities</b>				
Borrowings	18	4,413	64,452	–
Deferred income tax liabilities	20	59,458	149,985	–
		<u>63,871</u>	<u>214,437</u>	<u>–</u>
<b>Total liabilities</b>		<u>11,145,518</u>	<u>9,694,636</u>	<u>264,907</u>
<b>Net assets</b>		<u>12,190,455</u>	<u>10,299,944</u>	<u>3,106,405</u>
<b>EQUITY</b>				
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital	21	3,000,100	639,552	3,000,100
Other reserves	22	557,734	(48,300)	–
Retained profits <sup>(1)</sup>		8,632,621	9,708,692	106,305
<b>Total equity</b>		<u>12,190,455</u>	<u>10,299,944</u>	<u>3,106,405</u>

<sup>(1)</sup> The retained profits of the Group and of the Company are fully distributable

The accompanying notes form an integral part of these financial statements

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial period ended 31 March 2017

← Attributable to the equity holders of the Company →				
Note	Share capital \$	Retained Profits \$	Other reserves \$	Total equity \$
<b>31 March 2017</b>				
<b>Beginning of financial period</b>	639,552	9,708,692	(48,300)	10,299,944
Total comprehensive income for the financial period	–	7,335,306	(22)	7,335,284
Dividends relating to period ended 31 March 2017	23	–	(8,411,377)	–
Issuance of shares at 3 May 2016	21	100	–	–
Restructuring Exercise	21,22(b)(i)	(639,552)	–	606,056
Issuance of shares pursuant to convertible loan agreement	21	3,000,000	–	–
Total transactions with owners, recognised directly in equity	2,360,548	(8,411,377)	606,056	(5,444,773)
<b>End of financial period</b>	<b>3,000,100</b>	<b>8,632,621</b>	<b>557,734</b>	<b>12,190,455</b>
<b>31 December 2015</b>				
<b>Beginning of financial year</b>	639,552	6,397,060	(19,142)	7,017,470
Total comprehensive income for the financial year	–	4,111,632	(29,158)	4,082,474
Dividends relating to 2014	23	–	(800,000)	–
<b>End of financial year</b>	<b>639,552</b>	<b>9,708,692</b>	<b>(48,300)</b>	<b>10,299,944</b>

The accompanying notes form an integral part of these financial statements

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial period ended 31 March 2017

	Note	Group	
		1 January 2016 to 31 March 2017 (15 months)	1 January 2015 to 31 December 2015 (12 months)
		\$	\$
<b>Cash flows from operating activities</b>			
Net profit		7,335,306	4,111,632
Adjustments for:			
- Income tax expense	10	1,090,113	653,529
- Depreciation of property, plant and equipment	5	1,028,247	1,103,184
- Interest income	7	(13,025)	(8,327)
- Gain on disposal of property, plant and equipment	8	(1,219,292)	(136,895)
- Interest expense	9	23,930	6,432
		<u>8,245,279</u>	<u>5,729,555</u>
Change in working capital:			
- Trade and other receivables		747,299	(1,162,414)
- Trade and other payables		442,813	(2,784,370)
Inventories		(109,429)	-
<b>Cash generated from operations</b>		<u>9,326,022</u>	<u>1,782,771</u>
Interest received		13,025	8,327
Income tax paid		(186,953)	(69,452)
<b>Net cash provided by operating activities</b>		<u>9,152,094</u>	<u>1,721,646</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(5,500,642)	(2,188,233)
Proceeds from disposal of property, plant and equipment		2,855,857	8,295
<b>Net cash used in investing activities</b>		<u>(2,644,785)</u>	<u>(2,179,938)</u>
<b>Cash flows from financing activities</b>			
Bank deposits released		124,244	136,268
Repayment of finance lease liabilities		(157,104)	(59,997)
Proceeds from bank borrowings		500,000	-
Proceeds from issuance of convertible notes	1.2(d)	3,000,000	-
Dividends paid to equity holders	23	(4,214,210)	(500,000)
Interest paid		(23,930)	(6,432)
<b>Net cash used in financing activities</b>		<u>(771,000)</u>	<u>(430,161)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<u>5,736,309</u>	<u>(888,453)</u>
<b>Cash and cash equivalents</b>			
Beginning of financial period/year		4,544,073	5,465,212
Effect on currency translation on cash and cash equivalents		(16,945)	(32,686)
<b>End of financial period/year</b>	12	<u><u>10,263,437</u></u>	<u><u>4,544,073</u></u>

The accompanying notes form an integral part of these financial statements

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

## 1. Corporate information

### 1.1 The Company

The Company is incorporated in Singapore on 3 May 2016 as a private company limited by shares, under the name of “UnUsUaL Pte. Ltd.”, to act as the holding corporation of the Group. At incorporation, the Company’s issued and paid-up share capital was \$100, comprising 100 ordinary shares. The Company was incorporated for the purpose of acquiring the existing companies of the Group pursuant to the Group Restructuring Exercise (Note 1.2).

The Company was converted into a public limited company and the name was changed to “UnUsUaL Limited” on 9 March 2017. The consolidated financial statements are presented in Singapore Dollar except otherwise indicated.

The address of its registered and principal place of business is located at 45 Kallang Pudding Road, #01-01 Alpha Building, Singapore 349317.

The principal activity of the Company is that of investment holding. The principal activities of the subsidiary corporations are described below.

The Company’s immediate holding corporation is UnUsUaL Management Pte. Ltd., a company incorporated in Singapore. The ultimate holding corporation is mm2 Asia Ltd., a company incorporated in Singapore and listed on Singapore Exchange Securities Trading Limited.

The Group, after the Restructuring Exercise, comprises the Company and the following subsidiary corporations:

Name of Companies	Country of business/ incorporation	Principal activities	Equity holding %
UnUsUaL Productions Pte Ltd	Singapore	Rental of stage lighting, sound systems, audio equipment and light system installation and its related services	100
UnUsUaL Development Pte. Ltd.	Singapore	Leasing of premises to customers to hold activities and other related services	100
UnUsUaL Entertainment Pte. Ltd.	Singapore	Organising and promoting all kinds of shows, entertainment acts and other related services	100
UnUsUaL Entertainment International Limited	Hong Kong	Provision of concert production services, provision of artiste services, lease of stage equipment and investment in concert production	100
UnUsUaL Productions (M) Sdn. Bhd.	Malaysia	Organising and management of events	100



# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 1. Corporate information (continued)

### 1.2 Restructuring Exercise

The Group undertook the following Restructuring Exercise prior to the preparation for the listing of the Company on Catalyst:

#### (a) *Incorporation of the Company*

The Company was incorporated on 3 May 2016 in Singapore, in accordance with the Companies Act as an exempt private company limited by shares to act as the holding corporation of the Group. On incorporation, the Company's issued and paid-up share capital was \$100. The principal activity of the Company is that of investment holding.

#### (b) *Acquisition of UnUsUaL Productions Pte Ltd, UnUsUaL Development Pte. Ltd., UnUsUaL Entertainment Pte. Ltd., UnUsUaL Entertainment International Limited and UnUsUaL Productions (M) Sdn. Bhd..*

On 12 May 2016, the Company acquired the respective shareholdings of Ong Chin Soon and Ong Chin Leong in UnUsUaL Productions Pte Ltd, UnUsUaL Development Pte. Ltd., UnUsUaL Entertainment Pte. Ltd., UnUsUaL Entertainment International Limited and UnUsUaL Productions (M) Sdn. Bhd. for a total purchase consideration of \$33,496. UnUsUaL Productions Pte Ltd, UnUsUaL Development Pte. Ltd., UnUsUaL Entertainment Pte. Ltd., UnUsUaL Entertainment International Limited and UnUsUaL Productions (M) Sdn. Bhd. became wholly-owned subsidiary corporations of the Company.

#### (c) *Transfer of shares to mm2 Asia Ltd.*

On 11 August 2016, Ong Chin Soon and Ong Chin Leong transferred 51% of the issued and paid-up share capital of the Company to mm2 Asia Ltd. for an aggregate consideration of \$26,000,000.

On 9 January 2017, the Group changed its financial year-end from 31 December to 31 March, to align with the financial year-end of mm2 Asia Ltd..

#### (d) *Conversion of the Convertible Notes*

On 5 December 2016, the Company entered into Convertible Notes Subscription Agreements with Pre-initial Public Offering ("Pre-IPO") Investors. The aggregate principal amounts of the Convertible Notes issued by the Company to the Pre-IPO investors are \$3,000,000. Pursuant to the Convertible Notes Subscription Agreements, 100% of the principal amount in respect of the Convertible Notes shall be converted into 17,647,059 Conversion Shares prior to registration. The Convertible Notes of all the Pre-IPO Investors shall be converted at a conversion price that is 85% of the Placement Price (\$0.20 for each Placement Share) of the Company.

On 24 March 2017, the shareholder approved the allotment and issuance of the Conversion Shares to the Pre-IPO Investors.

#### (e) *Transfer of shares to UnUsUaL Management Pte. Ltd.*

On 29 December 2016, Ong Chin Soon, Ong Chin Leong and mm2 Asia Ltd. transferred all their shares to UnUsUaL Management Pte. Ltd. in order to consolidate their controls in the Company. UnUsUaL Management Pte. Ltd. subsequently became the sole shareholder of the Company.

Each of Ong Chin Soon and Ong Chin Leong held 49 shares in UnUsUaL Management Pte. Ltd. while mm2 Asia Ltd. held 102 shares in UnUsUaL Management Pte. Ltd..

#### (f) *Share Split*

On 9 March 2017, the shareholder approved the Share Split whereby every one (1) Share was sub-divided into 5,286,000 Shares.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 1. Corporate information (continued)

### 1.2 Restructuring Exercise (continued)

The Restructuring Exercise as described in Note 1.2 (b) involved companies which are under common control since all the entities took part in the Restructuring Exercise were controlled by the same parties, Ong Chin Soon and Ong Chin Leong, before and immediately after the Restructuring Exercise. The combined financial statements for the financial year ended 31 December 2015 have been prepared based on the pooling-of-interest method as if the current group structure had been in existence prior to the Restructuring Exercise.

## 2 Summary of significant accounting policies

### 2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards (“FRS”) under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

#### ***Interpretations and amendments to published standards effective in 2017***

On 1 January 2016, the Group adopted the new or amended FRS and Interpretations of FRS (“INT FRS”) that are mandatory for application for the financial period. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Group and the Company had no material effect on the amounts reported for the current financial period or prior financial years.

### 2.2 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for rendering of services in the ordinary course of the Group’s activities. Revenue is presented, net of goods and services tax, rebates and discounts, and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Group’s activities are met as follows:

(a) *Production*

(i) *Supply of equipment*

Revenue from renting of stage sound system and equipment are recognised upon completion of the events, otherwise it is recognised on a straight-line basis over the contractual period.

(ii) *Rendering of services*

Revenue from the rendering of technical services is recognised when the services are rendered upon completion of the events, otherwise it is recognised on a straight-line basis over the contractual period.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 2 Summary of significant accounting policies (continued)

### 2.2 Revenue recognition (continued)

#### (b) Promotion

##### (i) Admission fees and sponsorship

Revenue from artistic performances and other special events, including the related sponsorship received is recognised when the events have taken place. When subscriptions to a number of events are sold, the fee is allocated to each event on a basis which reflects the extent to which services are performed at each event.

##### (ii) Other promotion

Revenue from trading of performance rights is recognised when the significant risks and rewards of ownership have been transferred to the buyer.

#### (c) Others

(i) Revenue from co-management of exhibition/concert halls are recognised upon completion of the events, otherwise it is recognised on a straight-line basis over the contractual period.

(ii) Revenue from renting of exhibition/concert halls and related equipment are recognised upon completion of the events, otherwise it is recognised on a straight-line basis over the contractual period.

#### (d) Interest income

Revenue from interest income is recognised on time-apportioned basis over the period of placement of time deposits.

#### (e) Dividend Income

Dividend income is recognised when the right to receive payment is established.

Revenue and related cost of production, promotion and other activities is deferred until the completion of the events or over the contractual period. These are included under “deferred income” (Note 17) and “deferred cost” (Note 14) in the notes to the financial statements.

### 2.3 Government grants

Grants from the government are recognised as receivables at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 2 Summary of significant accounting policies (continued)

### 2.4 Group accounting

#### (a) *Subsidiary corporations*

##### (i) *Consolidation*

Subsidiary corporations are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiary corporations are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiary corporations have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary corporation's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the company. They are shown separately in the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary corporation, even if this results in the non-controlling interests having a deficit balance.

##### (ii) *Acquisition*

The acquisition method of accounting is used to account for the acquisition of subsidiary corporations, other than those entities which are under common control.

The consideration transferred for the acquisition of a subsidiary corporation or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of (a) the consideration transferred the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previously-held equity interest in the acquiree over the (b) fair values of the identifiable assets acquired net of the fair values of the liabilities and any contingent liabilities assumed, is recorded as goodwill.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 2 Summary of significant accounting policies (continued)

### 2.4 Group accounting (continued)

#### (a) *Subsidiary corporations (continued)*

##### (ii) *Acquisition (continued)*

Acquisitions of entities under common control have been accounted for using the pooling-of-interest method. Under this method:

- The consolidated financial statements of the Group have been prepared as if the Group structure immediately after the transaction has been in existence since the earliest date the entities are under common control;
- The assets and liabilities are brought into the consolidated financial statements at their existing carrying amounts from the perspective of the controlling party;
- The consolidated statement of comprehensive income includes the results of the acquired entities since the earliest date the entities are under common control;
- The cost of investment is recorded at the aggregate of the nominal value of the equity shares issued, cash and cash equivalents and fair values of other consideration; and
- On consolidation, the difference between the cost of investment and the nominal value of the share capital of the merged subsidiary corporation is taken to merger reserve.

##### (iii) *Disposals*

When a change in the Group's ownership interest in a subsidiary corporation results in a loss of control over the subsidiary corporation, the assets and liabilities of the subsidiary corporation including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained profits if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

#### (b) *Transactions with non-controlling interests*

Changes in the Group's ownership interest in a subsidiary corporation that do not result in a loss of control over the subsidiary corporation are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interests and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

### 2.5 Property, plant and equipment

#### (a) *Measurement*

##### (i) *Property, plant and equipment*

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

##### (ii) *Components of costs*

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 2 Summary of significant accounting policies (continued)

### 2.5 Property, plant and equipment (continued)

#### (b) Depreciation

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	<u>Useful lives</u>
Computers and office equipment	3 to 5 years
Furniture, fittings and renovation	5 years
Lighting equipment	5 years
Machinery	5 years
Motor vehicles	5 years
Rental equipment	5 years

During the financial period, the Group revised the estimate useful lives of certain rental equipment from 10 years to 5 years so as to reflect the expected pattern of consumption of the future economic benefits embodied to its rental equipment. Refer to the Note 3.1(b) for the effect of the change in the estimated useful lives.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each financial position date. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated property, plant and equipment still in use are retained in the financial statements.

#### (c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

#### (d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "Other gains – net".

### 2.6 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method.

### 2.7 Impairment of non-financial assets

*Property, plant and equipment*  
*Investments in subsidiary corporations*

Property, plant and equipment and investments in subsidiary corporations are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating units ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 2 Summary of significant accounting policies (continued)

### 2.7 Impairment of non-financial assets (continued)

*Property, plant and equipment (continued)*  
*Investments in subsidiary corporations (continued)*

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

An impairment loss for an asset is reversed only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in profit or loss.

### 2.8 Financial assets

#### (a) Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity and available-for-sale. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and in the case of assets classified as held-to-maturity, re-evaluates this designation at each financial position date.

At the end of each financial position date, the Group does not hold any of the financial assets except loans and receivables.

#### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those that are expected to be realised later than 12 months after the financial position date which are presented as non-current assets. Loans and receivables are presented as "Trade and other receivables" (Note 14), "Cash and cash equivalents" (Note 12) on the statement of financial position.

#### (b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

#### (c) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit or loss are recognised immediately as expenses.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 2 Summary of significant accounting policies (continued)

### 2.8 Financial assets (continued)

#### (d) Subsequent measurement

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Interest income on financial assets is recognised separately in other income.

#### (e) Impairment

The Group assesses at each financial position date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

#### *Loans and receivables*

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The impairment allowance is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

### 2.9 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liabilities simultaneously.

### 2.10 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the financial position date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

### 2.11 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial period which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

### 2.12 Fair value estimation of financial assets and liabilities

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 2 Summary of significant accounting policies (continued)

### 2.13 Leases

(a) When the Group is the lessee:

The Group leases motor vehicles under finance leases from non-related parties and office premises and warehouses under operating leases from related parties and non-related parties.

(i) *Lessee – Finance leases*

Leases where the Group assumes substantially all risks and rewards incidental to ownership of the leased assets are classified as finance leases.

The leased assets and the corresponding lease liabilities (net of finance charges) under finance leases are recognised on the statement of financial position as plant and equipment and finance lease liabilities respectively, at the inception of the leases based on the lower of the fair value of the leased assets and the present value of the minimum lease payments.

Each lease payment is apportioned between the finance expense and the reduction of the outstanding lease liability. The finance expense is recognised in profit or loss on a basis that reflects a constant periodic rate of interest on the finance lease liability.

(ii) *Lessee – Operating leases*

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

Contingent rents are recognised as an expense in profit and loss when incurred.

(b) When the Group is the lessor:

The Group leases stage sound system and equipment under operating leases to related parties and non-related parties.

*Lessor – Operating leases*

Leases of equipment where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Contingent rents are recognised as income in profit or loss when earned.

### 2.14 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method.

Inventories comprise materials and supplies to be consumed in the rendering of production services for rental of stage lighting, sound system, audio equipment and light system installation and its related services. Net realisable value is the estimated selling price of production services less the applicable costs of conversion to complete the services and variable selling expenses.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 2 Summary of significant accounting policies (continued)

### 2.15 Taxes

#### *Income taxes*

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the financial position date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiary corporations except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the financial position date; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the financial position date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss.

### 2.16 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the consolidated statement of comprehensive income as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

### 2.17 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

#### (a) *Defined contribution plans*

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 2 Summary of significant accounting policies (continued)

### 2.17 Employee compensation (continued)

#### (b) *Employees leave entitlement*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the financial position date.

#### (c) *Bonus plan*

The Group recognises a liability and an expense for bonuses, based on a formula that takes into consideration that profit attributable to the Group's shareholders after certain adjustments. The Group recognises a provision when contractual obliged to pay or when there is a past practice that has created a constructive obligation to pay.

### 2.18 Currency translation

#### (a) *Functional and presentation currency*

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("**functional currency**"). The financial statements are presented in Singapore Dollar, which is the functional currency of the Company.

#### (b) *Transactions and balances*

Transactions in a currency other than the functional currency ("**foreign currency**") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rate at the financial position date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated statement of comprehensive income within "Finance expense". All other foreign exchange gains and losses impacting profit or loss are presented in the consolidated statement of comprehensive income within "Other gains – net".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

#### (c) *Translation of Group entities' financial statements*

The results and financial positions of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities are translated at the closing exchange rates at the financial position date;
- (ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 2 Summary of significant accounting policies (continued)

### 2.18 Currency translation (continued)

(c) *Translation of Group entities' financial statements (continued)*

- (iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the financial position date.

### 2.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision-maker whose members are responsible for allocating resources and assessing performance of the operating segments.

### 2.20 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value and bank overdrafts. Bank overdrafts are presented as current borrowings on the statement of financial position. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

### 2.21 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

### 2.22 Dividends to Company's shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

## 3 Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under circumstances.

### 3.1 Critical judgements in applying the entity's accounting policies

In the process of applying the Company's accounting policies, management has made certain judgements, apart from those involving estimations, which has significant effect on the amounts recognised in the financial statements.

(a) *Impairment of financial assets*

Management reviews its loans and receivables for objective evidence of impairment at least quarterly. Significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy, and default or significant delay in payments are considered objective evidence that a receivable is impaired. In determining this, management has made judgements as to whether there is observable data indicating that there has been a significant change in the payment ability of the debtor, or whether there have been significant changes with adverse effect in the technological, market, economic or legal environment in which the debtor operates in.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 3 Critical accounting estimates, assumptions and judgements (continued)

### 3.1 Critical judgements in applying the entity's accounting policies (continued)

#### (a) Impairment of financial assets (continued)

Where there is objective evidence of impairment, management has made judgements as to whether an impairment loss should be recorded as an expense. In determining this, management has used estimates based on historical loss experience for assets with similar credit risk characteristics. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between the estimated loss and actual loss experience. Details of trade and other receivables and allowance for impairment as at 31 March 2017 and 31 December 2015 are disclosed in Note 14.

If the net present values of estimated cash flows had been lower by 5% from management's estimates for all past due loans and receivables, the allowance for impairment of the Group would have been higher by \$36,730 (31 December 2015: \$297,573) as at 31 March 2017.

The carrying amount of loans and receivables are disclosed in Notes 12 and 14 to the financial statements.

#### (b) Property, plant and equipment

The cost of property, plant and equipment is depreciated on a straight-line basis over their estimated useful lives which management estimates to be within 3 to 5 years.

The Group reviews the residual values and useful lives of property, plant and equipment at each financial position date in accordance with the accounting policies in Note 2.5. The estimation of the residual values and useful lives involves significant judgements. The carrying amount of the Group's property, plant and equipment as at 31 March 2017 and 31 December 2015 is disclosed in Note 15.

#### Changes in estimates

During the financial period, the Group conducted an operational efficiency review on its production activities. The Group revised the estimated useful lives of rental equipment from ten years to five years. The revision in estimate has been applied on a prospective basis from 1 January 2016. The effects of the above revision on depreciation charge in current and future periods are as follows:

	<b>31 March 2017</b>	<b>2018 - 2022</b>
Increase/(Decrease) in depreciation expenses	81,544	(81,544)

The carrying amount of this rental equipment with revised useful lives as at 31 March 2017 was \$30,201.

If the actual lives of these property, plant and equipment differ by 1 year from management's estimates, the carrying amount of the property, plant and equipment for the financial period/year ended 31 March 2017 and 31 December 2015 will increase by \$75,998 and \$254,497 respectively or decrease by \$316,531 and \$154,222 respectively.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 4 Revenue

	Group	
	1 January 2016 to 31 March 2017 (15 months) \$	1 January 2015 to 31 December 2015 (12 months) \$
Production	11,672,408	11,794,374
Promotion	20,062,450	13,588,189
Others	2,148,164	729,595
	33,883,022	26,112,158

## 5 Expenses by nature

	Group	
	1 January 2016 to 31 March 2017 (15 months) \$	1 January 2015 to 31 December 2015 (12 months) \$
Artistes fees	6,888,371	4,581,020
Allowance for impairment of trade receivables (Note 26(b)(ii))	36,730	–
Bad debts written off	9,416	–
Concert hosting/manpower	10,205,536	8,587,987
Depreciation of property, plant and equipment (Note 15)	1,028,247	1,103,184
Equipment rental on operating lease	826,506	1,142,353
Employee compensation (Note 6)	3,020,221	2,192,963
Material cost	393,164	775,599
Royalties	364,313	126,686
Halls related expenditures	1,934,353	1,990,111
Transportation and freight cost	807,282	198,766
Office rental on operating lease	727,500	582,000
Amount due from a related party written off	–	55,735
Other	841,657	689,492
Total cost of sales and administrative expenses	27,083,296	22,025,896

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 6 Employee compensation

	Group	
	1 January 2016 to 31 March 2017 (15 months) \$	1 January 2015 to 31 December 2015 (12 months) \$
Salaries and bonuses	2,504,841	1,591,044
Employer's contribution to defined contributions plans including Central Provident Fund	279,546	193,721
Directors' fee	30,350	364,200
Other short-term benefits	205,484	43,998
	3,020,221	2,192,963

## 7 Other income

	Group	
	1 January 2016 to 31 March 2017 (15 months) \$	1 January 2015 to 31 December 2015 (12 months) \$
Interest income - Bank deposits	13,025	8,327
Government grant		
- Spring grant	45,500	-
- Wage credit scheme	17,944	50,584
- Temporary employment credit	9,611	4,195
- Special employment credit	1,735	1,716
Other ticketing charges	-	61,284
Miscellaneous income	38,861	55,790
	126,676	181,896

## 8 Other gains - net

	Group	
	1 January 2016 to 31 March 2017 (15 months) \$	1 January 2015 to 31 December 2015 (12 months) \$
Gain/(loss) on foreign exchange - net	858	(141,875)
Gain on disposal of property, plant and equipment	1,219,292	136,895
Waiver of trade debt due to a non-related party	5,500	-
Waiver of non-trade debts due to related parties	263,801	508,415
Waiver of non-trade debts due to directors	33,496	-
	1,522,947	503,435

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 9 Finance expenses

	Group	
	1 January 2016 to 31 March 2017 (15 months) \$	1 January 2015 to 31 December 2015 (12 months) \$
Bank borrowing interest	14,960	–
Finance lease interest	8,970	6,432
	23,930	6,432
	23,930	6,432

## 10 Income tax expense

	Group	
	1 January 2016 to 31 March 2017 (15 months) \$	1 January 2015 to 31 December 2015 (12 months) \$
Tax expense/(credit) attributable to profit is made up of:		
- Profit for the financial period/year		
- Current income tax		
- Singapore	1,105,944	211,984
- Foreign	108,288	62,712
	1,214,232	274,696
Deferred income tax	(96,303)	378,833
	1,117,929	653,529
- (Over)/under provision in prior financial years		
- Current income tax	(33,715)	–
- Deferred income tax	5,899	–
	(27,816)	–
	1,090,113	653,529

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 10 Income tax expense (continued)

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax is as follows:

	Group	
	1 January 2016 to 31 March 2017 (15 months) \$	1 January 2015 to 31 December 2015 (12 months) \$
Profit before income tax	8,425,419	4,765,161
Tax calculated at tax rate 17% (2015: 17%)	1,432,321	810,078
Effects of:		
- different tax rates in other countries	(8,452)	1,208
- tax incentives	(268,466)	(32,616)
- income not subjected to tax	(23,050)	(120,089)
- expenses not deductible for tax purposes	91,046	83,796
- utilisation of previously unrecognised deferred tax assets	-	(51,224)
- statutory income tax exemption	(105,470)	(35,525)
- over provision in prior financial years	(27,816)	-
- Others	-	(2,099)
	<u>1,090,113</u>	<u>653,529</u>

## 11 Earnings per share

The calculation of the basic earnings per share is based on the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial period/year.

	Group	
	1 January 2016 to 31 March 2017 (15 months) \$	1 January 2015 to 31 December 2015 (12 months) \$
Net profit attributable to equity holders of the Company	7,335,306	4,111,632
Weighted average number of ordinary shares outstanding for basic and diluted earnings per share	546,247,059	528,600,000
Basic and diluted	<u>1.34</u>	<u>0.78</u>

The earnings per share for the financial period/year ended 31 March 2017 and 31 December 2015 were computed based on weighted average number of shares adjusted to take into account the subdivision and conversion of convertible notes.

There were no diluted earnings per share for the financial period/year ended 31 March 2017 and 31 December 2015 as there were no potential ordinary shares outstanding.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 12 Cash and cash equivalents

	Group		Company
	31 March 2017 \$	31 December 2015 \$	31 March 2017 \$
Cash at bank and on hand	10,083,832	4,498,365	1,577,535
Short-term bank deposits	585,168	575,515	–
	<u>10,669,000</u>	<u>5,073,880</u>	<u>1,577,535</u>

For the purposes of the statement of cash flows, the cash and cash equivalents comprise the following:

	Group	
	31 March 2017 \$	31 December 2015 \$
Cash and cash equivalents (as per above)	10,669,000	5,073,880
Less: Bank deposits pledged	(405,563)	(529,807)
	<u>10,263,437</u>	<u>4,544,073</u>

Bank deposits of \$405,563 and \$529,807 for the respective financial period/year ended 31 March 2017 and 31 December 2015 were pledged with the bank as collateral to secure the issuance of performance bonds for period not exceeding 12 months in the ordinary course of the business.

## 13 Inventories

	Group	
	31 March 2017 \$	31 December 2015 \$
Consumables	109,429	–

The cost of inventories recognised as an expense and included in “cost of sales” amounted to \$393,164 (2015: \$775,599).



# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 14 Trade and other receivables

	Group		Company
	31 March 2017	31 December 2015	31 March 2017
	\$	\$	\$
Trade receivables			
- Related parties	–	7,263	–
- Non-related parties	1,813,324	6,956,760	–
	<u>1,813,324</u>	<u>6,964,023</u>	<u>–</u>
Less: Allowance for impairment of receivables (Note 26(b)(ii))			
- Non-related parties	(36,730)	(808,754)	–
Trade receivables - net	<u>1,776,594</u>	<u>6,155,269</u>	<u>–</u>
Other receivables			
- Related parties	–	2,700,322	783,857
- Directors	–	310,000	–
- Non-related parties	76,757	61,622	12,914
Other receivables – net	<u>76,757</u>	<u>3,071,944</u>	<u>796,771</u>
Deposits	325,197	446,069	38,770
Prepayments	96,450	8,032	–
Advance to supplier	–	141,000	–
Accrued income	202,486	–	–
Deferred cost			
- Uncompleted events relating to production, promotion and other activities	2,202,175	1,082,502	–
- Expenses Incurred in connection with the initial public offering	924,740	–	924,740
	<u>5,604,399</u>	<u>10,904,816</u>	<u>1,760,281</u>

Amount due from related parties and directors are non-trade in nature, interest-free, unsecured and repayable on demand.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 15 Property, plant and equipment

	Computers and office equipment \$	Furniture, fittings and renovation \$	Lighting equipment \$	Machinery \$	Motor vehicles \$	Rental equipment \$	Total \$
<b>Group</b>							
<b>As at 31 March 2017</b>							
<i>Cost</i>							
Beginning of financial period	141,367	17,354	412,900	15,800	1,275,405	4,514,353	6,377,179
Currency translation differences	–	–	–	–	–	(9,859)	(9,859)
Additions	28,304	786	3,536,766	8,000	153,642	1,873,144	5,600,642
Reclassification	–	–	1,273,230	–	–	(1,273,230)	–
Disposal	–	–	(412,900)	–	(507,976)	(3,002,349)	(3,923,225)
End of financial period	169,671	18,140	4,809,996	23,800	921,071	2,102,059	8,044,737
<i>Accumulated depreciation</i>							
Beginning of financial period	63,714	11,682	368,008	9,480	382,500	1,533,855	2,369,239
Currency translation differences	–	–	–	–	–	(8,049)	(8,049)
Depreciation charge (Note 5)	53,716	2,873	341,897	5,150	270,822	353,789	1,028,247
Disposal	–	–	(373,271)	–	(253,988)	(1,659,401)	(2,286,660)
End of financial period	117,430	14,555	336,634	14,630	399,334	220,194	1,102,777
<b>Net book value</b>							
End of financial period	52,241	3,585	4,473,362	9,170	521,737	1,881,865	6,941,960
<b>As at 31 December 2015</b>							
<i>Cost</i>							
Beginning of financial year	59,721	15,097	368,261	15,800	1,208,552	3,002,589	4,670,020
Currency translation differences	–	–	–	–	–	(35,302)	(35,302)
Additions	92,984	2,257	49,254	–	502,541	1,738,797	2,385,833
Disposal	–	–	–	–	(435,688)	–	(435,688)
Written-off	(11,338)	–	(4,615)	–	–	(191,731)	(207,684)
End of financial year	141,367	17,354	412,900	15,800	1,275,405	4,514,353	6,377,179
<i>Accumulated depreciation</i>							
Beginning of financial year	33,394	8,780	245,293	6,320	512,614	1,046,211	1,852,612
Currency translation differences	–	–	–	–	–	(12,185)	(12,185)
Depreciation charge (Note 5)	41,658	2,902	127,330	3,160	236,574	691,560	1,103,184
Disposal	–	–	–	–	(366,688)	–	(366,688)
Written-off	(11,338)	–	(4,615)	–	–	(191,731)	(207,684)
End of financial year	63,714	11,682	368,008	9,480	382,500	1,533,855	2,369,239
<b>Net book value</b>							
End of financial year	77,653	5,672	44,892	6,320	892,905	2,980,498	4,007,940

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 15 Property, plant and equipment (continued)

During the financial period/year ended 31 March 2017 and 31 December 2015, the Group acquired property, plant and equipment with an aggregate cost of \$5,600,642 and \$2,385,833 respectively of which \$100,000 and NIL respectively were financed by borrowings from financial institutions and the balance of \$5,500,642 and \$2,188,233 by outright cash payment. The remaining amounts of NIL and \$197,600 were the trade-in value of the disposed property, plant and equipment.

The carrying amounts of motor vehicles acquired under finance leases are \$222,601 and \$472,366 at the respective financial period/year ended 31 March 2017 and 31 December 2015 (Note 18).

## 16 Investments in subsidiary corporations

	<b>Company 31 March 2017 \$</b>
Equity Investment at cost	
Additions	33,496
End of financial period	<u>33,496</u>

The Group had the following subsidiary corporations as at 31 March 2017 and 31 December 2015:

Name of Companies	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by the Group		Proportion of ordinary shares directly held by the Company
			2017	2015	2017
			%	%	%
UnUsUaL Productions Pte Ltd <sup>(a)</sup>	Rental of stage, lighting, sound systems, audio equipment and light system installation and its related services	Singapore	100	100	100
UnUsUaL Entertainment Pte. Ltd. <sup>(a)</sup>	Organising and promoting all kinds of shows, entertainment acts and other related services	Singapore	100	100	100
UnUsUaL Development Pte. Ltd. <sup>(a)</sup>	Leasing of premises to Customers to hold activities and other related services	Singapore	100	100	100
UnUsUaL Entertainment International Limited <sup>(b) (d)</sup>	Provision of concert production services, promotion of artiste services, lease of stage equipment and investment in concert production	Hong Kong	100	100	100
UnUsUaL Productions (M) Sdn. Bhd. <sup>(c) (d)</sup>	Organising and management of events	Malaysia	100	100	100

<sup>(a)</sup> Audited by Nexia TS Public Accounting Corporation.

<sup>(b)</sup> Audited by KY Y & Co., Certified Public Accountant (Practising), Hong Kong for local statutory purpose.

<sup>(c)</sup> Audited by STH & Co, Chartered Accountant, Malaysia for local statutory purpose.

<sup>(d)</sup> Audited by Nexia TS Public Accounting Corporation, Singapore for consolidation purpose.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 17 Trade and other payables

	Group		Company
	31 March 2017 \$	31 December 2015 \$	31 March 2017 \$
Trade payables			
- Related parties	-	282,480	-
- Non-related parties	4,036,940	3,418,926	-
	<u>4,036,940</u>	<u>3,701,406</u>	<u>-</u>
Other payables			
- Related parties	-	405,404	6,330
- Ultimate holding corporation	7,373	-	7,373
- Directors	-	3,309,312	-
- Non-related parties	2,914,071	-	115,814
	<u>2,921,444</u>	<u>3,714,716</u>	<u>129,517</u>
Deferred income	1,631,213	1,028,800	-
Deposit received	-	120,000	-
Dividends payable	-	300,000	-
Accruals for operating expenses	700,111	323,846	129,270
	<u>9,289,708</u>	<u>9,188,768</u>	<u>258,787</u>

Amount due to related parties, ultimate holding corporation and directors are non-trade in nature, interest-free, unsecured and repayable on demand.

## 18 Borrowings

	Group	
	31 March 2017 \$	31 December 2015 \$
<i>Current</i>		
Bank borrowing	500,000	-
Finance lease liabilities (Note 19)	67,936	65,001
	<u>567,936</u>	<u>65,001</u>
<i>Non-current</i>		
Finance lease liabilities (Note 19)	4,413	64,452
	<u>4,413</u>	<u>64,452</u>
	<u>572,349</u>	<u>129,453</u>

The exposure of the borrowings of the Group to interest rate changes and the contractual re-pricing dates at the financial position date are as follows:

	Group	
	31 March 2017 \$	31 December 2015 \$
Less than 6 months	<u>500,000</u>	<u>-</u>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 18 Borrowings (continued)

### (a) Security granted

Total borrowings of the Group include secured liabilities of \$572,349 and \$129,453 at the respective financial period/year ended 31 March 2017 and 31 December 2015.

Bank borrowing of the Group is secured by corporate guarantee from ultimate holding corporation and leasehold building of a related party.

Finance lease liabilities of the Group are effectively secured over the motor vehicles (Note 15), as the legal title is retained by the lessor and will be transferred to the Group upon full settlement of the finance lease liabilities.

### (b) Fair value of non-current borrowings

The fair values of non-current borrowings approximate their carrying amounts.

The fair values are determined from the cash flow analyses, discounted at market borrowing rates of an equivalent instrument at the financial position date which the directors expect to be available to the Group as follows:-

	Group	
	31 March 2017	31 December 2015
	\$	\$
Finance lease liabilities	5.31 – 6.14	5.31

The fair values are within Level 2 of the fair value hierarchy.

## 19 Finance lease liabilities

The Group leases motor vehicles from non-related parties under finance leases. The lease agreements do not have renewal clauses but provide the Group with options to purchase the leased assets at nominal values at the end of the lease term.

	Group	
	31 March 2017	31 December 2015
	\$	\$
Minimum lease payments due		
- Not later than one year	71,443	66,432
- Between one and five years	4,413	71,970
	<u>75,856</u>	<u>138,402</u>
Less: Future finance charges	(3,507)	(8,949)
	<u>72,349</u>	<u>129,453</u>



# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 19 Finance lease liabilities (continued)

The present values of finance lease liabilities are analysed as follows:

	Group	
	31 March 2017	31 December 2015
	\$	\$
Not later than one year (Note 18)	67,936	65,001
Between one and five years (Note 18)	4,413	64,452
	72,349	129,453

## 20 Deferred income taxes

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The amounts, determined after appropriate offsetting, are shown on the statement of financial position as follows:

	Group	
	31 March 2017	31 December 2015
	\$	\$
Deferred income tax liabilities		
- To be settled after one year	59,458	149,985

Movement in deferred income tax account is as follows:

	Group	
	31 March 2017	31 December 2015
	\$	\$
Beginning of financial period/year	149,985	(226,607)
Currency translation differences	(123)	(2,241)
Tax (credited)/charged to profit or loss	(90,404)	378,833
End of financial period/year	59,458	149,985

Deferred income tax assets are recognised for tax losses, capital allowances and donations carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 20 Deferred income taxes (continued)

The movement in deferred income tax assets and liabilities (prior to offsetting of balances within the same jurisdiction) is as follows:

### *Deferred income tax liabilities*

	Group	
	31 March 2017	31 December 2015
	\$	\$
<u>Accelerated tax depreciation</u>		
Beginning of financial period/year	149,985	96,036
Currency translation differences	(123)	(2,241)
Tax (credited)/charged to profit or loss	(90,404)	56,190
End of financial period/year	59,458	149,985

### *Deferred income tax assets*

	Group	
	31 March 2017	31 December 2015
	\$	\$
<u>Tax losses</u>		
Beginning of financial period/year	–	(139,377)
Tax charged to profit or loss	–	139,377
End of financial period/year	–	–

	Group	
	31 March 2017	31 December 2015
	\$	\$
<u>Capital allowances</u>		
Beginning of financial period/year	–	(182,416)
Tax charged to profit or loss	–	182,416
End of financial period/year	–	–

	Group	
	31 March 2017	31 December 2015
	\$	\$
<u>Donations</u>		
Beginning of financial period/year	–	(850)
Tax charged to profit or loss	–	850
End of financial period/year	–	–

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 21 Share capital

	Group		Company	
	No. of ordinary shares	Amount \$	No. of ordinary shares	Amount \$
As at 1 January 2016	700,004	639,552	–	–
Issue of shares at date of incorporation of the Company <sup>(a)</sup>	100	100	100	100
Restructuring exercise <sup>(b)</sup>	(700,004)	(639,552)	–	–
Sub-division of shares <sup>(c)</sup>	528,600,000	100	528,600,000	100
	<u>528,600,000</u>	<u>100</u>	<u>528,600,000</u>	<u>100</u>
Issuance of new shares pursuant to the conversion of convertible notes <sup>(d)</sup>	17,647,059	3,000,000	17,647,059	3,000,000
As at 31 March 2017	<u>546,247,059</u>	<u>3,000,100</u>	<u>546,247,059</u>	<u>3,000,100</u>

<sup>(a)</sup> The Company was incorporated on 3 May 2016 with a paid-up capital of \$100 comprising 100 ordinary shares at the date of incorporation.

<sup>(b)</sup> Pursuant to the Restructuring Exercise, aggregate number of 700,004 shares and \$639,552 of UnUsUaL Entertainment Pte. Ltd., UnUsUaL Productions Pte Ltd, UnUsUaL Development Pte. Ltd., UnUsUaL Productions (M) Sdn. Bhd. and UnUsUaL Entertainment International Limited were acquired by the Company for \$33,496 (Note 1.2(b)). The difference of \$606,056 was taken to merger reserve (Note 22(a)).

<sup>(c)</sup> The sub-division in the issued share capital of the Company, of which one (1) issued and fully-paid shares has been subdivided into 5,286,000 shares.

<sup>(d)</sup> On 24 March 2017, all convertible notes were converted into 17,647,059 conversion shares pursuant to the terms and conditions of the Convertible Notes.

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

For the Group's comparative figures for the financial year ended 31 December 2015, the share capital of the Group represents the aggregate amounts of the paid-up capital of the following subsidiary corporations:

	No. of ordinary shares	Amount \$
<b>Issued and fully paid:</b>		
UnUsUaL Entertainment Pte. Ltd.	2	2
UnUsUaL Productions Pte Ltd	100,000	100,000
UnUsUaL Development Pte. Ltd.	500,000	500,000
UnUsUaL Productions (M) Sdn. Bhd.	100,000	39,550
UnUsUaL Entertainment International Limited	2	*
	<u>700,004</u>	<u>639,552</u>

\* Amount less than \$1.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 22 Other reserves

	Group	
	31 March 2017 \$	31 December 2015 \$
(a) Composition:		
Foreign currency translation reserve	(48,322)	(48,300)
Merger reserve <sup>(a)</sup>	606,056	–
	557,734	(48,300)

<sup>(a)</sup> Merger reserve represents the difference between the cost of investment and the nominal value of share capital of the subsidiary corporations acquired under common control.

### (b) Movement:

#### (i) Foreign currency translation reserve

	Group	
	31 March 2017 \$	31 December 2015 \$
Beginning of financial period/year	(48,300)	(19,142)
Net currency translation differences of financial statements of foreign subsidiary corporations	(22)	(29,158)
End of financial period/year	(48,322)	(48,300)

#### (ii) Merger reserve

	Group	
	31 March 2017 \$	31 December 2015 \$
Beginning of financial period/year	–	–
Net difference between consideration paid and the share capital of the subsidiary corporations acquired	606,056	–
End of financial period/year	606,056	–

Other reserves are non-distributable.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 23 Dividends

	Group	
	31 March 2017	31 December 2015
	\$	\$
<i>Ordinary dividends declared</i>		
One-tier exempt dividends declared in respect of the financial year ended 31 December 2014 of \$2 per share – UnUsUaL Productions Pte Ltd <sup>(a)</sup>	–	200,000
One-tier exempt dividends declared in respect of the financial year ended 31 December 2014 of 60 cents per share – UnUsUaL Development Pte. Ltd. <sup>(a)</sup>	–	300,000
One-tier exempt dividends declared in respect of the financial year ended 31 December 2014 of \$150,000 per share – UnUsUaL Entertainment Pte. Ltd. <sup>(a)</sup>	–	300,000
One-tier exempt dividends declared in respect of the financial period ended 31 March 2017 of \$84,114 per share <sup>(b)</sup>	8,411,377	–
	8,411,377	800,000

<sup>(a)</sup> The subsidiary corporations declared dividends payable to Ong Chin Soon and Ong Chin Leong, being shareholders of the subsidiary corporations prior to the Restructuring Exercise (Note 1.2(b)).

<sup>(b)</sup> On 12 May 2016, Ong Chin Soon and Ong Chin Leong had entered into a sale and purchase agreement (the “SPA”) with mm2 Asia Ltd. (“mm2”) in relation to mm2’s acquisition of such number of shares representing 51% of the issued share capital (“Sale Shares”) of the Company.

Pursuant to the SPA, Ong Chin Soon, Ong Chin Leong and mm2 had agreed that the Past Net Profits earned by the Company and its subsidiary corporations represented from the realisation of all its current assets accrued or referable to the period prior to the completion of the transfer of Shares pursuant to the SPA less all liabilities of the Company and its subsidiary corporations.

On 5 August 2016, the Company distributed the Past Net Profits through the declaration of dividends of \$8,411,377 payable to Ong Chin Soon and Ong Chin Leong, being shareholders of the Company as at 5 August 2016.

On 30 September 2016, settlement deed entered into between the Company, Ong Chin Soon, Ong Chin Leong, mm2, UnUsUaL Productions Pte Ltd, UnUsUaL Entertainment Pte. Ltd. and UnUsUaL Development Pte. Ltd..

Pursuant to the settlement deed, the dividends shall be satisfied by:

	\$
Assignment of trade receivables – non-related parties to Ong Chin Soon and Ong Chin Leong	2,151,234
Other receivables – related parties assumed by Ong Chin Soon and Ong Chin Leong	2,151,209
Net amount due from directors	194,724
	4,497,167

The remaining outstanding dividends of \$3,914,210 have been fully settled during the financial period.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 24 Contingent liabilities

On 24 June 2016 and 30 December 2016, the Group had several fixed deposits totalling \$405,563 which are pledged for certain on-going projects.

## 25 Commitments

*Operating lease commitments – where Group is a lessee*

The Group leases office premises and warehouses from non-related parties under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

The future minimum lease payables under non-cancellable operating leases contracted for at the financial position date but not recognised as liabilities, are as follows:

	1 January 2016 to 31 March 2017 (15 months) \$	1 January 2015 to 31 December 2015 (12 months) \$
Not later than one year	582,000	582,000
Between one and five years	156,500	884,000
	<u>738,500</u>	<u>1,466,000</u>

## 26 Financial risk management

*Financial risk factors*

The Group's activities expose it to market risk (including currency risk, price risk and interest rate risk), credit risk, liquidity risk and capital risk. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. This includes establishing detailed policies such as authority levels, oversight responsibilities, risk identification and measurement, and exposure limits.

Financial risk management is carried out by the finance department in accordance with the policies set by the Board of Directors. The finance personnel identifies, evaluates and monitors financial risks in close co-operation with the Group's operating units. The finance personnel measures actual exposures against the limits set and prepares periodic reports for review by the Executive Directors. Regular reports are also submitted to the Board of Directors.

(a) Market risk

(i) *Currency risk*

The Group has business operations in Singapore, Malaysia and Hong Kong. Entities in the Group regularly transacts in currencies other than their respective functional currencies ("**foreign currencies**").

Currency risk arises within entities in the Group when transactions are denominated in foreign currencies such as the United States Dollar ("**USD**"), Hong Kong Dollar ("**HKD**"), Malaysia Ringgit ("**MYR**") and Euro ("**EUR**"). To manage the currency risk, individual Group entities manage as far as possible by natural hedges of matching assets and liabilities.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 26 Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

The Group's currency exposure based on information provided to key management is as follows:

	SGD	USD	HKD	MYR	EUR	Other	Total
	\$	\$	\$	\$	\$	\$	\$
<u>At 31 March</u>							
<u>2017</u>							
<b>Financial assets</b>							
Cash and cash equivalents	8,568,094	781,800	622,606	135,651	–	560,849	10,669,000
Trade and other receivables	1,619,118	483,919	–	277,997	–	–	2,381,034
	<u>10,187,212</u>	<u>1,265,719</u>	<u>622,606</u>	<u>413,648</u>	<u>–</u>	<u>560,849</u>	<u>13,050,034</u>
<b>Financial liabilities</b>							
Trade and other payables	3,815,273	2,421,696	8,096	14,832	1,398,598	–	7,658,495
Borrowings	572,349	–	–	–	–	–	572,349
	<u>4,387,622</u>	<u>2,421,696</u>	<u>8,096</u>	<u>14,832</u>	<u>1,398,598</u>	<u>–</u>	<u>8,230,844</u>
<b>Net financial assets/(liabilities)</b>	5,799,590	(1,155,977)	614,510	398,816	(1,398,598)	560,849	4,819,190
Add: Net non-financial assets/(liabilities)	7,479,706	–	(148,468)	40,027	–	–	7,371,265
<b>Currency profile including non-financial assets and liabilities</b>	<u>13,279,296</u>	<u>(1,155,977)</u>	<u>466,042</u>	<u>438,843</u>	<u>(1,398,598)</u>	<u>560,849</u>	<u>12,190,455</u>
<b>Currency exposure of financial liabilities net of those denominated in the respective entities' functional currencies</b>		<u>– (1,155,977)</u>	<u>–</u>	<u>–</u>	<u>(1,398,598)</u>	<u>560,849</u>	<u>(1,993,726)</u>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 26 Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

The Group's currency exposure based on information provided to key management is as follows:

	SGD \$	USD \$	HKD \$	MYR \$	Other \$	Total \$
<u>At 31 December 2015</u>						
<b>Financial assets</b>						
Cash and cash equivalents	3,556,701	264,413	331,607	372,906	548,253	5,073,880
Trade and other receivables	5,872,049	494,311	1,222,080	2,084,842	–	9,673,282
	<u>9,428,750</u>	<u>758,724</u>	<u>1,553,687</u>	<u>2,457,748</u>	<u>548,253</u>	<u>14,747,162</u>
<b>Financial liabilities</b>						
Trade and other payables	3,825,948	1,341,628	1,043,705	1,948,687	–	8,159,968
Finance lease liabilities	129,453	–	–	–	–	129,453
	<u>3,955,401</u>	<u>1,341,628</u>	<u>1,043,705</u>	<u>1,948,687</u>	<u>–</u>	<u>8,289,421</u>
<b>Net financial assets/(liabilities)</b>	5,473,349	(582,904)	509,982	509,061	548,253	6,457,741
Add: Net non-financial assets/(liabilities)	3,745,171	–	(39,877)	136,909	–	3,842,203
	<u>9,218,520</u>	<u>(582,904)</u>	<u>470,105</u>	<u>645,970</u>	<u>548,253</u>	<u>10,299,944</u>
<b>Currency exposure of financial (liabilities)/ assets net of those denominated in the respective entities' functional currencies</b>	<u>(242,904)</u>	<u>(582,904)</u>	<u>–</u>	<u>–</u>	<u>548,253</u>	<u>(277,555)</u>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 26 Financial risk management (continued)

### (a) Market risk (continued)

#### (i) Currency risk (continued)

The Company is not exposed to significant currency risk as most of its financial assets and liabilities as at 31 March 2017 are denominated in SGD, except for other payables amounting to \$6,331 which is denominated in HKD. The currency risk exposure has been determined by the management as not material to the Company's profit for the financial period ended 31 March 2017.

If the USD and EUR change against the SGD by 1% (31 December 2015: 7%) and 3% (31 December 2015: NIL) respectively with all other variables including tax rate being held constant, the effects arising from the net financial liability/asset position will be as follows:

	Group	
	← Increase/(decrease) →	
	Profit after tax	
	1 January 2016 to 31 March 2017 (15 months)	1 January 2015 to 31 December 2015 (12 months)
	\$	\$
USD against SGD		
- strengthen	(9,600)	(34,000)
- weakened	9,600	34,000
	<u>9,600</u>	<u>34,000</u>
EUR against SGD		
- strengthen	(34,800)	-
- weakened	34,800	-
	<u>34,800</u>	<u>-</u>

#### (ii) Price risk

The Group does not have exposure to equity price risk as it does not hold equity financial assets.

#### (iii) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant interest bearing assets, the Group's income is substantially independent of changes in market interest rates. The Group's interest rate risk mainly arises from bank borrowing and finance lease at fixed interest rate. The Group manages its interest rate risks by keeping bank loans to the minimum required to sustain the operations of the Group.

The interest rate risk exposure for bank borrowing and finance lease liabilities has been determined by the management as not material to the Group's profit for the financial period/year ended 31 March 2017 and 31 December 2015.

### (b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group are bank balances and trade receivables. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit standing and history, and obtaining sufficient collateral or buying credit insurance where appropriate to mitigate credit risk.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 26 Financial risk management (continued)

### (b) Credit risk (continued)

It is also the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. Customers with high credit risks are required either to pay on cash term, make advance payments or issue letter of credits. When trading with recognised, creditworthy and secured third parties, there is no requirement for collateral. In addition, receivable balances are monitored on an on-going basis and as a result the Group's exposure to bad debts is not significant. For other financial assets, the Group adopts the policy of dealing only with credit quality counterparties.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position.

The trade receivables of the Group comprise of 3 debtors (31 December 2015: 1 debtor), which represented 57% (31 December 2015: 29%) of the trade receivables.

The credit risks for trade receivables based on the information provided to key management are as follows:

	<b>Group</b>	
	<b>31 MARCH 2017</b>	<b>31 DECEMBER 2015</b>
	<b>\$</b>	<b>\$</b>
<u>By geographical areas</u>		
Singapore	1,503,476	3,519,392
Malaysia	267,737	683,582
Hong Kong	–	1,946,643
Others	5,381	5,652
	1,776,594	6,155,269
	<b>Group</b>	
	<b>31 March 2017</b>	<b>31 December 2015</b>
	<b>\$</b>	<b>\$</b>
<u>By types of customers</u>		
Non-related parties	1,776,594	6,148,006
Related parties	–	7,263
	1,776,594	6,155,269

### (i) Financial assets that are neither past due nor impaired

Bank deposits that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit rating agencies. Trade receivables that are neither past due nor impaired are substantially companies with a good collection track record with the Group.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 26 Financial risk management (continued)

### (b) Credit risk (continued)

#### (ii) *Financial assets that are past due and/or impaired*

There is no other class of financial assets that is past due and/or impaired except trade receivables.

The age analysis of trade receivables past due but not impaired is as follows:

	Group	
	31 March 2017	31 December 2015
	\$	\$
Past due < 3 months	458,504	1,536,034
Past due 3 to 6 months	2,975	479,365
Past due over 6 months	267,737	3,127,312
	729,216	5,142,711

The carrying amount of trade receivables individually determined to be impaired and the movements in the related allowance for impairment are as follows:

	Group	
	31 March 2017	31 December 2015
	\$	\$
Past due over 6 months	36,730	808,754
Less: Allowance for impairment (Note 14)	(36,730)	(808,754)
	–	–
Beginning of financial period/year	808,754	808,754
Allowance made (Note 5)	36,730	–
Utilisation during the financial period/year	(808,754)	–
End of financial period/year	36,730	808,754

An allowance for impairment for trade receivables has been made to profit or loss, as management determined the recoverability is low and payments are not forthcoming.

### (c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At the financial position date, assets held by the Group and the Company for managing liquidity risk included cash and cash equivalents as disclosed in Note 12.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 26 Financial risk management (continued)

### (c) Liquidity risk (continued)

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	<b>Less than 1 year</b>	<b>Between 1 and 2 years</b>	<b>Between 2 and 5 years</b>
	\$	\$	\$
<b>Group</b>			
<b>At 31 March 2017</b>			
Trade and other payables	7,658,495	–	–
Borrowings	571,443	4,413	–
<hr/>			
<b>At 31 December 2015</b>			
Trade and other payables	8,159,968	–	–
Borrowings	66,432	71,970	–
<hr/>			
	<b>Less than 1 year</b>	<b>Between 1 and 2 years</b>	<b>Between 2 and 5 years</b>
	\$	\$	\$
<b>Company</b>			
<b>At 31 March 2017</b>			
Trade and other payables	258,787	–	–
<hr/>			

### (d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on a gearing ratio.

The gearing ratio is calculated as net debt divided by total share capital plus net liabilities. Net debt is calculated as fees received in advance plus trade and other payables and borrowings less cash and cash equivalents (which exclude funds restricted in use). No changes were made in the objectives, policies or processes during the period/year ended 31 March 2017 and 31 December 2015.

	<b>Group</b>		<b>Company</b>
	<b>31 March 2017</b>	<b>31 December 2015</b>	<b>31 March 2017</b>
	\$	\$	\$
Net debt	(401,380)	4,774,148	(1,318,748)
Total equity	12,190,455	10,299,944	3,106,405
Total capital	11,789,075	15,074,092	1,787,657
<hr/>			
<b>Gearing ratio</b>	N.M. <sup>(a)</sup>	32%	N.M. <sup>(a)</sup>
<hr/>			

<sup>(a)</sup> Not meaningful

The Group and the Company are not subject to any externally imposed capital requirements for the financial period/year ended 31 March 2017 and 31 December 2015.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 26 Financial risk management (continued)

### (e) Financial Instruments by category

The carrying amount of the different categories of financial instruments is as disclosed on the face of the statement of financial position, except for the following:

	Group		Company
	31 March 2017	31 December 2015	31 March 2017
	\$	\$	\$
Loans and receivables	13,050,034	14,747,162	2,413,076
Financial liabilities at amortised cost	<u>8,230,844</u>	<u>8,289,421</u>	<u>258,787</u>

## 27 Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

### (a) Sales and purchases of goods and services

	Group	
	1 January 2016 to 31 March 2017 (15 months) \$	1 January 2015 to 31 December 2015 (12 months) \$
Office rental expense		
- Related parties	<u>540,000</u>	<u>432,000</u>

Related parties comprise mainly companies which are controlled by the Group's key management personnel.

Outstanding balances as at 31 March 2017 and 31 December 2015, arising from sale/purchases of goods and services, are unsecured and payable within 12 months from financial position date and are disclosed in Notes 14 and 17 respectively.

### (b) Key management personnel compensation

	Group	
	1 January 2016 to 31 March 2017 (15 months) \$	1 January 2015 to 31 December 2015 (12 months) \$
Salaries and bonus	1,278,863	420,875
Employer's contribution to defined contributions plans including Central Provident Fund	101,765	47,261
Directors' fee	30,350	364,200
Other short-term benefits	6,683	-
	<u>1,417,661</u>	<u>832,336</u>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 28 Segment information

The Group's chief operating decision-maker ("CODM") comprises of the Chief Executive Officer, the Chief Operating Officer and the Chief Financial Officer. Management has determined the operating segments based on the reports reviewed by the CODM that are used to make strategic decisions, allocate resources, and assess performance.

At 31 March 2017 and 31 December 2015, the Group was organised into three operating segments, which are relating to production, promotion and other activities. This is based on the Group's internal organisation and management structure and the primary way in which the CODM is provided with the financial information.

The three operating segments are mainly:-

1. Promotion  
Admission fees and sponsorship income and trading of performance rights.
2. Production  
Rental of stage sound system and equipment and rendering of technical services.
3. Others  
Rental of exhibition/concert halls and related equipment and co-management of exhibition/concert halls.

There are no operating segments that have been aggregated to form the above reportable operating segments.

The segment information provided to the CODM for the reportable segments are as follows:

	Production	Promotion	Others	Total
	\$	\$	\$	\$
<b>1 January 2016 to 31 March 2017 (15 months)</b>				
Revenue				
<b>Sales to external parties</b>	11,672,408	20,062,450	2,148,164	33,883,022
<b>Adjusted earnings before interest, tax, depreciation and amortisation, ("EBITDA")</b>	4,427,850	4,989,288	60,458	9,477,596
Depreciation	904,454	123,793	-	1,028,247
Finance expenses	7,212	16,718	-	23,930
<b>Profit before income tax</b>	3,516,184	4,848,777	60,458	8,425,419
<b>1 January 2015 to 31 December 2015 (12 months)</b>				
Revenue				
<b>Sales to external parties</b>	11,794,374	13,588,189	729,595	26,112,158
<b>Adjusted EBITDA</b>	2,477,575	2,954,275	442,927	5,874,777
Depreciation	968,195	134,989	-	1,103,184
Finance expenses	4,288	2,144	-	6,432
<b>Profit before income tax</b>	1,505,092	2,817,142	442,927	4,765,161

Disclosure on the measures of total assets and total liabilities for each reportable segment was not presented as the CODM is of the opinion that it is not meaningful and impracticable as they do not use them for operating decision-making on allocation of resources and performance assessment.

### Information of major customer

Revenue of approximately \$11,851,399 and \$3,579,000 is derived from a single external customer at the respective financial period/year ended 31 March 2017 and 31 December 2015. These revenues are attributable to promotion segment.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 28 Segment information (continued)

### Geographical information:

In presenting the geographical location, revenue is based on the geographical locations of the customers which the revenue is derived from:

	<b>31 March 2017</b>	<b>31 December 2015</b>
	<b>\$</b>	<b>\$</b>
Singapore	27,190,690	19,062,625
Malaysia	1,802,551	3,586,341
Hong Kong	1,086,958	2,472,991
Thailand	1,948,430	–
Others	1,854,393	990,201
	<u>33,883,022</u>	<u>26,112,158</u>

The following is an analysis of the Group's carrying amount of non-current assets by the geographical areas:

	<b>31 March 2017</b>	<b>31 December 2015</b>
	<b>\$</b>	<b>\$</b>
Singapore	6,911,759	3,864,675
Malaysia	30,201	143,265
	<u>6,941,960</u>	<u>4,007,940</u>

## 29 Events occurring after financial position date

On 10 April 2017, the Company was listed on the Catalist Board of the Singapore Exchange. The Company issued 96,990,000 ordinary shares at S\$0.20 each by way of placement, resulting in gross proceeds raised of S\$19,398,000 and the resultant share capital comprised 643,237,059 ordinary shares.

## 30 New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 April 2017 or later periods and which the Group has not early adopted:

*Effective for annual period beginning on or after 1 January 2017*

- Amendments to FRS 7: Disclosure Initiative
- Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses
- Improvements to FRSs (December 2016)
  - Amendments to FRS 112: Disclosure of Interest in Other Entities

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 30 New or revised accounting standards and interpretations (continued)

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 April 2017 or later periods and which the Group has not early adopted (continued):

*Effective for annual period beginning on or after 1 January 2018*

- FRS 109: Financial Instruments
- FRS 115: Revenue from Contracts with Customers

This is the converged standard on revenue recognition. It replaces FRS11 Construction contracts, FRS 18 Revenue, and related interpretations. Revenue is recognised when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service. The core principle of FRS 115 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

FRS 115 also includes a cohesive set of disclosure requirements that will result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

Management is currently assessing the effects of applying the new standard on the Group's financial statements and has identified the following areas that are likely to be affected:

- (i) Rights of return – FRS 115 requires separate presentation on the statements of financial position of the right to recover the goods from the customer and the refund obligation; and
- (ii) Accounting for certain costs incurred in fulfilling a contract – certain costs which are currently expensed may need to be recognised as an asset under FRS 115.

At this stage, the Group is not able to estimate the impact of the new rules on the Group's financial statements. The Group will make more detailed assessment of the impact over the next twelve months.

- Amendments to FRS 40: Transfers of Investment Property
- Amendments to FRS 102: Classification and Measurement of Share-based Payment Transactions
- Amendments to FRS 115: Classifications to FRS 115 Revenue from Contracts with Customers
- Improvements to FRSs (December 2016)
  - Amendments to FRS 28: Investments in Associates and Joint Ventures
  - Amendments to FRS 101: First-Time Adoption of Financial Reporting Standards
- INT FRS 122: Foreign Currency Transactions and Advance Consideration

# NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 March 2017

## 30 New or revised accounting standards and interpretations (continued)

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 April 2017 or later periods and which the Group has not early adopted (continued):

*Effective for annual period beginning on or after 1 January 2019*

- FRS 116: Leases

FRS 116 will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not change significantly.

The standard will affect primarily the accounting for the Group's operating leases. As at the financial position date, the Group has non-cancellable operating lease commitments of \$738,500 (Note 25). However, the Group has yet to determine to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and classification of cash flows.

Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under FRS 116.

*Effective date to be determined by the ASC\**

Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

- \* The mandatory effective date of this Amendment had been revised from 1 January 2016 to a date to be determined by the Accounting Standards Council Singapore (ASC) in December 2015 via Amendments to Effective Date of Amendments to FRS 110 and FRS 28.

The management anticipates that the adoption of the above FRSs, INT FRSs and amendments to FRS in the future periods will not have a material impact on the financial statements of the Group in the period of their initial adoption.

## 31 Comparative figures

As described on Note 1.2 to the financial statements, the comparative financial statements of the Group for the financial year ended 31 December 2015 comprise the financial information of the combined Group of the Company, UnUsUaL Productions Pte Ltd, UnUsUaL Development Pte. Ltd., UnUsUaL Entertainment Pte. Ltd., UnUsUaL Entertainment International Limited and UnUsUaL Productions (M) Sdn. Bhd., prepared based on the pooling-of-interest method, as if the current Group structure has been in existence and under common control in financial year ended 31 December 2015.

The financial statements of the Company are the financial period since the date of incorporation (3 May 2016) to 31 March 2017. This being the first set of financial statements, there are no comparative figures.

## 32 Authorisation of financial statements

These financial statements were authorised for issue by the Board of Directors of the Company on 28 June 2017.



# STATISTICS OF SHAREHOLDINGS

As at 23 June 2017

Class of Shares	:	Ordinary shares
Number of shares (excluding treasury shares)	:	643,237,059
Voting Rights	:	One vote per share
No. of treasury shares and percentage	:	Nil
No. of subsidiary holdings held and percentage	:	Nil

The Company does not have any Treasury Shares.

## DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS

Size of shareholdings	No. of shareholders	%	No. of shares	%
1 - 99	-	-	-	-
100 - 1,000	33	6.33	30,800	0.01
1,001 - 10,000	219	42.04	1,434,400	0.22
10,001 - 1,000,000	258	49.52	24,189,900	3.76
1,000,001 and above	11	2.11	617,581,959	96.01
<b>Total</b>	<b>521</b>	<b>100.00</b>	<b>643,237,059</b>	<b>100.00</b>

## TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of shares	%
1	Unusual Management Pte. Ltd.	528,600,000	82.18
2	SPH Asiaone Ltd	31,518,553	4.90
3	Maybank Kim Eng Securities Pte Ltd	22,203,200	3.45
4	Yeo Khee Seng Benny	15,000,000	2.33
5	Maxi-Harvest Group Pte. Ltd.	5,882,353	0.91
6	Apex Capital Group Pte. Ltd.	5,882,353	0.91
7	CIMB Securities (Singapore) Pte Ltd	2,680,500	0.42
8	Toong Soo Wei (Tang Siwei)	2,000,000	0.31
9	Heah Tien Huat	1,350,000	0.21
10	Tan Seo Boon (Chen Xiaowen) or Lee Siew Mei Shena	1,250,000	0.19
11	OCBC Securities Private Ltd	1,215,000	0.19
12	DBS Nominees Pte Ltd	903,300	0.14
13	Ng Say Yong	770,000	0.12
14	Kristine Foo Chong Luan	750,000	0.12
15	Meng Why Yin	750,000	0.12
16	Sim Sock Hui Eileen (Shen Xuehui)	750,000	0.12
17	Tan Chwee Eng (Chen Cuiying)	750,000	0.12
18	Wong Wai Choon	750,000	0.12
19	Yong Nyok Fa	600,000	0.09
20	Ong Lee An	580,200	0.09
	<b>Total</b>	<b>624,185,459</b>	<b>97.04</b>

# STATISTICS OF SHAREHOLDINGS

As at 23 June 2017

## SUBSTANTIAL SHAREHOLDERS AS AT 23 JUNE 2017

as recorded in the Register of Substantial Shareholders

No.	Name	Direct Interest		Deemed Interests	
		No. of shares held	%	No. of shares held	%
1	Unusual Management Pte. Ltd.	528,600,000	82.18	–	–
2	Melvin Ang Wee Chye <sup>(1)</sup>	–	–	528,600,000	82.18
3	Leslie Ong Chin Soon <sup>(2)</sup>	–	–	528,600,000	82.18
4	Johnny Ong Chin Leong <sup>(2)</sup>	–	–	528,600,000	82.18

Notes:

- (1) Mr. Melvin Ang Wee Chye is deemed to be interested in the shares held by mm2 Asia Ltd. ("**mm2**") by virtue of Section 7 of the Companies Act, Chapter 50, as he holds 35.85% of the shareholdings in mm2.
- (2) Mr. Leslie Ong Chin Soon and Mr. Johnny Ong Chin Leong are deemed to be interested in the shares held by UnUsUaL Management Pte. Ltd. ("**UnUsUaL Management**") by virtue of Section 7 of the Companies Act, Chapter 50, as they hold 49% of the shareholdings in UnUsUaL Management.

## PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

As at 23 June 2017, 17.82% of the Company's shares are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual – Section B: Rules of the Catalist of the Singapore Exchange Securities Trading Limited which requires 10% of the equity securities (excluding preference shares and convertible equity securities) in a class that is listed to be in the hands of the public.

# NOTICE OF ANNUAL GENERAL MEETING

For the financial period ended 31 March 2017

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“AGM”) of UnUsUaL Limited (the “Company”) will be held at Six Battery Road #10-01 Singapore 049909 on Thursday, 27 July 2017 at 11.00 a.m. to transact the following business:

## AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements and Directors’ Statement of the Company and the Group for the financial period ended 31 March 2017 together with the Independent Auditor’s Report thereon. **Resolution 1**
2. To approve the payment of pro-rated Directors’ fees of S\$4,032.26 for the financial period ended 31 March 2017. **Resolution 2**
3. To approve the payment of Directors’ fees of S\$100,000 for the financial year ending 31 March 2018, to be paid quarterly in arrears. **Resolution 3**
4. To re-elect the following Directors retiring pursuant to Regulation 96 of the Constitution of the Company:  

Mr. Melvin Ang Wee Chye	<b>Resolution 4</b>
Mr. Leslie Ong Chin Soon	<b>Resolution 5</b>
Mr. Johnny Ong Chin Leong	<b>Resolution 6</b>
Ms. Loh Woon Yen	<b>Resolution 7</b>
Mr. Tan Wee Peng Kelvin	<b>Resolution 8</b>
Mr. Tan Yew Chee William	<b>Resolution 9</b>
Mr. Tang Tung Kin Michael	<b>Resolution 10</b>

[See Explanatory Note (i)]
5. To re-appoint Messrs Nexia TS Public Accounting Corporation, as the Independent Auditor of the Company and to authorise the Directors to fix their remuneration. **Resolution 11**
6. To transact any other ordinary business which may be properly transacted at an AGM.

## AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as ordinary resolutions, with or without modifications:

7. **Authority to issue shares in the capital of the Company pursuant to Section 161 of the Companies Act, Chapter 50 and Rule 806 of the Listing Manual – Section B: Rules of the Catalist of the Singapore Exchange Securities Trading Limited (“SGX-ST”) (“Catalist Rules”)**

That pursuant to Section 161 of the Companies Act, Chapter 50 and Rule 806 of the Catalist Rules of the SGX-ST, the Directors of the Company be authorised and empowered to:

- (a)
  - (i) issue shares in the Company (“**shares**”) whether by way of rights, bonus or otherwise; and/or
  - (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares pursuant to any Instrument made or granted by the Directors while this Resolution was in force,

(the “**Share Issue Mandate**”)

# NOTICE OF ANNUAL GENERAL MEETING

For the financial period ended 31 March 2017

provided that:

- (1) the aggregate number of shares (including shares to be issued pursuant to the Instruments, made or granted pursuant to this Resolution) and Instruments to be issued pursuant to this Resolution shall not exceed one hundred per centum (100%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares and Instruments to be issued other than on a pro rata basis to existing shareholders of the Company shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares and Instruments that may be issued under sub-paragraph (1) above, the percentage of issued shares and Instruments shall be based on the number of issued shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
  - (a) new shares arising from the conversion or exercise of the Instruments or any convertible securities;
  - (b) new shares arising from exercising share options or vesting of share awards outstanding and subsisting at the time of the passing of this Resolution; and
  - (c) any subsequent bonus issue, consolidation or subdivision of shares;
- (3) in exercising the Share Issue Mandate conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Company's Constitution; and
- (4) unless revoked or varied by the Company in a general meeting, the Share Issue Mandate shall continue in force (i) until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier or (ii) in the case of shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such shares in accordance with the terms of the Instruments.

[See Explanatory Note (ii)]

**Resolution 12**

## 8. **Authority to issue shares under the UnUsUaL Employee Share Option Scheme**

That pursuant to Section 161 of the Companies Act, Chapter 50, the Directors of the Company be authorised and empowered to offer and grant options under the prevailing UnUsUaL Employee Share Option Scheme (the "UnUsUaL ESOS") and to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options granted by the Company under the UnUsUaL ESOS, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the UnUsUaL ESOS and UnUsUaL Performance Share Plan shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (iii)]

**Resolution 13**

# NOTICE OF ANNUAL GENERAL MEETING

For the financial period ended 31 March 2017

## 9. Authority to issue shares under the UnUsUaL Performance Share Plan

That pursuant to Section 161 of the Companies Act, Chapter 50, the Directors of the Company be authorised and empowered to offer and grant share awards under the UnUsUaL Performance Share Plan (the “**UnUsUaL PSP**”) and to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the vesting of share awards under the UnUsUaL PSP, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the UnUsUaL PSP and UnUsUaL ESOS shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (iv)]

**Resolution 14**

## By Order of the Board

Shirley Tan Sey Liy  
Company Secretary  
Singapore, 11 July 2017

## Explanatory Notes:

- (i) Mr. Leslie Ong Chin Soon will, upon re-election as a Director of the Company, remain as the Executive Director and Chief Executive Officer and a member of the Nominating Committee.

Mr. Tan Wee Peng Kelvin will, upon re-election as a Director of the Company, remain as the Lead Independent Director, the Chairman of the Audit Committee and a member of the Nominating Committee and Remuneration Committee and will be considered independent for the purposes of Rule 704(7) of the Catalist Rules.

Mr. Tan Yew Chee William will, upon re-election as a Director of the Company, remain as the Independent Director, the Chairman of the Remuneration Committee and a member of the Audit Committee and will be considered independent for the purposes of Rule 704(7) of the Catalist Rules.

Mr. Tang Tung Kin Michael will, upon re-election as a Director of the Company, remain as the Independent Director, the Chairman of the Nominating Committee and a member of the Audit Committee and Remuneration Committee and will be considered independent for the purposes of Rule 704(7) of the Catalist Rules.

- (ii) Resolution 12 above, if passed, will empower the Directors of the Company from the date of this AGM until the date of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant instruments convertible into shares and to issue shares pursuant to such instruments, up to a number not exceeding, in total, one hundred per centum (100%) of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to fifty per centum (50%) may be issued other than on a pro rata basis to existing shareholders of the Company.

For determining the aggregate number of shares that may be issued, the percentage of issued shares in the capital of the Company will be calculated based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Resolution is passed after adjusting for new shares arising from the conversion or exercise of the Instruments or any convertible securities, the exercise of share options or the vesting of share awards outstanding or subsisting at the time when this Resolution is passed and any subsequent consolidation or subdivision of shares.

- (iii) Resolution 13 above, if passed, will empower the Directors of the Company, from the date of this AGM until the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to allot and issue shares in the Company pursuant to the exercise of options granted or to be granted under the UnUsUaL ESOS provided that the aggregate additional shares to be allotted and issued pursuant to the UnUsUaL ESOS and UnUsUaL PSP do not exceed in total (for the entire duration of the UnUsUaL ESOS) fifteen per centum (15%) of the total number of issued shares (excluding treasury shares) in the capital of the Company from time to time.

# NOTICE OF ANNUAL GENERAL MEETING

For the financial period ended 31 March 2017

- (iv) Resolution 14 above, if passed, will empower the Directors of the Company, from the date of this AGM until the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to allot and issue shares in the Company pursuant to the vesting of share awards under the UnUsUaL PSP provided that the aggregate additional shares to be allotted and issued pursuant to the UnUsUaL PSP and UnUsUaL ESOS do not exceed in total (for the entire duration of the UnUsUaL PSP) fifteen per centum (15%) of the total number of issued shares (excluding treasury shares) in the capital of the Company from time to time.

## Notes:

1. A Member of the Company (other than a Relevant Intermediary\*) entitled to attend and vote at the AGM (the “**Meeting**”) is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a Member of the Company.
2. A Relevant Intermediary may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified).
3. Where a member appoints two proxies, he/she/it shall specify the proportion of his/her/its shareholding to be represented by each proxy in the instrument appointing the proxies.
4. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. The appointment of proxy must be executed under seal or the hand of its duly authorised officer or attorney in writing.
5. The instrument appointing a proxy must be deposited at the registered office of the Company at 45 Kallang Pudding Road #01-01 Alpha Building Singapore 349317 not less than seventy-two (72) hours before the time appointed for holding the Meeting.

\* A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act (Chapter 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

## Personal Data Privacy

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.



# UnUsUaL™

飛凡有限公司 LIMITED

a mm2 entertainment company

Company Registration No. 201611835H  
(Incorporated In Singapore)

## PROXY FORM

(Please see notes overleaf before completing this Form)

### IMPORTANT:

1. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or Supplementary Retirement Scheme ("SRS Investors") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, SRS Investors shall be precluded from attending the Meeting.
2. This Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We, \_\_\_\_\_ (Name) NRIC / Passport No. \_\_\_\_\_

of \_\_\_\_\_ (Address)

being \*a member/members of **UnUnUaL LIMITED** (the "Company"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No of Shares	%

\*and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No of Shares	%

as \*my/our \*proxy/proxies to attend and vote for \*me/us on \*my/our behalf at the Annual General Meeting (the "Meeting") of the Company to be held at Six Battery Road #10-01 Singapore 049909 on Thursday, 27 July 2017 at 11.00 a.m. and at any adjournment thereof. \*I/We direct \*my/our \*proxy/proxies to vote for or against the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the \*proxy/proxies will vote or abstain from voting at \*his/her discretion.

No.	Resolutions relating to:	No. of Votes For**	No. of Votes Against**
<b>Ordinary Business</b>			
1	Audited Financial Statements for the financial period ended 31 March 2017		
2	Approval of pro-rated Directors' fees amounting to S\$4,032.26 for the financial period ended 31 March 2017		
3	Approval of Directors' fees amounting to S\$100,000 for the financial year ending 31 March 2018, to be paid quarterly in arrears		
4	Re-election of Mr. Melvin Ang Wee Chye as a Director		
5	Re-election of Mr. Leslie Ong Chin Soon as a Director		
6	Re-election of Mr. Johnny Ong Chin Leong as a Director		
7	Re-election of Ms. Loh Woon Yen as a Director		
8	Re-election of Mr. Tan Wee Peng Kelvin as a Director		
9	Re-election of Mr. Tan Yew Chee William as a Director		
10	Re-election of Mr. Tang Tung Kin Michael as a Director		
11	Re-appointment of Messrs Nexia TS Public Accounting Corporation as the Independent Auditor and to authorise the Directors to fix their remuneration		
<b>Special Business</b>			
12	Authority to allot and issue new shares		
13	Authority to allot and issue shares under the UnUsUaL Employee Share Option Scheme		
14	Authority to allot and issue shares under the UnUsUaL Performance Share Plan		

\*\*If you wish to exercise all your votes 'For' or 'Against', please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2017

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

\_\_\_\_\_  
Signature of Member  
and/or, Common Seal of Corporate Shareholder

\* Delete where inapplicable

**IMPORTANT:** Please read notes overleaf



**Notes:**

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A member of the Company (other than a Relevant Intermediary\*), entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
3. Where a member (other than a Relevant Intermediary\*) appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. Relevant Intermediary may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number or class of shares shall be specified).
5. Subject to note 9, completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.
6. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 45 Kallang Pudding Road #01-01 Alpha Building Singapore 349317 not less than seventy-two (72) hours before the time appointed for the Meeting.
7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorized in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorized. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
8. A corporation which is a member may authorize by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore, and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.
9. An investor who holds shares under the Central Provident Fund Investment Scheme ("**CPF Investor**") and/or Supplementary Retirement Scheme ("**SRS Investors**") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting.

\* A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act (Chapter 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

**GENERAL:**

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at seventy two (72) hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

**PERSONAL DATA PRIVACY:**

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 11 July 2017.



**UnUsUaL Limited**

45 Kallang Pudding Road, #01-01,  
Alpha Building Singapore 349317

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