

OFFER DOCUMENT DATED 3 APRIL 2017

(Registered by the Singapore Exchange Securities Trading Limited acting as agent on behalf of the Monetary Authority of Singapore on 3 April 2017)

This document is important. If you are in any doubt as to the action you should take, you should consult your legal, financial, tax, or other professional adviser(s).

Hong Leong Finance Limited (the “**Sponsor and Issue Manager**”) has on behalf of UnUsUaL Limited (the “**Company**”) made an application to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for permission to deal in, and for quotation of, all the ordinary shares (the “**Shares**”) in the capital of the Company already issued, the new Shares (the “**Placement Shares**”) which are the subject of the Placement (as defined herein), the new Shares (the “**Option Shares**”) which may be issued upon the exercise of the options to be granted under the UnUsUaL Employee Share Option Scheme and the new Shares (the “**Award Shares**”) which may be issued upon the vesting of share awards granted under the UnUsUaL Performance Share Plan, on Catalist (as defined herein). The dealing in, and quotation of, our existing issued Shares, the Placement Shares, the Option Shares and the Award Shares will be in Singapore dollars.

Companies listed on Catalist may carry higher investment risk when compared with larger or more established companies listed on the Main Board of the SGX-ST. In particular, companies may list on Catalist without a track record of profitability and there is no assurance that there will be a liquid market in the shares or units of shares traded on Catalist. You should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with your professional adviser(s).

This offer of Placement Shares is made in or accompanied by this Offer Document that has been registered by the SGX-ST, acting as agent on behalf of the Monetary Authority of Singapore (the “Authority”). We have not lodged or registered this Offer Document in any other jurisdiction.

A copy of this Offer Document has been lodged with and registered by the SGX-ST, acting as agent on behalf of the Authority. Neither the Authority nor the SGX-ST has examined or approved the contents of this Offer Document. Neither the Authority nor the SGX-ST assumes any responsibility for the contents of this Offer Document, including the correctness of any of the statements or opinions made or reports contained in this Offer Document. The SGX-ST does not normally review the application for admission but relies on the Sponsor and Issue Manager confirming that our Company is suitable to be listed on Catalist and complies with the Catalist Rules (as defined herein). Neither the Authority nor the SGX-ST has, in any way, considered the merits of our existing issued Shares, the Placement Shares, the Option Shares or the Award Shares, as the case may be, being offered for investment.

The registration of this Offer Document by the SGX-ST, acting as agent on behalf of the Authority, does not imply that the Securities and Futures Act (Chapter 289) of Singapore, or any other legal or regulatory requirements, or requirements under the SGX-ST’s listing rules, have been complied with.

Acceptance of applications will be conditional upon, amongst others, the issue of the Placement Shares and permission being granted by the SGX-ST for the listing and quotation of all our existing issued Shares, the Placement Shares, the Option Shares and the Award Shares on Catalist. Monies paid in respect of any application accepted will be returned to you at your own risk, without interest or any share of revenue or other benefit arising therefrom, if the admission and listing do not proceed, and you will not have any claims against us, and the Sponsor, Issue Manager and Placement Agent.

Investing in our shares involves risks which are described in the section entitled “RISK FACTORS” of this Offer Document.

After the expiration of six (6) months from the date of registration of this Offer Document, no person shall make an offer of our Shares, or allot, issue or sell any of our Shares, on the basis of this Offer Document; and no officer or equivalent person or promoter of our Company will authorise or permit the offer of any of our Shares or the allotment, issue or sale of any of our Shares, on the basis of this Offer Document.

UnUsUaL™

飛凡有限公司 LIMITED

UNUSUAL LIMITED

(Incorporated in Singapore on 3 May 2016)
(Company Registration Number 201611835H)

**Placement in respect of 96,990,000 Placement Shares at S\$0.20 each by way of placement,
payable in full on application.**

Sponsor, Issue Manager and Placement Agent



HONG LEONG
FINANCE

Hong Leong Finance Limited

(Incorporated in the Republic of Singapore)
(Company Registration Number 196100003D)

CONTENTS

CORPORATE INFORMATION	4
DEFINITIONS	6
GLOSSARY OF TECHNICAL TERMS	14
CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS	15
SELLING RESTRICTIONS	17
DETAILS OF THE PLACEMENT	18
INDICATIVE TIMETABLE FOR LISTING	23
PLAN OF DISTRIBUTION	24
OFFER DOCUMENT SUMMARY	26
OVERVIEW OF OUR GROUP.....	26
FINANCIAL HIGHLIGHTS.....	28
THE PLACEMENT	29
RISK FACTORS	30
RISKS RELATING TO OUR BUSINESS AND THE INDUSTRY IN WHICH WE OPERATE.....	30
RISKS RELATING TO OWNERSHIP OF OUR SHARES.....	36
USE OF PROCEEDS AND LISTING EXPENSES	40
SPONSORSHIP, MANAGEMENT AND PLACEMENT ARRANGEMENTS	42
DIVIDEND POLICY	44
SHARE CAPITAL	46
SHAREHOLDERS	49
SHAREHOLDING AND OWNERSHIP STRUCTURE.....	49
SIGNIFICANT CHANGES IN PERCENTAGE OF OWNERSHIP.....	50
MORATORIUM.....	50
PLACEMENT STATISTICS	53
DILUTION	55
RESTRUCTURING EXERCISE	57
GROUP STRUCTURE	60
SELECTED FINANCIAL INFORMATION	61
MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION	63
CAPITALISATION AND INDEBTEDNESS	77

CONTENTS

GENERAL INFORMATION ON OUR GROUP	80
OUR HISTORY	80
OUR BUSINESS	88
COMPETITION	90
MARKETING AND BUSINESS DEVELOPMENT	90
OUR MAJOR CUSTOMERS	91
OUR MAJOR SUPPLIERS.....	92
CREDIT MANAGEMENT	93
COMPETITIVE STRENGTHS.....	95
RESEARCH AND DEVELOPMENT.....	96
INTELLECTUAL PROPERTY.....	96
PROPERTIES AND FIXED ASSETS.....	98
STAFF TRAINING	99
GOVERNMENT REGULATIONS	99
LICENCES	99
INSURANCE	99
SEASONALITY	100
OUR ORDER BOOK.....	100
CORPORATE SOCIAL RESPONSIBILITY	100
PROSPECTS, BUSINESS STRATEGIES AND PLANS	101
PROSPECTS	101
TREND INFORMATION	103
BUSINESS STRATEGIES AND FUTURE PLANS.....	103
INTERESTED PERSON TRANSACTIONS	105
OVERVIEW	105
INTERESTED PERSONS	105
PAST INTERESTED PERSON TRANSACTIONS	106
PRESENT AND ONGOING INTERESTED PERSON TRANSACTIONS	109
GUIDELINES AND REVIEW PROCEDURES FOR ONGOING AND FUTURE INTERESTED PERSON TRANSACTIONS	113
POTENTIAL CONFLICTS OF INTEREST	115
INTERESTS OF DIRECTORS, CONTROLLING SHAREHOLDERS OR THEIR ASSOCIATES ...	115
INTERESTS OF THE SPONSOR, ISSUE MANAGER AND PLACEMENT AGENT	115
DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES	116
MANAGEMENT REPORTING STRUCTURE	116
DIRECTORS	116
EXECUTIVE OFFICERS.....	121
SERVICE AGREEMENTS.....	122

CONTENTS

REMUNERATION OF DIRECTORS AND KEY EXECUTIVES.....	124
EMPLOYEES.....	125
UNUSUAL ESOS	126
UNUSUAL PSP	136
CORPORATE GOVERNANCE	146
CORPORATE GOVERNANCE.....	146
POLICIES.....	149
BOARD PRACTICES.....	150
EXCHANGE CONTROLS	151
CLEARANCE AND SETTLEMENT	153
GENERAL AND STATUTORY INFORMATION	154
INFORMATION ON DIRECTORS AND EXECUTIVE OFFICERS.....	154
MATERIAL CONTRACTS.....	155
LITIGATION.....	156
MISCELLANEOUS.....	157
CONSENTS.....	158
RESPONSIBILITY STATEMENT BY OUR DIRECTORS.....	158
DOCUMENTS AVAILABLE FOR INSPECTION.....	159
APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT ON THE AUDITED COMBINED FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015.....	A-1
APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016.....	B-1
APPENDIX C – DESCRIPTION OF OUR SHARES.....	C-1
APPENDIX D – SUMMARY OF OUR CONSTITUTION.....	D-1
APPENDIX E – DESCRIPTION OF SINGAPORE LAW RELATING TO TAXATION.....	E-1
APPENDIX F – RULES OF THE UNUSUAL ESOS.....	F-1
APPENDIX G – RULES OF THE UNUSUAL PSP.....	G-1
APPENDIX H – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATIONS.....	H-1

CORPORATE INFORMATION

BOARD OF DIRECTORS	:	Leslie Ong (Executive Director and Chief Executive Officer) Johnny Ong (Executive Director and Chief Operating Officer) Melvin Ang (Non-Executive Chairman and Non-Independent Director) Tan Wee Peng Kelvin (Lead Independent Director) Tan Yew Chee William (Independent Director) Tang Tung Kin (Independent Director)
COMPANY SECRETARY	:	Shirley Tan Sey Liy (ACIS)
REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS	:	45 Kallang Pudding Road #01-01 Alpha Building Singapore 349317
SHARE REGISTRAR	:	B.A.C.S. Private Limited 8 Robinson Road #08-00 ASO Building Singapore 048544
SPONSOR, ISSUE MANAGER AND PLACEMENT AGENT	:	Hong Leong Finance Limited 16 Raffles Quay #01-05 Hong Leong Building Singapore 048581
INDEPENDENT AND REPORTING AUDITORS	:	Nexia TS Public Accounting Corporation 100 Beach Road #30-00 Shaw Tower Singapore 189702 Director-in-charge: Low See Lien (a practising member of the Institute of Singapore Chartered Accountants)
SOLICITORS TO THE PLACEMENT AND LEGAL ADVISER TO OUR COMPANY ON SINGAPORE LAW	:	RHTLaw Taylor Wessing LLP Six Battery Road #10-01 Singapore 049909
LEGAL ADVISER TO OUR COMPANY ON HONG KONG LAW	:	Tanner De Witt Solicitors 1806, Tower Two, Lippo Centre 89 Queensway, Hong Kong
SOLICITORS TO THE SPONSOR, ISSUE MANAGER AND PLACEMENT AGENT	:	Barker Henley LLC 6 Eu Tong Sen Street #11-12 The Central Singapore 059817

CORPORATE INFORMATION

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

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

RECEIVING BANKER : **CIMB Bank Berhad, Singapore Branch**
50 Raffles Place
#09-01 Singapore Land Tower
Singapore 048623

DEFINITIONS

In this Offer Document and the accompanying Application Forms, unless the context otherwise requires, the following definitions apply throughout where the context so admits:-

COMPANIES WITHIN OUR GROUP

<i>“Company”</i>	:	UnUsUaL Limited. The term “our Company” has a correlative meaning
<i>“Group”</i>	:	Our Company and its subsidiaries as at the date of this Offer Document, and a “Group Company” shall be construed accordingly
<i>“UnUsUaL (Hong Kong)”</i>	:	UnUsUaL Entertainment International Limited (飛凡製作國際有限公司)
<i>“UnUsUaL (Malaysia)”</i>	:	UnUsUaL Productions (M) Sdn. Bhd.
<i>“UnUsUaL Development”</i>	:	UnUsUaL Development Pte. Ltd.
<i>“UnUsUaL Entertainment”</i>	:	UnUsUaL Entertainment Pte. Ltd.
<i>“UnUsUaL Productions”</i>	:	UnUsUaL Productions Pte Ltd

OTHER CORPORATIONS, AGENCIES AND ENTITIES

<i>“Authority”</i>	:	The Monetary Authority of Singapore
<i>“Axcel Investments”</i>	:	Axcel Investments & Trading Pte. Ltd.
<i>“Axcel Properties”</i>	:	Axcel Properties Pte. Ltd.
<i>“CDP”</i>	:	The Central Depository (Pte) Limited
<i>“CPF”</i>	:	Central Provident Fund
<i>“Hong Leong Finance” or “Sponsor” or “Issue Manager” or “Placement Agent”</i>	:	Hong Leong Finance Limited
<i>“IRAS”</i>	:	Inland Revenue Authority of Singapore
<i>“mm2”</i>	:	mm2 Asia Ltd.
<i>“SGX-ST”</i>	:	Singapore Exchange Securities Trading Limited
<i>“UnUsUaL Management”</i>	:	UnUsUaL Management Pte. Ltd.

GENERAL

<i>“9M”</i>	:	The 9-month financial period ended or ending on 30 September
<i>“Act” or “Companies Act”</i>	:	The Companies Act (Chapter 50) of Singapore, as amended, supplemented or modified from time to time

DEFINITIONS

- “Acquisitions”* : The acquisition by our Company of the following companies from Leslie Ong and Johnny Ong, as part of the Restructuring Exercise:
- (a) 100% of the issued and paid-up share capital of UnUsUaL Productions;
 - (b) 100% of the issued and paid-up share capital of UnUsUaL Entertainment;
 - (c) 100% of the issued and paid-up share capital of UnUsUaL Development;
 - (d) 100% of the issued and paid-up share capital of UnUsUaL (Hong Kong); and
 - (e) 100% of the issued and paid-up share capital of UnUsUaL (Malaysia).
- “Application Forms”* : The printed application forms to be used for the purpose of the Placement and which form part of this Offer Document
- “Application List”* : The list of applications for subscription of the Placement Shares
- “ASEAN”* : Association of Southeast Asian Nations comprising Brunei Darussalam, Cambodia, Indonesia, Lao People’s Democratic Republic, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam
- “Associate”* : (a) in relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30.0% or more;
- (b) in relation to a substantial shareholder or a controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30.0% or more

For this purpose, “immediate family” means, in relation to a person, the person’s spouse, child, adopted child, step-child, sibling and parent.

DEFINITIONS

<i>“Audit Committee”</i>	:	The audit committee of our Company as at the date of this Offer Document, unless otherwise stated
<i>“Award Shares”</i>	:	The Shares which are the subject of the awards under the UnUsUaL PSP
<i>“Board” or “Board of Directors”</i>	:	The board of Directors of our Company as at the date of this Offer Document, unless otherwise stated
<i>“Catalist”</i>	:	The sponsor-supervised listing platform of the SGX-ST
<i>“Catalist Rules”</i>	:	Any or all of the rules in Section B: Rules of Catalist of the Listing Manual, as the case may be, as amended, supplemented or modified from time to time
<i>“CEO”</i>	:	The chief executive officer of our Company as at the date of this Offer Document, unless otherwise stated
<i>“CFO”</i>	:	The chief financial officer of our Company as at the date of this Offer Document, unless otherwise stated
<i>“COO”</i>	:	The chief operating officer of our Company as at the date of this Offer Document, unless otherwise stated
<i>“Constitution”</i>	:	The constitution of our Company, as amended, supplemented or modified from time to time
<i>“Controlling Shareholder”</i>	:	As defined in the Listing Manual: (a) a person who holds directly or indirectly 15.0% or more of the nominal amount of all the voting shares in the company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or (b) a person who in fact exercises control over a company
<i>“Conversion Shares”</i>	:	The 17,647,059 Shares issued and allotted to the Pre-IPO Investors, credited as fully paid up, upon conversion of the Convertible Notes, particulars of which are set out in the section entitled “Shareholders – Moratorium – Pre-IPO Investors” of this Offer Document
<i>“Convertible Note Subscription Agreements”</i>	:	The convertible note subscription agreements dated 5 December 2016 entered into by our Company and each of Apex Capital Group Pte. Ltd., Maxi-Harvest Group Pte. Ltd. and SPH AsiaOne Ltd
<i>“Convertible Notes”</i>	:	The convertible notes issued by the Company to the Pre-IPO Investors pursuant to the Convertible Note Subscription Agreements
<i>“Directors”</i>	:	The directors of our Company as at the date of this Offer Document, unless otherwise stated

DEFINITIONS

<i>“entity”</i>	:	Includes a corporation, an unincorporated association, a partnership and the government of any state, but does not include a trust
<i>“EPS”</i>	:	Earnings per Share
<i>“Executive Directors”</i>	:	The executive Directors of our Company as at the date of this Offer Document, unless otherwise stated
<i>“Executive Officers”</i>	:	The executive officers of our Group as at the date of this Offer Document, unless otherwise stated
<i>“FY”</i>	:	Financial year ended or ending 31 December, as the case may be
<i>“Greater China”</i>	:	For the purpose of this Offer Document, Hong Kong and Macau
<i>“GST”</i>	:	Goods and services tax of Singapore
<i>“Hong Kong”</i>	:	The Hong Kong Special Administrative Region of the PRC
<i>“Independent Directors”</i>	:	The independent Directors of our Company as at the date of this Offer Document, unless otherwise stated
<i>“Interested Person”</i>	:	(a) a director, chief executive officer or Controlling Shareholder of our Company; or (b) an Associate of any such director, chief executive officer or Controlling Shareholder
<i>“Latest Practicable Date”</i>	:	10 March 2017, being the latest practicable date prior to the lodgement of this Offer Document with the SGX-ST, acting as agent on behalf of the Authority
<i>“Lead Independent Director”</i>	:	The lead independent Director of our Company as at the date of this Offer Document, unless otherwise stated
<i>“Listing”</i>	:	The proposed listing of our Company and the quotation of all our Shares on Catalist
<i>“Listing Manual”</i>	:	The listing manual of the SGX-ST as amended, supplemented or modified from time to time
<i>“Macau”</i>	:	Macau Special Administrative Region of the PRC
<i>“Market Day”</i>	:	A day on which the SGX-ST is open for trading in securities
<i>“N.A.”</i>	:	Not applicable
<i>“NAV”</i>	:	Net asset value
<i>“Nominating Committee”</i>	:	The nominating committee of our Company as at the date of this Offer Document, unless otherwise stated
<i>“Non-Executive Chairman”</i>	:	The non-executive chairman of our Company as at the date of this Offer Document, unless otherwise stated

DEFINITIONS

“NTA”	:	Net tangible assets
“Offer Document”	:	This offer document dated 3 April 2017 issued by our Company in respect of the Placement
“Opponent”	:	The opponent to our trademark application in Hong Kong, being Unusual Productions (China) Limited
“Options”	:	The options which may be granted pursuant to the UnUsUaL ESOS
“Option Shares”	:	The Shares which may be issued or transferred upon the exercise of the Options
“Past Net Profits”	:	The sum earned by each Group Company 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 Sale and Purchase Agreement less all liabilities of that Group Company.

For the avoidance of doubt, the “**liabilities of that Group Company**” shall include the following liabilities to the extent existing on, or accruing prior to or due to actions or omissions done prior to the completion of the transfer of Shares pursuant to the Sale and Purchase Agreement:

- (a) trade payables, hire purchase payables and other payables and accruals of the Group Company, and amounts due to the affiliates of the Executive Directors;
- (b) indebtedness for borrowed money and other indebtedness; and
- (c) all other liabilities whether or not incurred or approved by the Executive Directors for and on behalf of any Group Company.

“PBT”	:	Profit before tax
“PER”	:	Price earnings ratio
“Period Under Review”	:	The period which comprises FY2013, FY2014, FY2015 and 9M2016
“Placement”	:	The placement of the Placement Shares by the Placement Agent on behalf of our Company for subscription at the Placement Price, subject to and on the terms and conditions set out in this Offer Document
“Placement Agreement”	:	The placement agreement dated 3 April 2017 entered into between our Company and Hong Leong Finance in connection with the Placement and the Listing, details of which are set out in the sections entitled “Plan of Distribution” and “Sponsorship, Management and Placement Arrangements” of this Offer Document
“Placement Price”	:	S\$0.20 for each Placement Share

DEFINITIONS

<i>“Placement Shares”</i>	:	The 96,990,000 new Shares which are the subject of the Placement
<i>“PRC”</i>	:	The People’s Republic of China, excluding Hong Kong and Macau, for the purpose of this Offer Document
<i>“Pre-IPO Investors”</i>	:	Apex Capital Group Pte. Ltd., Maxi-Harvest Group Pte. Ltd. and SPH AsiaOne Ltd, collectively and <i>“Pre-IPO Investor”</i> shall refer to any one of them
<i>“Relevant Period”</i>	:	The Period Under Review and the period from 1 October 2016 to the Latest Practicable Date
<i>“Remuneration Committee”</i>	:	The remuneration committee of our Company as at the date of this Offer Document, unless otherwise stated
<i>“Restructuring Exercise”</i>	:	The restructuring exercise undertaken in connection with the Listing as described in the section entitled <i>“Restructuring Exercise”</i> of this Offer Document
<i>“Sale and Purchase Agreement”</i>	:	The sale and purchase agreement dated 12 May 2016 entered into between mm2, Leslie Ong and Johnny Ong
<i>“Sale Shares”</i>	:	51 Shares, representing 51.0% of the entire issued and paid-up share capital of our Company, that was transferred by Leslie Ong and Johnny Ong to mm2 pursuant to the Sale and Purchase Agreement
<i>“Securities Account”</i>	:	Securities account maintained by a Depositor with CDP but does not include a securities sub-account
<i>“Securities and Futures Act” or “SFA”</i>	:	The Securities and Futures Act (Chapter 289) of Singapore, as amended, modified or supplemented from time to time
<i>“Service Agreements”</i>	:	The service agreements entered into between our Company and each of Leslie Ong and Johnny Ong, as described in the section entitled <i>“Directors, Executive Officers and Employees – Service Agreements”</i> of this Offer Document
<i>“Settlement Deed”</i>	:	The settlement deed dated 30 September 2016 entered into between our Company, Leslie Ong, Johnny Ong, mm2, UnUsUaL Productions, UnUsUaL Entertainment, and UnUsUaL Development, further details of which are set out in the section entitled <i>“Restructuring Exercise”</i> of this Offer Document
<i>“Singapore Subsidiaries”</i>	:	UnUsUaL Productions, UnUsUaL Entertainment and UnUsUaL Development, collectively and <i>“Singapore Subsidiary”</i> shall refer to any one of them
<i>“SingEx Venues Group”</i>	:	SingEx Venues International Pte. Ltd. and SingEx Venues Pte. Ltd., collectively
<i>“SFR”</i>	:	The Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005, as amended, modified or supplemented from time to time

DEFINITIONS

<i>“SGXNET”</i>	:	Singapore Exchange Network, the system network used by listed companies in sending information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST
<i>“Shareholders”</i>	:	Registered holders of Shares, except where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the Depositors whose Securities Accounts are credited with Shares
<i>“Shares”</i>	:	Fully paid ordinary shares in the capital of our Company
<i>“Singapore”</i>	:	The Republic of Singapore
<i>“Sponsorship and Management Agreement”</i>	:	The full sponsorship and management agreement dated 3 April 2017 entered into between our Company and Hong Leong Finance in connection with the Placement and the Listing, details of which are set out in the section entitled “Sponsorship, Management and Placement Arrangements” of this Offer Document
<i>“Sub-Division”</i>	:	Sub-division of each Share into 5,286,000 Shares, as described in the section entitled “Share Capital” of this Offer Document
<i>“Substantial Shareholder”</i>	:	A person who has an interest or interests in one (1) or more voting shares in our Company and the total votes attached to that share, or those shares, is not less than 5.0% of the total votes attached to all the voting shares of our Company
<i>“Taiwan”</i>	:	Republic of China
<i>“UnUsUaL ESOS” or “UnUsUaL Employee Share Option Scheme”</i>	:	The share option scheme of our Company known as the “UnUsUaL Employee Share Option Scheme” which was approved by our Shareholder on 15 March 2017, details of which are described in the section entitled “UnUsUaL ESOS” of this Offer Document
<i>“UnUsUaL PSP” or “UnUsUaL Performance Share Plan”</i>	:	The share incentive plan of our Company known as the “UnUsUaL Performance Share Plan” which was approved by our Shareholder on 15 March 2017, details of which are described in the section entitled “UnUsUaL PSP” of this Offer Document

CURRENCIES, UNITS AND OTHERS

<i>“%” or “per cent.”</i>	:	Per centum or percentage
<i>“HK\$” or “HKD”</i>	:	Hong Kong dollar
<i>“RM” or “MYR”</i>	:	Malaysian ringgit
<i>“S\$”, “SGD” and “cents”</i>	:	Singapore dollars and cents, respectively
<i>“US\$” and “USD”</i>	:	United States dollars

For the purpose of this Offer Document, the following persons’ names in the second column below are also known by the names set out in the first column.

DEFINITIONS

“Alan Meng”	:	Meng Why Yin
“Johnny Ong”	:	Ong Chin Leong
“Leslie Ong”	:	Ong Chin Soon
“Melvin Ang”	:	Ang Wee Chye

The terms “Depositor”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them respectively in Section 81SF of the SFA or any other statutory modifications thereof, as the case may be.

The terms “associated company”, “associated entity”, “controlling interest-holder”, “controlling shareholder”, “related corporation”, “related entity”, “subsidiary”, “subsidiary entity” and “substantial interest-holder” shall have the same meanings ascribed to them respectively in paragraph 1 of the Fourth Schedule of the SFR.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall include corporations.

Any reference in this Offer Document and the Application Forms to any statute or enactment is a reference to that statute or enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA or any statutory modification thereof and used in this Offer Document and the Application Forms shall, where applicable, have the meaning ascribed to it under the Companies Act, the SFA or any statutory modification thereof, as the case may be.

Any reference in this Offer Document and the Application Forms to Shares being allotted to an applicant includes allotment to CDP for the account of that applicant.

Any reference to a time of day in this Offer Document and the Application Forms shall be a reference to Singapore time, unless otherwise stated.

References in this Offer Document to “our Group”, “we”, “our”, and “us” or any other grammatical variations thereof shall unless otherwise stated, mean our Company, our Group or any member of our Group, as the context requires.

Certain Chinese names have been translated into English solely for your convenience. They may not have been registered with the relevant authorities and should not be construed as representations that the English names actually represent the Chinese names. In case of inconsistencies between the English names and their respective official Chinese name, the Chinese names shall prevail.

Any information on our website or any other website directly or indirectly linked to such website does not form part of this Offer Document and should not be relied upon.

Any discrepancies in the tables included in this Offer Document between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

GLOSSARY OF TECHNICAL TERMS

To facilitate a better understanding of our Group's business, the following glossary provides a description of some of the technical terms and abbreviations used in this Offer Document. The terms and their meanings may not correspond to standard industry meanings or usage of these terms.

<i>"Internet"</i>	:	The global computer network that allows almost all computers worldwide to connect and exchange information
<i>"LED display"</i>	:	Flat panel display that uses an array of light-emitting diodes as pixels for a video display
<i>"production"</i>	:	The production of an event or concert which involves providing sound, light, video and other technical solutions, stage design, special effects, planning and coordination in order to make the event or concert happen
<i>"promotion"</i>	:	The promotion of an event or concert which involves the organisation and marketing of such event or concert
<i>"SLV"</i>	:	Sound, light and video
<i>"venue management"</i>	:	Management of venues including but not limited to the promotion of the use of such venues, and the provision of relevant support services to users of such venues for the purpose of their concerts and/or events

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Document, statements made in press releases and oral statements that may be made by us or our Directors, Executive Officers or employees acting on our behalf, that are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by forward-looking terms such as “anticipate”, “believe”, “could”, “estimate”, “expect”, “if”, “intend”, “may”, “plan”, “possible”, “probable”, “project”, “should”, “will” and “would” or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding our expected financial position, business strategies, plans and prospects and the future prospects of our industry are forward-looking statements.

These forward-looking statements, including without limitation, statements as to:

- (a) our revenue and profitability;
- (b) expected growth in demand;
- (c) expected industry trends and development;
- (d) anticipated expansion and development plans and other future plans;
- (e) anticipated commencement and completion date for projects; and
- (f) other matters discussed in this Offer Document regarding matters that are not historical fact,

are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by these forward-looking statements. These risks, uncertainties and other factors include, among others:

- (i) changes in political, social, economic, business and financial conditions and stock or securities market conditions, and the regulatory environment in Singapore and other countries in which we conduct our business or expect to conduct business;
- (ii) the risk that we may be unable to execute or implement our business strategies and future plans;
- (iii) changes in currency exchange or interest rates;
- (iv) our anticipated growth strategies and expected internal growth;
- (v) changes in competitive conditions and our ability to compete under such conditions from time to time;
- (vi) changes in our future capital needs and the availability of financing and capital to fund such needs;
- (vii) war or acts of international or domestic terrorism;
- (viii) occurrences of catastrophic events, natural disasters and acts of God that affect our business;
- (ix) other factors beyond our control; and
- (x) the other factors described in the section entitled “Risk Factors” of this Offer Document.

Some of these risk factors are discussed in greater detail in the section entitled “Risk Factors” of this Offer Document. All forward-looking statements made by or attributable to us, our Directors, our Executive Officers or our employees acting on our behalf, or persons acting on our behalf, contained in this Offer Document are expressly qualified in their entirety by such factors. These forward-looking statements are applicable only as at the date of this Offer Document.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Given the risks and uncertainties that may cause our actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Document, undue reliance must not be placed on these statements which apply only as at the date of this Offer Document. Neither our Company, the Sponsor, Issue Manager and Placement Agent, the respective advisers nor any other person represents or warrants that our Group's actual future results, performance or achievements will be as discussed in those forward-looking statements.

Our Company, the Sponsor, Issue Manager and Placement Agent, the respective advisers and any other person disclaim any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future.

We are, however, subject to the provisions of the SFA, the SFR and the Listing Manual regarding corporate disclosure. In particular, pursuant to Section 241 of the SFA, if after the registration of this Offer Document by the SGX-ST acting as agent on behalf of the Authority but before the close of the Placement, our Company becomes aware of:

- (a) a false or misleading statement or matter in this Offer Document;
- (b) an omission from this Offer Document of any information that should have been included in it under Section 243 of the SFA, the SFR or the Catalist Rules; or
- (c) a new circumstance that has arisen since this Offer Document was lodged with the SGX-ST acting as agent on behalf of the Authority and would have been required by Section 243 of the SFA, the SFR or the Catalist Rules to be included in this Offer Document, if it had arisen before this Offer Document was lodged,

that is materially adverse from the point of view of an investor, we may, in consultation with the Sponsor, Issue Manager and Placement Agent, lodge a supplementary or replacement offer document with the SGX-ST acting as agent on behalf of the Authority. Where such changes occur and are material or are required to be disclosed by law, we will comply with the relevant provisions of the SFA and make an announcement of the same to the SGX-ST and the public and, if required, lodge a supplementary or replacement offer document with the SGX-ST acting as agent on behalf of the Authority pursuant to the SFA. All applicants should take note of any such announcement, or supplementary or replacement offer document and, upon the release of the same, shall be deemed to have notice of such changes.

SELLING RESTRICTIONS

This Offer Document does not constitute an offer, solicitation or invitation to subscribe for the Placement Shares in any jurisdiction in which such offer, solicitation or invitation is unlawful or is not authorised or to any person to whom it is unlawful to make such offer, solicitation or invitation. No action has been or will be taken under the requirements of the legislation or regulations of, or of the legal or regulatory requirements of any jurisdiction, except for the lodgement and/or registration of this Offer Document in Singapore in order to permit a public offering of the Placement Shares and the public distribution of this Offer Document in Singapore. The distribution of this Offer Document and the offering of the Placement Shares in certain jurisdictions may be restricted by the relevant laws in such jurisdictions. Persons who may come into possession of this Offer Document are required by our Company, the Sponsor, Issue Manager and Placement Agent to inform themselves about, and to observe and comply with, any such restrictions at their own expense and without liability to our Company and the Sponsor, Issue Manager and Placement Agent.

Persons to whom a copy of this Offer Document has been issued shall not circulate to any other person, reproduce or otherwise distribute this Offer Document or any information herein for any purpose whatsoever nor permit or cause the same to occur.

By accepting this Offer Document, you agree to be bound by the foregoing limitations. No part of this Offer Document may be (i) copied, photocopied or duplicated in any form by any means, or (ii) distributed or passed on, directly or indirectly, to any other person in whole or in part, for any purpose.

DETAILS OF THE PLACEMENT

LISTING ON CATALIST

The Sponsor and Issue Manager has made an application to the SGX-ST for permission to deal in, and for quotation of, all our Shares already issued, the Placement Shares, the Option Shares and the Award Shares on Catalist. Such permission will be granted when our Company has been admitted to Catalist. The dealing in, and quotation of, our Shares, the Placement Shares, the Option Shares and the Award Shares will be in Singapore dollars.

Companies listed on Catalist may carry higher investment risk when compared with larger or more established companies listed on the Main Board of the SGX-ST. In particular, companies may list on Catalist without a track record of profitability and there is no assurance that there will be a liquid market in the shares or units of shares traded on Catalist. You should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with your professional adviser(s).

The Placement is made in or accompanied by this Offer Document that has been registered by the SGX-ST, acting as agent on behalf of the Authority. We have not lodged or registered this Offer Document in any other jurisdiction.

Neither the Authority nor the SGX-ST has examined or approved the contents of this Offer Document. Neither the Authority nor the SGX-ST assumes any responsibility for the contents of this Offer Document, including the correctness of any of the statements or opinions made or reports contained in this Offer Document. The SGX-ST does not normally review the application for admission but relies on the Sponsor and Issue Manager confirming that our Company is suitable to be listed on Catalist and complies with the Catalist Rules. Neither the Authority nor the SGX-ST has in any way considered the merits of our existing issued Shares, the Placement Shares, the Option Shares, or the Award Shares, as the case may be, being offered for investment.

Admission to Catalist is not to be taken as an indication of the merits of the Placement, our Company, our subsidiaries, our existing issued Shares, the Placement Shares, the Option Shares, or the Award Shares.

A copy of this Offer Document has been lodged with and registered by the SGX-ST, acting as agent on behalf of the Authority. The registration of this Offer Document by the SGX-ST, acting as agent on behalf of the Authority, does not imply that the SFA, the Catalist Rules, or any other legal or regulatory requirements, or requirements under the SGX-ST's listing rules, have been complied with.

Acceptance of applications will be conditional upon the issue of the Placement Shares and upon permission being granted by the SGX-ST for the listing and quotation of all our existing issued Shares, the Placement Shares, the Option Shares and the Award Shares. Monies paid in respect of any application accepted will be returned to you at your own risk, without interest or any share of revenue or other benefit arising therefrom, if the completion of the Placement does not occur, or the said permission from the SGX-ST is not granted for any reason (including where a Stop Order (as defined herein) is issued), and you will not have any claims against us, and the Sponsor, Issue Manager and Placement Agent.

After the expiration of six (6) months from the date of registration of this Offer Document, no person shall make an offer of securities, or allot, issue or sell any of our Shares, on the basis of this Offer Document; and no officer or equivalent person or promoter of our Company will authorise or permit the offer of any of our Shares or the allotment, issue or sale of any of our Shares, on the basis of this Offer Document.

We are subject to the provisions of the SFA, the SFR and the Catalist Rules regarding corporate disclosure. In particular, if after this Offer Document is registered but before the close of the Placement, we become aware of:

- (a) a false or misleading statement or matter in this Offer Document;
- (b) an omission from this Offer Document of any information that should have been included in it under Section 243 of the SFA, the SFR or the Catalist Rules; or

DETAILS OF THE PLACEMENT

- (c) a new circumstance that has arisen since this Offer Document was lodged with the SGX-ST, acting as agent on behalf of the Authority, which would have been required by Section 243 of the SFA, the SFR or the Catalist Rules to be included in this Offer Document, if it had arisen before this Offer Document was lodged,

and that is materially adverse from the point of view of an investor, we may, in consultation with the Sponsor and Issue Manager, lodge a supplementary or replacement offer document with the SGX-ST acting as agent on behalf of the Authority pursuant to Section 241 of the SFA.

In the event that a supplementary or replacement offer document is lodged with the SGX-ST acting as agent on behalf of the Authority, the Placement shall be kept open for at least 14 days after the lodgement of such supplementary or replacement offer document pursuant to Section 241 of the SFA.

Where prior to the lodgement of the supplementary or replacement offer document, applications have been made under this Offer Document to subscribe for the Placement Shares and:

- (a) where the Placement Shares have not been issued to the applicants, we shall either:
- (i) within two (2) days (excluding any Saturday, Sunday or public holiday) from the date of lodgement of the supplementary or replacement offer document, give the applicants notice in writing of how to obtain, or arrange to receive, a copy of the same and provide the applicants with an option to withdraw their applications, and take all reasonable steps to make available within a reasonable period the supplementary or replacement offer document to the applicants who have indicated they wish to obtain, or who have arranged to receive, a copy of the supplementary or replacement offer document;
 - (ii) within seven (7) days from the date of lodgement of the supplementary or replacement offer document, give the applicants the supplementary or replacement offer document, as the case may be, and provide the applicants with an option to withdraw their applications; or
 - (iii) treat the applications as withdrawn and cancelled, in which case the applications shall be deemed to have been withdrawn and cancelled, and we shall, within seven (7) days from the date of lodgement of the supplementary or replacement offer document, refund the applicants all monies the applicants have paid on account of their applications for the Placement Shares, without interest or any share of revenue or other benefits arising therefrom and at their own risk;
- (b) where the Placement Shares have been issued to the applicants but trading has not commenced, we shall either:
- (i) within two (2) days (excluding any Saturday, Sunday or public holiday) from the date of lodgement of the supplementary or replacement offer document, give the applicants notice in writing of how to obtain, or arrange to receive, a copy of the same and provide the applicants with an option to return to us the Placement Shares which they do not wish to retain title in, and take all reasonable steps to make available within a reasonable period the supplementary or replacement offer document, as the case may be, to the applicants who have indicated they wish to obtain, or who have arranged to receive, a copy of the supplementary or replacement offer document;
 - (ii) within seven (7) days from the date of lodgement of the supplementary or replacement offer document, give the applicants the supplementary or replacement offer document, as the case may be, and provide the applicants with an option to return to us the Placement Shares which they do not wish to retain title in; or
 - (iii) treat the issue of the Placement Shares as void, in which case the issue shall be deemed void, and we shall within seven (7) days from the date of lodgement of the supplementary or replacement offer document, refund the applicants all monies the applicants have paid on account of their applications for the Placement Shares, without interest or any share of revenue or other benefit arising therefrom and at their own risk.

DETAILS OF THE PLACEMENT

An applicant who wishes to exercise his option under paragraph (a)(i) or (a)(ii) to withdraw his application shall, within 14 days from the date of lodgement of the supplementary or replacement offer document, notify us of this, whereupon we shall, within seven (7) days from the receipt of such notification, pay to him all monies paid by him on account of his application for the Placement Shares without interest or any share of revenue or other benefit arising therefrom and at his own risk, and he will not have any claim against us or the Sponsor, Issue Manager and Placement Agent.

An applicant who wishes to exercise his option under paragraph (b)(i) or (b)(ii) to return the Placement Shares issued to him shall, within 14 days from the date of lodgement of the supplementary or replacement offer document, notify us of this and return all documents, if any, purporting to be evidence of title to those Placement Shares, to us, whereupon we shall, subject to compliance with applicable laws and our Constitution, within seven (7) days from the receipt of such notification and documents, if any, pay to him all monies paid by him for those Placement Shares, without interest or any share of revenue or other benefit arising therefrom and at his own risk, and he will not have any claim against us or the Sponsor, Issue Manager and Placement Agent, and the issue of those Placement Shares shall be deemed to be void.

Pursuant to Section 242 of the SFA, the Authority or the SGX-ST acting as agent on behalf of the Authority may, in certain circumstances issue a stop order (the “**Stop Order**”) to our Company, directing that no Shares or no further Shares to which this Offer Document relates, be allotted or issued. Such circumstances will include a situation where this Offer Document (i) contains any statement or matter which, in the opinion of the Authority or the SGX-ST acting as agent on behalf of the Authority, is false or misleading, (ii) omits any information that should have been included in it under the SFA, or (iii) does not, in the opinion of the Authority or the SGX-ST acting as agent on behalf of the Authority, comply with the requirements of the SFA, or (iv) in the opinion of the Authority or the SGX-ST acting as agent on behalf of the Authority, that it is in the public interest to do so.

In the event that the Authority or the SGX-ST acting as agent on behalf of the Authority issues a Stop Order and applications to subscribe for the Placement Shares have been made prior to the Stop Order, then to the extent permissible under the applicable laws:

- (a) where the Placement Shares have not been issued and/or sold to the applicants, the applications for the Placement Shares shall be deemed to have been withdrawn and cancelled and we shall, within 14 days from the date of the Stop Order, refund to the applicants all monies the applicants have paid on account of their applications for the Placement Shares; or
- (b) where the Placement Shares have already been issued to the applicants but trading has not commenced, the issue of the Placement Shares shall be deemed to be void and we shall, within 14 days from the date of the Stop Order, refund to the applicants all monies paid by them for the Placement Shares.

Where monies are to be returned to applicants for the Placement Shares, they shall be paid to the applicants at their own risk, without any interest or share of revenue or other benefit arising therefrom, and the applicants will not have any claim against our Company and the Sponsor, Issue Manager and Placement Agent.

This Offer Document has been seen and approved by our Directors. They collectively and individually accept full responsibility for the accuracy of the information given in this Offer Document and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Offer Document constitutes full and true disclosure of all material facts about the Placement and our Group, and our Directors are not aware of any facts, the omission of which would make any statement in this Offer Document misleading. Where information in this Offer Document has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of our Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Offer Document in its proper form and context.

DETAILS OF THE PLACEMENT

Neither our Company, the Sponsor, Issue Manager and Placement Agent nor any other parties involved in the Placement is making any representation to any person regarding the legality of an investment in our Shares by such person under any investment or other laws or regulations. No information in this Offer Document should be considered as being business, legal, financial or tax advice regarding an investment in our Shares. Each prospective investor should consult his own legal, financial, tax or other professional adviser regarding an investment in our Shares.

The Placement Shares are offered for subscription solely on the basis of the information contained and the representations made in this Offer Document.

No person has been or is authorised to give any information or to make any representation not contained in this Offer Document in connection with the Placement and, if given or made, such information or representation must not be relied upon as having been authorised by us or the Sponsor, Issue Manager and Placement Agent. Neither the delivery of this Offer Document, the Application Forms nor any document relating to the Placement shall, under any circumstances, constitute a continuing representation or create any suggestion or implication that there has been no change in the affairs of our Company or our subsidiaries or in any statement of fact or information contained in this Offer Document since the date of this Offer Document. Where such changes occur and are material or are required to be disclosed by law, the SGX-ST and/or any other regulatory or supervisory body or agency, we will promptly make an announcement of the same to the SGX-ST and the public and if required under the SFA, a supplementary or replacement offer document will be issued and made available to the public after a copy thereof has been lodged with the SGX-ST acting as agent on behalf of the Authority. All applicants should take note of any such announcement and/or supplementary or replacement offer document and, upon the release of such an announcement and/or supplementary or replacement offer document, shall be deemed to have notice of such changes.

The distribution of this Offer Document and the Placement, purchase, sale or transfer of our Shares may be restricted by law in certain jurisdictions. We, and the Sponsor, Issue Manager and Placement Agent require persons into whose possession this Offer Document comes to inform themselves about and to observe any such restrictions at their own expense and without liability to us and the Sponsor, Issue Manager and Placement Agent.

Save as expressly stated in this Offer Document, nothing herein is, or may be relied upon as, a promise or representation as to the future performance or policies of our Company or our subsidiaries.

This Offer Document has been prepared solely for the purpose of the Placement and may not be relied upon by any persons other than the applicants in connection with their application for the Placement Shares or for any other purpose.

This Offer Document does not constitute an offer, solicitation or invitation to subscribe for the Placement Shares in any jurisdiction in which such offer, solicitation or invitation is unlawful or unauthorised nor does it constitute an offer, solicitation or invitation for any person to whom it is unlawful to make such offer, solicitation or invitation.

Copies of this Offer Document may be obtained on request, subject to availability, during office hours from:-

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

An electronic copy of this Offer Document is also available on the SGX-ST website at <http://www.sgx.com>.

DETAILS OF THE PLACEMENT

The Application List will open immediately upon registration of the Offer Document by the SGX-ST acting as agent on behalf of the Authority on 3 April 2017 and will remain open until 12.00 noon on 6 April 2017 or for such further period or periods as our Directors may, in consultation with the Sponsor, Issue Manager and Placement Agent, in their absolute discretion decide, subject to any limitation under all applicable laws. In the event a supplementary or replacement offer document is lodged with the SGX-ST, acting as agent on behalf of the Authority, the Application List will remain open for at least 14 days after the lodgement of the supplementary or replacement offer document.

Details of the procedures for applications to subscribe for the Placement Shares are described under the section entitled “Terms, Conditions and Procedures for Applications” as set out in Appendix H of this Offer Document.

INDICATIVE TIMETABLE FOR LISTING

An indicative timetable for the Placement and trading of our Shares is set out below for reference of applicants:-

Indicative Time and Date	Event
3 April 2017 (immediately upon registration of this Offer Document)	Opening of Application List
6 April 2017, at 12.00 noon	Close of Application List and closing date and time for the Placement
10 April 2017, at 9.00 a.m.	Commence trading on a “ready” basis
14 April 2017	Settlement date for all trades done on a “ready” basis

The above timetable is only indicative as it assumes that the date of closing of the Application List is 6 April 2017, the date of admission of our Company to Catalist is 10 April 2017, the SGX-ST’s shareholding spread requirement will be complied with and the Placement Shares will be issued and allotted or allocated (as the case may be) and fully paid-up prior to 10 April 2017. **The actual date on which our Shares will commence trading on a “ready” basis will be announced when it is confirmed by the SGX-ST.**

The above timetable and procedures may be subject to such modification as the SGX-ST may, in its absolute discretion, decide, including the decision to permit trading on a “ready” basis and the commencement date of such trading.

Investors should consult the SGX-ST’s announcement on the “ready” trading date released on the internet (at the SGX-ST’s website at <http://www.sgx.com>) or the newspapers, or check with their brokers on the date on which trading on a “ready” basis will commence.

We, with the agreement of the Sponsor, Issue Manager and Placement Agent, may at our discretion, subject to all applicable laws and regulations and the rules of SGX-ST, agree to extend or shorten the period during which the Placement is open.

In the event of any changes in the close of the Application List or the time period during which the Placement is open, we will publicly announce the same:

- (a) through a SGXNET announcement to be posted on the internet at the SGX-ST’s website at <http://www.sgx.com>; and
- (b) in a major English language newspaper in Singapore.

We will publicly announce details of the results of the Placement (including the level of subscription for the Placement Shares and the basis of allotment and/or allocation of the Placement Shares pursuant to the Placement), as soon as it is practicable after the close of the Application List through the channels described in (a) and (b) above.

We reserve the right to reject or accept, in whole or in part, or to scale down or ballot any application for the Placement Shares, without assigning any reason therefor, and no enquiry and/or correspondence on our decision will be entertained. In deciding the basis of allotment and/or allocation, due consideration will be given to the desirability of allotting and/or allocating the Placement Shares to a reasonable number of applicants with a view to establish an adequate market for our Shares.

PLAN OF DISTRIBUTION

THE PLACEMENT

The Placement is for 96,990,000 Placement Shares offered in Singapore at the Placement Price. The Listing is managed by Hong Leong Finance.

Prior to the Placement, there has been no public market for our Shares. The Placement Price is determined by us in consultation with the Sponsor, Issue Manager and Placement Agent after taking into consideration, *inter alia*, prevailing market conditions and the estimated market demand for the Placement Shares determined through a book-building process. The Placement Price is the same for each Placement Share and is payable in full on application.

Investors may apply to subscribe for any number of Placement Shares in integral multiples of 100 Shares, subject to a minimum of 1,000 Shares. In order to ensure a reasonable spread of Shareholders, we have the absolute discretion to prescribe a limit to the number of Placement Shares to be allotted to any single applicant and/or to allot Placement Shares above or under such prescribed limit as we shall deem fit.

Subject to the terms and conditions set forth in the Sponsorship and Management Agreement and the Placement Agreement entered into between us and Hong Leong Finance as set out in the section entitled "Sponsorship, Management and Placement Arrangements" of this Offer Document, our Company has appointed Hong Leong Finance to manage the Placement. Hong Leong Finance will receive a management fee for its services rendered in connection with the Placement.

PLACEMENT SHARES

The Placement Shares are made available to retail and institutional investors in Singapore who may apply through their brokers or financial institutions by way of the Application Forms. Applications for the Placement Shares may be made by way of printed Application Forms or such other forms of application as the Sponsor, Issue Manager and Placement Agent deem appropriate. The terms, conditions and procedures for application and acceptance are set out in Appendix H entitled "Terms, Conditions and Procedures for Applications" of this Offer Document.

Pursuant to the terms and conditions contained in the Placement Agreement as disclosed in the section entitled "Sponsorship, Management and Placement Arrangements" of this Offer Document, the Placement Agent has agreed to subscribe for, or procure subscribers for the Placement Shares at the Placement Price. The Placement Agent shall be at liberty at its own expense to make sub-placement arrangements for the Placement Shares.

Subscribers of the Placement Shares may be required to pay a brokerage of up to 1.0% of the Placement Price (plus GST thereon and any other similar charges if applicable) to the Placement Agent or any sub-placement agent that may be appointed by the Placement Agent, as well as stamp duties and other charges, if applicable.

SUBSCRIPTION FOR PLACEMENT SHARES

We have been informed that our Independent Directors intend to subscribe for an aggregate of 150,000 Placement Shares. In the event that any of such persons are allocated Placement Shares, the relevant disclosure will be made in accordance with Rule 428 of the Catalist Rules. To the best of our knowledge and belief, none of our Directors, Executive Officers, Substantial Shareholders or their Associates intends to subscribe for more than 5.0% of the Placement Shares in the Placement. If such person(s) were to make an application for the Placement Shares and are subsequently allotted and/or allocated more than 5.0% of the Placement Shares, we will make the necessary announcements at an appropriate time.

To the best of our knowledge and belief, none of our employees intends to subscribe for 5.0% or more of the Placement Shares in the Placement.

PLAN OF DISTRIBUTION

To the best of our knowledge and belief, we are not aware of any person who intends to subscribe for more than 5.0% of the Placement Shares. However, through a book-building process to assess market demand for our Shares, there may be person(s) who may indicate an interest to subscribe for Shares amounting to more than 5.0% of the Placement Shares. If such person(s) were to make an application for Shares amounting to more than 5.0% of the Placement Shares and are subsequently allotted such number of Shares, we will make the necessary announcements at an appropriate time. The final allotment of Shares will be in accordance with the shareholding spread and distribution guidelines as set out in the Listing Manual.

No Shares shall be allotted on the basis of this Offer Document later than six (6) months after the date of registration of this Offer Document by the SGX-ST acting as agent on behalf of the Authority.

OFFER DOCUMENT SUMMARY

The following summary highlights certain information found in greater detail elsewhere in this Offer Document. Terms defined elsewhere in this Offer Document have the same meaning when used herein. In addition to this summary, we urge you to read the entire Offer Document carefully, especially the section entitled “Risk Factors” of this Offer Document, before deciding to invest in our Shares.

Under no circumstance should any information in this Offer Document summary be regarded as a representation or warranty by our Company, the Sponsor, Issue Manager and Placement Agent that such information will not change.

OVERVIEW OF OUR GROUP

Our Company

Our Company was incorporated on 3 May 2016 in Singapore under the Companies Act as an exempt private company limited by shares under the name of “UnUsUaL Pte. Ltd.”. Pursuant to the Restructuring Exercise, we became the holding company for all of our subsidiaries. Subsequently, on 9 March 2017, our Company was converted into a public company and renamed as “UnUsUaL Limited”.

Please refer to the sections entitled “Restructuring Exercise” and “Group Structure” of this Offer Document for further details.

Our Business

Our Group specialises predominantly in the production and promotion of large-scale live events and concerts by renowned international artistes in Singapore and the region. We have the expertise in providing technical services and creative input, and in organising and promoting such events and concerts.

As a producer of large-scale live events and concerts, we:

- conceptualise and develop creative input;
- provide consultancy services in relation to the management and organisation of a particular concert or event;
- provide design solutions in terms of set creation and stage design;
- provide technical solutions in terms of stage and SLV requirements; and
- manage and oversee the entire production set-up.

Under our production business segment, we provide the overall support to the artiste’s team or the event organiser in their set-up and installation. We also set ourselves apart from our competitors by providing creative input for the production of an event, usually for large-scale event organisers (in comparison, artiste management companies usually already have the essential creative solutions for their concerts).

Under our promotion business segment, we take charge of the overall planning and managing of concerts and events. This includes:

- working with artiste managers to assess the suitability of different venues and coordinate artistes’ availability;
- handling ticketing matters for the concerts and events;
- the marketing and promotion of the concerts and events; and
- co-ordinating with and/or assisting the artiste management companies with the appointment of the relevant third party service providers (such as venue owners or managers) and suppliers in all matters pertaining to the concert and event.

OFFER DOCUMENT SUMMARY

We build and maintain good working relationships with the artistes, artiste managers, artiste management companies and artiste agents. Fostering such relationships enables us to secure top artistes and the best concerts and events from all over the world.

Our Competitive Strengths

Our Directors believe that our competitive strengths are as follows:-

- We set ourselves apart from other competitors in the industry by providing comprehensive solutions encompassing technical expertise and creative input. This in turn mitigates the risks of operating in any single business segment.
- We have a committed and experienced management team with extensive expertise in production and promotion.
- We have established a strong network of business relationships with key participants in the entertainment industry within Asia.
- We have an established overall track record of securing mega events and top artistes every year.
- With the controlling stake held by mm2 in our Group, we expect our business to synergise with and complement mm2's existing core business.

Please refer to the section entitled "General Information on our Group – Competitive Strengths" of this Offer Document for more information.

Our Prospects

Our Directors believe that the outlook for the productions and promotion business in Singapore and the region is expected to remain positive, taking into consideration the following factors:-

- Consumers' willingness to spend on live entertainment by top artistes.
- The entertainment industry is constantly evolving and presents new business opportunities.
- The number of events and concerts will continue to grow as more new events are created for the sports and other non-entertainment based industries.
- The proliferation of social media allows our Group to reach a wider target audience beyond the local scene.
- There is potential for further growth in the ASEAN region due to large domestic markets and a growing middle income group.

Please refer to the section entitled "Prospects, Business Strategies and Plans – Prospects" of this Offer Document for more information.

Our Business Strategies and Future Plans

Our business strategies and future plans for the continued growth of our business are as follows:-

- Expand our operations both locally and regionally.
- Expand our access to event and concert venues.
- Expand our operations via acquisitions, joint ventures and investments.

Please refer to the section entitled "Prospects, Business Strategies and Plans – Business Strategies and Future Plans" of this Offer Document for more information.

OFFER DOCUMENT SUMMARY

Our Contact Details

Our registered and principal office is located at 45 Kallang Pudding Road, #01-01, Alpha Building, Singapore 349317. Our telephone number is +65 6841 4555 and our facsimile number is +65 6841 0129. Our Company Registration Number is 201611835H. Our corporate website is <http://www.unusual.com.sg>.

Information contained in our website does not constitute part of this Offer Document.

FINANCIAL HIGHLIGHTS

You should read the following summary financial information in conjunction with the full text of this Offer Document, including the “Independent and Reporting Auditor’s Report on the Audited Combined Financial Statements for the Financial Years ended 31 December 2013, 2014 and 2015” and “Independent and Reporting Auditor’s Report on the Audited Consolidated Financial Statements for the Nine-Month Period ended 30 September 2016” as set out in Appendices A and B, respectively, of this Offer Document as well as the section entitled “Management’s Discussion and Analysis of Results of Operations and Financial Position” of this Offer Document.

Selected items from the Audited Combined/ Consolidated Statements of Comprehensive Income of our Group⁽¹⁾

(\$S'000)	Audited FY2013	Audited FY2014	Audited FY2015	Unaudited 9M2015	Audited 9M2016
Revenue	18,420	17,871	26,112	22,257	16,007
Profit before income tax	2,118	141	4,765	3,279	4,476
Net profit attributable to equity holders of our Company	1,961	337	4,111	2,784	3,845
EPS (cents)⁽²⁾	0.36	0.06	0.75	0.51	0.70
EPS (fully diluted) (cents)⁽³⁾	0.30	0.05	0.64	0.43	0.60

Selected items from the Audited Combined/ Consolidated Statements of Financial Position⁽¹⁾

(\$S'000)	Audited FY2013	Audited FY2014	Audited FY2015	Unaudited 9M2015	Audited 9M2016
Current assets	13,097	16,240	15,987	16,877	13,244
Non-current assets	1,250	3,065	4,008	2,895	2,008
Current liabilities	7,627	12,136	9,480	9,911	9,364
Non-current liabilities	23	152	215	106	188
Shareholders' equity	6,697	7,017	10,300	9,755	5,700
NAV per Share (cents)⁽⁴⁾	1.23	1.28	1.89	1.79	1.04

Notes:

- (1) Our combined/ consolidated statements of comprehensive income and statements of financial position for the Period Under Review have been prepared on the basis that our Group has been in existence throughout the Period Under Review.
- (2) For comparative purposes, EPS is calculated on net profit attributable to equity holders of our Company for the year or period, as the case may be, and the pre-Placement share capital of our Company of 546,247,059 Shares.
- (3) For comparative purposes, EPS is calculated based on net profit attributable to equity holders of our Company for the year or period, as the case may be, and the post-Placement share capital of our Company of 643,237,059 Shares.
- (4) The NAV per Share is computed based on the net asset value of our Group as at 31 December 2013, 2014 and 2015, and 30 September 2016 and our pre-Placement share capital of 546,247,059 Shares.

THE PLACEMENT

Placement Size	:	96,990,000 Placement Shares by way of the Placement.
		The Placement Shares shall upon allotment and issue be free from all pre-emption rights, charges, liens and other encumbrances and, rank in all respects <i>pari passu</i> with our existing issued Shares.
Placement Price	:	S\$0.20 for each Placement Share.
The Placement	:	The placement of the Placement Shares by the Placement Agent on behalf of our Company for subscription at the Placement Price, subject to and on the terms and conditions set out in this Offer Document.
Purpose of the Placement	:	Our Directors believe that the listing of our Company and the quotation of our Shares on Catalist will enhance our public image locally and internationally and enable us to tap the capital markets to fund the expansion of our business operations. The Placement will also provide members of the public and our employees with an opportunity to participate in the equity of our Company.
Listing Status	:	There has been no public market for our Shares prior to the Placement. Our Shares will be quoted in Singapore dollars on Catalist, subject to admission of our Company to Catalist and permission for dealing in, and for quotation of, our Shares that are already issued, the Placement Shares, and the Option Shares and the Award Shares which may be issued, being granted by the SGX-ST, and the Authority or the SGX-ST acting as agent on behalf of the Authority not issuing a Stop Order.
Risk Factors	:	Investing in our Shares involves risks which are described in the section entitled "Risk Factors" of this Offer Document.
Use of Proceeds	:	Please refer to the section entitled "Use of Proceeds and Listing Expenses" of this Offer Document for more information.

RISK FACTORS

We are exposed to a number of possible risks that may arise from economic, business, market and financial factors and development that may have an adverse impact on our future performance.

Prospective investors should consider carefully, together with all other information contained in this Offer Document, the risks described below before deciding whether to invest in our Shares. The risks described below are not the only ones that our Group faces. Additional risks not presently known to our Group or that our Group currently deems immaterial may also impair its business operations. The business, financial condition, results of operations and prospects of our Group could be materially and adversely affected by any of these risks if they develop into actual events. The market price of our Shares could decline due to any of these risks and you may lose all or part of your investment.

This Offer Document also contains forward-looking statements that involve risks and uncertainties. The actual results of our Group's operations could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks our Group faces as described below and elsewhere in this Offer Document. Please refer to the section entitled "Cautionary Note Regarding Forward-Looking Statements" of this Offer Document. Before deciding to invest in our Shares, prospective investors should seek professional advice from their advisors about their particular circumstances. To the best of our Directors' belief and knowledge, all the risk factors that are material to investors in making an informed judgement in our Company have been set out below.

RISKS RELATING TO OUR BUSINESS AND THE INDUSTRY IN WHICH WE OPERATE

The promotion segment of our business depends on relationships between key agents, managers and artistes and any adverse changes in these relationships would adversely affect our business, financial condition and results of operations.

The promotion business, which is one of the main business segment of our Group, is uniquely dependent upon personal relationships, as our officers or other key personnel have to leverage on their existing network of relationships with artistes, key agents and managers in order to secure the rights to organise, promote and produce the live events and concerts which are critical to the success of our Group.

Due to the importance of those industry contacts to the event and concert promotion business segment of our Group, any adverse change in the aforesaid relationships or the loss of any of our Group's officers or other key personnel could affect this particular business segment of our Group.

We also cannot give any assurance that our Group's officers and key personnel will remain with us for the long term, or that our associations with current industry contacts will be retained in the long term. If the key agents, managers and artistes with whom we have established relationships are replaced by individuals with whom we are not familiar or with whom we have yet to establish good working relationships, we may lose some business. This will in turn adversely affect our competitive position and financial performance.

The promotion segment of our business may be adversely affected if we are unable to lease and/or acquire concert and event venues on favourable commercial terms.

Our Group will require event and concert venues from time to time for the events and/or concerts which we promote. In the event that we are unable to lease or acquire such venues at our required dates and on terms favourable to our Group, revenue generated from those events and/or concerts that we organise may not generate sufficient revenue to cover our costs from organising such events and/or concerts.

In the event we are not able to generate sufficient revenue from the events and/or concerts which we organise, our Group's business, financial condition and results of operations would be adversely affected.

RISK FACTORS

Although Singapore has seen the development of more venues for holding events and concerts, thereby increasing the number of venue options available to our Group when we promote and/or produce an event or concert, our Group does not own any of these event or concert venues. Our long-term success in production and promotion will depend in part on our ability to lease these venues from and enter into collaboration agreements with the venue owners or managers. As many of these agreements are with third parties over whom we have little or no control, we may be unable to renew these agreements or enter into new agreements on terms which are commercially acceptable and favourable to us in respect of these venues. The ability to renew these agreements or obtain new agreements on favourable terms depends on a number of factors, many of which are also beyond our control. Such factors include local business conditions and competition from other production and promotion companies. If the cost of renewing these agreements is too high or if we are unable to renew such agreements in time on favourable terms, this may result in delays in our operations and costs overruns.

If scheduled events and/or concerts are cancelled or postponed, our reputation may be adversely affected.

We incur a significant amount of upfront costs such as marketing and related costs when we plan and prepare for a concert or event. Accordingly, if a planned concert or event is cancelled, especially if the cancellation is close to the date of the planned concert or event, we would lose a substantial amount of sunk costs, fail to generate the anticipated revenue and may be forced to issue refunds for tickets sold. If a planned concert or event is postponed, we would incur substantial additional costs in connection with having to stage the event or concert on an alternative date and possibly, at an alternative venue as well, which may negatively impact the attendance as well as concession and merchandise sales. Further, we may, in certain situations, have to refund the cost of the tickets to ticket holders who are not available on the alternative date. The cancellation or postponement of an event and/or concert may have an adverse impact to our reputation, financial condition and results of operations. Whilst our Group has experienced concert cancellation/postponement, and whilst the impact from each of such event has not been material, it does not preclude that such events may not cause a material impact on our Group's financials and/or operations in the future.

We may be liable for the losses incurred by the relevant artiste management companies in certain circumstances.

When artiste management companies sell to us rights to stage and organise concerts for their artistes, we occasionally sell such rights to other third party organisers by entering into back-to-back arrangements with the artiste management companies and the third party organisers. As we remain liable to the artiste management companies pursuant to the relevant contracts that we enter into with them, if the third party organiser breaches or fails to organise such concerts or events in accordance with the relevant terms, we may be liable for damages or losses incurred by the relevant artiste management companies due to the aforesaid breaches. This could adversely affect the reputation and financial condition of our Group. Our Group has not encountered any incidents in the past which resulted in us being liable for such losses incurred by the relevant artiste management companies.

We are exposed to the risks in the non-performance and quality of our subcontracted works.

We sub-contract certain parts of our projects and services to third party subcontractors. We are therefore exposed to the risks that our subcontractors may not provide the subcontracted services or works on time or that the quality of the works or services subcontracted may not meet the requirements under the relevant contracts that we have entered into with our customers. Although we may enter into back-to-back arrangements with our subcontractors where the terms of our contract with our subcontractors are identical or substantially similar to the terms of our contract with our customers, we remain liable to our customers under the contracts that we enter into with them. As such, in the event that our subcontractor is unable to perform the subcontracted works or provide the required services in a satisfactory manner, we will be liable to our customers. Should we be unable to procure other subcontractors to complete the works, or to carry out the works ourselves at the same cost, this would adversely affect our business and our profitability. Our Group has not encountered any incidents in the past which resulted in us being exposed to risks in the non-performance and quality of our subcontracted works.

RISK FACTORS

Poor weather adversely affects attendance at our events and concerts, which could negatively impact our financial performance from period to period.

We promote many events and concerts. Poor weather conditions surrounding these events and concerts may affect sales of tickets, concessions and merchandise, among other things. Due to weather conditions, we may be required to cancel or reschedule an event to another available day or a different venue, which would increase our costs for the event and could negatively impact the attendance at the event. As a result, this could affect our business and financial condition of our Group.

Our business may be sensitive to public tastes and depends partially on our ability to secure popular artists and other live events and concerts.

Our business may be sensitive to rapidly changing public tastes and depends partially on the availability of popular artists and events. Our production and promotion business depends in part on our ability to anticipate the tastes of consumers and to offer events that appeal to the masses. However, as consumer preferences change from time to time, we may not be able to anticipate, identify or react to these changes and secure entertainment acts which are current and popular. This in turn could impact the revenue and profitability of our Group.

Accidents or mishaps may occur at our events or concerts despite safety measures.

Accidents or mishaps may occur at the events or concerts organised by our Group even though we have put in place certain safety measures. Such accidents or mishaps may severely disrupt the events or concerts and may expose our Group to personal injury litigation as well as damage our reputation. In such event, our business, results of operations and financial performance may be materially and adversely affected. Further, if our insurance policies do not cover or do not adequately cover such claims, our results of operations and financial performance may be materially and adversely affected. Our Group has not had any accident or mishap in the concerts and events that we had organised in the past that had a material impact on our Group's financials and/or operations.

Our Group incurs relatively substantial expenses relating to artiste cost in contracting an established artiste.

One of our business strategies is to secure established artistes to perform in various locations, such as different major cities within the region. In engaging such established artistes to perform in all these locations, our Group generally pays a substantial down-payment or advance to engage the established artistes, which forms part of our cost of sales in our financial statements. If our Group is unable to obtain financing or generate cash flow internally, the amount to be spent on engaging these established artistes may have to be reduced. This may adversely affect the ability of our Group to secure established artistes and the operations of our Group in the long run.

Change in control and/or management of mm2 may affect our business in the future.

As part of the Restructuring Exercise, mm2 had acquired 51.0% of our Company from our Executive Directors, Leslie Ong and Johnny Ong. Following the said transfer, Leslie Ong, Johnny Ong, and mm2 consolidated their control in our Company by incorporating UnUsUaL Management and transferring all their shares in our Company to UnUsUaL Management. UnUsUaL Management is held by mm2 and our Executive Directors, Leslie Ong and Johnny Ong, in the following proportion: 51.0% by mm2, 24.5% by Leslie Ong and 24.5% by Johnny Ong. Please refer to the section entitled "Group Structure" of this Offer Document for our Group structure as at the Latest Practicable Date.

In the event that there is any change in control and/or management of mm2, there is no assurance that our Group will continue to be managed by our Executive Directors, Leslie Ong and Johnny Ong. Further, if investors perceive that the change in control of mm2 may affect the strategic direction of our Group, investors' confidence in our Group may be adversely affected. Such changes in the future may materially and adversely affect our results of operations and financial performance.

RISK FACTORS

Advent of new media and other disruptive technologies may diminish the attractions of live concerts and events.

The advent of new media and other disruptive technologies may result in artistes and our other customers using alternative media and avenues to reach out to their fans, supporters and customers (as the case may be), thereby diminishing the attractions of live concerts and events. Such new or alternative media may take the form of different interactive technologies such as 3D, holography, and virtual reality, or other forms of disruptive technologies. If we are unable to improve our service offerings alongside technological advancements in the media and entertainment industry, our competitive edge and hence our financial performance will be materially and adversely affected.

Our insurance coverage may be inadequate.

While we believe that we have adequately insured our operations and properties in a way that we believe is customary in the production and promotion business and in amounts that we believe to be commercially appropriate, we may become subject to liabilities for events against which we are not adequately insured or which we cannot be insured on terms which are acceptable to us. Examples of these events include natural disasters, riots, general strikes, and acts of terrorism. Some of the losses we suffer may also not be easily quantifiable and may damage our reputation.

Our business, financial condition and results of operations may be adversely affected if: (i) an event occurs for which we are not adequately or sufficiently insured; (ii) one or more large claims is or are successfully asserted against us that exceed the available insurance coverage; (iii) any of our insurance claims are contested by the insurance company; or (iv) we are not able to purchase insurance of the types and in the amounts that we deem necessary at acceptable premiums.

We face risks from doing business in the region.

We organise and/or promote live events and concerts not only in Singapore but also in Hong Kong, Malaysia and the PRC. As a result, our business is subject to certain risks inherent in conducting business overseas, many of which are beyond our control. These risks include but are not limited to:

- laws and policies affecting trade, investment and taxes, including laws and policies relating to the repatriation of funds and withholding taxes, and changes in these laws;
- inflation, interest rates and general conditions;
- changes in local regulatory requirements, including restrictions on content;
- differing cultural tastes and attitudes;
- differing degrees of protection for intellectual property;
- the instability of foreign economies and governments;
- fluctuating foreign exchange rates;
- the spread of communicable diseases in such jurisdictions, which may impact business in such jurisdictions; and
- natural disasters, war and acts of terrorism.

An adverse development related to any of the abovementioned factors and other risks associated with international trade may have a material adverse effect on our business, financial condition, and operating results if our Group is unable to adapt our business strategies or operations accordingly.

RISK FACTORS

We are dependent on our key management team for our continued success and growth.

We attribute our success to the leadership and contribution of Leslie Ong, our Executive Director and CEO, and Johnny Ong, our Executive Director and COO, as well as our key management personnel who have extensive experience in production and promotion. Our continued success is therefore dependent to a large extent on our ability to retain such key management personnel. The demand for such experienced personnel is intense and the search for personnel with the relevant skill sets can be time consuming. The loss of our key management personnel, without suitable or comparable replacements in a timely manner, will have an adverse effect on our business, financial condition and results of operations.

Further, in order to remain competitive and to attract and/or retain our key personnel, we may need to increase employee compensation levels substantially, which will result in increased manpower and related costs. If we are not able to generate at least proportionately higher income with such headcount costs, our Group's profitability will be adversely affected.

We may be affected by terrorist attacks, natural disasters, outbreaks of communicable diseases and other events beyond our control.

Terrorist attacks, natural disasters and other events beyond our control in the markets in which we operate may lead to uncertainty in the economic outlook of these markets leading to an economic downturn. This in turn could have an adverse impact on the live concert and entertainment industry and our business. The consequences of any such terrorist attacks, natural disasters or other events beyond our control are unpredictable, and we are not able to foresee events of such nature, which could cause interruptions to parts of our businesses and have an adverse effect on our business, financial condition, and operating results.

In addition, an outbreak of Zika, SARS, avian influenza, Influenza A (H1N1) and/or other communicable diseases, if uncontrolled, could affect our operations, as well as the promotion of and attendance at live events and concerts by the public. This may lead to a decrease in demand for our services by artiste management companies and event organisers, which may adversely affect our business, financial condition, and results of operations.

Further, in the event that our employees and/or employees of our suppliers are infected or suspected of being infected with any communicable disease, our Group and/or our suppliers may be required by health authorities to temporarily shut down the affected premises or offices and quarantine the relevant employees to prevent the spread of the disease. This will result in delays and may have an adverse impact on our business and financial performance.

There is no assurance that our future plans will be commercially successful.

We intend to expand our operations locally and overseas into new geographic markets in accordance with our future plans as set out in the section entitled "Prospects, Business Strategies and Plans" of this Offer Document. Such expansion plans involve numerous risks, including but not limited to, our ability to secure locations for the setting up of new offices, expand our current facilities in a cost efficient manner, enter into joint ventures and/or acquire companies that are complementary to our existing businesses.

There is no assurance that such expansion plans will be commercially successful or if we are able to enter new geographical markets to expand our production and promotion business.

We may also not be successful in integrating any acquired businesses and might not achieve the anticipated synergies for revenue growth and cost benefits. If we (i) fail to achieve a sufficient level of revenue, (ii) experience performance problems with an acquired company, such as the incurrence of debt, contingent liabilities, possible impairment charges related to goodwill or other intangible assets, or (iii) encounter any other unanticipated events or circumstances, our business, financial conditions and results of operations may be materially and adversely affected.

RISK FACTORS

Our business, financial condition, results of operations and prospects may be adversely affected by the exchange rate instability.

Our functional reporting currency for our statutory financial statements is presented in Singapore dollars. A portion of our business operations are in Malaysia and Hong Kong, which accounted for 13.7% and 9.5% of our total revenue respectively for FY2015, and 11.1% and 6.6% of our total revenue respectively for 9M2016.

The financial results of UnUsUaL (Malaysia) and UnUsUaL (Hong Kong), whose functional currencies are not in Singapore dollars, must be translated into Singapore dollars on every reporting date. Any currency exchange gain or loss resulting from the translation is recognised as other comprehensive income and accumulated in the foreign currency translation reserve, under equity. If the resulting translation differences are significant, they may materially affect the results and shareholders' funds position of our Group. In addition, the computation of bank covenants and debt ratios may also be affected.

We are exposed to risks of infringement of our intellectual property rights and the unauthorised use of our trademarks by third parties and we may face litigation suits for intellectual property infringement.

We have registered several trademarks in Singapore and several other jurisdictions. Please refer to the section entitled "General Information on Our Group – Intellectual Property" of this Offer Document for further details of our trademarks. We believe our trademarks are well recognised by our customers and in the industry we are operating in, which reflects our reliable and quality services and solutions that have contributed to our success.

It is possible that our competitors or other third parties may adopt trademarks similar to ours, which may lead to brand confusion among our existing and potential customers. While we have registered the "UnUsUaL" trademark in Singapore, Taiwan, Malaysia and the PRC, there is no assurance that we will be able to register, renew, maintain, protect and/or enforce our rights in other jurisdictions for which we have not registered our trademarks, or that other unrelated third parties will not use the "UnUsUaL" brand in these jurisdictions without our consent.

In December 2016, a Hong Kong company, Unusual Productions (China) Limited (the "Opponent"), opposed our application to file the "UnUsUaL" trademark in Hong Kong. The Opponent alleges that our Executive Directors had, in 2006, given verbal consent for it to use the name "UnUsUaL" for its business operations in Hong Kong. The Opponent further alleges that by its extensive use and promotion of the "UnUsUaL" trade name in Hong Kong and other jurisdictions in respect of a wide spectrum of entertainment services, the name has allegedly acquired substantial goodwill and reputation in Hong Kong and other jurisdictions. We are seeking legal advice to respond to this opposition. Our Directors do not expect the registration or non-registration of this trademark or our ability or inability to use the said trademark in Hong Kong to have a material effect on our business and financial performance. This is because our ability to sell tickets for the concerts that we organise and/or promote is due to the popularity of the artistes holding such concerts and not due to our brand name. Please refer to the section entitled "General Information on our Group – Intellectual Property" of this Offer Document for further details.

If we fail to effectively protect our trademarks and where other third parties have used our intellectual property, and the services provided by such third parties do not meet the customers' requirements, our customers may have a negative impression of our service quality which may have an adverse impact on our Group's reputation, prospects, business and financial results.

There is also no assurance that we will not infringe any intellectual property rights of third parties in the future. In the event of any claims or litigation involving infringement of the intellectual property rights of third parties, whether with or without merit, we may be required to divert a significant amount of our time and resources to defend or attend to any possible litigation or legal proceedings. These legal proceedings may result in monetary losses or may prevent us from further using such intellectual property. As a result, our reputation, business and financial results may be adversely affected.

RISK FACTORS

Our business may be subject to disputes and claims between us, our suppliers and our customers.

We may be involved in disputes or claims between us, our suppliers and/or our customers on grounds such as non-adherence to contract terms, delays, breach of contract and/or other losses suffered by either party. These disputes and/or claims may lead to legal and other proceedings and may result in substantial costs and diversion of our management's resources and attention from our business. In the event that such disputes, claims, legal and/or other proceedings are not concluded in our favour and we are made liable for the claims and/or damages and incur legal and other costs, or we accept settlement terms that are unfavourable to us, our business, reputation, results of operations, financial condition and prospects may be adversely affected. Save for claims which our Group has filed against one of our customers, we have had no other disputes or claims with our suppliers and customers in the past which had a material impact on our Group's financials and/or operations. Please refer to the section entitled "General and Statutory Information – Litigation" of this Offer Document for further information with respect to disputes and claims between us, our suppliers and our customers.

Our historical financial and operating results are not indicative of future performance.

Our revenue, operating expenses and results of operations may vary from period to period and from year to year in response to a variety of factors beyond our control, including general business and economic conditions, employment rates, inflation and interest rates, and consumer discretionary income, retail spending, and confidence. Owing to these factors, among others, we believe that year-to-year or even period-to-period comparisons of our historical results of operations may not be indicative of our future performance and undue reliance should not be placed on these comparisons to predict our future financial performance or the future performance of our Shares.

RISKS RELATING TO OWNERSHIP OF OUR SHARES

Investments in securities quoted on Catalist involve a higher degree of risk and can be less liquid than shares quoted on the Main Board of the SGX-ST.

An application has been made for our Shares to be listed for quotation on Catalist, a listing platform designed primarily for fast-growing and emerging or smaller companies to which a higher investment risk tends to be attached as compared to larger or more established companies listed on the Main Board of the SGX-ST. An investment in shares quoted on Catalist may carry a higher risk than an investment in shares quoted on the Main Board of the SGX-ST and the future success and liquidity in the market of our Shares cannot be guaranteed.

Investors in our Shares will face immediate and substantial dilution in our NAV per Share and may experience future dilution.

Our Placement Price of 20 cents per Share is substantially higher than our Group's NAV per Share of 4.09 cents based on the post-Placement issued and paid-up share capital after conversion of the Convertible Notes and as adjusted for the net proceeds from the issue of the Placement Shares. If we were liquidated immediately following the Placement, each investor subscribing to the Placement would receive less than the price he paid for the Shares.

Please refer to the section entitled "Dilution" of this Offer Document for details of the immediate dilution of our Shares incurred by new investors.

In addition, we intend to issue Options under our UnUsUaL ESOS and Award Shares under our UnUsUaL PSP. To the extent that new Shares are issued pursuant to the exercise of our Options, or such Award Shares are issued, there may be further dilution to investors participating in our Placement. Further details of the UnUsUaL ESOS and UnUsUaL PSP are described in the sections entitled "UnUsUaL ESOS" and "UnUsUaL PSP" of this Offer Document and in Appendices F and G in this Offer Document where the rules of the UnUsUaL ESOS and UnUsUaL PSP are set out respectively.

RISK FACTORS

Issuance of new Shares for future growth and other corporate actions may dilute Shareholders' equity interests.

We may expand our capabilities and business through acquisitions, joint ventures, strategic partnerships and alliances with parties who can add value to our business. We may require additional equity funding after the Placement by way of a placement of new Shares or issue new Shares as consideration to finance future acquisitions, joint ventures and strategic partnerships and alliances. We may undertake certain corporate actions to modify our capital structure. All these may result in a dilution to the equity interests of our Shareholders. Further, in the event that our Company issues new Shares to meet its financing needs and existing Shareholders do not participate in the *pro-rata* fund raising activities such as rights issues, such Shareholders may experience a dilution in their shareholdings.

Future sale or issuance of our Shares could materially and adversely affect our Share price.

Any future sale or issuance or availability of a large number of our Shares in the public market or perception thereof may have a downward pressure on our Share price. These factors also affect our ability to sell additional equity securities in the future, at a time and price we deem appropriate. Save as disclosed under the section entitled "Shareholders – Moratorium" of this Offer Document, there will be no restriction on the ability of our Shareholders to sell their Shares either on the SGX-ST or otherwise.

There has been no prior market for our Shares and the Placement may not result in an active or liquid market and there is a possibility that our Share price may be volatile.

Prior to the Placement, there had been no public market for our Shares. Although we have made an application to the SGX-ST for our Shares to be listed for quotation on Catalyst, there is no assurance that an active trading market for our Shares will develop, or if it develops, be sustained. Active or liquid markets generally result in lower price volatility and more efficient execution of buy and sell orders for investors. Liquidity in the market for a particular security is often a function of the volume of the underlying shares that are publicly held by unrelated parties.

There is also no assurance that the market price for our Shares will not decline below the Placement Price. The market price of our Shares could be subject to significant fluctuations due to various external factors and events including the liquidity of our Shares in the market, differences between our actual financial or operating results and those expected by investors and analysts, general market conditions and broad market fluctuations.

Our Share price may be volatile in the future which could result in substantial losses for investors purchasing Shares pursuant to the Placement.

The trading price of our Shares may fluctuate significantly and rapidly after the Placement as a result of, among others, the following factors, some of which are beyond our control:

- variations of our operating results;
- changes in securities analysts' recommendations, perceptions or estimates of our financial performance;
- changes in market valuations and share prices of companies with business similar to that of our Company that may be listed in Singapore;
- additions or departures of our key management personnel;
- material changes or uncertainties in the political, economic and regulatory environment in the markets that we operate;
- fluctuations of stock markets' prices and volume;

RISK FACTORS

- announcements by us of significant acquisitions, strategic alliances or joint ventures;
- successes or failures of our efforts in implementing business and growth strategies;
- our involvement in material litigation; and
- changes in conditions affecting the industry, the general economic conditions or stock market sentiments or other events or factors.

Investors may not be able to participate in future issues or certain other equity issues of our Shares.

In the event that we issue new Shares, we will be under no obligation to offer those Shares to our existing Shareholders at the time of issue, except where we elect to conduct a rights issue. However, in electing to conduct a rights issue or certain other equity issues, we will have the discretion and may also be subject to certain regulations as to the procedures to be followed in making such rights available to Shareholders. We may not offer such rights to our existing Shareholders having an address in jurisdictions outside of Singapore. Accordingly, certain Shareholders may be unable to participate in future equity offerings by us and may thus experience dilution in their shareholdings.

Negative publicity including those relating to any of our Directors, Executive Officers or Substantial Shareholders may materially and adversely affect our Share price.

Negative publicity or announcements including those relating to any of our Directors, Executive Officers or Substantial Shareholders may materially and adversely affect the market perception of our Group, our Directors, Executive Officers and Substantial Shareholders and the performance of the price of our Shares, whether or not they are justified. Examples of negative publicity include publicity on our unsuccessful attempts in joint ventures, acquisitions or take-overs, or involvement in insolvency proceedings.

The actual performance of our Company may differ materially from the forward-looking statements in this Offer Document.

This Offer Document contains forward-looking statements, which are based on a number of assumptions which are subject to significant uncertainties and contingencies, many of which are outside our control. Furthermore, our revenue and financial performance are dependent on a number of external factors, such as demand for our services which may decrease for various reasons, including increased competition within the industry or changes in applicable laws and regulations. We cannot assure you that these assumptions will be realised and our actual performance will be as projected.

Control by our Controlling Shareholder of our share capital after the Placement may limit your ability to influence the outcome of decisions requiring the approval of Shareholders.

After the Placement, our Controlling Shareholder, UnUsUaL Management, will hold approximately 82.18% of our issued share capital. As a result, they will be able to significantly influence our corporate actions such as mergers or takeover attempts in a manner which may not be in line with the interests of our public Shareholders. They will also have veto power in relation to any shareholder action or approval requiring a majority vote except in situations where they are required by the rules of the Listing Manual, the SGX-ST or undertakings given by them to abstain from voting. Such concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Group which may not benefit our Shareholders. It should also be noted that our Non-Executive Chairman, Melvin Ang, is currently the executive chairman and executive director of mm2.

RISK FACTORS

We may not be able to pay dividends in the future.

Our ability to declare dividends to our Shareholders will depend on, *inter alia*, our future financial performance and distributable reserves of our Company, which, in turn, depends on us successfully implementing our strategies and on financial, competitive, regulatory, technical and other factors, general economic conditions, demand for and selling prices of our products and services and other factors specific to our industry or specific projects, many of which are beyond our control. As such, there is no assurance that we will be able to pay dividends to our Shareholders. In the event that we enter into any loan agreements in the future, covenants therein may also limit when and how much dividends we can declare and pay.

USE OF PROCEEDS AND LISTING EXPENSES

The total net proceeds to be raised from the Placement after deducting the estimated expenses incurred in connection with the Placement (including listing fees, professional fees and placement commission and other miscellaneous expenses) of approximately S\$2.0 million will be approximately S\$17.4 million.

The following table sets out a breakdown of the intended use of the proceeds from the Placement:

Use of the proceeds	Estimated amount (S\$'000)	Estimated amount allocated for each dollar of gross proceeds raised by our Company from the issue of Placement Shares (as a percentage of the gross proceeds from issuance of the Placement Shares) (%)
Investments in promotion and production projects ⁽¹⁾	10,000	51.6
Expansion of our Group's business by way of acquisition, joint ventures and/or strategic alliances	4,000	20.6
General working capital	3,398	17.5
Net proceeds	17,398	89.7
Estimated expenses incurred in connection with the Placement⁽²⁾		
Listing fees	32	0.2
Professional fees	1,100	5.6
Placement commission ⁽³⁾	679	3.5
Miscellaneous expenses	189	1.0
Total Listing Expenses	2,000	10.3
Gross proceeds	19,398	100.0

Notes:

- (1) Such investments may include (but are not limited to) securing more popular artistes to hold events and/or concerts whether in Singapore or in the region.
- (2) The total estimated expenses will be borne by our Company. Approximately S\$1.8 million will be capitalised against the capital of our Company and the balance of the estimated expenses will be charged to the profit and loss account of our Company.
- (3) Pursuant to the Placement Agreement, the Placement Agent agreed to subscribe for and/or procure the subscription of the Placement Shares for a placement commission of 3.5% of the Placement Price for each Placement Share subscribed.

Please refer to the section entitled "Prospects, Business Strategies and Plans – Business Strategies and Future Plans" of this Offer Document for more information on our intended use of the net proceeds from the Placement.

The foregoing represents our reasonable estimate of our allocation of the net proceeds of the Placement based on our current plans and estimates regarding our anticipated expenditures. Actual expenditures may vary from these estimates and we may find it necessary or advisable to reallocate the net proceeds within the categories described above or to use portions of the net proceeds for other purposes. In the event that we decide to reallocate the net proceeds of the Placement for other purposes, we will publicly announce our intention to do so through a SGXNET announcement on the SGX-ST website, <http://www.sgx.com>.

USE OF PROCEEDS AND LISTING EXPENSES

Pending the deployment of the net proceeds from the Placement, the funds will be placed in short-term deposits with financial institutions and/or used to invest in short-term money market instruments as our Directors may, in their absolute discretion, deem appropriate.

As part of its terms of reference, our Audit Committee will monitor our use of net proceeds from the Placement. As and when the funds from the Placement are materially disbursed, our Company will make periodic announcements via SGXNET on the use of the net proceeds and will provide a status report on the use thereof in our annual report.

In the event that our proposed use of the net proceeds from the Placement does not materialise or proceed as planned, our Directors will carefully evaluate the situation and may re-allocate the intended funding to other purposes and/or hold such funds on short-term deposits for so long as our Directors deem it to be in the best interest of our Company and our Shareholders, taken as a whole. Any change in the use of the net proceeds from the Placement will be subject to the Catalist Rules and appropriate announcements will be made by our Company on SGXNET.

Save as disclosed above, none of the net proceeds from the Placement will be used, directly or indirectly, to acquire or re-finance the acquisition of an asset other than in the ordinary course of business.

There is no minimum amount which, in the reasonable opinion of our Directors, must be raised by the Placement.

Subscribers of the Placement Shares may be required to pay brokerage of 1.0% of the Placement Price to the Placement Agent or any sub-placement agent that may be appointed by the Placement Agent.

SPONSORSHIP, MANAGEMENT AND PLACEMENT ARRANGEMENTS

Pursuant to the Sponsorship and Management Agreement, our Company has appointed Hong Leong Finance as the Sponsor and Issue Manager to sponsor and manage the Placement on our behalf, subject to the terms and conditions of the Sponsorship and Management Agreement. Hong Leong Finance will receive a fee from our Company for such services rendered in connection with the Placement.

Pursuant to the Placement Agreement, our Company has appointed Hong Leong Finance as the Placement Agent to subscribe for, or procure subscribers for the Placement Shares at the Placement Price for a placement commission of 3.5% of the aggregate Placement Price for the total number of Placement Shares, payable by our Company. Hong Leong Finance may, at its absolute discretion, appoint one or more sub-placement agents for the Placement Shares. Subscribers of the Placement Shares may be required to pay a brokerage of up to 1.0% of the Placement Price (plus GST thereon, if applicable) to the Placement Agent or any sub-placement agent that may be appointed by the Placement Agent.

Save as aforesaid, no commission, discount or brokerage, has been paid or other special terms granted by our Company within the two (2) years preceding the date of this Offer Document or is payable to any Director, promoter, expert, proposed Director or any other person for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any shares in, or debentures of, our Company and our subsidiaries.

The Sponsor may terminate the Sponsorship and Management Agreement if:

- (a) at any time up to the listing of our Shares, a notice of refusal to admit the Company to the Catalist shall have been issued by the SGX-ST; or
- (b) at any time after the registration of this Offer Document with the SGX-ST acting as agent on behalf of the Authority but before the close of the Application List, our Company fails and/or neglects to lodge a supplementary or replacement offer document (as the case may be) if we become aware of:
 - (i) a false or misleading statement or matter in this Offer Document; or
 - (ii) an omission from this Offer Document of any information that should have been included in it under the Catalist Rules and/or SFA; or
 - (iii) a new circumstance that has arisen since this Offer Document was lodged with the SGX-ST acting as agent on behalf of the Authority and would have been required by the Catalist Rules and/or the SFA to be included in this Offer Document if it had arisen before this Offer Document was lodged, that is materially adverse from the point of view of an investor; or
- (c) the Placement Shares have not been admitted to Catalist on or before the listing of our Shares (or such other date as our Company and the Sponsor and Issue Manager may agree).

If there shall have been, since the date of the Sponsorship and Management Agreement and prior to the close of the Application List:

- (a) any breach of the warranties or undertakings by our Company in the Sponsorship and Management Agreement;
- (b) any occurrence of certain specified events which comes to the knowledge of the Sponsor;
- (c) any material adverse change, or any development involving a prospective adverse change, in the condition (business, trading, operational, financial or otherwise), performance or general affairs of our Company or of our Group as a whole;

SPONSORSHIP, MANAGEMENT AND PLACEMENT ARRANGEMENTS

- (d) any introduction or prospective introduction of or any change or prospective change in any legislation, regulation, order, policy, rule, guideline or directive (whether or not having the force of law and including, without limitation, any directive, notice or request issued by the Accounting and Corporate Regulatory Authority, the Authority, the Securities Industry Council of Singapore, the SGX-ST or relevant authorities in Singapore or elsewhere) or in the interpretation or application thereof by any court, government body, regulatory authority or other competent authority in Singapore or elsewhere including but not limited to foreign exchange controls in Singapore or overseas;
- (e) any change, or any development involving a prospective change or any crisis in local, national, regional or international political, industrial, legal, financial, monetary or economic conditions, taxation or exchange controls (including but not limited to the conditions in the stock market, foreign exchange market, inter-bank market or interest rates or money market, in Singapore or any other jurisdiction), political, industrial, economic, legal or monetary conditions, taxation or exchange controls or a combination of any such changes or development or crisis or deterioration thereof;
- (f) any imminent threat or occurrence of any local, national or international outbreak or escalation of hostilities whether war has been declared or not, terrorist attacks, or insurrection or armed conflict (whether or not involving financial markets);
- (g) any regional or local outbreak of disease that may have an adverse effect on the financial markets;
- (h) foreign exchange controls in Singapore and overseas or any occurrence of a combination of any such changes or developments or crises, or any deterioration of any such conditions;
- (i) the issue by the SGX-ST of a notice of refusal to admit the Company to the Catalist; or
- (j) any other occurrence of any nature whatsoever,

which event or events shall in the opinion of the Sponsor and Issue Manager: (i) result or be likely to result in a material adverse fluctuation or adverse conditions in the stock market in Singapore or elsewhere; or (ii) be likely to prejudice the success of the offer, subscription or sale of the Placement Shares (whether in the primary market or in respect of dealings in the secondary market); or (iii) make it impossible, impracticable or non-commercial to proceed with any of the transactions contemplated in the Sponsorship and Management Agreement; or (iv) be likely to have a material adverse effect on the business, trading position, operations or prospects of the Company or of our Group as a whole; or (v) be such that no reasonable sponsor and/or issue manager would have entered into the Placement Agreement; or (vi) results or be likely to result in the issue by the SGX-ST of a notice of refusal to admit the Company to the Catalist at any point prior to the listing of all the issued Shares and the Placement Shares, the Sponsor and Issue Manager may at any time prior to the close of the listing of our Shares by notice in writing to the Company rescind or terminate the Sponsorship and Management Agreement.

The obligations of the Placement Agent under the Placement Agreement are conditional upon the Sponsorship and Management Agreement not being terminated or rescinded pursuant to the provisions of the Sponsorship and Management Agreement. In the case of the non-fulfilment of any of the conditions in the Sponsorship and Management Agreement or the release or discharge of the Sponsor from its obligations under or pursuant to the Sponsorship and Management Agreement, the Placement Agreement shall be terminated and the parties shall be released from their respective obligations under the Placement Agreement.

In the event that the Sponsorship and Management Agreement and/or the Placement Agreement are terminated, our Directors reserve the right, at their absolute discretion, to cancel the Placement.

Save as disclosed above, we do not have any material relationship with the Sponsor, Issue Manager and Placement Agent.

DIVIDEND POLICY

Statements contained herein that are not historical facts are forward-looking statements. Such statements are subject to certain risks and uncertainties which could cause actual results to differ materially from forecasted or projected results. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by us, the Sponsor, Issue Manager and Placement Agent, or any other person. Investors are cautioned not to place undue reliance on these forward-looking statements that speak only as at the date hereof. See the section entitled "Cautionary Note Regarding Forward-Looking Statements" of this Offer Document.

Past Dividends

Our Company was incorporated on 3 May 2016. Our Company declared and distributed dividends of S\$8,411,377 in 9M2016. Our subsidiaries have collectively paid dividends of approximately S\$800,000 and S\$8,500,000 in FY2015 and 9M2016, respectively. Please refer to the section entitled "Restructuring Exercise" of this Offer Document and the "Independent and Reporting Auditor's Report on the Audited Combined Financial Statements for the Financial Years ended 31 December 2013, 2014 and 2015" and "Independent and Reporting Auditor's Report on the Audited Consolidated Financial Statements for the Nine-Month Period ended 30 September 2016" as set out in Appendices A and B of this Offer Document for more details. Our subsidiaries did not declare and pay any dividends in FY2013 and FY2014. None of our subsidiaries has declared or paid dividends during the period from 1 October 2016 to the Latest Practicable Date.

Save as disclosed above, no dividends have been declared or distributed by our Company or subsidiaries during the Period Under Review.

Dividend Policy

We currently do not have a fixed dividend policy. The form, frequency and amount of future dividends on our Shares will depend on our earnings, general business and financial condition, results of operations, capital requirements, cash flow, plans for expansion and other factors which our Directors may deem appropriate. In addition, our Company is a holding company and depends upon the receipts of dividends and other distributions from our subsidiaries to pay the dividends on our Shares in the future. The ability of our subsidiaries to declare any dividends to us, in terms of the timing, amount and form, will be dependent on the income and cash available to such them and may be restricted under applicable laws or regulations.

All dividends are paid *pro-rata* among the Shareholders in proportion to the amount paid up on each Shareholder's Shares, unless the rights attaching to an issue of any Share provides otherwise. Notwithstanding the foregoing, the payment by our Company to CDP of any dividend payable to a Shareholder whose name is entered in the Depository Register shall, to the extent of payment made to CDP, discharge our Company from any liability to that Shareholder in respect of that payment.

Subject to our Constitution and in accordance with the Companies Act, our Company may declare an annual dividend subject to the approval of our Shareholders in a general meeting, but no dividend or distribution shall be declared in excess of the amount recommended by our Directors. Subject to our Constitution and in accordance with the Companies Act, our Directors may also from time to time declare an interim dividend without the approval of our Shareholders if our Board considers that profits of our Company justify such payment. Under the Companies Act and our Constitution, dividends must be paid out of profits.

In considering the level of dividend payments, our Board of Directors may consider the following matters and any other relevant matters they deem it prudent to do so:

- (a) our Group's financial position, results of operations, cash flow and commitments;
- (b) our Group's expected working capital requirements to support our Group's future growth;
- (c) our Group's projected financial performance;

DIVIDEND POLICY

- (d) restrictions on payment of dividends that may be imposed on us as a result of our financing arrangements; and
- (e) the general economic conditions and such other external factors that our Group believes to have an impact on the business operations of our Group.

The amount of dividends declared and paid by us in the past should not be taken as an indication of the dividends payable in the future. No inference should or can be made from any of the foregoing statements as to our actual future profitability or ability to pay dividends in any of the periods discussed. There can be no assurance that dividends will be paid in the future or of the amount or timing of any dividends that will be paid in the future. Please refer to the section entitled “Risk Factors – We may not be able to pay dividends in the future” of this Offer Document for further details.

Information relating to taxes payable on dividends is set out in Appendix E of this Offer Document entitled “Description of Singapore Law Relating to Taxation”.

SHARE CAPITAL

Our Company was incorporated in Singapore on 3 May 2016 under the Companies Act as a private limited company under the name of “UnUsUaL Pte. Ltd.”. Subsequently, on 9 March 2017, our Company was converted into a public company and our name was changed to “UnUsUaL Limited”.

As at the date of incorporation, the issued and paid-up share capital of our Company was S\$100 comprising 100 Shares held by Johnny Ong (50 Shares) and Leslie Ong (50 Shares). As at the date of this Offer Document, our issued and paid-up ordinary share capital is S\$3,000,100, comprising 546,247,059 Shares.

On 11 August 2016, pursuant to the Sale and Purchase Agreement, Leslie Ong and Johnny Ong transferred 25 Shares and 26 Shares, respectively, to mm2. Subsequently, on 29 December 2016, Leslie Ong, Johnny Ong and mm2 transferred all their Shares to UnUsUaL Management. Each of Leslie Ong and Johnny Ong holds 49 shares in UnUsUaL Management while mm2 holds 102 shares in UnUsUaL Management.

Pursuant to the completion of the Restructuring Exercise, our issued and paid-up capital was S\$100, comprising 100 Shares entirely held by UnUsUaL Management. Please refer to the section entitled “Restructuring Exercise” of this Offer Document.

Pursuant to the resolutions in writing passed by our Shareholder on 9 March 2017 and 15 March 2017, our Shareholder approved, *inter alia*, the following:

- (a) the conversion of our Company into a public limited company limited by shares and the consequential change of our name to “UnUsUaL Limited”;
- (b) the Sub-Division;
- (c) the adoption of the new Constitution;
- (d) the listing and quotation of all the issued Shares (including the Placement Shares to be allotted and issued as part of the Placement), the Option Shares and the Award Shares to be issued (if any) on Catalist;
- (e) the adoption of the UnUsUaL ESOS and UnUsUaL PSP, details of which are set out in the sections entitled “UnUsUaL ESOS”, “UnUsUaL PSP”, “Appendix F – Rules of the UnUsUaL ESOS” and “Appendix G – Rules of the UnUsUaL PSP” of this Offer Document;
- (f) the issue of the Placement Shares pursuant to the Placement, which when allotted, issued and fully paid-up, will rank *pari passu* in all respects with the existing issued and fully paid-up Shares; and
- (g) the authorisation for our Directors, pursuant to Section 161 of the Companies Act and the Catalist Rules, and by way of ordinary resolution in a general meeting, to:
 - (i) (1) allot or issue Shares whether by way of rights, bonus or otherwise;
 - (2) make or grant offers, agreements or options (collectively, the “**Instruments**”) that might or would require Shares to be issued during the continuance of this authority or thereafter, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares; and/or
 - (3) notwithstanding that such authority may have ceased to be in force at the time that Instruments are to be issued, issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus, or other capitalisation issues,

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

SHARE CAPITAL

- (ii) issue Shares in pursuance of any Instrument made or granted by our Directors pursuant to (g)(i)(2) and/or (g)(i)(3) above, while such authority was in force (notwithstanding that such issue of Shares pursuant to the Instruments may occur after the expiration of the authority contained in this resolution,

provided that:

- (A) the aggregate number of Shares to be issued pursuant to such authority (including the Shares to be issued in pursuance of the Instruments, made or granted pursuant to this authority but excluding Shares which may be issued pursuant to any adjustments (the “**Adjustments**”) effected under any relevant Instrument, which Adjustment shall be made in compliance with the provisions of the Catalist Rules (unless such compliance has been waived by the SGX-ST) and our Constitution) shall not exceed 100.0% of the post-Placement issued share capital of our Company (excluding treasury shares), and provided further that the aggregate number of Shares to be issued other than on a *pro rata* basis to Shareholders (including Shares to be issued in pursuance of Instruments made or granted pursuant to such authority but excluding Shares which may be issued pursuant to any Adjustments effected under any relevant Instrument) shall not exceed 50.0% of the post-Placement issued share capital of our Company (excluding treasury shares);
- (B) in exercising such authority, our 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 our Constitution for the time being of our Company; and
- (C) unless revoked or varied by our Company in a general meeting by ordinary resolution, such authority shall continue in force until (i) the conclusion of the next annual general meeting of our Company, or (ii) the date by which the next annual general meeting of our Company is required by law to be held, whichever is the earlier.

For the purpose of this resolution and pursuant to Rules 806(3) and 806(4) of the Catalist Rules, “post-Placement issued share capital” shall mean the total number of Shares of our Company (excluding treasury shares) immediately after the Placement, after adjusting for (i) new Shares arising from the conversion or exercise of any convertible securities, (ii) new Shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time such authority is given, provided the options or share awards were granted in compliance with the Catalist Rules, and (iii) any subsequent bonus issue, consolidation or sub-division of Shares.

As at the Latest Practicable Date, our Company has only one (1) class of shares, being ordinary shares. The rights and privileges of our Shares are stated in our Constitution, a summary of which is set out in the section entitled “Appendix D – Summary of our Constitution” of this Offer Document. There are no founder, management or deferred Shares.

Except pursuant to the UnUsUaL ESOS and UnUsUaL PSP, no person has been, or is entitled to be, given an option to subscribe for any shares in or debentures of our Company or any of our subsidiaries. As at the Latest Practicable Date, no Options have been issued pursuant to the UnUsUaL ESOS and no Award Shares have been granted pursuant to the UnUsUaL PSP. As at the Latest Practicable Date, the Shares held by our Controlling Shareholders and the Placement Shares to be allotted and issued were not subject to any pledge, mortgage or any other form of encumbrance. There are no Shares that are held by or on behalf of our Company or by our subsidiaries.

On 9 March 2017, our Company completed the Sub-Division whereby every one (1) Share was sub-divided into 5,286,000 Shares.

Upon the issue of the Conversion Shares pursuant to the Convertible Note Subscription Agreements, the issued and paid-up share capital of our Company increased to S\$3,000,100 divided into 546,247,059 Shares. Upon the issue and allotment of the Placement Shares, the resultant issued and paid-up share capital of our Company will be increased to approximately S\$20,587,100 comprising 643,237,059 Shares.

SHARE CAPITAL

Details of the changes to the issued and paid-up share capital of our Company since the date of incorporation, and our issued and paid-up share capital immediately after the Placement are as follows:

	No. of new Shares issued	Resultant Issued and Paid-up Share Capital	
		No. of Shares	(S\$)
Issued and fully paid-up Shares as at the incorporation of our Company	100	100	100
Sub-Division	528,599,900	528,600,000	100
Issue of Conversion Shares to the Pre-IPO Investors pursuant to the conversion of the Convertible Notes	17,647,059	546,247,059	3,000,100
Pre-Placement Share Capital	–	546,247,059	3,000,100
Issue of Placement Shares pursuant to the Placement	96,990,000	643,237,059	20,587,100 ⁽¹⁾
Post-Placement Share Capital	–	643,237,059	20,587,100⁽¹⁾

Note:

- (1) After deducting listing expenses incurred by our Company in relation to the Placement of approximately S\$1.8 million to be capitalised against share capital as described in the section entitled “Use of Proceeds and Listing Expenses” of this Offer Document.

The issued share capital and shareholders’ equity of our Company as at the date of incorporation, after adjustments to reflect the Restructuring Exercise, the Sub-Division, the issue of the Conversion Shares to the Pre-IPO Investors, and the issue and allotment of the Placement Shares pursuant to the Placement, are set out below. This should be read in conjunction with the sections entitled “Independent and Reporting Auditor’s Report on the Audited Combined Financial Statements for the Financial Years ended 31 December 2013, 2014 and 2015” and “Independent and Reporting Auditor’s Report on the Audited Consolidated Financial Statements for the Nine-Month Period Ended 30 September 2016” as set out in Appendices A and B of this Offer Document.

	As at the date of incorporation	After adjustment to reflect the Restructuring Exercise, the Sub-Division and the issuance of the Conversion Shares	Immediately after the Placement
Issued and paid-up shares (number of shares)	100	546,247,059	643,237,059
Issued and paid-up share capital (S\$)	100	3,000,100	20,587,100 ⁽¹⁾
Total Shareholders’ equity (S\$) ⁽²⁾	100	3,000,100	20,587,100

Notes:

- (1) The share capital is net of expenses incurred by our Company in relation to the Placement of approximately S\$1.8 million which is to be capitalised against our Company’s share capital, such treatment being in accordance with applicable accounting standards.
- (2) Total shareholders’ equity is reflected based on non-consolidated financial statements of our Company.

Save as disclosed above and under the section entitled “Restructuring Exercise” of this Offer Document, there are no changes in the issued and paid-up share capital of our Company and our subsidiaries within the last three (3) years preceding the Latest Practicable Date.

SHAREHOLDERS

SHAREHOLDING AND OWNERSHIP STRUCTURE

Our Directors and Substantial Shareholders and their respective shareholdings in the Company immediately before and after the Placement are set out below:-

	Before the Placement				After the Placement			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
Directors								
Leslie Ong ⁽¹⁾	–	–	528,600,000	96.77	–	–	528,600,000	82.18
Johnny Ong ⁽²⁾	–	–	528,600,000	96.77	–	–	528,600,000	82.18
Melvin Ang ⁽³⁾	–	–	528,600,000	96.77	–	–	528,600,000	82.18
Tan Wee Peng Kelvin ⁽⁴⁾	–	–	–	–	50,000	0.01	–	–
Tan Yew Chee William ⁽⁴⁾	–	–	–	–	50,000	0.01	–	–
Tang Tung Kin ⁽⁴⁾	–	–	–	–	50,000	0.01	–	–
Substantial Shareholders								
UnUsUaL Management ⁽⁵⁾	528,600,000	96.77	–	–	528,600,000	82.18	–	–
mm2 ⁽⁶⁾	–	–	528,600,000	96.77	–	–	528,600,000	82.18
Public and Other Shareholders								
Pre-IPO Investors ⁽⁸⁾	17,647,059	3.23	–	–	17,647,059 ⁽⁷⁾	2.74 ⁽⁷⁾	–	–
Public Shareholders	–	–	–	–	96,840,000 ⁽⁹⁾	15.05 ⁽⁹⁾⁽¹⁰⁾	–	–
Total	546,247,059	100.00	–	–	643,237,059	100.00	–	–

Notes:

- (1) Leslie Ong (the brother of Johnny Ong) is deemed interested in the Shares held by UnUsUaL Management by virtue of Section 4 of the SFA as he owns 24.5% of the shares in UnUsUaL Management.
- (2) Johnny Ong (the brother of Leslie Ong) is deemed interested in the Shares held by UnUsUaL Management by virtue of Section 4 of the SFA as he owns 24.5% of the shares in UnUsUaL Management.
- (3) As at the Latest Practicable Date, Melvin Ang has an aggregate interest (direct and indirect) in approximately 44.3% of the issued share capital of mm2, which in turn holds a direct interest of 51.0% in UnUsUaL Management. By virtue of Section 4 of the SFA, Melvin Ang is deemed interested in the Shares held by UnUsUaL Management.
- (4) Each of our Independent Directors, Tan Wee Peng Kelvin, Tan Yew Chee William and Tang Tung Kin, intends to subscribe for 50,000 Placement Shares (such Placement Shares to be subscribed by each Independent Director representing approximately 0.01% of our Company's post-Placement share capital) at the Placement Price. In the event that our Independent Directors subscribe for any Placement Shares, they may dispose of or transfer any or all of such Placement Shares after the admission of our Company to Catalyst.
- (5) UnUsUaL Management, our Substantial Shareholder, is an investment holding company incorporated in Singapore. The shareholders of UnUsUaL Management are Leslie Ong (our Executive Director and CEO), Johnny Ong (our Executive Director and COO) and mm2, holding 24.5%, 24.5% and 51.0% of the shares in UnUsUaL Management, respectively.
- (6) mm2 is deemed interested in the Shares held by UnUsUaL Management by virtue of Section 4 of the SFA as mm2 owns 51.0% of the shares in UnUsUaL Management.
- (7) The number of Conversion Shares issued and allotted to the Pre-IPO Investors pursuant to the Convertible Note Subscription Agreements.
- (8) The controlling shareholders and/or directors of the Pre-IPO Investors are not related to any of our Directors and/or Substantial Shareholders.
- (9) The Company understands that SPH AsiaOne Ltd may subscribe for up to 25,636,200 Placement Shares (representing approximately 3.99% of our Company's post-Placement share capital) at the Placement Price. In the event that SPH AsiaOne Ltd subscribes for the 25,636,200 Placement Shares, (i) they may dispose of or transfer any or all of such Placement Shares after the admission of our Company to Catalyst, and (ii) their aggregate interest in our Company after the Placement will increase to approximately 4.90%. Such Placement Shares allocated to SPH AsiaOne Ltd shall be included in the computation of the public float in accordance with Rule 406(1)(b) of the Catalyst Rules.

SHAREHOLDERS

- (10) This figure may be reduced if certain of our Directors or Substantial Shareholders or their respective associates are allocated any of the Placement Shares pursuant to the Placement. Please see the section entitled “Plan of Distribution – Subscription for Placement Shares” of this Offer Document for further information. Notwithstanding any allocation of the Placement Shares to such persons, at least 15.0% of our post-Placement Shares will be held in public hands at the time of Listing.

Save for Leslie Ong and Johnny Ong who are brothers and as disclosed above and in the section entitled “Directors, Executive Officers and Employees” of this Offer Document, there are no other relationships among our Directors and Substantial Shareholders.

The Shares held by our Directors and Substantial Shareholders do not carry different voting rights from the Placement Shares. Save as disclosed above, our Directors are not aware of any arrangement, the operation of which may, at a subsequent date, result in a change in control of our Company.

As at the Latest Practicable Date, our Company has only one (1) class of shares. There is no restriction on the transfer of fully paid Shares in scripless form except where required by law or the Catalist Rules.

There are no Shares in our Company that are held by or on behalf of our Company or by the subsidiaries of our Company.

Save as disclosed above, to the best of the knowledge of our Directors, our Company is not directly or indirectly owned or controlled, whether severally or jointly, by any other corporation, any government or other natural or legal person.

There has not been any public take-over offer by a third party in respect of our Shares or by our Company in respect of the shares of another corporation which has occurred since the incorporation of our Company to the Latest Practicable Date.

SIGNIFICANT CHANGES IN PERCENTAGE OF OWNERSHIP

Save as disclosed above and in the sections entitled “Share Capital”, “Dilution” and “Restructuring Exercise” of this Offer Document, there have been no significant changes in the percentage ownership of our Company held by our Directors and Substantial Shareholders from its incorporation up to the Latest Practicable Date.

MORATORIUM

Controlling Shareholder

To demonstrate its commitment to our Group, our Controlling Shareholder, UnUsUaL Management, has undertaken not to:

- (a) sell, transfer, or otherwise dispose of, any part of its shareholding interests in our Company immediately after the Placement (adjusted for any bonus issue or sub-division of Shares) for a period of six (6) months commencing from the date of admission of our Company to Catalist; and
- (b) for a period of six (6) months thereafter, sell, transfer, or otherwise dispose of, more than 50.0% of its original shareholding interests (adjusted for any bonus issue or sub-division of Shares) in our Company.

UnUsUaL Management has also undertaken, without the prior written consent of Hong Leong Finance (such consent not to be unreasonably withheld), not to:

- (i) pledge, or otherwise encumber any part of its shareholding interests in our Company immediately after the Placement (adjusted for any bonus issue or sub-division of Shares) for a period of six (6) months commencing from the date of admission of our Company to Catalist; and
- (ii) for a period of six (6) months thereafter, pledge, or otherwise encumber, more than 50.0% of its original shareholding interests (adjusted for any bonus issue or sub-division of Shares) in our Company,

SHAREHOLDERS

to any person whose ordinary business includes the lending of money and where such pledge or encumbrance is granted to such person as security for the purpose of a transaction entered into in the ordinary course of business of such person in connection with the lending of money.

In addition, each of the shareholders of UnUsUaL Management, being our Executive Directors, Leslie Ong and Johnny Ong, and our Controlling Shareholder, mm2, who collectively hold the entire issued share capital of UnUsUaL Management, has undertaken:

- (aa) not to sell, transfer, or otherwise dispose of, any part of his or their respective shareholding interests in UnUsUaL Management immediately after the Placement (adjusted for any bonus issue or sub-division of UnUsUaL Management's shares) for a period of 12 months from the date of admission of our Company to Catalist; and
- (bb) to procure that UnUsUaL Management will comply with their moratorium undertakings set out in the paragraphs above.

Pre-IPO Investors

On 5 December 2016, our Company entered into the Convertible Note Subscription Agreements. The aggregate principal amounts of the Convertible Notes issued by the Company to the Pre-IPO Investors are as set out below:

Name	Aggregate principal amount (S\$)
Apex Capital Group Pte. Ltd. ⁽¹⁾	1,000,000
Maxi-Harvest Group Pte. Ltd. ⁽²⁾	1,000,000
SPH AsiaOne Ltd	1,000,000

Notes:

- (1) The directors of Apex Capital Group Pte. Ltd. are Yeo Khee Seng Benny and Yeo Khee Yeow Anthony. Yeo Khee Seng Benny and Yeo Khee Yeow Anthony collectively and beneficially own all the shares in Apex Capital Group Pte. Ltd.
- (2) The directors of Maxi-Harvest Group Pte. Ltd. are Lee Chun Fun and Lee Sai Sing. Lee Sai Sing is the sole beneficial owner of all the shares of Maxi-Harvest Group Pte. Ltd.

Pursuant to the Convertible Note Subscription Agreements, 100.0% of the principal amount in respect of the Convertible Notes shall be converted into the Conversion Shares prior to registration. The Convertible Notes of all the Pre-IPO Investors shall be converted at a conversion price that is 85.0% of the Placement Price.

Each of the Pre-IPO Investors has undertaken not to sell, transfer, or otherwise dispose of, any part of their respective interests in our Company (arising from the conversion of the Convertible Notes) immediately after the Placement (adjusted for any bonus issue or sub-division of Shares) for a period of 12 months commencing from the date of our Company's admission to Catalist.

The following table sets out the number of Shares held by each Pre-IPO Investor and the percentage of our share capital that will be held by each Pre-IPO Investor immediately after the Placement.

Name	Number of Pre-IPO Investors' Shares	% of share capital immediately after the Placement (%)
Apex Capital Group Pte. Ltd. ⁽¹⁾	5,882,353	0.91
Maxi-Harvest Group Pte. Ltd. ⁽²⁾	5,882,353	0.91
SPH AsiaOne Ltd ⁽³⁾	5,882,353	0.91 ⁽⁴⁾

Notes:

- (1) Pursuant to the Convertible Note Subscription Agreement dated 5 December 2016, Apex Capital Group Pte. Ltd. subscribed for Convertible Notes having an aggregate principal value of S\$1,000,000, which were converted to Conversion Shares prior to the Placement. These Conversion Shares are hence moratorised for 12 months.

SHAREHOLDERS

- (2) Pursuant to the Convertible Note Subscription Agreement dated 5 December 2016, Maxi-Harvest Group Pte. Ltd. subscribed for Convertible Notes having an aggregate principal value of S\$1,000,000, which were converted to Conversion Shares prior to the Placement. These Conversion Shares are hence moratorised for 12 months.
- (3) Pursuant to the Convertible Note Subscription Agreement dated 5 December 2016, SPH AsiaOne Ltd subscribed for Convertible Notes having an aggregate principal value of S\$1,000,000, which were converted to Conversion Shares prior to the Placement. These Conversion Shares are hence moratorised for 12 months. Pursuant to the said Convertible Note Subscription Agreement, SPH AsiaOne Ltd may subscribe for such number of Placement Shares at the Placement Price such that the aggregate number of Shares which may be held by SPH AsiaOne Ltd (including the Conversion Shares) post-Placement may represent 4.9% of the issued share capital of our Company post-Placement.
- (4) The Company understands that SPH AsiaOne Ltd may subscribe for up to 25,636,200 Placement Shares (representing approximately 3.99% of our Company's post-Placement share capital) at the Placement Price. In the event that SPH AsiaOne Ltd subscribes for the 25,636,200 Placement Shares, (i) they may dispose of or transfer any or all of such Placement Shares after the admission of our Company to Catalyst, and (ii) their aggregate interest in our Company after the Placement will increase to approximately 4.90%.

The shareholders of Apex Capital Group Pte. Ltd., namely Mr Yeo Khee Seng Benny and Mr Yeo Khee Yeow Anthony, who collectively hold the entire issued share capital of Apex Capital Group Pte. Ltd., have undertaken:

- (a) not to sell, transfer, or otherwise dispose of, any part of their shareholding interests in Apex Capital Group Pte. Ltd. (adjusted for any bonus issue or sub-division of Apex Capital Group Pte. Ltd.'s shares) for a period of 12 months from the date of admission of our Company to Catalyst; and
- (b) to procure that Apex Capital Group Pte. Ltd. will comply with its moratorium undertaking for the period of 12 months commencing from the date of our Company's admission to Catalyst as set out above.

The sole shareholder of Maxi-Harvest Group Pte. Ltd., namely Mr Lee Sai Sing, has undertaken:

- (i) not to sell, transfer, or otherwise dispose of, any part of his shareholding interests in Maxi-Harvest Group Pte. Ltd. (adjusted for any bonus issue or sub-division of Maxi-Harvest Group Pte. Ltd.'s shares) for a period of 12 months from the date of admission of our Company to Catalyst; and
- (ii) to procure that Maxi-Harvest Group Pte. Ltd. will comply with its moratorium undertaking for the period of 12 months commencing from the date of our Company's admission to Catalyst as set out above.

The sole shareholder of SPH AsiaOne Ltd, namely Singapore Press Holdings Limited, a company incorporated in Singapore and listed on the Main Board of the SGX-ST, has undertaken not to effect any change in any way to the ultimate beneficial shareholding of the Shares held by SPH AsiaOne Ltd (arising from the conversion of the Convertible Notes) immediately after the Placement (adjusted for any bonus issue or sub-division of Shares) for a period of 12 months from the date of admission of our Company to Catalyst. For the avoidance of doubt, the aforesaid moratorium undertaking shall not apply to transfers of Singapore Press Holdings Limited's shareholding in SPH AsiaOne Ltd within the Singapore Press Holdings Limited group of wholly-owned companies.

The Pre-IPO Investors are not related to our Directors or Substantial Shareholders.

Please refer to the section entitled "Shareholders – Shareholding and Ownership Structure" of this Offer Document for further details on the number of Shares issued.

PLACEMENT STATISTICS

Placement Price	S\$0.20
NAV	
NAV per Share based on the audited consolidated financial information of our Group as at 30 September 2016:	
(i) before adjusting for the estimated net proceeds from the issue of the Placement Shares and based on the pre-Placement share capital of 546,247,059 Shares	1.59 cents
(ii) after adjusting for the estimated net proceeds from the issue of the Placement Shares and based on the post-Placement share capital of 643,237,059 Shares	4.09 cents
Premium of the Placement Price over the NAV per Share as at 30 September 2016:	
(i) before adjusting for the estimated net proceeds from the issue of the Placement Shares and based on the pre-Placement share capital of 546,247,059 Shares	1,156%
(ii) after adjusting for the estimated net proceeds from the issue of the Placement Shares and based on the post-Placement share capital of 643,237,059 Shares	389%
EPS	
Historical net EPS of our Group for FY2015 based on the pre-Placement share capital of 546,247,059 Shares	0.75 cents
Historical net EPS of our Group for FY2015 based on the pre-Placement share capital of 546,247,059 Shares, assuming that the Service Agreements had been in place from the beginning of FY2015.	0.78 cents
Price Earnings Ratio	
Historical PER based on the historical net EPS of our Group for FY2015 and the pre-Placement share capital of 546,247,059 Shares	26.57 times
Historical PER based on the historical net EPS of our Group for FY2015 and the pre-Placement share capital of 546,247,059 Shares, assuming that the Service Agreements had been in place from the beginning of FY2015	25.54 times
Net Operating Cash Flow⁽¹⁾ per Share	
Historical net operating cash flow per Share for FY2015 based on the pre-Placement share capital of 546,247,059 Shares	0.37 cents
Historical net operating cash flow per Share for FY2015 based on the pre-Placement share capital of 546,247,059 Shares, assuming that the Service Agreements had been in place from the beginning of FY2015.	0.40 cents

PLACEMENT STATISTICS

Ratio of Price To Net Operating Cash Flow

Ratio of Placement Price to historical net operating cash flow per Share for FY2015 based on the pre-Placement share capital of 546,247,059 Shares. 54.04 times

Ratio of Placement Price to historical net operating cash flow per Share for FY2015 based on the pre-Placement share capital of 546,247,059 Shares, assuming that the Service Agreements had been in place from the beginning of FY2015. 49.92 times

Market Capitalisation

Market capitalisation based on the Placement Price and our post-Placement share capital of 643,237,059 Shares. S\$128.6 million

Note:

(1) Net operating cash flow refers to net cash inflows from operating activities.

DILUTION

Dilution is the amount by which the Placement Price to be paid by the new investors for the Placement Shares (“**New Investors**”) exceeds our NAV per Share immediately after the Placement.

Our NAV per Share as at 30 September 2016 after adjusting for the conversion of the Convertible Notes, the Restructuring Exercise and the Sub-Division but before adjusting for the estimated net proceeds due to our Company from the Placement and based on our Company’s pre-Placement issued and paid-up share capital of 546,247,059 Shares, was approximately 1.59 cents per Share.

Based on the issue of 96,990,000 Placement Shares at the Placement Price pursuant to the Placement, our NAV per Share as at 30 September 2016 after adjusting for the conversion of the Convertible Notes and the estimated net proceeds due to our Company from the Placement and based on the post-Placement share capital of 643,237,059 Shares, would be approximately 4.09 cents. This represents an immediate increase in NAV per Share of approximately 2.50 cents to our existing Shareholders and an immediate dilution in NAV per Share of approximately 15.91 cents or approximately 79.55% to our New Investors.

The following illustrates such dilution on a per Share basis as at 30 September 2016:-

	Cents
Placement Price per Share	20.00
NAV per Share as at 30 September 2016 based on the pre-Placement share capital of 546,247,059 Shares, as adjusted for the conversion of the Convertible Notes, the Restructuring Exercise and the Sub-Division but before adjusting for the estimated net proceeds due to our Company from the Placement	1.59
Increase in NAV per Share attributable to existing Shareholders	2.50
NAV per Share after adjusting for the issue of Placement Shares pursuant to the Placement and based on the post-Placement share capital of 643,237,059 Shares	4.09
Dilution in NAV per Share to new public investors	<u>15.91</u>
Dilution in NAV per Share to new public investors as a percentage of the Placement Price pursuant to the Placement (%)	<u>79.55</u>

The following table summarises the total number of Shares (as adjusted for the Restructuring Exercise and the Sub-Division) acquired by our Directors and Substantial Shareholders and their Associates during the period of three (3) years prior to the date of lodgement of this Offer Document, the total consideration paid by them for such acquisition and the effective cash cost per Share to them, and by our New Investors pursuant to the Placement.

	Number of Shares acquired	Total consideration (S\$)	Effective cash cost per Share (cents)
Existing Shareholder			
UnUsUaL Management ⁽¹⁾	528,600,000	100	N.M. ⁽²⁾
Pre-IPO Investors			
Apex Capital Group Pte. Ltd. ⁽³⁾	5,882,353	1,000,000	17.00
Maxi-Harvest Group Pte. Ltd. ⁽⁴⁾	5,882,353	1,000,000	17.00
SPH AsiaOne Ltd ⁽⁵⁾	5,882,353	1,000,000	17.00
New Investors	96,990,000	19,398,000	20.00

DILUTION

Notes:

- (1) UnUsUaL Management, our Substantial Shareholder, is an investment holding company incorporated in Singapore. The shareholders of UnUsUaL Management are Leslie Ong (our Executive Director and CEO), Johnny Ong (our Executive Director and COO) and mm2, holding 24.5%, 24.5% and 51.0% of the shares in UnUsUaL Management, respectively. By virtue of Section 4 of the SFA, Leslie Ong, Johnny Ong, and mm2 are deemed interested in the Shares held by UnUsUaL Management.

As at the Latest Practicable Date, Melvin Ang has an aggregate interest (direct and indirect) in 44.3% (approximate) of the issued share capital of mm2, which in turn holds a direct interest of 51.0% in UnUsUaL Management. By virtue of Section 4 of the SFA, Melvin Ang is deemed interested in the Shares held by UnUsUaL Management.

- (2) Not meaningful.
- (3) Pursuant to the Convertible Note Subscription Agreement dated 5 December 2016, Apex Capital Group Pte. Ltd. subscribed for Convertible Notes having an aggregate principal amount of S\$1 million, which were converted to 5,882,353 Conversion Shares prior to the Placement.
- (4) Pursuant to the Convertible Note Subscription Agreement dated 5 December 2016, Maxi-Harvest Group Pte. Ltd. subscribed for Convertible Notes having an aggregate principal amount of S\$1 million, which were converted to 5,882,353 Conversion Shares prior to the Placement.
- (5) Pursuant to the Convertible Note Subscription Agreement dated 5 December 2016, SPH AsiaOne Ltd subscribed for Convertible Notes having an aggregate principal amount of S\$1 million, which were converted to 5,882,353 Conversion Shares prior to the Placement.

Save as disclosed above and in the sections entitled “Restructuring Exercise” and “Share Capital” of this Offer Document, none of our Directors or Substantial Shareholders or their respective Associates has acquired any Shares during the period of three (3) years prior to the date of this Offer Document.

RESTRUCTURING EXERCISE

In connection with this Placement, our Group undertook the Restructuring Exercise described below (1) as part of a corporate reorganisation exercise to rationalise and streamline our Group's corporate structure pursuant to which our Company became the holding company of our Group, and (2) to induct into our Company new investors, namely mm2, as a key strategic partner.

The following steps were undertaken for the Restructuring Exercise:

(a) Incorporation of our Company

Our Company was incorporated on 3 May 2016 in Singapore under the Companies Act as an exempt private company limited by shares with an issued and paid-up share capital of S\$100 comprising 100 Shares. On the incorporation of our Company, all our Shares were held by Leslie Ong and Johnny Ong in equal proportions. On 9 March 2017, our Company was converted into a public limited company and the name of our Company was changed to "UnUsUaL Limited".

(b) Acquisition by our Company of 100.0% of each of UnUsUaL Productions, UnUsUaL Entertainment, UnUsUaL Development, UnUsUaL (Hong Kong) and UnUsUaL (Malaysia) from Leslie Ong and Johnny Ong and the transfer of 51.0% of the Shares in our Company to mm2 following the Acquisitions

On 12 May 2016, Leslie Ong and Johnny Ong entered into the Sale and Purchase Agreement with mm2 for (i) the transfer by Leslie Ong of 25 Shares to mm2, and (ii) the transfer by Johnny Ong of 26 Shares to mm2, for an aggregate amount of up to S\$26,000,000. Pursuant to the Sale and Purchase Agreement, the accelerated payment clause will be triggered once our Company is listed on the SGX-ST. Under the accelerated payment clause, mm2 will have to pay the consideration of S\$26,000,000 (less the sign-on fee of S\$6,000,000 which has already been paid pursuant to the Sale and Purchase Agreement) within 30 days from the date of the Listing. The remaining consideration of S\$20,000,000 may be satisfied in cash and/or by way of the issuance of such number of new ordinary shares in the capital of mm2 at such price being the weighted average price of shares in mm2 for trades done on the SGX-ST over the last 20 Market Days immediately preceding the date of the issuance of such shares. The exact number and basis of allocation of cash and/or shares in mm2 to be issued to Leslie Ong and Johnny Ong as payment for the remaining consideration amount of S\$20,000,000 are subject to the mutual agreement of mm2, Leslie Ong and Johnny Ong.¹

The consideration was arrived at on a willing buyer, willing seller basis, taking into account, *inter alia*, (i) the future growth potential of the Group Companies, and (ii) the existing and potential new customer base of the Group Companies. There was no independent valuation conducted for the Sale Shares.

Pursuant to the Sale and Purchase Agreement, Leslie Ong and Johnny Ong were to undertake a restructuring of our Group by incorporating our Company for the purpose of holding all the shares in our Group.

¹ Please refer to the mm2 circular dated 5 July 2016 and the related announcements released by mm2 for further details on the Sale and Purchase Agreement. For the avoidance of doubt, the first tranche payment and second tranche payment pursuant to the Sale and Purchase Agreement will no longer apply as the Listing constitutes an event which triggers the accelerated payment clause under the Sale and Purchase Agreement.

RESTRUCTURING EXERCISE

In the restructuring of our Group, our Company acquired the following companies from Leslie Ong and Johnny Ong at the considerations stated below:

Transferor	Transferee	Share	Consideration
Leslie Ong	Our Company	50,000 shares in UnUsUaL Productions	S\$1
Johnny Ong	Our Company	50,000 shares in UnUsUaL Productions	S\$1
Leslie Ong	Our Company	1 share in UnUsUaL Entertainment	S\$1
Johnny Ong	Our Company	1 share in UnUsUaL Entertainment	S\$1
Leslie Ong	Our Company	250,000 shares in UnUsUaL Development	S\$1
Johnny Ong	Our Company	250,000 shares in UnUsUaL Development	S\$1
Leslie Ong	Our Company	1 share in UnUsUaL (Hong Kong)	HK\$1
Johnny Ong	Our Company	1 share in UnUsUaL (Hong Kong)	HK\$1
Leslie Ong	Our Company	50,000 shares in UnUsUaL (Malaysia)	RM50,000
Johnny Ong	Our Company	50,000 shares in UnUsUaL (Malaysia)	RM50,000

The acquisitions by our Company of all the shares held by Leslie Ong and Johnny Ong in the Singapore Subsidiaries were completed on 12 May 2016. The transfer of the shares held by our Executive Directors in UnUsUaL (Malaysia) and UnUsUaL (Hong Kong) to our Company were completed on 16 May 2016 and 20 May 2016, respectively. Upon completion of the Acquisitions, our Company became the sole shareholder of each of UnUsUaL Productions, UnUsUaL Entertainment, UnUsUaL Development, UnUsUaL (Hong Kong) and UnUsUaL (Malaysia).

On 11 August 2016, following the Acquisitions, Leslie Ong and Johnny Ong transferred 25 Shares and 26 Shares, respectively, to mm2. Our Company thereafter became a subsidiary of mm2. Pursuant to the Sale and Purchase Agreement, Melvin Ang, our Non-Executive Chairman and Non-Independent Director, was appointed as a director of our Company on 11 August 2016.

On 9 January 2017, our Group changed our financial year-end from 31 December to 31 March, to align with the financial year-end of mm2, our Controlling Shareholder. There will not be any material impact to the Company's financial statements for the Period Under Review due to the aforesaid change in our financial year-end.

(c) Settlement Deed between our Company, the Singapore Subsidiaries, mm2, Leslie Ong and Johnny Ong

Pursuant to the Sale and Purchase Agreement, mm2, Leslie Ong and Johnny Ong had agreed that the Past Net Profits of each Group Company shall be distributed as dividends declared and payable to Leslie Ong and Johnny Ong. Based on the aggregate realised current assets of each Group Company less the aggregate liabilities of the relevant Group Company as at 31 July 2016, the aggregate amount of the Past Net Profits was determined to be S\$8,411,377.

However, as all the shares in our Singapore Subsidiaries had been transferred to our Company on 12 May 2016, any dividends declared by our Singapore Subsidiaries after the completion of the Acquisitions would be payable to our Company, being the sole shareholder of each of our Singapore Subsidiaries.

Accordingly, to give effect to such distribution of the Past Net Profits, on 5 August 2016, our Singapore Subsidiaries declared dividends of an aggregate sum of S\$8,500,000 to be paid to our Company to meet the amount of the Past Net Profits payable to both Leslie Ong and Johnny Ong, being the shareholders of our Company. Following that, on 5 August 2016, our Company declared dividends of S\$8,411,377 payable to Leslie Ong and Johnny Ong. For further information on the amount of dividends declared and distributed by our Company and subsidiaries for the relevant periods, please refer to the section entitled "Dividend Policy" of this Offer Document.

RESTRUCTURING EXERCISE

Pursuant to the Settlement Deed, our Singapore Subsidiaries and our Company had agreed that the payment of S\$8,500,000 as dividends to our Company shall be partly satisfied in the following manner:

- (i) the assignment of trade receivables of the Singapore Subsidiaries of S\$2,151,234 to the Executive Directors; and
- (ii) the assignment of the shortfall of S\$6,260,143 (being the difference between: (aa) the sum of the trade receivables of S\$2,151,234 in sub-paragraph (i) above; and (bb) the dividends of S\$8,411,377 declared by our Company to the Executive Directors on 5 August 2016) in the following manner:-
 - (1) Leslie Ong and Johnny Ong had assumed the sum of S\$2,151,209 owed from Axcel Properties and Axcel Investments to our Singapore Subsidiaries. Following the assumption of the sum of S\$2,151,209 owed from Axcel Properties and Axcel Investments by our Executive Directors, an aggregate sum of S\$2,345,933 was owed by Leslie Ong and Johnny Ong to our Singapore Subsidiaries. The sum of S\$2,345,933 comprises the debts of Axcel Properties and Axcel Investments which were assumed by our Executive Directors as well as such other debts owed by the Executive Directors to the relevant Singapore Subsidiaries.
 - (2) As full and final settlement of the sum of S\$2,345,933 due from Leslie Ong and Johnny Ong to our Singapore Subsidiaries, the parties had agreed to set off the aggregate sum of S\$2,345,933 due from them to our Singapore Subsidiaries against the shortfall of S\$6,260,143, being the cash portion of the dividends due to Leslie Ong and Johnny Ong pursuant to the assignment set out in this sub-paragraph (ii).

After the above assignments of the trade receivables of S\$2,151,234 and shortfall of S\$6,260,143, there was still a balance of S\$88,623 in dividends payable to our Company. The said sum of S\$88,623 is to remain as an amount payable by our Singapore Subsidiaries to our Company.

Pursuant to the Settlement Deed, our Executive Directors had agreed that the dividends of S\$8,411,377 payable by our Company shall be satisfied by way of the assignments and set offs set out in sub-paragraphs (i) and (ii) above. After the said assignments and set offs, an amount of S\$3,914,210 (on an interest-free basis) was due from our Singapore Subsidiaries to our Executive Directors.

Pursuant to the terms of the Settlement Deed, each of Leslie Ong and Johnny Ong (i) has agreed to bear the risk of any non-receipt by our Singapore Subsidiaries of any of the trade receivables assigned to them pursuant to the Settlement Deed, and (ii) shall have no claim against us for any non-receipt of any part of the trade receivables which were assigned to them pursuant to the Settlement Deed.

Pursuant to a letter of undertaking dated 30 September 2016 executed by each of Leslie Ong and Johnny Ong, our Executive Directors have undertaken to our Company and our Singapore Subsidiaries not to request or demand in any way for the repayment by our Singapore Subsidiaries of the outstanding sum of S\$3,914,210 until our Singapore Subsidiaries have the financial ability to repay the said sum of S\$3,914,210 with funds generated from our Singapore Subsidiaries' operations and after setting aside sufficient funds for the working capital of our Singapore Subsidiaries and/or our Group. As at the Latest Practicable Date, the said sum of S\$3,914,210 has been fully paid to our Executive Directors. Please refer to the section of the Offer Document entitled "Interested Person Transactions – Past Interested Person Transactions" for further details.

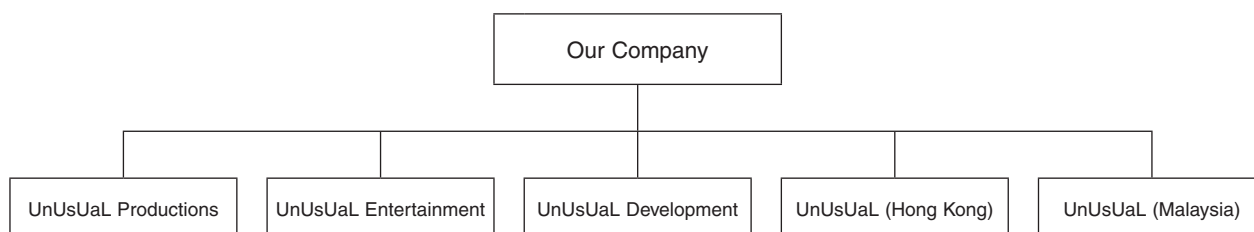
(d) Transfer of Shares in the Company to UnUsUaL Management

On 29 December 2016, Leslie Ong, Johnny Ong and mm2 transferred all their Shares to UnUsUaL Management in order to consolidate their control in our Company. UnUsUaL Management subsequently became the sole shareholder of our Company.

Each of Leslie Ong and Johnny Ong holds 49 shares in UnUsUaL Management while mm2 holds 102 shares in UnUsUaL Management.

GROUP STRUCTURE

Our Group structure as at the Latest Practicable Date is as follows:



The details of our subsidiaries as at the Latest Practicable Date are as follows:

Name of company	Date and place of incorporation	Principal business (Principal place of business)	Effective ownership interest held by our Company (%)
UnUsUaL Productions	19 September 1997 Singapore	Production (Singapore)	100.0
UnUsUaL Entertainment	3 January 2003 Singapore	Promotion (Singapore)	100.0
UnUsUaL Development	14 April 2005 Singapore	Venue co-management and production (Singapore)	100.0
UnUsUaL (Hong Kong)	25 March 2009 Hong Kong	Provision of concert production services, artiste services, lease of stage equipment and investment in concert production (Hong Kong)	100.0
UnUsUaL (Malaysia)	9 April 2001 Malaysia	Event organisation and management (Malaysia)	100.0

None of our subsidiaries are listed on any stock exchange. We do not have any associated companies.

SELECTED FINANCIAL INFORMATION

The following selected financial information should be read in conjunction with the full text of this Offer Document, including the “Independent and Reporting Auditor’s Report on the Audited Combined Financial Statements for the Financial Years ended 31 December 2013, 2014 and 2015” and the “Independent and Reporting Auditor’s Report on the Audited Consolidated Financial Statements for the Nine-Month Period ended 30 September 2016” as set out in Appendices A and B of this Offer Document and the section entitled “Management’s Discussion and Analysis of Results of Operations and Financial Position” of this Offer Document.

Combined / Consolidated Statements of Comprehensive Income⁽¹⁾					
S\$'000	Audited FY2013	Audited FY2014	Audited FY2015	Unaudited 9M2015	Audited 9M2016
Revenue	18,420	17,871	26,112	22,257	16,007
Cost of sales	(13,546)	(14,180)	(18,196)	(16,146)	(9,983)
Gross profit	4,874	3,691	7,916	6,111	6,024
Other income	55	52	182	122	17
Other gains/(losses) – net	491	721	503	(89)	1,491
Expenses					
– Administrative	(3,300)	(4,312)	(3,830)	(2,860)	(3,043)
– Finance	(2)	(11)	(6)	(5)	(13)
	(3,302)	(4,323)	(3,836)	(2,865)	(3,056)
Profit before income tax	2,118	141	4,765	3,279	4,476
Income tax (expense)/credit	(157)	196	(654)	(495)	(631)
Net profit for the year/period	1,961	337	4,111	2,784	3,845
Other comprehensive income, net of tax:					
Items that may be reclassified subsequently to profit or loss:					
Currency translation differences arising from consolidation					
– Losses	(3)	(16)	(29)	(46)	(1)
	(3)	(16)	(29)	(46)	(1)
Total comprehensive income					
Net profit attributable to:					
Equity holders of the Company	1,961	337	4,111	2,784	3,845
Total comprehensive income attributable to:					
Equity holders of the Company	1,958	321	4,082	2,738	3,844
EPS					
Basic EPS (cents) ⁽²⁾	0.36	0.06	0.75	0.51	0.70
Adjusted EPS (cents) ⁽³⁾	0.30	0.05	0.64	0.43	0.60

Notes:

- (1) Our combined/consolidated statements of comprehensive income for the Period Under Review have been prepared on the basis that our Group had been in existence throughout the Period Under Review.
- (2) For comparative purposes, the basic EPS for the Period Under Review have been computed based on the profit net of tax attributable to equity holders of the Company for that financial period or year (as the case may be) and the pre-Placement share capital of 546,247,059 Shares.
- (3) For comparative purposes, the adjusted EPS for the Period Under Review have been computed based on the profit net of tax attributable to equity holders of the Company for that financial period or year (as the case may be) and the post-Placement share capital of 643,237,059 Shares.

SELECTED FINANCIAL INFORMATION

Combined / Consolidated Statements of Financial Position ⁽¹⁾	Audited FY2013	Audited FY2014	Audited FY2015	Unaudited 9M2015	Audited 9M2016
S\$'000					
ASSETS					
Current assets					
Cash and cash equivalents	4,791	6,131	5,074	6,576	7,434
Held-to-maturity financial asset	412	–	–	–	–
Trade and other receivables	7,831	10,073	10,905	10,227	5,797
Income tax recoverable	63	36	8	74	13
	<u>13,097</u>	<u>16,240</u>	<u>15,987</u>	<u>16,877</u>	<u>13,244</u>
Non-current assets					
Property, plant and equipment	1,250	2,817	4,008	2,895	2,008
Deferred income tax assets	*	248	–	–	–
	<u>1,250</u>	<u>3,065</u>	<u>4,008</u>	<u>2,895</u>	<u>2,008</u>
Total assets	<u>14,347</u>	<u>19,305</u>	<u>19,995</u>	<u>19,772</u>	<u>15,252</u>
LIABILITIES					
Current Liabilities					
Trade and other payables	7,519	12,032	9,189	9,615	8,299
Borrowings	25	58	65	96	570
Income tax payable	83	46	226	200	495
	<u>7,627</u>	<u>12,136</u>	<u>9,480</u>	<u>9,911</u>	<u>9,364</u>
Non-current liabilities					
Borrowings	2	131	65	48	38
Deferred income tax liabilities	21	21	150	58	150
	<u>23</u>	<u>152</u>	<u>215</u>	<u>106</u>	<u>188</u>
Total liabilities	<u>7,650</u>	<u>12,288</u>	<u>9,695</u>	<u>10,017</u>	<u>9,552</u>
Net Assets	<u>6,697</u>	<u>7,017</u>	<u>10,300</u>	<u>9,755</u>	<u>5,700</u>
EQUITY					
Capital and reserves attributable to					
Share capital	639	639	639	639	*
Other reserves	(3)	(19)	(48)	(65)	557
Retained Profits	6,061	6,397	9,709	9,181	5,143
Total equity	<u>6,697</u>	<u>7,017</u>	<u>10,300</u>	<u>9,755</u>	<u>5,700</u>
NAV per Share (cents) ⁽²⁾	1.23	1.28	1.89	1.79	1.04

* Amount is less than S\$1,000.

Notes:

- (1) Our combined/ consolidated statements of financial position for the Period Under Review have been prepared on the basis that our Group has been in existence throughout the Period Under Review
- (2) The NAV per Share is computed based on the NAV of our Group and our pre-Placement share capital of 546,247,059 Shares.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

The following discussion of our results of operations and financial position has been prepared by our management and should be read in conjunction with the "Independent and Reporting Auditor's Report on the Audited Combined Financial Statements for the Financial Years Ended 31 December 2013, 2014 and 2015" and "Independent and Reporting Auditor's Report on the Audited Consolidated Financial Statements for the Nine-Month Period Ended 30 September 2016" as set out in Appendices A and B respectively of this Offer Document. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results may differ significantly from those projected in the forward-looking statements. Factors that might cause future results to differ significantly from those projected in the forward-looking statements include, but are not limited to, those discussed below and elsewhere in this Offer Document, particularly in the section entitled "Risk Factors" of this Offer Document. Under no circumstances should the inclusion of such forward-looking statements herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by our Company, the Sponsor, Issue Manager and Placement Agent or any other person. Investors are cautioned not to place undue reliance on these forward-looking statements that speak only as at the date hereof. Please refer to the section entitled "Cautionary Note Regarding Forward-Looking Statements" of this Offer Document.

Except as otherwise indicated, the following discussion is based on our audited combined/ consolidated financial statements, which have been prepared in accordance with the Singapore Financial Reporting Standards.

OVERVIEW

Our Group mainly engages as a production and promotion service provider for events and concerts. As a production service provider, we are able to provide integrated services in relation to staging, SLV for an event or a concert. Over the years, we have successfully executed and completed various events and concerts. Please refer to the section entitled "General Information on Our Group – Our History" of this Offer Document for a list of some of the events and concerts that form the major corporate milestones of our Group since our inception.

Besides being a production service provider, we also organise concerts as a concert promoter. In this segment, we work closely with the performing artistes, as well as the agents and managers of such performing artistes, to bring their concerts and/or events into Singapore and the region.

In our Directors' view, we are one of the few groups in Asia with both production and promotion capabilities.

In addition to our core business segments of production and promotion, we also trade in rights to concerts and/or events, provide rentals of equipment and co-share the rentals of a venue location in Singapore.

Our events and concerts are mostly held in Singapore. However, over the years, we have expanded into Malaysia, Hong Kong and other regions.

Please refer to the section entitled "General Information on Our Group" of this Offer Document for further details of our business activities and our production and promotion capabilities.

Revenue

Our revenue is derived primarily from the following three (3) principal segments:-

- Production income which includes revenue from the provision of production service. Revenue from production income accounted for 52.6%, 39.9%, 45.2%, 45.1% and 52.7% of our revenue in FY2013, FY2014, FY2015, 9M2015 and 9M2016, respectively.
- Promotion income includes revenue derived from the rights to organise concerts and/or events, and the trading of such rights, where available. Revenue from promotion income accounted for 41.2%, 55.9%, 52.0%, 52.4% and 36.9% of our revenue in FY2013, FY2014, FY2015, 9M2015 and 9M2016, respectively.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

- Other income comprises mainly of revenue derived from the rental of equipment and from the co-management of a venue. Other income accounted for 6.2%, 4.2%, 2.8%, 2.5% and 10.4% of our revenue in FY2013, FY2014, FY2015, 9M2015 and 9M2016, respectively.

Our revenue is mainly dependent on the following factors:-

- Our constant ability to provide production service with a difference in terms of creativity, cost, timeliness and positive consumer feedback.
- Our ability to secure the rights to organise concerts from top performing artistes. Such performing artistes normally conduct tours once in two (2) or three (3) years within the region. We consistently follow up with the performing artistes, and their agents and managers even after the completion of their concerts and/or events.
- Marketing and promotional efforts. The marketing intensity directly impacts the reception of our concerts and events which affects our revenue. We develop innovative and creative marketing strategies to promote our concerts and events to increase attendance.
- Reputation and popularity of the performing artistes and the concerts and/or events.

Please refer to the section entitled "Risk Factors" of this Offer Document for factors which may affect our revenue.

A breakdown of our revenue for FY2013, FY2014, FY2015, 9M2015 and 9M2016 by business segment is as follows:

	Audited FY2013		Audited FY2014		Audited FY2015		Unaudited 9M2015		Audited 9M2016	
	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%
Production	9,693	52.6	7,132	39.9	11,794	45.2	10,029	45.1	8,434	52.7
Promotion	7,590	41.2	9,988	55.9	13,588	52.0	11,657	52.4	5,908	36.9
Others	1,137	6.2	751	4.2	730	2.8	571	2.5	1,665	10.4
Total	18,420	100.0	17,871	100.0	26,112	100.0	22,257	100.0	16,007	100.0

A breakdown of our revenue by geographical segmentation is as follows. In presenting the geographical location, revenue is based on geographical locations of the customers which the revenue is derived from:

	Audited FY2013		Audited FY2014		Audited FY2015		Unaudited 9M2015		Audited 9M2016	
	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%
Singapore	16,627	90.3	16,361	91.6	19,063	73.0	15,627	70.2	10,995	68.7
Malaysia	688	3.7	924	5.2	3,586	13.7	3,437	15.4	1,777	11.1
Hong Kong	56	0.3	186	1.0	2,473	9.5	2,353	10.6	1,065	6.6
Thailand	—	—	—	—	—	—	—	—	1,948	12.2
Others	1,049	5.7	400	2.2	990	3.8	840	3.8	222	1.4
Total	18,420	100.0	17,871	100.0	26,112	100.0	22,257	100.0	16,007	100.0

Our revenue from customers located outside Singapore accounted for 9.7%, 8.4%, 27.0%, 29.8% and 31.3% of our total revenue in FY2013, FY2014, FY2015, 9M2015 and 9M2016 respectively.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

Cost of sales

Our cost of sales for FY2013, FY2014, FY2015, 9M2015 and 9M2016 is as follows:

	Audited FY2013		Audited FY2014		Audited FY2015		Unaudited 9M2015		Audited 9M2016	
	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%
Production	5,914	43.7	5,012	35.4	7,618	41.9	6,533	40.5	4,889	49.0
Promotion	6,744	49.8	8,939	63.0	10,291	56.5	9,399	58.2	4,132	41.4
Others	888	6.5	229	1.6	287	1.6	214	1.3	962	9.6
Total	13,546	100.0	14,180	100.0	18,196	100.0	16,146	100.0	9,983	100.0

Gross Profit

Our gross profit for FY2013, FY2014, FY2015, 9M2015 and 9M2016 is as follows:

	Audited FY2013		Audited FY2014		Audited FY2015		Unaudited 9M2015		Audited 9M2016	
	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%
Production	3,779	77.5	2,120	57.5	4,176	52.8	3,496	57.3	3,545	58.8
Promotion	846	17.4	1,049	28.4	3,297	41.6	2,258	36.9	1,776	29.5
Others	249	5.1	522	14.1	443	5.6	357	5.8	703	11.7
Total	4,874	100.0	3,691	100.0	7,916	100.0	6,111	100.0	6,024	100.0

Our cost of sales increased due to the increased in the number of concerts and/or events that we produce/promote. However, our cost of sales, as a percentage of our revenue, is expected to decline as we managed our revenue and costs better, thereby increasing our overall gross profit margin.

Our cost of sales is mainly dependent on the following factors:

- (a) production costs which comprise mainly of sub-contracting costs, production crew payroll and rental of equipment;
- (b) promotion costs which mainly include the costs of the rights to organise concerts/events, marketing/advertising costs and cost of producing the concert and/or event; and
- (c) our ability to manage the concerts/events that we produce efficiently and to avoid cost overruns.

Please refer to the section entitled "Risk Factors" of this Offer Document for factors which may affect our cost of sales.

The key determinants of gross profit are the revenue generated from our production and promotion activities as well as the related cost of sales. Gross profit margin for production revenue is highly dependent on our ability to control costs, whilst that for promotion revenue is dependent on the cost of rights to organise concert and/or events, in addition to production costs. Other revenue has minimal cost of sales.

Other gains/(losses) – net

Other gains/(losses) comprise net gains/(losses) on foreign currency translation and gain from disposal of property, plant and equipment.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

Administrative expenses

Administrative expenses comprise mainly employee wages and salaries, employer's contribution to defined contribution plans and staff welfare and allowances. These costs in total accounted for 56.4%, 49.9%, 57.3%, 54.3% and 61.0% of our total administrative expenses for FY2013, FY2014, FY2015, 9M2015 and 9M2016, respectively. Other administrative expenses include depreciation of property, plant and equipment, rental expense on operating leases, printing and advertising, as well as travelling and transportation.

Finance expenses

Finance expenses comprise interest expense on bank borrowings and finance leases for the motor vehicles.

Income tax expense

Income tax expense for FY2013, FY2014, FY2015, 9M2015 and 9M2016 comprises current and deferred taxes.

Current tax is the expected tax payable on the taxable income for FY2013, FY2014, FY2015, 9M2015 and 9M2016, using tax rates enacted or substantially enacted at balance sheet dates, and any adjustment to income tax payable in respect of previous financial years.

The statutory tax rates for Singapore, Malaysia and Hong Kong are 17.0%, 25.0% and 16.5% respectively for the years/period FY2013, FY2014, FY2015, 9M2015 and 9M2016.

The effective tax rates for FY2013, FY2014 and FY2015 were 7.4%, (139.0)% and 13.7% respectively. The effective tax rates for 9M2015 and 9M2016 were 15.1% and 14.1% respectively. The lower tax rate in FY2013 was due to the utilisation of deferred tax assets not recognised. In FY2014, we recorded a tax credit of approximately S\$0.2 million due to the recognition of deferred tax assets previously not recognised which consist of unutilised capital allowances and unrecognised tax losses. The effective tax rates for FY2015, 9M2015 and 9M2016 were slightly lower than the statutory tax rates of the countries we operate in: Singapore, Malaysia and Hong Kong. This was mainly due to the tax rebates granted by the respective tax authorities.

REVIEW OF PAST PERFORMANCE

FY2013 vs FY2014

Revenue

Our Group's revenue decreased by 3.0% or S\$0.5 million, from S\$18.4 million in FY2013 to S\$17.9 million in FY2014 mainly due to the following factors:

- (a) production revenue decreased by 26.4% or S\$2.6 million. This was due to the absence of revenue earned from the National Day event in FY2013 which contributed S\$1.0 million and also a decrease in the number of other projects;
- (b) promotion revenue increased by 31.6% or S\$2.4 million due to a concert by a renowned local artiste being held at the newly re-opened National Stadium which contributed S\$2.9 million, offset by decrease in revenue earned from some other concerts of other performing artistes; and
- (c) other revenue decreased by 33.9% or S\$0.4 million due mainly to reduced rental income.

Our revenue from customers located outside Singapore fell marginally from 9.7% of our total revenue in FY2013 to 8.4% of our total revenue in FY2014. This was mainly due to revenue from customers based in Taiwan and the United Kingdom in FY2013. We did not earn any revenue from customers based in Taiwan and the United Kingdom in FY2014.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

Cost of sales, gross profit and gross profit margin

Our Group's cost of sales increased by approximately S\$0.6 million or 4.7% from approximately S\$13.5 million in FY2013 to approximately S\$14.2 million in FY2014. This was mainly due to increased production costs in relation to the concerts and/or events that we produced in FY2014. The increase was due to higher manpower costs.

Our gross profit margin decreased by approximately 5.8% from 26.5% in FY2013 to 20.6% in FY2014 due to the lower promotional revenue in FY2014.

Other gains – net

We recorded an increase in other gains of approximately S\$0.2 million in FY2014 from approximately S\$0.5 million in FY2013 to approximately S\$0.7 million in FY2014. This was mainly due to a gain on disposal of plant and equipment.

Administrative expenses

Administrative expenses increased by approximately S\$1.0 million or 30.7% from S\$3.3 million in FY2013 to S\$4.3 million in FY2014. This was mainly due to an increase of approximately S\$0.6 million, or 855.4%, in allowance for impairment on trade receivables and an increase of S\$0.3 million, or 15.6%, in employee compensation in FY2014. The increase in allowance for impairment on trade receivables in FY2014 as compared to FY2013 was due to one (1) trade receivable from one (1) of our former customers which was deemed not recoverable and for which an allowance was provided. Such allowance has since been written off. We have stopped trading with this particular customer. The increase in employee compensation in FY2014 was due to the salary adjustments of our employees made in FY2014.

Finance expenses

Finance cost consists of interest expenses on finance lease from financial institutions. Our Group acquired additional motor vehicles for our Group's operations which resulted in an increase in finance costs.

Profit before tax

As a result of the above, we recorded a profit before tax of approximately S\$0.1 million in FY2014 compared to approximately S\$2.1 million in FY2013.

FY2014 vs FY2015

Revenue

Our Group's revenue increased by S\$8.2 million or 46.1% from S\$17.9 million in FY2014, to S\$26.1 million in FY2015. The increase was mainly contributed from the production and promotion segments of the following:

- (a) production revenue increased by 65.4% or S\$4.7 million. This was mainly due to a list of events held for the SG50 Celebrations. Our Group secured various government projects through tenders like the "Youth Celebrate project", "National Day SG50" and "SEA Games project". These three (3) events contributed a total of S\$3.8 million to our Group's revenue; and
- (b) promotion revenue increased by 36.0% or S\$3.6 million mainly due to the three (3) concerts held in Singapore performed by Hong Kong and Taiwanese artistes.

Our revenue from customers located outside Singapore increased from 8.4% of our total revenue in FY2014 to 27.0% of our total revenue in FY2015. This was mainly due to increase in revenue from customers based in Malaysia and Hong Kong.

Cost of sales, gross profit and gross profit margin

Our Group's cost of sales increased by S\$4.0 million or 28.3%, from approximately S\$14.2 million in FY2014 to approximately S\$18.2 million in FY2015. This increase was in line with the increase in our revenue.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

Our gross profit margin increased by 9.7% from 20.6% in FY2014 to 30.3% in FY2015, with the improved revenue and better cost management. We are able to manage cost better due to the synergistic effect of being both a producer and promoter. This allows us (i) to determine and identify costs which are relevant to the production and promotion businesses, and (ii) to work on lowering such costs without any significant impact to our revenue.

Other gains – net

We recorded a decrease in other gains of S\$0.2 million from S\$0.7 million in FY2014 to S\$0.5 million in FY2015. This was mainly due to a decrease in gain on disposal of plant and equipment of S\$0.2 million.

Administrative expenses

Our administrative expenses decreased by S\$0.5 million or 11.2% from S\$4.3 million in FY2014 to S\$3.8 million in FY2015. The decrease was due to the absence of allowance for impairment of trade receivables as no provision was deemed necessary for FY2015.

Finance expenses

Finance expenses remained relatively constant at approximately S\$10,000 and S\$6,432 for FY2014 and FY2015, respectively.

Profit before tax

As a result of the above, we recorded an increase of S\$4.6 million or 329 times in profit before tax from S\$0.1 million in FY2014 to approximately S\$4.7 million in FY2015 due to higher revenue, better gross profit margins and lower administrative costs.

9M2015 vs 9M2016

Revenue

Our Group's revenue decreased by approximately S\$6.2 million or 28.1% from S\$22.3 million in 9M2015 to S\$16.0 million in 9M2016. The decrease was due to a fall in revenue of S\$5.7 million from our promotion segment and S\$1.6 million in our production segment, offset by an increase in revenue from others of S\$1.1 million. In 9M2015, which coincided with the SG50 Celebrations, we secured some production projects which we treated them as one-off events. In addition, during the same period, the ticketing sales of the concerts we organised performed better than expected.

Our revenue from customers located outside Singapore increased from 29.8% of our total revenue in 9M2015 to 31.3% of our total revenue in 9M2016. This was mainly due to increase in revenue from customers based in Thailand, offset by lower revenue from customers based in Malaysia and Hong Kong.

Cost of sales, gross profit and gross profit margin

Our Group's cost of sales decreased by approximately S\$6.2 million or 38.1% from approximately S\$16.1 million in 9M2015 to approximately S\$10.0 million in 9M2016. This was in line with the decrease in revenue.

Our gross profit margin had increased by 10.1% from 27.5% in 9M2015 to 37.6% in 9M2016. This was due to more projects utilising internal resources rather than outsourced.

Other gains/(losses) – net

We recorded an increase in other gains of approximately S\$1.6 million in 9M2016. This is due mainly to a gain on disposal of property, plant and equipment of approximately S\$1.2 million which arose from the disposal of lighting and rental equipment during that period. The selling price of such equipment exceeded its net book value, resulting in the gain of approximately S\$1.2 million.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

Administrative expenses

Our administrative expenses increased by approximately S\$0.2 million, or 6.4%, from approximately S\$2.8 million in 9M2015 to approximately S\$3.0 million in 9M2016. This is mainly due to an increase in employee compensation.

Finance expenses

Finance expenses increased by S\$8,242 from S\$4,824 in 9M2015 to S\$13,066 in 9M2016 due to increase in interest paid on short-term bank borrowings.

Profit before tax

As a result of the above, profit before tax increased by approximately S\$1.2 million from S\$3.3 million in 9M2015 to S\$4.5 million in 9M2016.

REVIEW OF FINANCIAL POSITION

Summary

	Audited As at 31 December 2015 S\$'000	Audited As at 30 September 2016 S\$'000
Non-current assets	4,008	2,008
Current assets	15,987	13,244
Total assets	19,995	15,252
Non-current liabilities	215	188
Current liabilities	9,480	9,364
Total liabilities	9,695	9,552

Assets

Non-current assets

As at 31 December 2015

Our non-current assets amounted to S\$4.0 million or approximately 20.0% of our total assets, which comprise property, plant and equipment.

As at 30 September 2016

Our non-current assets decreased by approximately S\$2.0 million or 49.9% from S\$4.0 million as at 31 December 2015 to S\$2.0 million as at 30 September 2016 due to the disposal of fixed assets to a third party.

Current assets

As at 31 December 2015

Our current assets amounted to approximately S\$16.0 million or 80.0% of our total assets and comprise the following:

- (i) cash and cash equivalents of approximately S\$5.1 million, representing 31.7% of our current assets, of which S\$0.5 million or 10.4% were bank deposits pledged to financial institutions for banking facilities;
- (ii) trade and other receivables of approximately S\$10.9 million, representing 68.2% of our current assets, which comprise trade receivables of approximately S\$6.2 million and other receivables, deposits, prepayments and advance to supplier of S\$4.7 million. Other receivables include amounts due from related parties and directors with an aggregate value of S\$3.0 million; and

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

- (iii) deferred cost of approximately S\$1.1 million representing 6.8% of our total current assets which mainly relate to deposits and prepayments, in relation to the production and promotion businesses.

As at 30 September 2016

Our current assets decreased by approximately S\$2.7 million or 17.2% from approximately S\$16.0 million as at 31 December 2015 to approximately S\$13.2 million as at 30 September 2016. This was mainly due to decrease in trade and other receivables of approximately S\$5.1 million and increase in cash and cash equivalent of S\$2.4 million. The decrease in trade and other receivables was mainly due to the assignment of trade receivables to, and assumption of other receivables by, our shareholders pursuant to the settlement arrangement in relation to the payment of dividends. Please refer to the Settlement Deed under the section entitled "Restructuring Exercise" of this Offer Document for further details.

Liabilities

Non-current liabilities

As at 31 December 2015

Our non-current liabilities of approximately S\$0.2 million accounted for 2.2% of our total liabilities. It comprised of finance lease of S\$0.06 million and deferred tax liabilities of S\$0.1 million.

As at 30 September 2016

Our non-current liabilities decreased by S\$0.02 million or 12.4% from S\$0.2 million as at 31 December 2015 to S\$0.18 million as at 30 September 2016 mainly due to the discharge of finance leases.

Current liabilities

As at 31 December 2015

Our current liabilities amounted to approximately S\$9.5 million, representing 97.8% of our total liabilities, comprising mainly:

- (i) trade payables of approximately S\$3.7 million;
- (ii) other payables, consisting of amount due to related parties and Directors of approximately S\$3.7 million;
- (iii) deferred income of approximately S\$1.0 million; and
- (iv) accruals, deposit received and dividends payable, the aggregate value of approximately S\$0.7 million.

As at 30 September 2016

Our current liabilities decreased marginally by approximately S\$0.1 million from S\$9.5 million as at 31 December 2015 to S\$9.4 million as at 30 September 2016 due to the decrease in trade and other payables of S\$0.9 million and increase in bank borrowings of S\$0.5 million, as well as income tax payable of S\$0.3 million.

Capital and reserves

As at 31 December 2015

As at 31 December 2015, our Shareholders' equity stood at S\$10.3 million, comprising S\$0.6 million issued and fully paid share capital, loss in foreign currency exchange differences of S\$0.04 million and S\$9.7 million retained earnings.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

As at 30 September 2016

As at 30 September 2016, our Shareholders' equity stood at S\$5.7 million, comprising issued and fully paid share capital of S\$100, S\$0.6 million of other reserves and S\$5.1 million of retained earnings. The decrease in retained earnings from S\$9.7 million to S\$5.1 million was due to dividends paid to Shareholders amounting to S\$8.4 million and offset by current period profit of S\$3.8 million.

As at 31 December 2015 and 30 September 2016, our net working capital amounted to approximately S\$6.5 million and S\$3.9 million respectively, as set out below:

	Audited As at 31 December 2015 S\$'000	Audited As at 30 September 2016 S\$'000
Cash and cash equivalents	5,074	7,434
Trade and other receivables	10,905	5,797
Income tax recoverable	8	13
<i>Less:</i>		
Trade and other payables	9,189	8,299
Finance lease liabilities	65	70
Bank borrowings	–	500
Income tax payable	226	495
Net working capital	6,507	3,880

LIQUIDITY AND CAPITAL RESOURCES

We finance our operations through both internal and external sources and generated positive cash flow of S\$2.0 million and S\$3.3 million in FY2015 and 9M2016 respectively. Our internal sources of funds comprised mainly cash generated from our operating activities. Our external sources of funds comprised mainly banking facilities from financial institutions.

As at the Latest Practicable Date, we had available credit facilities of approximately S\$3.2 million, of which approximately S\$2.5 million was unutilised. Please refer to the section entitled "Capitalisation and Indebtedness" of this Offer Document for more details on our banking facilities.

In assessing whether our Group has sufficient working capital (taking into consideration the declaration and payment of the dividends), our Directors have considered the following:

- (i) based on our unaudited management accounts as at the Latest Practicable Date, our Group had cash and cash equivalents of approximately S\$8.1 million. As at the Latest Practicable Date, we had credit facilities of approximately S\$3.2 million comprising utilised facilities of approximately S\$688,000 and unutilised credit facilities of approximately S\$2.5 million;
- (ii) our Group had generated positive operating cash flows in FY2013, FY2014, FY2015 and 9M2016 amounting to approximately S\$1.3 million, S\$3.0 million, S\$2.0 million and S\$3.3 million, respectively;
- (iii) going forward, in considering the level of dividend payments, our Group will take into account various factors, such as our expected working capital requirements to support our future growth, financial positions, cash flows and plans for expansion. Please refer to the section entitled "Dividend Policy" of this Offer Document for further details; and
- (iv) our Group's future plans as set out in the section entitled "Prospects, Business Strategies and Plans - Business Strategies and Future Plans" of this Offer Document will be partially funded by net proceeds from the Placement and the extent and timing of the future plans may be managed and based on the amounts raised from the Placement.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

Our Directors are of the reasonable opinion that, after taking into account the cash flows generated from our operations, our banking facilities and our existing cash and cash equivalents, the working capital available to us as at the date of lodgement of this Offer Document is sufficient for present requirements and for at least 12 months after the listing of our Company on Catalist.

The Sponsor is of the reasonable opinion that, after having made due and careful enquiry and after taking into account the cash flows generated from our Group's operations, our Group's banking facilities and our Group's existing cash and cash equivalents, the working capital available to our Group as at the date of lodgement of this Offer Document is sufficient for present requirements and for at least 12 months after the listing of our Company on Catalist.

The following table sets out a summary of our Group's net cash flow for the FY2013, FY2014, FY2015, 9M2015 and 9M2016:

	Audited FY2013 S\$'000	Audited FY2014 S\$'000	Audited FY2015 S\$'000	Unaudited 9M2015 S\$'000	Audited 9M2016 S\$'000
Net cash provided by operating activities	1,328	2,976	2,022	1,340	3,320
Net cash (used in)/provided by investing activities	(1,083)	(1,556)	(2,180)	(807)	2,612
Net cash (used in)/provided by financing activities	(118)	(71)	(730)	88	(3,575)
Net increase/(decrease) in cash and cash equivalents	127	1,349	(888)	621	2,357
Effect of currency translation on cash and cash equivalents	(6)	9	(33)	(38)	(24)
Cash and cash equivalents at beginning of the year/period	3,986	4,107	5,465	5,465	4,544
Cash and cash equivalents at end of the year/period	4,107	5,465	4,544	6,048	6,877

FY2013

Net cash generated from operating activities

In FY2013, we generated cash inflows from operating activities before movement in working capital of approximately S\$2.7 million, with net changes in working capital of S\$1.3 million and income tax paid of approximately S\$0.1 million.

Our net working capital inflow was mainly due to cash inflows from decrease in trade and other receivables of approximately S\$1.4 million, which was offset by cash outflows from decrease in trade and other payables of S\$2.8 million, due to a major concert held in the beginning of FY2013, which necessitated the build-up for this event during FY2012.

The decrease in trade and other receivables was due to the decrease in production and promotion events during the final quarter of FY2013.

Our net cash generated from operating activities amounted to S\$1.3 million.

Net cash used in investing activities

Net cash used in investing activities amounted to approximately S\$1.1 million due to purchases of property, plant and equipment of approximately S\$1.2 million and proceeds received from the disposal of property, plant and equipment of approximately S\$0.1 million.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

Net cash used in financing activities

Net cash used in financing activities amounted to approximately S\$0.1 million mainly due to the repayment of our finance leases and fixed deposit pledge as collateral of S\$0.09 million and S\$0.07 million respectively. Approximately S\$0.04 million was received from the issuance of shares to provide for the working capital of UnUsUaL (Malaysia).

As at 31 December 2013, our cash and cash equivalents were approximately S\$4.1 million.

FY2014

Net cash generated from operating activities

We generated cash inflows from operating activities before movement in working capital of approximately S\$0.8 million with net changes in working capital of S\$2.2 million.

Our net working capital inflow was mainly due to cash inflows from an increase in trade and other payables of S\$4.5 million and cash outflow from an increase in trade and other receivables of approximately S\$2.3 million.

The increase in receivables and payables were due to the increase in deposits and prepayments in relation to the production and promotion businesses.

Our net cash generated from operating activities amounted to approximately S\$3.0 million.

Net cash used in investing activities

Net cash used in investing activities amounted to approximately S\$1.6 million was mainly due to the purchase of property, plant and equipment of approximately S\$2.0 million. This was partially offset by proceeds of approximately S\$0.4 million received from the maturity of financial assets.

Net cash used in financing activities

Net cash used in financing activities of approximately S\$0.07 million was mainly due to the repayment of financial lease liabilities and interest of approximately S\$0.09 million, offset by cash inflow of approximately S\$0.02 million from the maturity of fixed deposit.

As at 31 December 2014, our cash and cash equivalents were approximately S\$5.5 million.

FY2015

Net cash generated from operating activities

We generated cash inflows from operating activities before movement in working capital changes of approximately S\$5.7 million, with net changes in working capital of approximately S\$3.6 million.

Our net working capital outflows were mainly due to cash outflows from an increase in trade and other receivables of S\$1.2 million and a decrease in trade and other payables of S\$2.5 million.

The increase in trade and other receivables was contributed by promotion revenue near to the end of FY2015.

The decrease in trade and other payables was due to the decrease in promotion of concerts and/or events and production services for the early quarter of FY2016 as compared to FY2015.

Net cash used in investing activities

Net cash used in investing activities amounted to approximately S\$2.2 million mainly due to the additions to property, plant and equipment.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

Net cash used in financing activities

Net cash used in financing activities of approximately S\$0.7 million was mainly due to dividends paid out and repayment of finance lease liabilities of approximately S\$0.8 million and S\$0.06 million respectively. This was partially offset by maturity of fixed deposit of approximately S\$0.1 million.

As at 31 December 2015, our cash and cash equivalents amounted to S\$4.5 million.

9M2015

Net cash generated from operating activities

In 9M2015, we generated cash inflows from operating activities before movement in working capital of approximately S\$3.9 million with net changes in working capital of S\$2.6 million.

Our net working capital outflows was mainly due to cash outflows from an increase in trade and other receivables of S\$0.5 million as well as a decrease in trade and other payables of S\$2.0 million.

The decrease in trade and other payables was due to the repayment to suppliers in relation to SG50 Celebrations.

Our net cash generated from operating activities amounted to approximately S\$1.3 million.

Net cash used in investing activities

Net cash used in investing activities was due to the purchase of property, plant and equipment of S\$0.8 million.

Net cash from financing activities

Net cash from financing activities of S\$0.09 million was mainly due to the release of fixed deposit pledged of S\$0.1 million offset with the repayment of finance leases of S\$0.04 million.

As at 30 September 2015, our cash and cash equivalents totalled S\$6.0 million.

9M2016

Net cash generated from operating activities

In 9M2016, we generated cash inflows from operating activities before movement in working capital of approximately S\$4.0 million with net changes in working capital of S\$0.3 million and S\$0.4 million cash outflows for payment of income tax.

Our net working capital outflows were due to cash inflows from a decrease of S\$0.6 million in trade and other receivables. This was offset by cash outflows from a decrease in trade and other payables of S\$0.9 million.

As at 30 September 2016, our net cash generated from operations stood at S\$3.3 million.

Net cash provided by investing activities

Net cash provided by investing activities of S\$2.6 million was mainly due to proceeds from the disposal of equipment of S\$2.8 million. Our Group utilised S\$0.2 million for purchasing plant and equipment.

Net cash used in financing activities

Net cash used in financing activities of S\$3.5 million was mainly due to the payment of S\$3.9 million dividends to shareholders and repayment of finance lease liabilities of S\$0.1 million. This was offset by cash inflow of S\$0.5 million from short term bank borrowings.

As at 30 September 2016, our cash and cash equivalents were approximately S\$6.9 million.

INFLATION

Our financial performance for the Period Under Review was not materially affected by inflation.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

CAPITAL EXPENDITURES AND DIVESTMENTS

The capital expenditures and divestments made by us in FY2013, FY2014, FY2015, 9M2016 and for the period from 1 January 2016 to the Latest Practicable Date are as follows:

(\$'000)	Audited	Audited	Audited	Audited	From 1 January
Expenditures	FY2013	FY2014	FY2015	9M2016	2016 to the Latest Practicable Date
Motor vehicles	115	773	503	154	154
Machinery	16	–	–	8	8
Rental equipment	792	1,745	1,739	80	1,868
Lighting equipment	360	4	49	73	3,537
Furniture and fittings	4	2	2	–	–
Computers & office equipment	29	15	93	28	28
Total	1,316	2,539	2,386	343	5,595

(\$'000)	Audited	Audited	Audited	Audited	From 1 January
Divestments	FY2013	FY2014	FY2015	9M2016	2016 to the Latest Practicable Date
Motor vehicles	218	143	436	508	508
Machinery	–	–	–	–	–
Rental equipment	–	–	–	3,002	3,002
Lighting equipment	–	–	–	413	413
Furniture and fittings	–	4	–	–	–
Computers & office equipment	–	2	–	–	–
Total	218	149	436	3,923	3,923

The material divestment during the Period Under Review mainly relates to the disposal of lighting and rental equipment during 9M2016. We continuously acquire new equipment to meet operational requirements and dispose equipment when it makes commercial sense to do so (i.e. when there is a demand for such equipment and when the selling price is above the net book value).

Capital Commitments

We have capital commitments placed for the purchase of lighting equipment to the amount of approximately S\$2.5 million for concerts and events in 2017.

Operating Lease Commitments

Our Group leases office premises and warehouses under non-cancellable lease agreements. These leases have varying terms, escalation clauses and renewal rights. The future aggregate minimum lease payables under operating leases contracted for as at 31 December 2015 and the Latest Practicable Date, but not recognised as liabilities, are analysed as follows:

Future Aggregate Minimum Lease Payments	Audited As at 31 December 2015 (S\$'000)	As at the Latest Practicable Date (S\$'000)
Within one (1) year	582	582
After one (1) year but within five (5) years	884	205
	<u>1,466</u>	<u>787</u>

These operating lease commitments will be fulfilled by internally generated funds.

Finance Lease Commitments

Save for the facilities disclosed in the section entitled "Capitalisation and Indebtedness" of this Offer Document, we have no other finance lease commitments during the Period Under Review.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

Contingent Liabilities

On 24 June 2016, our Group had obtained bankers guarantees of S\$370,000 for certain on-going projects.

FOREIGN EXCHANGE MANAGEMENT

Accounting Treatment of Foreign Currencies

We maintain our respective books and accounts in functional currencies. As we transact predominantly in Singapore dollars, our Group's reporting currency is in S\$. Our Malaysia subsidiary, UnUsUaL (Malaysia), maintains its books and records in RM, whilst our Hong Kong subsidiary, UnUsUaL (Hong Kong), maintains its books and records in HK\$.

Transactions in a currency other than the functional currency ("**foreign currency**") are translated into the respective operating subsidiaries' functional currencies using the exchange rates at the respective transaction dates. Currency translation differences 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 balance sheet date are recognised in the profit and loss statement.

In the preparation of the audited combined financial statements of our Group, the financial statements of both UnUsUaL (Malaysia) and UnUsUaL (Hong Kong) were translated to S\$ at the rates of exchange prevailing at the end of the reporting period except share capital and reserves, which are translated at historical exchange rates and income and expense items, which are translated at the average exchange rates for the year. Foreign exchange differences arising from translation are accounted for as translation reserves in the Shareholder's equity and other comprehensive income.

To the extent that our revenue and expenses are not naturally matched in the same currency and to the extent that there are timing differences between invoicing and collection/payment, we will be exposed to fluctuations of the various currencies against the S\$, which will affect our earnings. The appreciation or depreciation in the value of other currency other than the functional currency will have either a positive or negative effect on the financial result. During the Period Under Review, the net foreign exchange gain/(loss) to our Group is not significant.

	Audited FY2013	Audited FY2014	Audited FY2015	Unaudited 9M2015	Audited 9M2016
Net foreign exchange gain/(loss) (S\$'000)	9.00	(73.00)	(142.00)	(215.00)	9.00
As a percentage of revenue (%)	0.05	(0.41)	(0.54)	(0.96)	0.05
As a percentage of profit before income tax (%)	0.42	(51.66)	(2.98)	(6.56)	0.20

We currently do not have a formal hedging policy. We may, subject to the approval of our Board of Directors, enter into relevant transactions when necessary, to hedge our exposure to foreign currency fluctuations. We will also put in place, where necessary, procedures to hedge our exposure to foreign currency fluctuations. Such procedures, if in place, will be reviewed and approved by our Audit Committee and our Board of Directors to be in line with the foreign exchange management policy.

SIGNIFICANT CHANGES IN ACCOUNTING POLICIES

There has been no significant change in the accounting policies for our Group during the Period Under Review. The accounting policies have been consistently applied by our Group during the Period Under Review, except for the changes in accounting policies and related notes as discussed in the "Independent and Reporting Auditor's Report on the Audited Combined Financial Statements for the Financial Years Ended 31 December 2013, 2014 and 2015" and "Independent and Reporting Auditor's Report on the Audited Consolidated Financial Statements for the Nine-Month Period Ended 30 September 2016" as set out in Appendices A and B respectively of this Offer Document.

CAPITALISATION AND INDEBTEDNESS

The following information should be read in conjunction with the “Independent and Reporting Auditor’s Report on the Audited Combined Financial Statements for the Financial Years ended 31 December 2013, 2014 and 2015” and the “Independent and Reporting Auditor’s Report on the Audited Consolidated Financial Statements for the Nine-Month Period ended 30 September 2016” as set out in Appendices A and B, and the section entitled “Management’s Discussion and Analysis of Results of Operations and Financial Position” of this Offer Document.

The following table shows the cash and cash equivalents as well as capitalisation and indebtedness of our Group as at the Latest Practicable Date, being a date no earlier than 60 days before the date of lodgement of this Offer Document, based on:

- (i) our unaudited management accounts as at the Latest Practicable Date; and
- (ii) as adjusted to give effect to the issuance of the 96,990,000 Placement Shares pursuant to the Placement and the application of net proceeds from the Placement.

	As at 31 December 2015 (S\$'000)	As at the Latest Practicable Date (S\$'000)	As adjusted for the net proceeds from the Restructuring and Placement (S\$'000)
Cash and cash equivalents	5,074	8,124	26,527
Indebtedness			
Current			
- secured	65	568	568
- unsecured	–	3,000	–
Non-current			
- secured	64	9	9
Total indebtedness	129	3,577	577
Total shareholders’ equity	10,300	9,923	30,510
Total capitalisation and indebtedness	10,429	13,500	31,087

There were no material changes in our total capitalisation and indebtedness since 1 October 2016 to the Latest Practicable Date, save for the scheduled monthly repayments of our borrowings and changes in our retained earnings arising from the day-to-day operations in the ordinary course of business.

CAPITALISATION AND INDEBTEDNESS

Credit Facilities

As at the Latest Practicable Date, our Group's credit facilities from various financial institutions are as follows:

Financial Institution	Nature of Facility	Facility (S\$'000)	Utilised Amount as at the Latest Practicable Date (S\$'000)	Unutilised Amount as at the Latest Practicable Date (S\$'000)	Interest rate (per annum)	Maturity Profile
Standard Chartered Bank (Singapore) Limited	Banking facility for (a) revolving short term loan and (b) bonds and guarantees	2,000.00	500.00	1,500.00	2.93%	8 May 2017
CIMB Bank Berhad	Banker's Guarantee	1,000.00	–	1,000.00	0.75%	Up to a maximum of 2 years
Citibank Singapore Ltd	Hire Purchase	85.76	85.76	–	2.68%	31 January 2018
Goldbell Financial Services	Hire Purchase	102.00	102.00	–	2.99%	26 April 2018
TOTAL		3,187.76	687.76	2,500.00	–	–

As at the Latest Practicable Date, we had credit facilities of approximately S\$3.2 million comprising utilised facilities of approximately S\$688,000 and unutilised credit facilities of approximately S\$2.5 million.

Save as disclosed above and in the sections entitled "Management's Discussion and Analysis of Results of Operations and Financial Position – Liquidity and Capital Resources" and "Interested Person Transactions – Present and Ongoing Interested Person Transactions" of this Offer Document, we do not have any committed credit facilities.

As at the Latest Practicable Date, all our borrowings are secured by, amongst others, (a) charges over cash deposit placed with the relevant financial institution, (b) joint and several personal guarantees provided by our CEO, Leslie Ong and our COO, Johnny Ong, (c) legal mortgage over the property at 45 Kallang Pudding Road owned by Axcel Properties, and (d) a guarantee granted by our Controlling Shareholder, mm2.

Save as disclosed, and to the best of our Directors' knowledge and belief, as at the Latest Practicable Date, we are not in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect our Group's financial position and results of business operation, or the investments of our Shareholders, and none of our Substantial Shareholders' Shares have been pledged, charged or mortgaged as collateral to secure any credit or banking facilities.

Pursuant to Rule 728 of the Catalist Rules, UnUsUaL Management, mm2, Leslie Ong and Johnny Ong, being Controlling Shareholders of our Company, have provided undertakings to our Company that they will notify our Company, as soon as they become aware of any share pledging arrangements relating to their respective Shares and of any event which may result in a breach of our Group's loan provisions. Upon notification by any of the Controlling Shareholders, our Company will make the necessary announcement(s) in compliance with the said rule.

CAPITALISATION AND INDEBTEDNESS

In the event that any Group Company enters into a loan agreement or issues debt securities that contain a condition making reference to shareholding interests of any Controlling Shareholder, or place restrictions on any change in control of our Group, and the breach of this condition or restriction will cause a default in respect of the loan agreement or debt securities, significantly affecting the operations of our Group, we will immediately announce the details of the condition(s) in accordance with Rule 704(33) of the Catalyst Rules, making reference to the shareholding interests of such Controlling Shareholder or restrictions placed on any change in control of our Company and the aggregate level of these facilities that may be affected by a breach of such condition or restriction.

GENERAL INFORMATION ON OUR GROUP

OUR HISTORY

Our Company was incorporated on 3 May 2016 in Singapore under the Companies Act as an exempt private company limited by shares. In May 2016, following the acquisition of 100.0% of the shares of UnUsUaL Productions, UnUsUaL Entertainment, UnUsUaL Development, UnUsUaL (Malaysia) and UnUsUaL (Hong Kong), our Company became the holding company of our Group.

Our Group was founded by two (2) brothers, Leslie Ong and Johnny Ong. Johnny Ong always had an interest in SLV. Prior to our Group's inception in 1997, he had already been involved in the SLV business, trading SLV equipment. As Johnny Ong provided consistently good services in the SLV business, demand from his customers increased, with recording and broadcasting companies forming most of his customer base eventually.

Leslie Ong subsequently joined the business and this eventually led to the brothers venturing into the production business by incorporating our first subsidiary, UnUsUaL Productions, in 1997. The two (2) brothers started out with the production of small-scale events such as award shows as well as companies' dinner and dance events.

As the brothers' capabilities and technical expertise broadened, the business grew from only handling small scale company events to large scale concerts for renowned artistes and nation-wide events which were held in celebration of Singapore's National Day. As such, the brothers' network of key contacts in the industry also expanded. The brothers continued to stay connected with their existing customers while searching for new avenues of business.

As the brothers got to know more people in the industry, Leslie Ong and Johnny Ong saw an opportunity to apply their expertise beyond production to promotion, thereby extending the reach of their production business to promotion as well. This led to the incorporation of UnUsUaL Entertainment in January 2003. Subsequently, we incorporated UnUsUaL Development in April 2005 as we expanded our business to include venue management. As part of our venue management business, we entered into collaboration agreements with venue owners and managers so as to secure venues for our events and concerts in advance. These collaborations help us to establish preferred concert and event venues for the concerts and events that we produce and/or promote in advance. This allowed us to provide vertically integrated services under one (1) roof for our customers.

Our established track record in securing numerous large scale events and concerts for well-known artistes over the past years have enhanced our status as the preferred partner for such events and concerts, and is testimony of the brothers' efforts in transforming the business to what our Group is today. The following table sets out the major corporate milestones of our Group since our inception:

Date	Milestone
September 1997	<i>Incorporation of UnUsUaL Productions</i> UnUsUaL Productions was initially incorporated for the (i) provision of services for the design and building of stage sets, (ii) provision of technical services, and (iii) the rental of stage lighting, sound systems and audio equipment.
1999	<i>Andy Lau (刘德华): Andy Lau Live in Concert 1999</i> UnUsUaL Productions was the local production company for Andy Lau's Singapore concert "Andy Lau Live in Concert 1999". <i>Jeff Chang (张信哲): Jeff Chang Asia Tour 1999 in Singapore</i> UnUsUaL Productions undertook the lead to promote and stage Taiwanese superstar Jeff Chang's Singapore concert.

GENERAL INFORMATION ON OUR GROUP

Date	Milestone
2001	<p><i>Notable concerts/events by renowned and accomplished artistes</i></p> <p>UnUsUaL Productions was the local production company for these highly sought after concerts:</p> <ul style="list-style-type: none">● <i>Air Supply: Silver Year World Tour 2001 Live in Singapore</i>● <i>Andy Lau (刘德华): Andy Lau Summer Fiesta 2001 Concert</i>● <i>Westlife: Coast to Coast World Tour 2001</i> <p><i>Incorporation of UnUsUaL (Malaysia)</i></p> <p>We incorporated UnUsUaL (Malaysia) on 9 April 2001 to tap on the business opportunities for events and concert promotion in Malaysia.</p>
2002	<p><i>Notable concerts/events by renowned and accomplished artistes</i></p> <p>UnUsUaL Productions was the local production company for these sold-out concerts held at the Singapore Indoor Stadium:</p> <ul style="list-style-type: none">● <i>A-Mei (张惠妹): A-Class Entertainment World Tour</i>● <i>Anita Mui (梅艳芳): Anita Mui Fantasy Gig Tour 2002</i>● <i>Emil Chau (周华健): Emil Chau World Tour 2002</i>● <i>F4: F4 In Concert Meteor Rain 2002</i>● <i>Jacky Cheung (张学友): Jacky Cheung Music Odyssey 2002</i>● <i>Jay Chou (周杰伦): Jay Concert 2002 Welcome to Jay's Fantasy World</i>● <i>Sammi Cheng (郑秀文): Sammi Cheng Shocking Colour Concert 2002</i>● <i>Stefanie Sun (孙燕姿): Yanzi Start World Tour 2002</i>
2003	<p><i>Notable concerts/events by renowned and accomplished artistes</i></p> <p>UnUsUaL Entertainment co-organised and promoted these concerts upon its incorporation:</p> <ul style="list-style-type: none">● <i>5566: 5566 "Serious" 2003 Debut Concert</i>● <i>Alan Tam (谭咏麟) & Hacken Lee (李克勤): Alan Tam & Hacken Lee World Tour 2003</i>● <i>David Tao (陶喆): David Tao Soul Power Asia Tour 2003</i>● <i>Fei Yu Qing (费玉清): Fei Yu Qing World Tour 2003</i>● <i>Jay Chou (周杰伦): Jay Chou The One in Concert 2003</i> <p>UnUsUaL Productions was the local production company for these concerts:</p> <ul style="list-style-type: none">● <i>Avril Lavigne: Avril Lavigne Try To Shut Me Up Tour</i>● <i>Rolling Stones: Rolling Stones Licks World Tour 2003</i>● <i>Ronan Keating: Destination Singapore</i>
2004	<p><i>Notable concerts/events by renowned and accomplished artistes</i></p> <ul style="list-style-type: none">● <i>Jay Chou (周杰伦): Incomparable to Jay World Tour 2004</i>● <i>Sammi Cheng (郑秀文): Sammi vs Sammi World Tour 2004</i>● <i>Tsai Chin (蔡琴): Tsai Chin Love Me Once More 2004</i> <p>UnUsUaL Entertainment promoted these sold-out concerts while UnUsUaL Productions was the local production company for these concerts.</p>

GENERAL INFORMATION ON OUR GROUP

Date	Milestone
2005	<p>Jacky Cheung (张学友): Snow. Wolf. Lake Jacky Cheung's Musical Extravaganza</p> <p>UnUsUaL Entertainment promoted and organised Jacky Cheung's first musical foray over three (3) sold-out nights at the Singapore Indoor Stadium.</p> <p>Notable concerts/events by renowned and accomplished artistes</p> <p>UnUsUaL Entertainment promoted these sold-out concerts:</p> <ul style="list-style-type: none">● Engelbert Humperdinck: Engelbert Humperdinck World Tour 2005● Mayday (五月天): Mayday Final Home Singapore Concert● S.H.E.: S.H.E. Magical Wonderland World Tour 2005● Tsai Chin (蔡琴): Tsai Chin Under The Moonlight World Tour 2005
2006	<p>Shinhwa 2006 Tour State of the Art in Singapore</p> <p>UnUsUaL Entertainment organised the first Korean pop concert in Singapore by the popular veteran group Shinhwa.</p> <p>Notable concerts/events by renowned and accomplished artistes</p> <p>UnUsUaL Entertainment promoted these popular concerts:</p> <ul style="list-style-type: none">● JJ Lin (林俊杰): Just JJ World Tour 2006● Jenny Tseng (甄妮): Jenny Tseng Forever Singapore Concert● Sandy Lam (林忆莲): Sandy Lam World Tour 2006● Wakin Chau (周华健): Wakin 20 World Tour Live in Singapore <p>Coldplay: Twisted Logic Tour 2006</p> <p>UnUsUaL Productions was the local production company for this sold-out concert.</p>
2007	<p>Jacky Cheung (张学友): The Year of Jacky Cheung World Tour 2007</p> <p>UnUsUaL Entertainment organised and promoted the three (3) nights sold-out concert at the Singapore Indoor Stadium.</p> <p>Rain: Rain's Coming 06/07 Rain World Tour in Singapore 2007</p> <p>UnUsUaL Entertainment created much fanfare when it brought in Korean superstar Rain for his first ever solo concert. UnUsUaL Productions undertook the extensive technical production for the show, which included the raining effect in an indoor venue, a rarity and quite unheard of then.</p> <p>Notable concerts/events by renowned and accomplished artistes</p> <ul style="list-style-type: none">● A-Mei (张惠妹): A-Mei Star Tour 2007● Alan Tam (谭咏麟): Alan Tam 30th Anniversary Concert● Engelbert Humperdinck: Engelbert Humperdinck 40th Anniversary Tour● Mayday (五月天): Jump! The World Tour 2007● Sammi Cheng (郑秀文): Show Mi 2007 Concert● S.H.E.: Perfect 3 Concert 2007● Show Lo (罗志祥): Show On Stage Singapore 2007 <p>UnUsUaL Productions was the local production company for these concerts:</p> <ul style="list-style-type: none">● Il Divo: Il Divo in Concert 2007● Christina Aguilera: Back To Basic Tour● Gwen Stefani: Gwen Stefani The Sweet Escape Tour● Linkin Park: Linkin Park Live in Singapore

GENERAL INFORMATION ON OUR GROUP

Date	Milestone
2008 - 2015	<p><i>Formula One Singtel Singapore Grand Prix (The event has been known as the Formula One Singapore Airlines Singapore Grand Prix since 2014)</i></p> <p>UnUsUaL Productions provided large scale set-up of LED displays and stages.</p>
2009	<p><i>Notable concerts / events by renowned and accomplished artistes</i></p> <p>UnUsUaL Entertainment was successful in securing the rights to organise/ promote the concerts/ events in Singapore by, among others, the following Mandopop and Western artistes:</p> <ul style="list-style-type: none">● <i>Air Supply: Air Supply Live In Asia 2009</i>● <i>JJ Lin (林俊杰): JJ World Tour 2009</i>● <i>Joey Yung (容祖儿): Starlight Joey Yung Live 2009</i>● <i>Lee Min Ho: Minoz The First Asia Fan Meeting, First Love with Singapore</i>● <i>Stefanie Sun (孙燕姿): "The Answer Is ..." Stefanie Sun World Tour 2009</i>● <i>Wakin Chau (周华健): One Wakin Live in Singapore</i> <p><i>Incorporation of UnUsUaL (Hong Kong)</i></p> <p>We incorporated UnUsUaL (Hong Kong) on 25 March 2009 to tap on the business opportunities for events and concert promotion in Hong Kong.</p>
2010	<p><i>A-mei (张惠妹): "2010 Amit Live First World Tour" in Singapore</i></p> <p>UnUsUaL Productions provided production, design and technical solutions.</p> <p><i>National Day Parade: Celebrations at the Heartlands</i></p> <p>UnUsUaL Productions provided technical productions for the event's five (5) satellite locations in the heartlands of Bishan, Choa Chu Kang, Eunus, Sengkang and Woodlands.</p> <p><i>Notable concerts</i></p> <p>UnUsUaL Entertainment was successful in securing the rights to organise and promote the concerts and events in Singapore by, among others, the following popular artistes and acts:</p> <ul style="list-style-type: none">● <i>Air Supply: The 35th Anniversary Concert</i>● <i>Elva Hsiao (萧亚轩): 2010 Elva Hsiao WOW World Tour</i>● <i>Engelbert Humperdinck: The 2010 Legacy of Love World Tour</i>● <i>Jam Hsiao (萧敬腾): Mr. Rock World Tour 2010</i>● <i>Jeff Chang (张信哲): Happiness Choice World Tour</i>● <i>Liu Qian (刘谦): World Magical Tour 2010</i>● <i>S.H.E: S.H.E Is The One World Tour Concert Singapore 2010</i> <p><i>Notable concerts</i></p> <p>UnUsUaL (Hong Kong) was successful in securing the rights to organise and promote the concerts and events in Hong Kong by the following mega stars:</p> <ul style="list-style-type: none">● <i>A-Mei (张惠妹): A-Mei 2010 World Tour Concert</i>● <i>Jay Chou (周杰伦): 2010 Hong Kong The Era Concert</i>● <i>Jenny Tseng (甄妮): Love Show Farewell World Tour</i>

GENERAL INFORMATION ON OUR GROUP

Date	Milestone
2011	<p><i>Notable concerts by diverse range of Mandarin and Western acts</i></p> <p>UnUsUaL Entertainment was successful in securing the rights to organise and promote the concerts and events in Singapore by the following renowned artistes:</p> <ul style="list-style-type: none">● <i>Jacky Cheung (张学友): Jacky Cheung ½ Century Tour – Singapore</i>● <i>JJ Lin (林俊杰): JJ I AM World Tour 2011</i>● <i>John Ford Coley: Timeless Love Asian Tour 2</i>● <i>Wakin Chau (周华健): Diva Wakin Chau 2011 Live Concert</i>● <i>Wynners (温拿乐队): Wynners 38th Great Leap Forward Concert</i>● <i>Yanni Chryssomallis: Yanni in Concert</i> <p><i>Notable concerts</i></p> <p>UnUsUaL (Malaysia) was successful in securing the rights to organise/ promote the concerts/ events in Malaysia by the following mega stars:</p> <ul style="list-style-type: none">● <i>Frances Yip (叶丽仪): Screen Gems Concert 2011</i>● <i>Jacky Cheung (张学友): Jacky Cheung ½ Century Tour – Malaysia</i> <p><i>Loud Festival 2011</i></p> <p>UnUsUaL Entertainment, UnUsUaL (Hong Kong) and UnUsUaL (Malaysia) also secured the rights to bring Loud Festival to Singapore, Malaysia and Hong Kong. Artistes who participated at the Loud Festival 2011 are: Jay Chou (周杰伦) (headlining act), Sodagreen (苏打绿), Landy Wen (温嵐) and Cindy Yen (吴欣云).</p>
2012	<p><i>Notable concerts by diverse range of acts</i></p> <p>UnUsUaL Entertainment successfully secured rights to organise/ promote concerts and events in Singapore by acts ranging from acclaimed magicians, an award-winning K-pop girl group and renowned Cantopop and Western artistes:</p> <ul style="list-style-type: none">● <i>Air Supply: Air Supply Asia Tour 2012</i>● <i>Dan Hill: Greatest Hits Tour 2012</i>● <i>Kenny Rogers: An Evening with Kenny Rogers</i>● <i>Masters of Illusion – Live!</i>● <i>Wonder Girls: Wonder World Tour in Singapore</i>● <i>Yoga Lin (林宥嘉): Yoga Lin Fugue Concert Tour</i> <p><i>Jacky Cheung (张学友): ½ Century Tour – Malaysia (Return)</i></p> <p>UnUsUaL (Malaysia) was successful in securing rights to promote/ organise Jacky Cheung's concert in Malaysia. This was shortly after the artiste's concert in Malaysia in late 2011.</p>
2012, 2014, 2015	<p><i>Chingay Parade</i></p> <p>UnUsUaL Productions provided production and technical solutions for the Chingay Parade.</p>

GENERAL INFORMATION ON OUR GROUP

Date	Milestone
2013	<p>Notable concerts</p> <p>UnUsUaL Entertainment was successful in securing the rights to organise and promote the concerts and events in Singapore by the following renowned artistes:</p> <ul style="list-style-type: none">● Julio Iglesias: Julio Iglesias 1 World Tour● Pet Shop Boys: Electric Pet Shop Boys Live● Pitbull: Global Warming Tour● Rainie Yang (杨丞琳): Love Voyage. Singapore● Sally Yeh (叶倩文): Intimately Yours Concert 2013 <p>Notable concerts</p> <p>UnUsUaL (Malaysia) was successful in securing the rights to organise and promote the concerts and events in Malaysia by the following renowned artistes:</p> <ul style="list-style-type: none">● Beast, 4Minute, G.NA: AIA K-POP Live in Kuala Lumpur● Eason Chan's (陈奕迅): "Eason's Life" Concert 2013● Jay Chou (周杰伦): Opus Jay Chou 2013 World Tour in Malaysia● JJ Lin (林俊杰): Timeline World Tour Concert Live in Malaysia● Sandy Lam (林忆莲): Sandy Lam Live in Penang <p>Beast, 4Minute, A-Pink: AIA K-POP Live in Hong Kong</p> <p>UnUsUaL (Hong Kong) was successful in securing rights to organise and promote the concert.</p>
2014	<p>Mariah Carey: "The Elusive Chanteuse Show" at the National Stadium</p> <p>UnUsUaL Entertainment was the concert organiser for the said concert which was held in association with BNP Paribas Women's Tennis Association (WTA) Finals Singapore presented by SC Global Developments.</p> <p>Stefanie Sun (孙燕姿): The 2014 Kepler World Tour in Singapore and Malaysia</p> <p>UnUsUaL Entertainment promoted the Singapore concert which was the first Chinese concert held at the newly opened National Stadium. UnUsUaL Productions provided technical and production expertise in relation to the audio, lighting, visual and staging requirements for the concerts.</p> <p>UnUsUaL (Malaysia) was responsible for supporting the local production in Malaysia which was held at Putra Indoor Stadium, Bukit Jalil.</p> <p>Singapore Chinese Orchestra's Our People, Our Music 2014 mega concert at the newly opened National Stadium</p> <p>UnUsUaL Productions provided assistance and consultation services in relation to visual effects for the event which was held in celebration of the opening of the newly built National Stadium. The event brought together more than 5,000 performers, and broke two (2) Guinness World Records for the largest Chinese drum ensemble and the largest Chinese orchestra ever assembled.</p>

GENERAL INFORMATION ON OUR GROUP

Date	Milestone
	<p>Notable concerts</p> <p>UnUsUaL Entertainment was successful in securing the rights to organise and promote the concerts and events by the following globally renowned artistes:</p> <ul style="list-style-type: none">● Kim Soo Hyun: 2014 Kim Soo Hyun Asia Tour – 1st Memories in Singapore● Lionel Richie: All The Hits All Night Long in Genting, Kuala Lumpur and Singapore● Michael Learns To Rock: Michael Learns To Rock – Live in Singapore 2014● Pet Shop Boys: Electric Pet Shop Boys Live● Hillsong United: Welcome 'Zion'
2015	<p>28th SEA Games Carnival</p> <p>UnUsUaL Productions assisted the SEA Games Carnival Committee with the brainstorming of ideas for the Carnival, to conceptualising, designing and executing the ideas for the Carnival. We also created the specially choreographed Laser & Lightshow as well as a dance and percussion performance incorporated within the Laser & Lightshow to keep the public entertained.</p> <p>Youth Celebrate! event in conjunction with the opening of the Singapore Sports Hub</p> <p>UnUsUaL Productions handled the project organisation and management, including the planning of back-of-house detailed logistics such as signages and communication equipment. We also choreographed the light stick segment participated by the crowd which featured radio frequency controlled light sticks.</p> <p>Sing50 event at the National Stadium featuring performances from local talents and global artistes such as singer-songwriter and 2005 Cultural Medallion recipient Dick Lee, JJ Lin, Stefanie Sun and Apl.de.ap of critically acclaimed hip-hop group The Black Eyed Peas</p> <p>UnUsUaL Productions provided technical solutions including setting up of sound system to ensure maximum distribution of sound in all wavelengths to all patrons in the National Stadium.</p> <p>Michael Bublé Live in Malaysia, Hong Kong and the PRC</p> <p>UnUsUaL (Malaysia) and UnUsUaL (Hong Kong) were responsible for organising and promoting the concert for Grammy-winning superstar, Michael Bublé, in Malaysia, Hong Kong and Shanghai as part of his Asia tour. The concerts were held at the Putra Indoor Stadium, Bukit Jalil in Malaysia, the AsiaWorld Expo in Hong Kong and the Mercedes Benz Arena in Shanghai.</p> <p>Notable concerts</p> <p>UnUsUaL Entertainment also secured the rights to bring the following tours to various cities in Asia:</p> <ul style="list-style-type: none">● Air Supply 40th Anniversary Tour in Singapore, Kuala Lumpur, Shanghai and Taipei● Cesar Millan Live - Love Your Dogs Tour 2015 in Singapore and Taipei● Hillsong Worship No Other Name Tour in Singapore, Hong Kong and Kuala Lumpur● Yanni One Man's Dream World Tour 2015 in Beijing, Shanghai and Guangzhou

GENERAL INFORMATION ON OUR GROUP

Date	Milestone
2016	<p><i>Successful concerts by renowned and accomplished artistes by UnUsUaL Entertainment</i></p> <p>UnUsUaL Entertainment was successful in securing the rights to organise/ promote the concerts/events in Singapore by globally renowned artistes, including:</p> <ul style="list-style-type: none"> ● <i>A-mei (张惠妹): AMIT UTOPIA World Tour</i> ● <i>George Lam (林子祥): 40th Anniversary Concert</i> ● <i>Hebe Tian (田馥甄): “IF” World Tour</i> ● <i>iKON: iKONCERT 2016 Showtime Tour in Singapore</i> ● <i>Hacken Lee (李克勤) and Joey Yung (容祖儿): Live Around the World Singapore</i> ● <i>Hillsong Young & Free: “Youth Revival” in Singapore and Kuala Lumpur</i> ● <i>Karen Mok: “REGARDEZ” World Tour</i> ● <i>Kenny Rogers: Kenny Rogers’ Final World Tour - The Gambler’s Last Deal with Special Guest Linda Davis</i> ● <i>Kit Chan (陈洁仪): Spellbound Homecoming Concert 2016</i> ● <i>Kool & The Gang: Kool & The Gang Live in Singapore</i>

Awards and Accolades

The table below sets forth details of some of the awards and accolades that we and our officers have received:

Date	Awarded by	Event	Award	Awarded to	Our Role
2015	Marketing Events Awards 2015	SEA GAMES CARNIVAL @ SPORTS HUB	Best Event Production (Silver)	Sport Singapore (Agency: UnUsUaL Productions)	Production
2015	SG50 SEA Games	28 th SEA GAMES 2015 CARNIVAL	Recognition of Contribution	UnUsUaL Productions	Consultancy and advisory
2013	Ministry of Defence (Singapore)	NATIONAL DAY PARADE 2013	Certificate of Participation	Alan Meng (representing our Group)	Assisted with large scale set-up of LED display and stage
2012	People’s Association	CHINGAY PARADE 2012	Certificate of Appreciation	UnUsUaL Productions	Production and technical solutions
2011	Ministry of Education (Singapore)	3 RD ASEAN SCHOOL GAMES SINGAPORE 2011	Certificate of Appreciation	Alan Meng (representing our Group)	Assisted with production including design and choreography
2009	Bosch Security Systems	BOSCH SECURITY SYSTEMS ASIA PACIFIC VIP CUSTOMER DAY	Best Pro Sound Rental Award	UnUsUaL Productions	Recognition Award

GENERAL INFORMATION ON OUR GROUP

Date	Awarded by	Event	Award	Awarded to	Our Role
2008	Singapore GP Pte. Ltd.	<i>2008 FORMULA 1 SINGTEL SINGAPORE GRAND PRIX</i>	Certificate of Participation and Appreciation (Awarded to top 3 contractors with excellent service)	UnUsUaL Productions	Assisted with large scale set-up of LED display and stage
2006	Ministry of Defence (Singapore)	<i>NATIONAL DAY PARADE 2006</i>	Certificate of Appreciation	Johnny Ong (representing our Group)	Assisted advisory board on logistics and planning
2005	Telex Communications, Inc.	<i>TELEX COMMUNICATIONS PRESIDENTIAL AWARD</i>	Best Concert Sound Award	UnUsUaL Productions	Recognition Award
2005	Ministry of Defence (Singapore)	<i>NATIONAL DAY PARADE 2005</i>	Certificate of Appreciation	Our Singapore Subsidiaries	Assisted advisory board on logistics and planning
2004	Ministry of Defence (Singapore)	<i>NATIONAL DAY PARADE 2004</i>	Certificate of Appreciation	UnUsUaL Productions	Assisted advisory board on logistics and planning
2000	Ministry of Defence (Singapore)	<i>NATIONAL DAY PARADE 2000</i>	Participation Recognition	UnUsUaL Productions	Assisted advisory board on logistics and planning

OUR BUSINESS

Our Group specialises predominantly in the production and promotion of large-scale live events and concerts by renowned international artistes in Singapore and the region. We have the expertise in providing technical services and creative input, and in organising and promoting such events and concerts, details of which are as follows:-

Production of Live Events and Concerts – Providing technical and creative expertise

As a producer of large-scale live events and concerts, we:

- conceptualise and develop creative input;
- provide consultancy services in relation to the management and organisation of a particular concert or event;
- provide design solutions in terms of set creation and stage design;
- provide technical solutions in terms of stage and SLV requirements; and
- manage and oversee the entire production set-up.

Under our production business segment, we provide the overall support to the artiste's team or the event organiser in their set-up and installation. As we often work with artistes from all over the world for the production of their concerts, we work closely with the tour team's technical engineers to design and configure the SLV systems, taking into consideration, among others, the stage to be used, the artiste's requirements and the capacity of the concert venue. We may sub-contract certain parts of our projects and services to third party contractors. Essentially, our team will have to ensure that the artiste will be able to deliver a sterling performance supported and enhanced by high quality technical services.

GENERAL INFORMATION ON OUR GROUP

Our production business segment also provides creative input for the production of an event, usually for large-scale event organisers (in comparison, artiste management companies usually already have the essential creative solutions for their concerts). We believe this sets us apart from our competitors in the industry. In order to meet the needs of our clients (usually being the event organisers), we have worked closely with our clients, to conceptualise, design and execute ideas to suit the theme of a particular event. Most recently, we provided technical solutions for the Sing50 event at the National Stadium in 2015 and creative input (which included choreographing a special laser and light show) for the 28th SEA Games Carnival in conjunction with the 28th SEA Games which was hosted by Singapore in 2015.

Our ability to provide technical and creative expertise and solutions to our clients is partly attributable to the extensive experience of our management team in the production of different kinds of events. The exposure that we have had in this line of work has equipped us to be adept in what we do, be it in recognising issues that may commonly arise in a production of an event or concert, or being able to identify the limitations of a stage or set design.

For a more detailed list of the events that we have been involved in, please refer to the section entitled “General Information on our Group – Our History” of this Offer Document.

Promotion of Concerts and Events – Organising and Promoting Renowned Acts

Another major segment of our business is the promotion of concerts and events. Under our promotion business segment, we take charge of the overall planning and managing of concerts and events. This includes:

- working with artiste managers to assess the suitability of different venues and coordinate artistes’ availability;
- handling ticketing matters for the concerts and events;
- the marketing and promotion of the concerts and events; and
- co-ordinating with and/or assisting the artiste management companies with the appointment of the relevant third party service providers (such as venue owners or managers) and suppliers in all matters pertaining to the concert and event.

We build and maintain good working relationships with the artistes, artiste managers, artiste management companies and artiste agents. Fostering such relationships enables us to secure top artistes and the best concerts and events from all over the world.

When artiste management companies sell to us rights to stage and organise concerts for their artistes, we occasionally sell such rights to other third party organisers by entering into back-to-back arrangements with the artiste management companies and the third party organisers.

In addition, we maintain close ties with venue managers and owners as venue is one of the crucial factors and a major cost component for a concert or event. In respect of venue managers and owners, we aim to foster a business relationship which will mutually benefit both parties. Venue owners and managers have an interest to ensure that their venues are not under utilised while it would serve our business well if we are able to consistently meet the expectations of artiste management companies and artiste managers in relation to their choice venues.

Over the years, as we continue to deliver consistently good services to artiste management companies in the promotion of their artistes’ concerts and events, we have built a reputation and a track record for being the preferred partner for the promotion of concerts and events for famous artistes. We count Air Supply and JJ Lin (林俊杰) as some of our returning artistes who continue to engage us for the promotion of their concerts. For Air Supply, we handled the promotion of their concert in Singapore in 2009 and 2010, and subsequently, in 2015, we assisted them with the promotion of their Asia tour with stops at Singapore, Kuala Lumpur, Shanghai and Taiwan. We were also involved in the promotion of JJ Lin’s (林俊杰) Singapore concerts in 2009, 2011, 2013 and 2015.

GENERAL INFORMATION ON OUR GROUP

With our extensive network and contacts in the entertainment industry and our track record, we have been successful in securing rights to promote concerts of renowned artistes ranging from award-winning Mandopop and Cantopop artistes such as Jacky Cheung (张学友) and Wakin Chau (周华健) to top selling Western artistes such as Lionel Richie and Pet Shop Boys and even Korean acts such as iKON for their “iKONCERT 2016 Showtime Tour in Singapore”, iKON’s inaugural concert in Singapore, and Wonder Girls in their “Wonder World Tour” in 2012. In addition, our promotion business is diverse as it does not solely target the promotion of concerts by recording artistes. We have also been involved in the promotion of events by famous dog behaviorist Cesar Millan, widely known for his television series “Dog Whisperer with Cesar Millan”, and acclaimed magicians such as Joaquin Ayala & Tanya and Kevin James for the “Masters of Illusion – Live!” in 2012, the famous and largest touring magic and illusion show. Most of our concerts and events are well-received by the general public, with attendance for such shows ranging from 5,000 in venues such as The Star Performing Arts Centre, up to 20,000 for concerts held at the National Stadium.

For further details on the notable events and concerts promoted by our Group, please refer to the section entitled “General Information on our Group – Our History” of this Offer Document.

Collaboration with Venue Owners and Managers

To complement our production and promotion business segments, we have entered into collaboration agreements with the SingEx Venues Group for the use of The Max Pavilion @ Singapore Expo and the promotion of Singapore Expo as the alternative venue for concerts and events. We have, in December 2016, renewed the agreements with the SingEx Venues Group in respect of the said collaboration, until 31 December 2017.

Under our collaboration with the SingEx Venues Group, our Group provides SLV equipment and related services for all concerts/events held at The Max Pavilion @ Singapore Expo. We install our SLV equipment to support all concerts/events at The Max Pavilion @ Singapore Expo. The SingEx Venues Group handles all bookings at The Max Pavilion @ Singapore Expo. Under this arrangement, we share a portion of the revenue generated from the usage of The Max Pavilion @ Singapore Expo.

COMPETITION

As far as our management and Directors are aware, (i) we are the only established group in Singapore which is both a producer and promoter, and (ii) there are no major competitors which match our Group’s profile in the industry.

However, we still operate in a competitive environment and are subject to competition from both existing competitors and new entrants for both the productions and promotions business segments. We face competition from a large and diverse group of production/promotion companies in the markets where we have a presence. Our Directors also believe that having strong relationships with artistes or their intermediaries and a reliable track record to build customers’ trust and confidence in our events and concerts are the keys to success in this industry. Hence, our Directors believe that barriers to entry for both the productions and promotions industry are relatively high.

To the best of our Directors’ knowledge, there are no published statistics that may be used to accurately measure the market share of our business within Singapore.

MARKETING AND BUSINESS DEVELOPMENT

Our overall marketing and business development activities are headed by our Executive Directors, Leslie Ong and Johnny Ong, and our Director of Sales and Operations, Alan Meng. They lead our Group’s marketing strategies which are focused at promoting awareness of the services that we provide and our brand name.

GENERAL INFORMATION ON OUR GROUP

We market our services and brand through the following means:

- *Providing top notch services to our customers' satisfaction*

We procure events and concerts from our return customers, who are mainly artiste managers, artiste management companies and artiste agents who have engaged us for the production and/or promotion of their artistes' concerts as well as event owners. Hence, it is important for us to provide top notch services that satisfy the demands and expectations of our customers so that they will return to us in the future.

- *Referrals*

Our approach to our business, which aims to add value to our customers, as well as our established track record, has cultivated much brand loyalty and goodwill. Our customers may routinely refer new business to us by "word of mouth", and the referred customers have confidence in our services. We will continue to cultivate brand loyalty and goodwill amongst our existing customers by fostering long-term relationships with them. We may also occasionally be required to pay a referral fee in order to secure a particular project.

- *Participation in government tenders*

We participate in government tenders which provide opportunities for us to establish ourselves as one of the few one-stop shop providing both production and promotion expertise and raise awareness of our brand and services.

- *Corporate website*

Our corporate website details our services and a list of the events and concerts that we have produced and/or promoted. Our corporate website is also an avenue for us to showcase our Group's brand and track record of securing rights to produce and/or promote the concerts or events by renowned artistes and famous acts to a wider audience.

- *Collaboration with venue owners and managers*

Part of our marketing efforts also lies in the collaboration agreements that we enter into with the SingEx Venues Group. Our collaboration with the SingEx Venues Group allows us to capitalise on the network and contacts available to the SingEx Venues Group and to expand our reach to a wider network of customers which may not be limited to recording artistes or entertainers. The collaboration with the SingEx Venues Group creates opportunities for our Group to provide our production and/or promotion expertise to potential new group of customers keen on holding exhibitions, conferences, seminars and functions.

OUR MAJOR CUSTOMERS

Our customers can be categorised into end consumers who attend our concerts and corporate customers who engage our production services. The ticketing agents, Sistic.com Pte Ltd and SportsHub Pte. Ltd., through whom the end consumers purchase tickets to attend our concerts, top our customer listing.

Due to the nature of our business, a customer may have only one (1) or two (2) events in a year and may contribute five per cent. (5.0%) or more of our Group's total revenue if the contract sum is significant.

As at the Latest Practicable Date, our business and profitability are not materially dependent on any industrial, commercial or financial contract, including a contract with a customer.

Our Directors are of the opinion that our Group does not depend on any single customer or any particular contract with any customer. To the best of their knowledge and belief, our Directors are not aware of any information or arrangement which would lead to a cessation or termination of our current relationship with any customer listed below.

GENERAL INFORMATION ON OUR GROUP

The following table sets forth customers who accounted for five per cent. (5.0%) or more of our Group's total revenue for the Period Under Review:

Customer	Product/Service Rendered by our Group	FY2013	FY2014	FY2015	9M2016
		% of total Revenue	% of total Revenue	% of total Revenue	% of total Revenue
Sistic.com Pte Ltd	Promotion	30.91	5.96	13.71	5.60
SportsHub Pte. Ltd.	Promotion	–	29.75	8.28	20.85
AMC Live Group China (S) Pte. Ltd. (formerly known as AMC Group China (S) Pte. Ltd.)	Production	11.46	–	–	–
Singapore GP Pte Ltd	Production	6.64	7.66	–	–
People's Association	Production	5.66	–	–	–
Rock Record (S) Pte Ltd	Production	7.25	–	–	–
Ministry of Defence (Singapore)	Production	5.34	–	–	–
Singapore Chinese Orchestra Company Ltd	Production	–	6.78	–	–
Singapore Sports Council	Production	–	–	7.35	–
Team Grey Communications Sdn. Bhd.	Production	–	–	–	6.11

None of our Directors or Substantial Shareholders and their Associates has any interest, direct or indirect, in any of our major customers listed above.

Our revenue contribution from Sistic.com Pte Ltd fluctuated between FY2013 to FY2015 due to the entry of SportsHub Pte. Ltd., who took over the ticketing function for two (2) venues: the Singapore Indoor Stadium and the new National Stadium.

The decrease in revenue contribution from SportsHub Pte. Ltd. from FY2014 to FY2015 was generally due to the comparatively greater number of events and/or concerts that were held at the National Stadium in FY2014, being the year when the new National Stadium was officially opened, as compared to FY2015.

Due to the nature of our business, our portfolio of major customers may vary from year to year as our customers may only be holding one or two events and/or concerts in a year and such events and/or concerts may not be held on a regular basis. In addition, while we may have been engaged to promote and/or produce a particular event or concert which is held on an annual basis (e.g. National Day Parade Celebrations (for People's Association) or Formula One Grand Prix (for Singapore GP Pte Ltd)), we may choose not to continue to take on such projects or we may not be engaged by our customers for the event or concerts to be held in subsequent years.

Save as disclosed above, no other customer accounted for five per cent. (5.0%) or more of our Group's total revenue for the Period Under Review.

OUR MAJOR SUPPLIERS

Our major purchases are the payments made to venue owners for the use of venue, ticketing agents that provide us with ticketing services and talent or artiste management agencies that supply us with the artistes for the events or concerts that we produce or organise. The foregoing varies for each event or concert. As such, our major suppliers vary from year to year.

GENERAL INFORMATION ON OUR GROUP

The following table sets forth suppliers accounting for five per cent. (5.0%) or more of our total purchases for the Period Under Review:

Supplier	Product/ Service Supplied to our Group	FY2013	FY2014	FY2015	9M2016
		% of total Purchases	% of total Purchases	% of total Purchases	% of total Purchases
Galaxy Entertainment Corp Pty Ltd (formerly known as Dainty Consolidated Entertainment Pty Ltd)	Artiste Supply	–	10.51	–	–
SportsHub Pte. Ltd.	Venue	5.69	6.50	–	5.94
SingEx Exhibition Ventures Pte. Ltd.	Venue	6.40	–	–	–

Venue rental is a key cost component of our projects. In FY2013 and FY2014, our top suppliers were SportsHub Pte. Ltd. and SingEx Exhibition Ventures Pte. Ltd. The payments to these suppliers were mainly for use of the National Stadium and the halls at the Singapore Expo. Due to the nature of our business, our portfolio of major suppliers may vary from year to year as we may hold our concerts and/or events at many different venues other than the National Stadium or the halls at the Singapore Expo. This is particularly so for FY2014 and FY2015, where we increasingly used other venues to hold our concerts and/or events.

As at the Latest Practicable Date, our business and profitability are not materially dependent on any industrial, commercial or financial contract, including a contract with a supplier.

Our Directors are of the opinion that our Group does not depend on any particular supplier. To the best of their knowledge and belief, our Directors are not aware of any information or arrangement which would lead to a cessation or termination of our current relationship with any supplier listed above.

None of our Directors or Substantial Shareholders and their Associates has any interest, direct or indirect, in any of our major suppliers listed above.

CREDIT MANAGEMENT

Credit Terms to our Customers

Our payment terms for each customer differ, depending on the event that is being conducted and the scope of services provided. We have also established a credit policy under which each new customer is analysed for its creditworthiness before our standard payment terms are offered. Under our standard payment terms, we generally grant credit terms of between 30 to 120 days.

Our average trade receivables' turnover during the Period Under Review were as follows:

	FY2013	FY2014	FY2015	9M2016
Average trade receivables' turnover days	43 ⁽¹⁾	45 ⁽¹⁾	56 ⁽¹⁾	76 ⁽²⁾

Notes:

(1) For FY2013, FY2014 and FY2015, the average trade receivables' turnover days ("AR TO Days") is calculated as follows:

A = revenue for the financial year / average trade receivables for the financial year (net of allowance for impairment of trade receivables)

AR TO Days = 365 days / A

GENERAL INFORMATION ON OUR GROUP

(2) For 9M2016, the AR TO Days is calculated as follows:

A = revenue for the financial period / average trade receivables for the financial period (net of allowance for impairment of trade receivables)

AR TO Days = 275 days / A

The credit terms for customers are typically 30 to 120 days. Our Group will review the trade debts and follow up on the outstanding debts with the respective customers. According to our Company's policy, our Group will provide an allowance for doubtful debts for trade debts that are aged over 180 days and with recoverability issues. Specific provision or write-off will be made when we are of the view that the collectability of an outstanding debt is impaired or the debt is uncollectible. We have made certain allowances for impairment of trade receivables and write-offs for the Period Under Review. Please refer to the section entitled "Management's Discussion and Analysis of Results of Operations and Financial Position – Review of Past Performance" of this Offer Document for further details on such allowances and write-offs made during the Period Under Review.

Except for those trade receivables that have been included in the allowance for doubtful debts and based on our customers' historical default rates and experience, our Group does not foresee any issue with collection of the outstanding debts.

As at the Latest Practicable Date, approximately 89.0% of these trade receivables as at 9M2016 had been collected.

Credit Terms from our Suppliers

Our suppliers mainly comprise talent and/or artiste management agencies that supply us with artistes for the events or concerts that we produce or promote and, the payments made to venue owners or managers. We do not have regular suppliers as our needs differ depending on the event or concert that we are preparing for. The payment terms granted by our suppliers vary depending on, among other things, our relationships with them and the services they provide.

Our average trade payables' turnover days for the Period Under Review were as follows:

	FY2013	FY2014	FY2015	9M2016
Average trade payables' turnover days	87 ⁽¹⁾	63 ⁽¹⁾	65 ⁽¹⁾	80 ⁽²⁾

Notes:

(1) For FY2013, FY2014 and FY2015, the average trade payables' turnover days ("**AP TO Days**") is calculated as follows:

A = revenue for the financial year / average trade payables for the financial year

AP TO Days = 365 days / A

(2) For 9M2016, the AP TO Days is calculated as follows:-

A = revenue for the financial period / average trade payables for the financial period

AP TO Days = 275 days / A

GENERAL INFORMATION ON OUR GROUP

COMPETITIVE STRENGTHS

We believe our main competitive advantages are as follows:-

We set ourselves apart from other competitors in the industry by providing comprehensive solutions encompassing technical expertise and creative input. This in turn mitigates the risks of operating in any single business segment

One of the core competences of our Group lies in our ability to provide comprehensive solutions to our clients in respect of the production of an event or concert. Our key management team has had much experience in the production of many different kinds of events. The exposure that we have had in this line of work has allowed us to be proficient in what we do in addition to our technical expertise.

As we are well-equipped with the relevant know-how and technical expertise associated with the production of events and concerts, we are able to capitalise on such expertise and know-how to develop and provide creative input for our clients. This allows us to provide a service that is customised and tailor made for that particular event or concert of the client. For example, when we were tasked to work with the SEA Games Carnival Committee for the 28th SEA Games Carnival which was held in mid-May to June 2015, our team had to brain-storm for ideas for the said carnival, and develop and conceptualise different programs for the carnival. Such ideas had to suit the objective of the said carnival, which was to rally communities to get involved in the SEA Games experience which was being hosted by Singapore. For the said carnival, we had created a specially choreographed Laser & Lightshow which incorporated a dance and percussion performance to keep the public entertained.

As we are one of the few group companies in Singapore that provides expertise and know-how in both production and promotion, we believe that we are better equipped to add value to our customers as we can leverage on both lines of business to support them. Further, as both our production team and promotion team are able to share expertise, knowledge and supplier contacts, we believe we are better able to provide our customers with a cost-efficient and comprehensive package.

In addition, we collaborate with venue owners and managers to help increase venue bookings by securing popular acts to such events and concert venues and securing guaranteed bookings for a particular period of time. For example, when there is a lull in production, we can focus on the promotion of concerts and acts and securing performers for venues in which we collaborate with third parties to manage. We believe that having revenue streams from these different business segments also mitigates the risks of industry downturn in any one segment. The diversification of our Group into different businesses of production, promotion and event venue management mitigates the risk of our Group in the industries in which we operate in.

We have a committed and experienced management team with extensive expertise in production and promotion

Leslie Ong and Johnny Ong, our Executive Directors, have both been involved in the production and promotion business for nearly 20 years each. Their long-standing experience in the industry has enabled them to establish a wide network of personal relationships with other professional, technical and sound engineers all over the world, leading talent, crew and staff, artiste management companies and other key participants in the event and concert production and promotion industry, which have been crucial to our success. Through their relationships, reputation and expertise, we have built a strong foundation, which we believe, positions us to deliver the best services to our customers and to secure mega events and artistes which are commercially successful.

We have established a strong network of business relationships with key participants in the entertainment industry within Asia

We believe our extensive experience and established commercial track record over the years have strengthened our reputation as the preferred service provider for both production and promotion of events and concerts. We have managed to forge a strong network of business relationships with key players, including artiste and talent managers, artistes, and staff and crew. Such strong business relationships are critical success factors in the entertainment industry.

GENERAL INFORMATION ON OUR GROUP

We have an established overall track record of securing mega events and top artistes every year

We believe that our subsidiary, UnUsUaL Entertainment, is one of the most reputable event and concert promotion companies in Singapore given our track record of securing mega acts and artistes to Singapore and within the region. For the year 2016, UnUsUaL Entertainment has brought into Singapore 12 popular acts, ranging from popular Mando-pop and Canto-pop artistes including class act A-Mei, an award winning Korean boy band and Western artistes. We believe that key participants in the event and concert industry, including artiste management companies and concert-goers associate our brand name with one of the highest quality of events and concerts, which gives us a competitive advantage over the majority of our competitors.

With the controlling stake being held by mm2 in our Group, we expect our business to synergise with and complement mm2's existing core business

The completion of the restructuring and the transfer of 51.0% shares by Leslie Ong and Johnny Ong in the Company to mm2 has resulted in mm2 obtaining a controlling stake in our Group. mm2's stake in our business will allow our Group and mm2 to capitalise on each other's strengths and unlock additional revenue streams across various markets in order to strengthen our Group's operational and financial position.

As mm2 is primarily in the business of film production and with Melvin Ang taking the helm as Non-Executive Chairman of our Group, we expect a synergistic relationship between our Group and the mm2 group of companies.

RESEARCH AND DEVELOPMENT

Due to the nature of our business, our Group does not undertake any research and development activities *per se*.

INTELLECTUAL PROPERTY

We have registered trademarks and applied to register trademarks in Hong Kong, Malaysia, the PRC, Taiwan, and Singapore. Details of our registered trademarks and trademark applications, as at the Latest Practicable Date, are listed below.

Registered Trademarks

Trademark	Registered Owner	Class	Registration number	Country	Expiry Date
UnUsUaL 	UnUsUaL Entertainment	35 and 41 ⁽¹⁾	T1308104A	Singapore	22 May 2023
UnUsUaL	UnUsUaL Entertainment	35 and 41 ⁽²⁾	01629214	Taiwan	15 February 2024
UnUsUaL 	UnUsUaL Entertainment	35 and 41 ⁽³⁾	2013055216 (Class 35) 2013055217 (Class 41)	Malaysia	30 May 2023
UnUsUaL	UnUsUaL Entertainment	35 and 41 ⁽⁴⁾	12684138 (Class 35) 12694101 (Class 41)	PRC	27 January 2025 (Class 35) 27 April 2026 (Class 41)

GENERAL INFORMATION ON OUR GROUP

Notes:

- (1) The class of Specification of Goods and Services in Singapore is described as follows:

Class 35: Advertising services; marketing and promotional services; concert promotions (for others); business management of performing artists; promotional marketing services; publicity and public relations services; organization of trade fairs and exhibitions for commercial or advertising purposes.

Class 41: Entertainment services; event management services (organization of educational, entertainment, sporting or cultural events); arranging and conducting of concerts; organization of shows (impresario services); production services for shows and live entertainment; rental of audio equipment; rental of stage sets and lighting; rental of concert facilities.

- (2) The class of Specification of Goods and Services in Taiwan is described as follows:

Class 35: Advertising services; marketing; advertising promotion; providing promotional activities for others; business management of performing artists; public relations; organization of trade fairs and exhibitions for commercial or advertising purposes.

Class 41: Entertainment services; organizing recreational activities; organization of entertainment competitions; organization of exhibitions for cultural or educational purposes; arranging and holding of concerts; organization of shows (impresario services); production of show programs; production of music; live performances; rental of video-audio equipment; rental of stage scenery; rental of stage lighting installations; rental of performance venues; theatre rental; music halls.

- (3) The class of Specification of Goods and Services in Malaysia is described as follows:

Class 35: Advertising services; marketing and promotional services; concert promotions (for others); business management of performing artists; promotional marketing services; publicity and public relations services; organization of trade fairs and exhibitions for commercial or advertising purposes.

Class 41: Entertainment services; event management services (organization of educational, entertainment, sporting or cultural events); arranging and conducting of concerts; organization of shows (impresario services); production services for shows and live entertainment; rental of audio equipment; rental of stage sets and lighting; rental of concert facilities; all included in class 41.

- (4) The class of Specification of Goods and Services in the PRC is described as follows:

Class 35: Advertising services; marketing; sales promotion for others; concert promotions (for others); business management of performing artists; publicity and public relations services; organization of trade fairs and exhibitions for commercial or advertising purposes.

Class 41: Entertainment services; event management services (organization, arranging and conducting of concerts; organization of shows of educational, entertainment, sporting or cultural events); (impresario services); production services for shows and live entertainment; rental of audio equipment; rental of stage sets; rental of lighting for theatres and TV studios; rental of performance venues.

Pending Trademark

Information on our pending trademark is as follows.

In December 2016, a Hong Kong company, Unusual Productions (China) Limited opposed our trademark application in Hong Kong, further details of which are set out in the table below. The Opponent alleges that our Executive Directors had, in 2006, given verbal consent for it to use the name “UnUsUaL” for its business operations in Hong Kong. The Opponent further alleges that by its extensive use and promotion of the “UnUsUaL” trade name in Hong Kong and other jurisdictions in respect of a wide spectrum of entertainment services, the name has allegedly acquired substantial goodwill and reputation in Hong Kong and other jurisdictions. We are seeking legal advice to respond to this opposition.

As far as our Group is aware, presently, there is no injunction, court judgement or notice letter from the trademark authority in Hong Kong demanding us to cease the use of the “UnUsUaL” trade name. Our management is of the view that we are able to continue using the said “UnUsUaL” trade name until another party manages to successfully register the “UnUsUaL” trade name as a trademark with the relevant authority in Hong Kong. This would put a stop to any other party who wishes to use the said trademark.

GENERAL INFORMATION ON OUR GROUP

Even if we are unable to register the “UnUsUaL” trade name as a trademark, there will not be any material impact on our Group’s business, as our ability to sell tickets for the concerts that we organise and/or promote is mainly due to the popularity of the artistes holding such concerts and not due to our trade name. Our ability to secure deals with our business partners in Hong Kong also does not depend on the success of our trademark application. Henceforth, should the cost of registering the “UnUsUaL” trade name as a trademark in Hong Kong, in terms of actual expenditure and management effort, far outweigh the benefits from the continued use of the trademark, we are prepared to drop the application and create an alternative brand/trademark for our business activities in Hong Kong. Our Group is confident to continue to deliver good service and products, and create awareness under a new trade name in Hong Kong as we have already demonstrated in Singapore and Malaysia.

We cannot guarantee that the use of the said trademark by our subsidiary will not be subject to any lawsuits. Please refer to the section of this Offer Document entitled “Risk Factors - We are exposed to risks of infringement of our intellectual property rights and the unauthorised use of our trademarks by third parties and we may face litigation suits for intellectual property infringement”.

Trademark	Name of Applicant	Class	Registration number	Country	Application Date
UnUsUaL 飛凡集團	UnUsUaL Entertainment	35 and 41 ⁽¹⁾	303766942	Hong Kong	5 May 2016

Note:

(1) The class of Specification of Goods and Services in Hong Kong is described as follows:

Class 35: Advertising services; marketing and promotional services; concert promotions (for others); business management of performing artists; promotional marketing services; publicity and public relations services; organization of trade fairs and exhibitions for commercial or advertising purposes.

Class 41: Entertainment services; event management services (organization of educational, entertainment, sporting or cultural events); arranging and conducting of concerts; organization of shows (impresario services); production services for shows and live entertainment; rental of audio equipment; rental of stage sets and lighting.

Our subsidiary, UnUsUaL Entertainment, has licensed the “UnUsUaL” trademark, on a royalty-free basis, to our Company and our other subsidiaries for use in connection with the business of our Group.

We also own the Internet domain name “www.unusual.com.sg”.

Save as disclosed above, our Group does not own or use any intellectual property which is material to our business or profitability.

PROPERTIES AND FIXED ASSETS

As at 31 December 2015, we do not own any properties, and our Group leases the following properties:

Location	Lessor	Approximate area (square metres)	Term of lease	Annual Rental (S\$)	Usage
No. 12 Defu Lane	Kim Mun Kang Pte. Ltd.	238.4	24 months commencing on 1 May 2016	150,000	Warehouse
45 Kallang Pudding Road #01-01, #01-02, #02-01, #02-02, #02-03, #02-04 Alpha Building	Axcel Properties	1,601.0	24 months commencing on 1 August 2016	432,000	Office and warehouse

GENERAL INFORMATION ON OUR GROUP

As at 31 December 2015, the net book value of our fixed assets was S\$4.01 million. Our Group's fixed assets as a percentage of net assets is 38.91%. Fixed assets comprise furniture and fittings, lighting equipment, office equipment and computers, machinery, motor vehicle and rental equipment as required for the running and functioning of an office.

To the best of our Directors' knowledge, there are no regulatory requirements or environmental issues that may materially affect our use of the above properties and fixed assets, save as disclosed in the section entitled "General Information on our Group – Government Regulations" of this Offer Document.

STAFF TRAINING

We do not have any formal training sessions for our employees as we mostly work based on our standard operating procedures. Notwithstanding the foregoing, our employees will undergo in-house orientation to familiarise them with our equipment, policies and procedures. On-the-job training is provided to new employees to equip them with the necessary working knowledge and practical skills to perform their tasks.

We selectively send our employees to industry conferences, seminars, and trade shows in Singapore and abroad. Examples include overseas SLV exhibitions such as the annual PLASA (Professional Lighting and Sound Association) show in the United Kingdom, the SLV (Sound Light Visual) Expo and the LDI (Live Design International) trade show and conference in Las Vegas, Nevada, the United States of America. Attendance at such events enables our staff to gain industry-specific know-how and insight, keep themselves informed of the latest developments in technology and in the live entertainment industry, and form new business relationships from meeting and interacting with others in our industry.

During the Period Under Review, our staff training costs were not material.

GOVERNMENT REGULATIONS

We are subject to all relevant laws and regulations of the countries where our business operations are located and may be affected by policies which may be introduced by the relevant governments from time to time. As at the Latest Practicable Date, except as disclosed herein and in the section entitled "Risk Factors" of this Offer Document, our business and operations are not subject to any special legislation or regulatory controls which have a material impact on our business operations other than those generally applicable to companies and businesses operating in Singapore, Malaysia and Hong Kong. To the best of our knowledge, we have not been in breach of any rules and/or regulations in any material particular.

LICENCES

We are only required to apply for and obtain the necessary licences on a per project basis (i.e. based on the events or concerts that we produce or organise for our customers). For instance, displays of lights including lasers or any other high-intensity light or discharges of pyrotechnics and fireworks require a permit from the Civil Aviation Authority of Singapore, and relevant licences from the Singapore Police Force and the Singapore Civil Defence Force. For such similar events which we may organise in Hong Kong and Malaysia, we are also required to obtain such licences and/or permits from the relevant government authorities and/or agencies in Hong Kong and Malaysia (as the case may be). As at the Latest Practicable Date, our Group has obtained the necessary licences required for our operations and, to the best of our knowledge, have not been in breach of any rules and/or regulations with respect to such licences in the past.

INSURANCE

As at the Latest Practicable Date, we maintain the following insurance policies to cover our operational, human resource, fixed asset risks, including risks such as the following:

- (a) loss or damage to our properties by fire and/or extra perils;
- (b) loss due to burglary;

GENERAL INFORMATION ON OUR GROUP

- (c) public liability;
- (d) workmen injury compensation for our employees; and
- (e) all risks.

Additionally, we may put in place cancellation insurance policies to cover a portion of our insured losses if we are compelled to cancel an event or concert, but the coverage may not be sufficient and may be subject to deductibles.

As at the Latest Practicable Date, having considered the risk levels and the cost of procuring insurance for certain risks associated with our business, our Directors believe that we have taken up sufficient insurance coverage in line with industry practice and we will conduct annual reviews of such coverage of our Group and will consider taking up additional insurance if necessary. Please refer to the section entitled “Risk Factors – Our insurance coverage may be inadequate” of this Offer Document for more details.

SEASONALITY

As we produce and promote events and concerts all year round, our operations are not significantly affected by seasonality.

OUR ORDER BOOK

Due to the nature of our business, we do not maintain an order book.

CORPORATE SOCIAL RESPONSIBILITY

Our Group recognises that for long-term sustainability, we need to achieve a balance between business profitability and corporate social responsibility.

Our Group currently does not have a fixed corporate social responsibility policy. Our Board will establish a corporate social responsibility policy which will include the recommendation and review of the following areas of our Group’s activities:

- (a) our Group’s policy in respect of corporate social responsibility issues;
- (b) our Group’s health, safety and environmental policies and standards;
- (c) the social impact of our Group’s business practices in the communities that we operate in;
- (d) policies and practices with regard to key stakeholders (suppliers, customers and employees); and
- (e) policies and practices with regard to regulators.

PROSPECTS, BUSINESS STRATEGIES AND PLANS

PROSPECTS

Our Directors believe that the outlook for the production and promotion business in Singapore and the region is expected to remain positive, taking into consideration the following factors:-

Consumers' willingness to spend on live entertainment by top artistes

In Singapore, consumers' spending on live music events is expected to reach US\$47.2 million in 2020, or at a 3.7% compound annual growth rate, from 2016 to 2020¹. With this positive outlook and based on our historically stable and consistent level of attendance at our concerts, our Directors believe that our Group is well placed to capitalise on this trend given our ability to keep abreast of the demands of our customers and our understanding of the latest entertainment trends in the market to bring in popular live acts.

Our Directors also believe that the number and frequency of consumers purchasing tickets for events and concerts will increase, if we continue to promote and/or organise concerts by top artistes.

The entertainment industry is constantly evolving and presents new business opportunities

The entertainment industry is constantly evolving, producing new talent and entertainment-oriented content that attracts a new fan base through the increased exposure and connectivity via social media and the Internet. The same cycle will repeat itself as the entertainment industry churns out new talent, creating another new fan base.

Accordingly, our Directors believe that the evolving nature of the entertainment industry will result in demand for new content, presenting new business opportunities for our Group.

The number of events and concerts will continue to grow as more new events are created for the sports and other non-entertainment based industry

Asia Pacific's sports industry is one of the biggest and fastest-growing in the world². With a growing sporting culture and media sector, and its strategic position, Singapore is positioned as an attractive business location for sports-related companies.

Singapore has held over 700 local and international sporting events and has been host to big-time sports events like the first Youth Olympic Games, the annual Formula 1 Singapore Grand Prix, the BNP Paribas Women's Tennis Association Finals Singapore, as well as the World Rugby Sevens series. In addition, Singapore also hosts a variety of key sports conferences, exhibitions and conventions annually, gathering regional buyers and businesses to learn about best business practices and latest industry offerings.

International sports corporations such as World Sport Group and Fox Sports Asia have set up operations in Singapore, capitalising on the city's status as a regional sports hub.

In view of the above, our Directors believe that there will be increased demand in support services for the production and/or promotion of sports-themed events, and will contribute positively to our Group's business.

¹ The information is obtained from the website of PricewaterhouseCoopers Singapore ("PwC Singapore") which was accessed on 27 March 2017 (<http://www.pwc.com/sg/en/publications/global-entertainment-media-outlook.html>). PwC Singapore has not consented to the inclusion of the relevant statement and is therefore not liable for the relevant statement under Section 253 and Section 254 of the Securities and Futures Act. Our Directors are aware that PwC Singapore does not guarantee or assume responsibility that the information in its website is accurate, adequate, current or reliable, or may be used for any other purpose other than for general reference. While our Company has taken reasonable action to ensure that the relevant information is reproduced in its proper form and context, and that the information is extracted accurately and fairly, all other parties and ourselves have not conducted an independent review of the statement and have not verified the accuracy of the statement.

² The information is obtained from the website of the Singapore Tourism Board ("STB") which was accessed on 27 March 2017 (<http://www.yoursingapore.com/mice/en/key-industries/sports/overview.html>). The STB has not consented to the inclusion of the relevant statement and is therefore not liable for the relevant statement under Section 253 and Section 254 of the Securities and Futures Act. Our Directors are aware that the STB does not guarantee or assume responsibility that the information in its website is accurate, adequate, current or reliable, or may be used for any other purpose other than for general reference. While our Company has taken reasonable action to ensure that the relevant information is reproduced in its proper form and context, and that the information is extracted accurately and fairly, all other parties and ourselves have not conducted an independent review of the statement and have not verified the accuracy of the statement.

PROSPECTS, BUSINESS STRATEGIES AND PLANS

The proliferation of social media allows our Group to reach a wider target audience beyond the local scene

The proliferation of social media and the advent of mobile communications have created a shift in how people consume media. With widespread use of social media platforms and mobile communications, our Group is and will continue to be able to take advantage of this as an alternative avenue of marketing. This allows our Group to target customers, particularly fan bases, who are overseas and keen to attend concerts or events by their favourite artistes which are organised by our Group.

There is potential for further growth in the ASEAN region due to large domestic markets and a growing middle income group

There is potential for further growth in the ASEAN region due to large domestic markets and a growing middle income group within the ASEAN region. Growth in the ASEAN region is expected to pick up to 4.8% in 2017 after a 4.7% expansion in 2016 despite the current bleak outlook³. In addition, the PRC's economy is set to grow by approximately around 6% a year in the medium term, while economies within the Greater China region and the PRC are expected to have a higher growth forecast in the next two (2) years⁴.

Our Directors believe that the rising affluence within the ASEAN region will lead to increasing purchasing power of foreign consumers. This will increase the number of people coming in from other countries to attend concerts and events organised by our Group in the region.

In addition, our Directors believe that the presence of our Controlling Shareholder, mm2, in the PRC and Hong Kong will create more opportunities for our Company to enter the PRC and Greater China market. mm2 has grown its presence in Hong Kong, Taiwan and the PRC by entering into collaborations with local production companies and by maintaining strong business relationships with key industry players there. This will allow our Company to leverage on mm2's network of contacts in the media and entertainment industry as we look to expand into these territories.

³ The information is obtained from the website of FocusEconomics which was accessed on 27 March 2017 (<http://www.focus-economics.com/regions/asean>). FocusEconomics has not consented to the inclusion of the relevant statement and is therefore not liable for the relevant statement under Section 253 and Section 254 of the Securities and Futures Act. Our Directors are aware that FocusEconomics does not guarantee or assume responsibility that the information in its website is accurate, adequate, current or reliable, or may be used for any other purpose other than for general reference. While our Company has taken reasonable action to ensure that the relevant information is reproduced in its proper form and context, and that the information is extracted accurately and fairly, all other parties and ourselves have not conducted an independent review of the statement and have not verified the accuracy of the statement.

⁴ The information is obtained from the website of the Institute of Chartered Accountants England and Wales which was accessed on 27 March 2017 (<http://www.icaew.com/-/media/corporate/files/technical/economy/economic-insight/greater-china/china-q3-2016.ashx>). The Institute of Chartered Accountants England and Wales has not consented to the inclusion of the relevant statement and is therefore not liable for the relevant statement under Section 253 and Section 254 of the Securities and Futures Act. Our Directors are aware that the Institute of Chartered Accountants England and Wales does not guarantee or assume responsibility that the information in its website is accurate, adequate, current or reliable, or may be used for any other purpose other than for general reference. While our Company has taken reasonable action to ensure that the relevant information is reproduced in its proper form and context, and that the information is extracted accurately and fairly, all other parties and ourselves have not conducted an independent review of the statement and have not verified the accuracy of the statement.

PROSPECTS, BUSINESS STRATEGIES AND PLANS

TREND INFORMATION

The following discussions about our prospects and trends include forward-looking statements that involve risk and uncertainty. Please refer to the section entitled “Cautionary Note Regarding Forward-Looking Statements” of this Offer Document.

For FY2017, barring unforeseen circumstances, our Directors have observed the following trends based on the revenue and operations of our Group as at the Latest Practicable Date:-

- (a) The demand for concerts and events by well-known entertainers is relatively stable with a steady stream of concerts and events taking place in Singapore each year. Hence, our Directors believe that there is potential to grow and expand our business as we continue to leverage on our competitive strengths to bring in artistes with strong followings and at the same time, widening our market reach, for example, by securing top and promising artistes from Korea. This will attract both concert going customers and businesses that are keen on sponsoring such concerts and/or events.
- (b) In tandem with the increase in business activities, our operating costs and expenses are expected to increase accordingly which is mainly attributable to (i) the increase in employee compensation, (ii) continuing listing expenses, and (iii) the increase in rental expenses as a result of setting up new offices overseas.

Save as disclosed above and in the sections entitled “Risk Factors”, “Management’s Discussion and Analysis of Results of Operations and Financial Position” and “Prospects, Business Strategies and Plans – Business Strategies and Future Plans” of this Offer Document and barring any unforeseen circumstances, our Directors are not aware of any significant recent trends in sales and in the costs and selling prices of our services, or other known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on our net sales or revenue, profitability, liquidity or capital resources, or that would cause the financial information disclosed in this Offer Document not to be necessarily indicative of our future operating results or financial position.

BUSINESS STRATEGIES AND FUTURE PLANS

Our business strategies and future plans for the continued growth of our business are as follows:-

(a) Expand our operations both locally and regionally

We will continue to focus our operations on the production and promotion of concerts and events. While most of the concerts and events that we currently organise and produce are being held in Singapore, we plan to secure more events in the region.

We plan to utilise the experience, expertise, and international business relationships gained from our time in the industry, to produce (or co-produce) and promote events and concerts with higher budgets targeted for audience within the region. We believe this will geographically diversify our revenue base.

By securing more concerts and/or events within the region, we believe we will be able to have a better bargaining advantage with our suppliers, especially venue owners and artiste managers.

(b) Expand our access to event and concert venues

One of the strengths of our Group lies in our ability to provide end-to-end solutions for our clients seeking to hold an event or concert, because we not only offer consultancy and technical production services but also facilitate venue arrangements and bookings. While we collaborate with SingEx Venues Group for the use of The Max Pavilion @ Singapore Expo and the promotion of Singapore Expo as an alternative venue for concerts and events, we plan to seek more of such partnerships with other venue owners/managers not only in Singapore but also in countries which we plan to operate in.

PROSPECTS, BUSINESS STRATEGIES AND PLANS

(c) Expand our operations via acquisitions, joint ventures and investments

We plan to expand our operations via acquisitions, joint ventures and investments by:-

- (i) *Investing in or acquisitions of companies that will complement and value-add to our existing core operations*

We currently derive the majority of our revenues from the production of events and concerts. The bulk of our business depends on the projects that we secure. Hence, the majority of our revenue is derived more on a project or transactional basis. We may seek to bolster our revenue stream with income that is more recurring in nature. To this end, in our acquisitions, we will consider the degree to which a target company may strategically contribute or add value to our existing production and promotion business segments.

- (ii) *Entering into partnerships, joint ventures and strategic alliances in overseas markets in order to expand our presence internationally*

We will seek to expand our international business presence by forming partnerships, joint ventures, and strategic alliances in overseas markets with key players in the entertainment industry, including leading creative talent agencies and artiste management companies. We believe that such formal overseas relationships will provide us better access to new markets, introduce us to new sources of revenue, and enhance our own capabilities.

INTERESTED PERSON TRANSACTIONS

OVERVIEW

In general, transactions between our Group and any of the Interested Persons (namely, our Directors, CEO or Controlling Shareholders or the Associates of such Directors, CEO or Controlling Shareholders) are known as interested person transactions (as defined in Chapter 9 of the Catalist Rules).

Save as disclosed below and in the section entitled “Restructuring Exercise” of this Offer Document, no Director, CEO, Controlling Shareholder or their respective Associates was or is interested in any material transaction undertaken by our Group during the Relevant Period. Investors, upon subscription of the Placement Shares, are deemed to have specifically approved these transactions with our Interested Persons, and as such, these transactions are not subject to Rules 905 and 906 of the Catalist Rules to the extent that there are no subsequent changes to the terms of the agreements in relation to each of these transactions.

In line with the rules set out in Chapter 9 of the Catalist Rules, a transaction which value is less than S\$100,000 is not considered material in the context of the Placement and is not taken into account for the purposes of aggregation in this section.

INTERESTED PERSONS

The following persons or companies are considered “Interested Persons” for the purpose of this section and the section entitled “Potential Conflicts of Interest” of this Offer Document.

Interested Person	Nature of Relationship with our Group
Axcel Investments	Axcel Investments is an investment holding company incorporated in Singapore on 27 August 2008. Axcel Investments does not own any business which is in competition with our Group. Each of Leslie Ong and Johnny Ong is a director of and has a 50.0% shareholding interest in Axcel Investments.
Axcel Properties	Axcel Properties is an investment holding company incorporated in Singapore on 21 May 2008. Axcel Properties does not own any business which is in competition with our Group. Each of Leslie Ong and Johnny Ong is a director of and has a 50.0% shareholding interest in Axcel Properties.
Pro M3 Sound & Light Pte. Ltd.	Pro M3 Sound & Light Pte. Ltd. was an event/ concert organiser, which was incorporated in Singapore on 13 November 2007. Leslie Ong was the sole director and shareholder of Pro M3 Sound & Light Pte. Ltd.. Pro M3 Sound & Light Pte. Ltd. was struck off on 20 January 2015.
UP Concert Production Pte. Ltd. (“UP Concert Production”)	UP Concert Production was a company incorporated in Singapore on 13 November 2007. Johnny Ong was the sole director and shareholder of UP Concert Production. UP Concert Production was in the business of rental of stage lighting, sound systems and equipment. UP Concert Production was struck off on 7 November 2016.

INTERESTED PERSON TRANSACTIONS

Interested Person	Nature of Relationship with our Group
UnUsUaL Exhibition Services Pte Ltd (“ UnUsUaL Exhibition ”)	<p>UnUsUaL Exhibition was a company incorporated in Singapore on 15 October 2008. Leslie Ong and Johnny Ong were the directors and shareholders of UnUsUaL Exhibition. UnUsUaL Exhibition was in the business of event, concert and exhibition organising.</p> <p>UnUsUaL Exhibition was struck off on 10 January 2017.</p>
UnUsUaL Concerts Pte. Ltd. (“ UnUsUaL Concerts ”)	<p>UnUsUaL Concerts was a company incorporated in Singapore on 13 November 2007. Leslie Ong was the sole director and shareholder of UnUsUaL Concerts.</p> <p>UnUsUaL Concerts was struck off on 10 July 2014.</p>

PAST INTERESTED PERSON TRANSACTIONS

Save as disclosed below and in the section entitled “Restructuring Exercise” of this Offer Document, there are no past interested person transactions for the Relevant Period.

(a) Loans and advances from our Group to Interested Persons

Our Group had in the past granted loans and advances to Interested Persons. The aggregate amounts owed by the relevant Interested Persons to our Group as at the end of each applicable financial year or period (as the case may be) and the largest amount owing to our Group during the Relevant Period were as follows:

(\$’000)	FY2013	FY2014	FY2015	9M2016	As at Latest Practicable Date	Largest amount outstanding during the Relevant Period (based on year/period end balances)
Axcel Investments	287	287	287	–	–	287
Axcel Properties	2,543	2,343	2,351	–	–	2,543
Johnny Ong	266	100	100	1	–	266
Leslie Ong	200	–	–	107	–	200
UP Concert Production	69	79	63	–	–	79

As these loans and advances were interest-free, unsecured and had no fixed terms of repayment, our Directors are of the view that these transactions were not entered into on an arm’s length basis and not on normal commercial terms but were not prejudicial to the interest of our Group.

As at the Latest Practicable Date, all amounts owing from Axcel Investments, Axcel Properties, Leslie Ong and Johnny Ong have been fully repaid with our Executive Directors assuming all the amounts owing by Axcel Investments and Axcel Properties to our Group and by way of set-off against the amounts owed by our Group to Leslie Ong and Johnny Ong pursuant to the Settlement Deed. Please refer to the section entitled “Restructuring Exercise” of this Offer Document for further details on the Settlement Deed. As at the Latest Practicable Date, all advances from our Group to UP Concert Production have been repaid.

After our admission to Catalist, we do not intend to grant such loans and advances to any Interested Persons of our Group.

INTERESTED PERSON TRANSACTIONS

(b) Loans and advances from Interested Persons to our Group

Our Group had in the past obtained loans and advances from Interested Persons for the purposes of funding our operations. The aggregate amounts owed by our Group to the relevant Interested Persons as at the end of each applicable financial year or period (as the case may be) and the largest amount owing to the relevant Interested Persons during the Relevant Period were as follows:

(\$'000)	FY2013	FY2014	FY2015	9M2016	As at Latest Practicable Date	Largest amount outstanding during the Relevant Period (based on year/period end balances)
Axcel Investments	50	50	50	–	–	50
Johnny Ong	705	676	798	2,223	–	2,223
Leslie Ong	2,536	3,105	2,302	2,253	–	3,105
UP Concert Production ⁽¹⁾	446	546	100	–	–	546
UnUsUaL Exhibition ⁽²⁾	198	253	255	–	–	255
Pro M3 Sound & Light Pte. Ltd.	469	–	–	–	–	469
UnUsUaL Concerts	14	–	–	–	–	14

Notes:

- (1) This comprised loans from our previously related company, UP Concert Production. As UP Concert Production was struck off, the debts due from our Group to UP Concert Production were forgiven.
- (2) This comprised loans from our previously related company, UnUsUaL Exhibition. As UnUsUaL Exhibition was struck off, the debts due from our Group to UnUsUaL Exhibition were forgiven.

As these loans and advances were interest-free, unsecured and had no fixed terms of repayment, our Directors are of the view that these transactions were not entered into on an arm's length basis and not on normal commercial terms but were not prejudicial to the interest of our Group.

After our admission to Catalist, we do not intend to receive such loans and advances from any Interested Persons of our Group.

(c) Lease of the Kallang Pudding Property (as defined below) by Axcel Properties

Prior to the entry by our Company into a lease agreement dated 1 August 2016, each of our subsidiaries, UnUsUaL Productions, UnUsUaL Entertainment and UnUsUaL Development had entered into a separate lease arrangement with Axcel Properties (collectively, the “**Individual Arrangement**”) in respect of the relevant premises at 45 Kallang Pudding Road (the “**Kallang Pudding Property**”). There were no tenancy agreements executed between Axcel Properties and each of our subsidiaries, UnUsUaL Productions, UnUsUaL Entertainment and UnUsUaL Development prior to 1 January 2016. Following our Restructuring Exercise, the Individual Arrangement was terminated with effect from 1 August 2016 and a new lease was entered into between Axcel Properties and our Company in respect of the Kallang Pudding Property.

INTERESTED PERSON TRANSACTIONS

The amounts paid by UnUsUaL Productions, UnUsUaL Entertainment and UnUsUaL Development to Axcel Properties for the lease of the relevant premises at the Kallang Pudding Property are as follows:

(\$'000)	FY2013	FY2014	FY2015	9M2016	Relevant Period
Lease of the Kallang Pudding Property by Axcel Properties to UnUsUaL Productions, UnUsUaL Entertainment and UnUsUaL Development	432 ⁽¹⁾	432 ⁽¹⁾	432 ⁽¹⁾	252 ⁽²⁾	1,548 ⁽²⁾

Notes:

- (1) Comprise amounts paid to Axcel Properties pursuant to the Individual Arrangement.
- (2) Comprises the amounts paid by UnUsUaL Productions, UnUsUaL Entertainment and UnUsUaL Development to Axcel Properties up to 31 July 2016 as the Individual Arrangement was terminated with effect from 1 August 2016.

The rental and other terms and conditions of the leases agreed between Axcel Properties and our Singapore Subsidiaries were not on an arm's length basis and not based on normal commercial terms but were not prejudicial to the interest of our Group.

(d) Amounts owed to our Executive Directors, Leslie Ong and Johnny Ong, arising from the declaration of dividends by our Company and the set-off pursuant to the Settlement Deed

On 5 August 2016, our Company declared dividends amounting to S\$8,411,377 to our then shareholders, Leslie Ong and Johnny Ong to give effect to the commercial intention agreed between mm2 and our Executive Directors pursuant to the Sale and Purchase Agreement. Pursuant to the Settlement Deed, our Company, Leslie Ong and Johnny Ong had agreed that the payment of such dividends shall be partially satisfied by way of the assignment of the trade receivables of the Singapore Subsidiaries of S\$2,151,234 to the Executive Directors. Please refer to the section of this Offer Document entitled "Restructuring Exercise" for further details of the said assignment and the Settlement Deed.

Pursuant to the Settlement Deed, after setting off the sum of S\$2,345,933 due from Leslie Ong and Johnny Ong to our Singapore Subsidiaries (including the debts of Axcel Properties and Axcel Investments in the sum of S\$2,151,209 which were assumed by our Executive Directors) against the cash portion of the dividends of S\$6,260,143 due to Leslie Ong and Johnny Ong after the assignment of the trade receivables of the Singapore Subsidiaries of S\$2,151,234, an aggregate sum of S\$3,914,210 (on an interest-free basis) was owing and due from the Singapore Subsidiaries to our Executive Directors.

Pursuant to the terms of the Settlement Deed, the Singapore Subsidiaries and the Executive Directors have agreed that (i) the sum of S\$3,914,210 shall be treated as an amount owing from the Singapore Subsidiaries to our Executive Directors on an interest-free basis, and (ii) such amount shall be repaid by the Singapore Subsidiaries to our Executive Directors subject to the availability of funds. Please refer to the section entitled "Restructuring Exercise" of this Offer Document for further details on the Settlement Deed.

Pursuant to a letter of undertaking dated 30 September 2016 executed by each of Leslie Ong and Johnny Ong, our Executive Directors have undertaken to our Company and our Singapore Subsidiaries not to request or demand in any way for the repayment by our Singapore Subsidiaries of the outstanding sum of S\$3,914,210 until our Singapore Subsidiaries have the financial ability to repay the said sum of S\$3,914,210 with funds generated from our Singapore Subsidiaries' operations and after setting aside sufficient funds for the working capital of our Singapore Subsidiaries and/or our Group.

INTERESTED PERSON TRANSACTIONS

The outstanding sum of S\$3,914,210 due to our Executive Directors pursuant to the Settlement Deed (which was entered into to give effect to the commercial intention agreed between mm2 and the Executive Directors pursuant to the Sale and Purchase Agreement) was treated as a payable under our financial statements. Please refer to the section entitled “Independent and Reporting Auditor’s Report on the Audited Consolidated Financial Statements for the Nine-Month Period Ended 30 September 2016” as set out in Appendix B of this Offer Document for further details. As such sum owing to our Executive Directors was on an interest-free basis and unsecured, with no fixed term of repayment, such transaction was not conducted on an arm’s length basis and was not on commercial terms. Our Directors however believe that such transaction was not prejudicial to the interest of our Group as the repayment of the said outstanding sum to our Executive Directors was subject to the availability of funds.

As at the Latest Practicable Date, the aggregate sum of S\$3,914,210 has been fully paid to our Executive Directors. Following the repayment of the said sum, we do not intend to enter into similar transactions with our Executive Directors in the future.

PRESENT AND ONGOING INTERESTED PERSON TRANSACTIONS

(a) Lease of the Kallang Pudding Property by Axcel Properties

Pursuant to a lease agreement dated 1 August 2016 (the “**Lease**”) entered into between Axcel Properties and our Company, Axcel Properties agreed to lease the premises at the Kallang Pudding Property to our Company at an annual rental of S\$432,000 for a term of 24 months. Pursuant to the Lease, our Company is permitted to sub-let and share the premises at the Kallang Pudding Property with any of our subsidiaries and related companies. This Kallang Pudding Property is currently being used as the office premises and warehouse of our Group.

The amounts paid by our Company to Axcel Properties for the lease of the Kallang Pudding Property are as follows:

(S\$’000)	FY2013	FY2014	FY2015	9M2016	Relevant Period
Lease of the Kallang Pudding Property by Axcel Properties to our Company	— ⁽¹⁾	— ⁽¹⁾	— ⁽¹⁾	72 ⁽²⁾	288 ⁽²⁾

Notes:

- (1) There was no payment made as the Lease was only entered into on 1 August 2016.
- (2) As the Individual Arrangement was terminated with effect from 1 August 2016, the amounts paid by our Company to Axcel Properties comprise amounts paid pursuant to the Lease with effect from 1 August 2016.

The above transaction is carried out on an arm’s length basis, on normal commercial terms and is not prejudicial to the Group and its minority shareholders as the current monthly rental is based on the prevailing market rate at the time the lease agreement was entered into for similar properties in the area. While no independent valuation was carried out on the rent value of the premises rented pursuant to the Lease, the per square foot rate charged pursuant to the Lease is comparable to the rates charged for the rental of similar properties in the area based on information extracted from property websites around the time the Lease was entered into. As at the Latest Practicable Date, the outstanding term of the lease is approximately 17 months. We intend to renew the current lease upon expiry of the initial lease period, on normal commercial terms and on an arm’s length basis such that the terms will not be less favourable compared to what we would obtain from third party landlords and would not be prejudicial to the Group and its minority shareholders. Such terms will also be subject to the review and approval of our Audit Committee.

INTERESTED PERSON TRANSACTIONS

(b) Personal Guarantees provided by our Directors, Leslie Ong and Johnny Ong

Leslie Ong and Johnny Ong (collectively, the “**Relevant Directors**”) have provided personal guarantees to Standard Chartered Bank (Singapore) Limited, Citibank Singapore Ltd, Goldbell Financial Services and Hing Lung Auto Pte Ltd (collectively, the “**Financial Institutions**”) in relation to certain banking and hire purchase facilities entered into by UnUsUaL Productions, UnUsUaL Entertainment, and UnUsUaL Development.

Pursuant to the guarantees, the Relevant Directors have guaranteed the due and punctual payment of all sums payable by our subsidiaries, UnUsUaL Productions, UnUsUaL Entertainment, and UnUsUaL Development (as the case may be) to the relevant Financial Institutions, and the due performance by our subsidiaries, UnUsUaL Productions, UnUsUaL Entertainment, and UnUsUaL Development (as the case may be) of the terms and conditions in the respective facility and hire purchase agreements.

The details of the banking and hire purchase facilities entered into by UnUsUaL Productions, UnUsUaL Entertainment, and UnUsUaL Development (as the case may be) are set out in the section entitled “Capitalisation and Indebtedness” of this Offer Document. Details of the personal guarantees given to the Financial Institutions by the Relevant Directors are set out below.

Financial Institution	Guarantors / Type of guarantee granted by the Relevant Director(s)	Amount Owing as at (\$'000)				Latest Practicable Date	Largest Amount Guaranteed for the Relevant Period (\$'000)
		FY2013	FY2014	FY2015	9M2016		
Standard Chartered Bank (Singapore) Limited (“ SCB ”)	Leslie Ong and Johnny Ong / Joint and several personal guarantee in relation to a banking facility for (a) revolving short term loans, and (b) bond and guarantees ⁽¹⁾	–	–	–	500	500	500
Citibank Singapore Ltd (“ Citibank ”)	Leslie Ong / Personal guarantee in relation to hire purchase agreements entered into by UnUsUaL Productions, UnUsUaL Entertainment, UnUsUaL Development ⁽²⁾	–	205	138	30	18	205

INTERESTED PERSON TRANSACTIONS

Financial Institution	Guarantors / Type of guarantee granted by the Relevant Director(s)	Amount Owing as at (S\$'000)				Latest Practicable Date	Largest Amount Guaranteed for the Relevant Period (S\$'000)
		FY2013	FY2014	FY2015	9M2016		
Goldbell Financial Services	Johnny Ong / Personal guarantee in relation to two (2) hire purchase agreements entered into by UnUsUaL Productions ⁽³⁾	–	–	–	84	62	84
Hing Lung Auto Pte Ltd	Johnny Ong / Personal guarantee in relation to one (1) hire purchase agreement entered into by UnUsUaL Productions	30	–	–	–	–	30

Notes:

- (1) The facility was provided by SCB to UnUsUaL Entertainment (as principal borrower), UnUsUaL Productions and UnUsUaL Development in February 2016.
- (2) The hire purchase agreements were entered into by Citibank and each of UnUsUaL Productions, UnUsUaL Entertainment and UnUsUaL Development in February 2014.
- (3) The hire purchase agreements were entered into by Goldbell Financial Services and UnUsUaL Productions in May 2016.

The largest outstanding amount secured under the above guarantees during the Relevant Period was approximately S\$500,000.

As no consideration was paid by our Group to Leslie Ong and Johnny Ong for providing these personal guarantees, the guarantees were not given on an arm's length basis or on normal commercial terms. Our Directors are however of the view that such personal guarantees given by the Relevant Directors are not prejudicial to our Group and its minority shareholders.

As at the Latest Practicable Date, (i) the personal guarantees granted by Leslie Ong and Johnny Ong in favour of SCB are in the process of being discharged and released by SCB, and (ii) our Controlling Shareholder, mm2, has executed a guarantee to secure the banking facility granted by SCB to our Singapore Subsidiaries. Please refer to paragraph (d) below for further details of the said guarantee executed by mm2 in favour of SCB.

- (c) Mortgage provided by Axcel Properties in favour of SCB in connection with the banking facility provided to our relevant subsidiaries

During the Relevant Period, Axcel Properties had provided security for the banking facilities granted by SCB to our Singapore Subsidiaries. Details of the security provided are as follows:

Financial Institution	Type of Facility	Amount/ limit of facilities granted	Details of the security
SCB	Banking facility for (a) revolving short term loans, and (b) bond and guarantees	S\$2,000,000	Legal mortgage over the property at 45 Kallang Pudding Road #02-01/02/03/04 Alpha Building Singapore 349317

INTERESTED PERSON TRANSACTIONS

Please refer to the section entitled “Capitalisation and Indebtedness” of this Offer Document for the amounts owing under the facility granted by SCB to our relevant subsidiaries as at the Latest Practicable Date.

As no consideration was paid by our Group to Axcel Properties for the provision of the above mortgage, the above arrangement was not given on an arm’s length basis or on normal commercial terms. Our Directors are however of the view that such arrangement is not prejudicial to our Group and its minority shareholders.

We intend, subject to the approval of SCB, to procure the discharge of the aforesaid legal mortgage granted by Axcel Properties by replacing the same with corporate guarantees of our Company following the Listing. We do not expect the revised terms and conditions of the facilities, following the discharge of the abovementioned legal mortgage and the replacement with a corporate guarantee by us, to have a material adverse impact on our Group. In the event that SCB does not agree to the release of the above mortgage, each of Leslie Ong and Johnny Ong has undertaken, as shareholders and directors of Axcel Properties, to ensure that Axcel Properties continues to provide the aforesaid mortgage until such time when we are able to secure suitable alternative facilities at no less favourable terms from other financial institutions.

(d) Corporate guarantee provided by our Controlling Shareholder, mm2, in favour of SCB in connection with the banking facility provided to our relevant subsidiaries

Our Controlling Shareholder, mm2, had in February 2017, provided a corporate guarantee in respect of the S\$2,000,000 facility granted by SCB to our Singapore Subsidiaries. The said corporate guarantee is provided by mm2 in favour of SCB as replacement for the personal guarantees provided by the Relevant Directors. Details of the guarantee given by mm2 are set out below:

Financial Institution	Amount Owing as at (S\$’000)				Latest Practicable Date	Largest Amount Guaranteed for the Relevant Period (S\$’000)
	FY2013	FY2014	FY2015	9M2016		
SCB	–	–	–	500	500	500

(1) While mm2 had only provided the guarantee in February 2017, the SCB facility was provided to UnUsUaL Entertainment (as principal borrower), UnUsUaL Productions and UnUsUaL Development in February 2016.

In connection with the guarantee, we have provided an undertaking to mm2 to limit the amount utilised by our Group under the facility granted by SCB to S\$500,000. Any amount utilised pursuant to the SCB facility exceeding S\$500,000 will be subject to mm2’s consent (such consent not to be unreasonably withheld). As at the Latest Practicable Date, the personal guarantees granted by Leslie Ong and Johnny Ong in favour of SCB are in the process of being discharged and released by SCB.

As no consideration was paid by our Group to mm2 for the provision of the above corporate guarantee, the above arrangement was not given on an arm’s length basis or on normal commercial terms. Our Directors are however of the view that such arrangement is not prejudicial to our Group and its minority shareholders.

INTERESTED PERSON TRANSACTIONS

GUIDELINES AND REVIEW PROCEDURES FOR ONGOING AND FUTURE INTERESTED PERSON TRANSACTIONS

Our Audit Committee will review and approve all interested person transactions to ensure that they are on commercial terms and on arm's length basis, that is, the transactions are transacted on terms and prices not more favourable to the Interested Persons than if they were transacted with an unrelated third party and are not prejudicial to the interests of our Company and our minority Shareholders in any way.

To ensure that future transactions with Interested Persons are undertaken on commercial terms and are consistent with our Group's usual business practices and policies, which are generally no more favourable than those extended to unrelated third parties, the following procedures will be followed.

Our Audit Committee, comprising Independent Directors only, will review and approve all interested person transactions on a quarterly basis.

In relation to any purchase of products or procurement of services by us from Interested Persons above S\$100,000, our Group will obtain or procure additional quotations from at least two (2) unrelated third parties in respect of the same or substantially the same type of product or service to be used as comparison wherever possible. Our Audit Committee will take into account the suitability, quality, timeliness in delivery and cost of the product or service, and the experience and expertise of the supplier. The purchase price or procurement price shall not be higher than the most competitive price of the two (2) comparative prices from the two (2) unrelated third parties.

In relation to any sale of products or provision of services by us to Interested Persons above S\$100,000, our Group will obtain or procure from at least two (2) unrelated third parties the price and terms of two (2) other completed transactions of the same or substantially the same type of transactions to unrelated third parties to be used as comparison wherever possible. The Interested Persons shall not be charged at rates lower than those charged to the unrelated third parties.

When renting properties from or to an Interested Person above S\$100,000, our Audit Committee shall take appropriate steps to ensure that such rent is commensurate with the prevailing market rates, including adopting measures such as making relevant enquiries with landlords of similar properties and obtaining suitable reports or reviews published by property agents (as necessary), including independent valuation report by a property valuer, where necessary and/or appropriate. The rent payable shall be based on the most competitive market rental rate of similar properties in terms of size and location, based on the results of the relevant enquiries.

In the event that it is not possible for appropriate information (for comparative purposes) to be obtained and given that the products or services may be purchased only from an Interested Person, our Audit Committee will determine whether the price, fees and/or the other terms offered by or to the Interested Persons are fair and reasonable, and approve such interested person transaction. In so determining, our Audit Committee will consider whether the price, fees and/or other terms are in accordance with usual business practices and pricing policies and consistent with the usual margins and/or terms to be obtained for the same or substantially similar types of transactions to determine whether the relevant transaction is undertaken at an arm's length basis and on commercial terms.

Prior to entry into such transactions, all interested person transactions above S\$100,000 are to be approved by a member of our Audit Committee who shall not be an Interested Person in respect of the particular transaction. Any contracts to be made with an Interested Person shall not be approved unless the pricing is determined in accordance with our usual business practices and policies, consistent with the usual margin given or price received by us for the same or substantially similar type of transactions between us and unrelated parties and the terms are no more favourable to the Interested Person than those extended to or received from unrelated parties.

All interested person transactions below S\$100,000 (either individually or as part of a series or are aggregated with other transactions involving the same Interested Person during the same financial year) are to be approved by (i) our CEO for the time being, or (ii) such other senior executive(s) of our Company designated by our Audit Committee from time to time for such purpose, who shall have no interest, directly or indirectly, in the transaction, prior to entry.

INTERESTED PERSON TRANSACTIONS

In addition, our Audit Committee shall monitor all interested person transactions entered into by us categorising the transactions as follows:

- (a) a “category one” interested person transaction is one where the value thereof is equal to or in excess of three per cent. (3.0%) of the NTA of our Group; and
- (b) a “category two” interested person transaction is one where the value thereof is below three per cent. (3.0%) of the NTA of our Group.

“Category one” interested person transactions must be approved by our Audit Committee prior to entry. “Category two” interested person transactions need not be approved by our Audit Committee prior to entry but shall be reviewed on a quarterly basis by our Audit Committee.

In respect of all interested person transactions, we shall adopt the following policies:-

- (a) Our Audit Committee will review all interested person transactions, if any, on a quarterly basis to ensure that they are carried out on an arm’s length basis and in accordance with the procedures outlined above, taking into account all relevant non-quantitative factors. In the event that a member of our Audit Committee is interested in any interested person transaction, he will abstain from deliberating, reviewing and/or approving that particular transaction.
- (b) We shall prepare all the relevant information to assist our Audit Committee in their review and will keep and maintain a register to record all interested person transactions which are entered into by our Group. The register shall also record the basis for entry into the transactions, including any quotations obtained from unrelated parties and other evidence to support such basis for the terms of the interested person transactions.
- (c) We shall incorporate into our internal audit plan a review of all interested person transactions entered into by our Group.
- (d) Our Audit Committee shall review the internal audit reports at least yearly to ensure that all interested person transactions are carried out on an arm’s length basis and in accordance with the procedures outlined above. Our Audit Committee shall also review from time to time such guidelines and procedures to determine if they are adequate and/or commercially practicable in ensuring that interested person transactions are conducted on commercial terms, on an arm’s length basis and do not prejudice our interests and the interests of our minority Shareholders. Furthermore, if during these periodic reviews, our Audit Committee believes that the guidelines and procedures as stated above are not sufficient to ensure that interested person transactions will be on commercial terms, on an arms’ length basis and not prejudicial to the interests of minority Shareholders, our Audit Committee will adopt such new guidelines and review procedures for future interested person transactions as may be appropriate. The Audit Committee may request for an independent financial adviser’s opinion as it deems fit.

We shall ensure that all interested person transactions comply with the provisions in Chapter 9 of the Catalist Rules, and if required, we will seek independent Shareholders’ approval for such transactions. In accordance with Rule 919 of the Catalist Rules, Interested Persons and their Associates shall abstain from voting on resolutions approving interested person transactions involving themselves and our Group. In addition, such Interested Persons shall not act as proxies in relation to such resolutions unless voting instructions have been given by the Shareholder(s).

Our Audit Committee and our Board of Directors will ensure that all disclosures, approvals and other requirements on interested person transactions, including those required by prevailing legislation, the Catalist Rules (in particular Chapter 9) and relevant accounting standards, are complied with. We will disclose in our annual report the aggregate value of interested person transactions during the financial year.

POTENTIAL CONFLICTS OF INTEREST

INTERESTS OF DIRECTORS, CONTROLLING SHAREHOLDERS OR THEIR ASSOCIATES

All our Directors have a duty to disclose their interests in respect of any transaction in which they have any personal material interest or any actual or potential conflicts of interest (including a conflict that arises from their directorship or employment or personal investment in any corporation). Upon such disclosure, such Directors will not participate in any proceedings of the Board and shall abstain from voting in respect of any such transaction where the conflict arises.

In general, a conflict of interest arises when any of our Directors, Controlling Shareholders or their Associates is carrying on or has any interest in any other corporation carrying on the same business or dealing in similar products or services as our Group.

Save as disclosed in the section entitled “Interested Person Transactions” of this Offer Document, and personal investments (whether directly or through nominees) in quoted investments which may include companies listed on the SGX-ST and such investment not exceeding 5.0% of the total amount of issued securities in that class, none of our Directors, Controlling Shareholders or any of their Associates has any interest, direct or indirect, in the following:

- (a) any material transactions to which our Group was or is a party;
- (b) any entity carrying on the same business or dealing in similar products which competes materially and directly with the existing business of our Group; and
- (c) in any enterprise or company that is our Group’s customer or supplier of goods or services.

In addition, our Executive Directors, Leslie Ong and Johnny Ong, have each undertaken to our Company, not to be engaged or be interested in any capacity, whether directly or indirectly, in any other business, trade or occupation which competes with any business carried on or proposed to be carried on by our Group in the jurisdictions in which our Group carries out operations for the term of their Service Agreements and for a period of one (1) year after cessation of their employment with our Company.

For the reasons stated above, we are of the view that there are no potential conflicts of interests.

INTERESTS OF THE SPONSOR, ISSUE MANAGER AND PLACEMENT AGENT

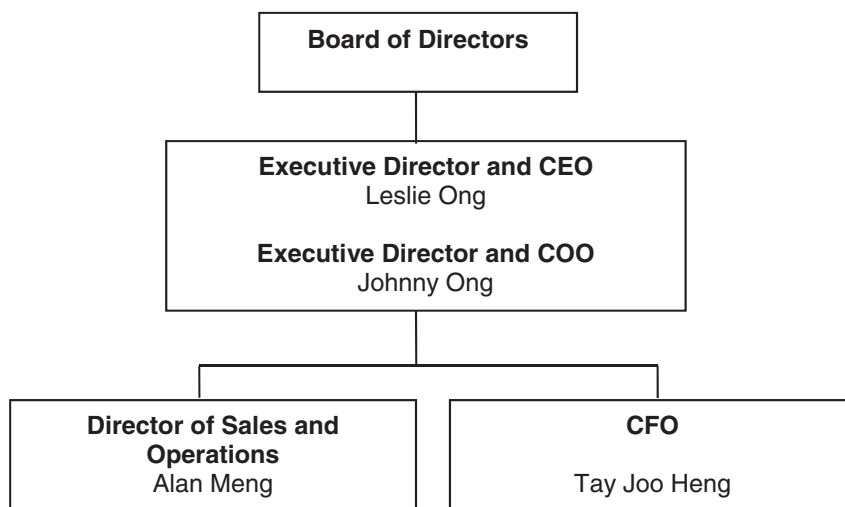
In the reasonable opinion of our Directors, the Sponsor, Issue Manager and Placement Agent, Hong Leong Finance, does not have any material relationships with our Company save as disclosed below and in the section entitled “Sponsorship, Management and Placement Arrangements” of this Offer Document:

- (a) Hong Leong Finance is the Sponsor, Issue Manager and Placement Agent of the Placement; and
- (b) Hong Leong Finance will be the continuing sponsor of our Company for an initial period of three (3) years from the date our Company is admitted and listed on Catalist.

DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES

MANAGEMENT REPORTING STRUCTURE

Our management reporting structure as at the Latest Practicable Date is set out as follows:



DIRECTORS

Our Board of Directors is entrusted with the responsibility for the overall management of our Company. Our Directors' particulars are as follows:

Name	Age	Address	Position
Leslie Ong	49	45 Kallang Pudding Road #01-01 Alpha Building Singapore 349317	Executive Director and CEO
Johnny Ong	48	45 Kallang Pudding Road #01-01 Alpha Building Singapore 349317	Executive Director and COO
Melvin Ang	53	45 Kallang Pudding Road #01-01 Alpha Building Singapore 349317	Non-Executive Chairman and Non-Independent Director
Tan Wee Peng Kelvin	52	45 Kallang Pudding Road #01-01 Alpha Building Singapore 349317	Lead Independent Director
Tan Yew Chee William	49	45 Kallang Pudding Road #01-01 Alpha Building Singapore 349317	Independent Director
Tang Tung Kin	50	45 Kallang Pudding Road #01-01 Alpha Building Singapore 349317	Independent Director

DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES

The business and working experience and areas of responsibility of our Directors are set out below:

Leslie Ong is our CEO and was appointed as Director of our Company on 3 May 2016. 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. Leslie Ong obtained his diploma in Electronic Engineering in 1988 from Ngee Ann Polytechnic.

Johnny Ong is our COO and was appointed as Director of our Company on 3 May 2016. He is responsible for the day-to-day operations of our Group, including managing our Group's overall business development and operations. Together with Leslie Ong, 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. Johnny Ong completed his secondary education in 1984.

Melvin Ang is our Non-Executive Chairman and Non-Independent Director and was appointed to our Board on 11 August 2016. He is currently the executive chairman and executive director of mm2, our Controlling Shareholder. Melvin began his career in 1984 as a sales and operations manager at Masters Systems Management. In 1987, he joined Minolta Singapore Pte Ltd as a Regional Marketing Manager where he was responsible for managing its operations and business development activities. In 1995, he was employed by Motorola Inc as its Business Strategy Manager. In August 1997, he was employed by the Television Corporation of Singapore as Vice President, Business Development. Between March 2000 and October 2000, he was appointed as the Chief Business Development & Marketing Officer and Group Executive Vice President of novaSPRINT Pte Ltd. Melvin 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, he was employed as Managing Director of MediaCorp Studios. Before setting up mm2 Entertainment Sdn. Bhd. and mm2 in January 2009, he served as Media Prima Sdn Bhd's Executive Advisor between July 2007 and December 2008. Melvin graduated from Macquarie University with a Master of Business Administration in 1997.

Tan Wee Peng Kelvin is our Independent Director and was appointed to our Board on 17 March 2017. He has over 30 years of professional and management experience in the private and public sectors in Singapore. From 1996 to 2003, 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, Kelvin Tan was the Managing Director of GBE Holdings Pte. Ltd. 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.

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. Tan Wee Peng Kelvin is a fellow of the Institute of Singapore Chartered Accountants and a member of the Singapore Institute of Directors.

Tan Yew Chee William is our Independent Director and was appointed to our Board on 17 March 2017. 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 2002 to 2005. From 2005 to 2007, 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, William Tan was engaged as a financial consultant by Sinocome Solar Group, a solar energy solutions provider in Beijing. From 2012 to 2015, William Tan was a non-executive independent director of China Sky Chemical Fibre Co Ltd, a company listed on the Main Board of the SGX-ST. He has been the Chief Financial Officer of Sinostar PEC Holdings Limited, a company listed on the Main Board of the SGX-ST, since 2008. Tan Yew Chee William is a non-practicing member of the Institute of Singapore Chartered Accountants and a fellow of the Association of Certified Chartered Accountants (UK).

DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES

Tang Tung Kin is our Independent Director and was appointed to our Board on 17 March 2017. He has about 25 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. Tang Tung Kin then 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. Tang Tung Kin 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.

Tang Tung Kin 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.

Melvin Ang, Tan Wee Peng Kelvin and Tan Yew Chee William have prior experience as directors of public listed companies. Leslie Ong, Johnny Ong and Tang Tung Kin do not have prior experience as directors of public listed companies in Singapore but have received the relevant training to familiarise themselves with the roles and responsibilities of a board director of a company listed on Catalist.

Save as disclosed in this section and in the section entitled “Shareholders – Shareholding and Ownership Structure” of this Offer Document, none of our Directors are related to each other, our Executive Officers or our Substantial Shareholders.

Save as disclosed above and in the section entitled “Interested Person Transactions – Past Interested Person Transactions” of this Offer Document, our Independent Directors do not have any existing business or professional relationship of a material nature with our Group, our Directors or Substantial Shareholders.

Family Relationships

Save as disclosed below, none of our Directors has any family relationship with another Director or with any key executive or Substantial Shareholder of our Company.

Our Executive Director and CEO, Leslie Ong, and our Executive Director and COO, Johnny Ong, are brothers.

Present and Past Directorships of our Directors

Save as disclosed below and excluding the directorship held in our Company, none of our Directors currently holds or has held any directorships in the past five (5) years preceding the date of this Offer Document.

DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES

Name	Present Directorships	Past Directorships
Leslie Ong	<u>Group Companies</u> <ul style="list-style-type: none"> • UnUsUaL Productions • UnUsUaL Entertainment • UnUsUaL Development • UnUsUaL (Malaysia) • UnUsUaL (Hong Kong) 	<u>Group Companies</u> Nil
	<u>Other Companies</u> <ul style="list-style-type: none"> • Axcel Properties • Axcel Investments • Fei Fan (Shanghai) Culture Communication Co Ltd • UnUsUaL Management Pte. Ltd. 	<u>Other Companies</u> <ul style="list-style-type: none"> • Pro M3 Sound & Light Pte. Ltd. (struck off) • UnUsUaL Concerts (struck off) • UnUsUaL Design & Communications Pte. Ltd. (struck off) • UnUsUaL Exhibition Services Pte. Ltd. (struck off) • UnUsUaL Logistic Pte. Ltd. (struck off) • UnUsUaL Show Management Pte. Ltd. (struck off) • VP Appliance Pte. Ltd. (struck off)
Johnny Ong	<u>Group Companies</u> <ul style="list-style-type: none"> • UnUsUaL Productions • UnUsUaL Entertainment • UnUsUaL Development • UnUsUaL (Malaysia) • UnUsUaL (Hong Kong) 	<u>Group Companies</u> Nil
	<u>Other Companies</u> <ul style="list-style-type: none"> • Axcel Properties • Axcel Investments • UnUsUaL Management Pte. Ltd. 	<u>Other Companies</u> <ul style="list-style-type: none"> • Special Stage (HK) Limited (deregistered) • UP Concert Production (struck off) • UnUsUaL Design & Communications Pte. Ltd. (struck off) • UnUsUaL Exhibition Services Pte. Ltd. (struck off) • UnUsUaL Logistic Pte. Ltd. (struck off)

DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES

Name	Present Directorships	Past Directorships
Melvin Ang	<u>Group Companies</u>	<u>Group Companies</u>
	Nil	Nil
	<u>Other Companies</u> <ul style="list-style-type: none"> • mm2 • mm2 Entertainment Pte. Ltd. • mm2 Entertainment Sdn. Bhd. • MMSync Pte. Ltd. • MA Holdings Management Company Limited • UnUsUaL Management Pte. Ltd. 	<u>Other Companies</u> <ul style="list-style-type: none"> • MyChinaChannel Pte. Ltd. • Dick Lee Entertainment Pte. Ltd. • Blue3 Pictures Pte. Ltd. • JM Artiste Network Pte. Ltd.
Tan Wee Peng Kelvin	<u>Group Companies</u>	<u>Group Companies</u>
	Nil	Nil
	<u>Other Companies</u> <ul style="list-style-type: none"> • Aperio Technology Pte. Ltd. • DBE Consulting Pte. Ltd. • GBE Holdings Pte. Ltd. • GBE Investments Pte. Ltd. • Golden Equator Capital Pte. Ltd. • IREIT Global Group Pte. Ltd. • NL Consulting Pte. Ltd. • Oriental Straits Fund II-D • Shanghai Turbo Enterprises Ltd • Transcorp Holdings Limited • Viking Offshore and Marine Limited • YK Management Pte. Ltd. 	<u>Other Companies</u> <ul style="list-style-type: none"> • Accrelist Ltd. (formerly known as WE Holdings Ltd.) • ASERO Worldwide Pte. Ltd. (struck off) • Asia Business Development Pte. Ltd. (struck off) • Citistate Capital Pte. Ltd. • Great Wall Majestic Pte. Ltd. • M! Capital Ventures Pte. Ltd. • Marshal Systems Private Limited
Tan Yew Chee William	<u>Group Companies</u>	<u>Group Companies</u>
	Nil	Nil
	<u>Other Companies</u> <p>Nil</p>	<u>Other Companies</u> <p>China Sky Chemical Fibre Co Ltd</p>
Tang Tung Kin	<u>Group Companies</u>	<u>Group Companies</u>
	Nil	Nil
	<u>Other Companies</u> <ul style="list-style-type: none"> • Causeway Challenge Sdn. Bhd. • SDI Media Hong Kong Limited • SDI Media Japan KK • SDI Media (Thailand) Ltd • SDI Media (Malaysia) Sdn Bhd 	<u>Other Companies</u> <p>Nil</p>

DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES

EXECUTIVE OFFICERS

Our day-to-day operations are entrusted to our Executive Directors who are assisted by a management team of experienced Executive Officers. The particulars of our Executive Officers are set out below:

Name	Age	Address	Position
Tay Joo Heng	51	45 Kallang Pudding Road #01-01 Alpha Building Singapore 349317	Chief Financial Officer
Alan Meng	51	45 Kallang Pudding Road #01-01 Alpha Building Singapore 349317	Director of Sales and Operations

Information on the business and working experience, education and professional qualifications, if any, and areas of responsibilities of our Executive Officers are set out below:

Tay Joo Heng is our Group CFO. He joined us on 8 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.

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.

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. 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.

Alan 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.

None of our Executive Officers has any family relationship with another Executive Officer or with any Director or Substantial Shareholder.

There is no agreement or arrangement with our Substantial Shareholders, customers or suppliers pursuant to which we will appoint any of them or any person nominated by any of them as our Executive Officer.

DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES

Present and Past Directorships of our Executive Officers

Save as disclosed below and excluding the directorship held in our Company, none of our Executive Officers currently holds or has held any directorships in the past five (5) years preceding the date of this Offer Document:

Name	Present Directorships	Past Directorships
Tay Joo Heng	<u>Group companies</u>	<u>Group companies</u>
	Nil	Nil
	<u>Other companies</u> <ul style="list-style-type: none">BK & J Management Services Pte. Ltd.	<u>Other companies</u> Nil
Alan Meng	<u>Group companies</u>	<u>Group companies</u>
	Nil	Nil
	<u>Other companies</u>	<u>Other companies</u> Nil

SERVICE AGREEMENTS

Our Company has entered into separate service agreements with our CEO and Executive Director, Leslie Ong, and our COO and Executive Director, Johnny Ong.

The Service Agreements are valid for an initial period of three (3) years with effect from the date of the Listing. Upon expiry of the initial period of three (3) years, the employment of the Executive Directors shall be automatically renewed on a year-to-year basis on the same terms. Either party may terminate the service agreement by giving to the other party notice in writing six (6) months prior to the termination date. Either party may pay salary in lieu of any required period of notice. Our Company may also terminate the employment of any of the Executive Directors without notice under, among other things, the following circumstances:

- if that Executive Director is guilty of dishonesty or serious or persistent misconduct, in all cases whether or not in connection with or referable to his employment; or
- if that Executive Director otherwise acts in breach of the service agreement so as to materially prejudice the business of our Company or any other Group Company; or
- if that Executive Director becomes bankrupt or makes any general composition with his creditors; or
- if that Executive Director neglects or refuses, without reasonable cause, to attend to the business of our Company or any other Group Company.

Upon the termination of the Service Agreements, our Executive Directors are only entitled to accrued monies in respect of their salary and not entitled to any benefits upon termination or severance payments.

The Service Agreements provided for, *inter alia*, the salary payable to the Executive Director, annual leave, grounds of termination and certain restrictive covenants (including non-compete obligation).

DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES

Pursuant to the terms of the Service Agreements, each of Leslie Ong and Johnny Ong is entitled to a salary at the rate of S\$20,000 per month. In addition, each of the Executive Directors is also entitled to receive an annual wage supplement of one (1) month's salary per annum. The remuneration of each Executive Director is subject to review by the Remuneration Committee, and any proposal for the increase in his remuneration will be subject to the approval of our Board (with that Executive Director abstaining from voting on any such resolution).

Each Executive Director will also be paid a performance bonus for each financial year based on a percentage of our Group's PBT, provided that our Group's PBT is not less than S\$3.5 million for that financial year and that that Executive Director is under the employment of our Group on the last day of that financial year. The performance bonus that the Executive Directors will receive for each financial year will be determined as follows:

PBT	Entitlement as a percentage of PBT
Where PBT is less than S\$3.5 million	None
Where PBT is S\$3.5 million or more, but less than or equals to S\$5.5 million	5.0% of the PBT in excess of S\$3.5 million
Where PBT is more than S\$5.5 million but less than or equals to S\$7.5 million	S\$100,000 plus 7.0% of PBT in excess of S\$5.5 million
Where PBT exceeds S\$7.5 million	S\$240,000 plus 9.0% of PBT in excess of S\$7.5 million

The Company shall reimburse to the Executive Directors all travelling, hotel, entertainment and other out-of-pocket expenses reasonably incurred by him in the course of his employment upon presentation of expense statements or receipts or such other supporting documents as the Company may require. In addition, the Company shall provide each of the Executive Directors an executive sedan of their respective choice (of approximately 2,000 to 3,000 c.c.) for each Executive Director's exclusive use. In the event that there is a requirement and/or need for a change in the sedan(s) for the Executive Director(s), such sedan will be subject to the Company's budget and the approval of the Remuneration Committee.

Pursuant to the Service Agreements, each of the Executive Directors has covenanted that he shall not, during his employment with our Company and for a period of one (1) year after cessation of his employment with our Company:

- either on his own account or for any person, firm, company or organisation solicit or entice or endeavour to solicit or entice away (or attempt to do so) from the Company or any Group Company, or directly or indirectly employ, any person who has at any time during the preceding one (1) year of the expiration or termination of his employment been a director, manager, employee or consultant of the Company or any Group Company whether or not such person would commit any breach of his contract of employment by reason of leaving the service of the relevant Group Company;
- directly or indirectly, solely or jointly, or on behalf of any person, firm, corporation or partnership carry on, be engaged or be interested in any capacity (whether as trustee, principal, agent, shareholder, unit holder, director, officer, manager, consultant, adviser, employee, agent or in any other capacity) in any other business, trade or occupation which competes with any business carried on or proposed to be carried on by our Group in the jurisdictions in which our Group carries out operations as at the date of the expiry or termination of the employment;
- either on his own account or for any person, firm, company or organisation solicit business from any person, firm, company or organisation which at any time during the preceding one (1) year of the expiration or termination of the employment, has been a customer of the Company or any Group Company for purposes competitive to the business or interest of our Group, within any geographic or municipal territory in which our Group had business operations at the time that the employment expired or terminated; and

DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES

- either on his own account or for any person, firm, company or organisation, request, induce or influence any person, firm, company or organisation which at any time during the preceding one (1) year of the expiration or termination of the employment had been a customer, patron, end-user, distributor, merchant or supplier of the Company or any Group Company to terminate or otherwise negatively affect its relationship with the Company or the relevant Group Company.

The Executive Directors further agree that during their employment and upon them ceasing to be the Executive Director of the Company without limit in point of time, directly or indirectly, except with the Company's prior written consent use any trademark of any Group Company in connection with any business.

Directors' fees do not form part of the terms of the Service Agreements as these require the approval of Shareholders at our Company's annual general meeting.

Our Group has also previously entered into various letters of employment with all our Executive Officers in the ordinary course of business in accordance with the general employee/staff guidelines, practices and policies. Such letters typically provide for the salary payable to our Executive Officers, their working hours, medical benefits, grounds of termination and certain restrictive covenants.

Save as disclosed above, there are no other existing or proposed service contracts entered or to be entered into by our Directors or our Executive Officers with our Company or any of our subsidiaries which provide for benefits upon termination of employment.

REMUNERATION OF DIRECTORS AND KEY EXECUTIVES

Directors and Executive Officers

The remuneration (which includes salary, bonus, benefits-in-kind, CPF contributions and directors' fees) paid or payable to our Directors and Executive Officers for services rendered to us in all capacities for FY2014, FY2015 and the estimated remuneration for FY2016 were or are as follows:

Name	FY2014	FY2015	FY2016 (estimated)
Directors			
Leslie Ong	Band B	Band B	Band B
Johnny Ong	Band B	Band B	Band B
Melvin Ang ⁽¹⁾	N.A.	N.A.	Band A
Tan Wee Peng Kelvin ⁽²⁾	N.A.	N.A.	Band A
Tan Yew Chee William ⁽³⁾	N.A.	N.A.	Band A
Tang Tung Kin ⁽⁴⁾	N.A.	N.A.	Band A
Executive Officers			
Tay Joo Heng ⁽⁵⁾	N.A.	N.A.	Band A
Alan Meng	Band A	Band A	Band A

Notes:

- (1) Melvin Ang was appointed to our Board on 11 August 2016.
- (2) Tan Wee Peng Kelvin was appointed to our Board on 17 March 2017.
- (3) Tan Yew Chee William was appointed to our Board on 17 March 2017.
- (4) Tan Tung Kin was appointed to our Board on 17 March 2017.
- (5) Tay Joo Heng joined us on 8 April 2016 and was appointed as our Group CFO.

DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES

Remuneration bands:

- “**Band A**” refers to remuneration of between S\$0 to S\$250,000 per annum.
- “**Band B**” refers to remuneration between S\$250,001 and S\$500,000 per annum.
- “**Band C**” refers to remuneration between S\$500,000 and S\$750,000 per annum.

Save for contributions made for our employees by our Company for CPF contributions (or equivalent), no amounts have been set aside or accrued by our Company or our subsidiaries to provide for pension, retirement or similar benefits for our Directors and Executive Officers.

Related Employees

During the Period Under Review, Meng Wei Chung, the brother of Alan Meng, was an assistant manager in our Group. He was involved in rigging and related operations of our Group. He resigned on 30 September 2016.

We do not have any employee upon whose work our Group is dependent, who is related to our Directors, Executive Officers or Substantial Shareholders.

In the event of any new employment of employees who are related to our Directors, Executive Officers or Substantial Shareholders, the remuneration of such employees will be reviewed annually by our Remuneration Committee to ensure that their remuneration packages are in line with our staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities. Any bonuses, pay increases and/or promotions for these related employees will also be subject to the review and approval of our Remuneration Committee. In addition, any new employment of related employees and the proposed terms of their employment will also be subject to the review of and approval of the Nominating Committee. In the event that a member of our Remuneration Committee or Nominating Committee is related to the employee under review, he will abstain from participating in the review.

EMPLOYEES

As at the Latest Practicable Date, we had 27 full-time employees. All our employees are located in Singapore.

All our employees have entered into employment contracts with us. We do not experience any significant seasonal fluctuation in the number of our employees. All our employees in our Group are not unionised. We believe that the relationship and cooperation between our management and employees have been good and this is expected to continue. There has not been any incidence of work stoppages or labour disputes. Except for contributions to CPF in Singapore, we have not set aside or accrued any amounts for our employees to provide for pension, retirement or similar benefits.

A breakdown of the number of our full-time employees of our Group by business functions is as follows:

Job Functions	As at 31 December 2013	As at 31 December 2014	As at 31 December 2015	As at 30 September 2016	As at the Latest Practicable Date
Management	3	3	3	4	4
Business development, branding and marketing	5	5	6	5	5
Finance	2	2	2	3	3
Technical	12	12	12	9	9
Project Management	2	3	4	4	4
Artiste Management	0	0	0	1	1
Store	2	2	2	2	1
Total	26	27	29	28	27

UNUSUAL ESOS

On 15 March 2017, our Shareholder approved a share option scheme known as the UnUsUaL employee share option scheme (the “**UnUsUaL ESOS**”), the rules of which are set out in Appendix F of this Offer Document. The UnUsUaL ESOS complies with the relevant rules as set out in Chapter 8 of the Catalist Rules. Capitalised terms as used throughout this section, unless otherwise defined, shall bear the meanings as defined in “Appendix F – Rules of the UnUsUaL ESOS” of this Offer Document.

As at the Latest Practicable Date, no Options have been granted under the UnUsUaL ESOS.

1. Objectives of the UnUsUaL ESOS

The objectives of the UnUsUaL ESOS are as follows:

- (a) to motivate participants to optimise their performance standards and efficiency and to maintain a high level of contribution to our Group;
- (b) to retain key employees and directors whose contributions are essential to the long-term growth and profitability of our Group;
- (c) instil loyalty to, and a stronger identification by participants with the long-term prosperity of, our Group;
- (d) to attract potential employees with relevant skills to contribute to our Group and to create value for our Shareholders; and
- (e) to align the interests of participants with the interests of our Shareholders.

Unlike the Award Shares granted under the UnUsUaL PSP (as detailed in the section entitled “UnUsUaL PSP” of this Offer Document), the UnUsUaL ESOS is designed to provide eligible participants with an opportunity to participate in the equity of our Company through the grant of Options, and to motivate them towards better performance through increased dedication and loyalty. The reason for having the UnUsUaL ESOS in addition to the UnUsUaL PSP is to give our Company greater flexibility in structuring the compensation packages of eligible participants and providing an additional tool to motivate and retain staff members through the offering of compensation packages that are market-competitive.

2. Summary of the UnUsUaL ESOS

A summary of the rules of the UnUsUaL ESOS is set out as follows:

2.1 Participants

Under the rules of the UnUsUaL ESOS, executive directors and employees of our Group and our associated companies (“**Group Employees**”) and non-executive directors (including our Independent Directors) of our Group, are eligible to participate in the UnUsUaL ESOS. For this purpose, a company is our “associated company” if we and/or our subsidiaries hold at least 20.0% but not more than 50.0% of the issued shares in that company and provided our Company has control (as defined in the Listing Manual) over the associated company.

Pursuant to Rule 852 of the Catalist Rules, participation in the UnUsUaL ESOS by Controlling Shareholders and their Associates must be approved by independent Shareholders of our Company and a separate resolution must be passed for each such person to approve the actual number and terms of the Options to be granted to such person. Controlling Shareholders and their Associates shall abstain from voting on any resolution in relation to their participation in the UnUsUaL ESOS and grant of Options to them.

Save as prescribed by the Catalist Rules, there shall be no restriction on the eligibility of any Participant to participate in any other share option scheme or share scheme, implemented or to be implemented by any company within our Group.

UNUSUAL ESOS

Subject to the Act and any requirement of the SGX-ST or any other stock exchange on which the Shares may be listed or quoted, the terms of eligibility for participation in the UnUsUaL ESOS may be amended from time to time at the absolute discretion of our Remuneration Committee. For instance, Section 77 of the Act provides that in relation to non-employees of our Company, any options granted after 29 December 1967 by a public company in respect of unissued shares of the grantor after a period of five (5) years have elapsed from the date on which the option was granted shall be void. Accordingly, in respect of any Options granted to our Non-Executive Directors, the Options shall be voided five (5) years from the date of grant of such Options.

2.2 ***Scheme administration***

The UnUsUaL ESOS shall be administered by our Remuneration Committee with powers to determine, *inter alia*, the following:

- (a) persons to be granted Options;
- (b) number of Options to be granted; and
- (c) recommendations for modifications to the UnUsUaL ESOS.

Our Remuneration Committee may consist of Directors (including Directors or persons who may be participants of the UnUsUaL ESOS). A member of our Remuneration Committee who is also a participant of the UnUsUaL ESOS must not be involved in its deliberation in respect of Options granted or to be granted to him.

2.3 ***Size of the UnUsUaL ESOS***

The aggregate number of Shares over which our 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 our Company, 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 the date on which an offer to grant an Option is made.

Our Company believes that this 15.0% limit gives our Company sufficient flexibility to decide the number of Option Shares to offer to its existing and new employees. The number of eligible participants is expected to grow over the years. Our Company, in line with its goals of ensuring sustainable growth, is constantly reviewing its position and considering the expansion of its talent pool which may involve employing new employees. The employee base, and thus the number of eligible participants, will increase as a result. If the number of Options available under the UnUsUaL ESOS is limited, our Company may only be able to grant a small number of Options to each eligible participant which may not be a sufficiently attractive incentive. Our Company is of the opinion that it should have sufficient number of Options to offer to new employees as well as to existing ones. The number of Options offered must also be significant enough to serve as a meaningful reward for contributions to our Group. However, it does not necessarily mean that our Remuneration Committee will definitely issue Option Shares up to the prescribed limit. Our Remuneration Committee shall exercise its discretion in deciding the number of Option Shares to be granted to each employee, which will depend on the performance and value of the employee to our Group.

The aggregate number of Shares which may be issued or transferred pursuant to Options under the UnUsUaL ESOS to participants who are Controlling Shareholders and their Associates collectively shall not exceed 25.0% of the Shares available under the UnUsUaL ESOS. The number of Shares which may be issued or transferred pursuant to Options under the UnUsUaL ESOS to each participant who is a Controlling Shareholder or his Associates shall not exceed 10.0% of the Shares available under the UnUsUaL ESOS.

UNUSUAL ESOS

2.4 **Maximum entitlements**

The aggregate number of Shares comprised in any Options to be offered to a grantee shall be determined at the absolute discretion of our Remuneration Committee, which shall take into account (where applicable) criteria such as rank, past performance, years of service and potential for future development of that grantee.

2.5 **Options, exercise period and exercise price**

The Options that are granted under the UnUsUaL ESOS may have exercise prices that are, at our 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.

2.6 **Grant of Options**

Under the rules of the UnUsUaL ESOS, there are no fixed periods for the grant of Options. As such, offers of the grant of Options may be made at any time from time to time at the discretion of our Remuneration Committee. However, no Option shall be granted during the period of 30 days immediately preceding the date of announcement of our Company's interim or final results (as the case may be). In addition, in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is imminent, offers may only be made on or after the third Market Day from the date on which the aforesaid announcement is made.

2.7 **Termination of Options**

Special provisions in the rules of the UnUsUaL ESOS deal with the lapse or earlier exercise of Options in circumstances which include the termination of the participant's employment in our Group, the bankruptcy of the participant, the death of the participant, a take-over of our Company, and the winding-up of our Company.

2.8 **Acceptance of Options**

The grant of Options shall be accepted within 30 days from the date of the offer. Offers of Options made to grantees, if not accepted before the closing date, will lapse. Upon acceptance of the offer, the grantee must pay our Company a consideration of S\$1 or such amount as our Remuneration Committee may decide.

2.9 **Rights of Shares arising**

Subject to the prevailing legislation, our Company will deliver Shares to participants upon exercise of their Options by way of either (i) an allotment and issue of new Shares; and/or (ii) a transfer of Shares acquired by our Company pursuant to a share purchase mandate and/or held by our Company in treasury.

In determining whether to issue new Shares or deliver existing Shares to participants upon exercise of their Options, our Company will take into account factors such as (but not limited to) the number of Shares to be delivered, the prevailing market price of the Shares and the cost to our Company of issuing new Shares or purchasing existing Shares.

The financial effects of the above methods are discussed below.

UNUSUAL ESOS

Shares arising from the exercise of Options are subject to the provisions of our Constitution. Shares allotted and issued, and existing Shares procured by our Company for transfer, upon the exercise of an Option shall rank *pari passu* in all respects with the then existing issued Shares, save for any dividends, rights, allotments or distributions, the record date (“**Record Date**”) for which is prior to the relevant exercise date of the Option. “**Record Date**” means the date as at the close of business on which Shareholders must be registered in order to participate in any dividends, rights, allotments or other distributions (as the case may be).

2.10 ***Duration of the UnUsUaL ESOS***

The UnUsUaL ESOS shall continue in operation for a maximum duration of 10 years commencing from the date of listing of our Company on Catalist and may subject to compliance with applicable laws and regulations in Singapore be continued for any further period thereafter with the approval of our Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

2.11 ***Abstention from voting***

Shareholders who are eligible to participate in the UnUsUaL ESOS are to abstain from voting on any shareholders’ resolution relating to the UnUsUaL ESOS and should not accept nominations as proxy or otherwise for voting unless specific instructions have been given in the proxy form on how the vote is to be cast. In particular, all Shareholders who are eligible to participate in the UnUsUaL ESOS shall abstain from voting on the following resolutions, where applicable: (a) implementation of the UnUsUaL ESOS; (b) the maximum discount which may be given in respect of any Option; and (c) participation by and grant of Options to Controlling Shareholders and their Associates.

2.12 ***Reporting requirements***

Under the Catalist Rules, an immediate announcement must be made on the date of grant of an Option and the announcement must provide details of the grant, including the following:

- (a) date of grant;
- (b) exercise price of the Options granted;
- (c) number of Options granted;
- (d) market price of the Shares on the date of grant;
- (e) number of Options granted to each Director and Controlling Shareholder (and each of their Associates), if any; and
- (f) the validity period of the Options.

The following disclosures (as applicable) will be made by our Company in our annual report for so long as the UnUsUaL ESOS continues in operation as from time to time required by the Listing Manual including the following (where applicable):

- (a) the names of the members of our Remuneration Committee administering the UnUsUaL ESOS;
- (b) the following information required in the table below for the following participants of the UnUsUaL ESOS:
 - (i) Directors of our Company;
 - (ii) Controlling Shareholders of our Company and their Associates; and

UNUSUAL ESOS

- (iii) participants (other than those in paragraph (b)(i) and (b)(ii) above) who have received Shares pursuant to the exercise of Options under the UnUsUaL ESOS which, in aggregate, represent 5.0% or more of the aggregate of the total number of Shares available under the UnUsUaL ESOS:

Name of participant	Options granted during financial year under review (including terms)	Aggregate Options granted since commencement of the UnUsUaL ESOS to end of financial year under review	Aggregate Options exercised since commencement of the UnUsUaL ESOS to end of financial year under review	Aggregate Options outstanding as at end of financial year under review

- (c) the number and proportion of Options granted at the following discounts to the market price in the financial year under review:
- (i) Options granted at up to 10.0% discount; and
 - (ii) Options granted at between 10.0% but not more than 20.0% discount; and
- (d) such other information as may be required by the Listing Manual or the Companies Act,

provided that if any of the above requirements are not applicable, an appropriate negative statement will be included in our annual report.

3. Grant of Options with a discounted exercise price

The ability to offer Options to participants of the UnUsUaL ESOS with exercise prices set at a discount to the prevailing market prices of the Shares will operate as a means to recognise the performance of participants as well as to motivate them to continue to excel while encouraging them to focus more on improving the profitability and return of our Group above a certain level which will benefit all Shareholders when these are eventually reflected through share price appreciation. The UnUsUaL ESOS will also serve to recruit new group employees whose contributions are important to the long-term growth and profitability of our Group. Discounted Options would be perceived in a more positive light by the participants, inspiring them to work hard and produce results in order to be offered Options at a discount as only employees who have made outstanding contributions to the success and development of our Group would be granted Options at a discount.

At present, our Company foresees that Options may be granted with a discount principally in the following circumstances:-

- (a) Firstly, where it is considered more effective to reward and retain talented employees by way of a discounted price Option rather than a Market Price Option. This is to reward the outstanding performers who have contributed significantly to our Group's performance and the discounted price option serves as additional incentive to such group employees. Options granted by our Company on the basis of market price may not be attractive and realistic in the event of an overly buoyant market and inflated share prices. Hence, during such period, the ability to offer such Options at a discount would allow our Company to grant Options on a more realistic and economically feasible basis. Furthermore, Options granted at a discount will give an opportunity to Group Employees to realise some tangible benefits even if external events cause the Share price to remain largely static.

UNUSUAL ESOS

- (b) Secondly, where it is more meaningful and attractive to acknowledge a participant's achievements through a discounted price Option rather than paying him a cash bonus. For example, Options granted at a discount may be used to compensate employees and to motivate them during economic downturns when wages (including cash bonuses and annual wage supplements) are frozen or cut, or they could be used to supplement cash rewards in lieu of larger cash bonuses or annual wage supplements. Accordingly, it is possible that merit-based cash bonuses or rewards may be combined with grants of market price Options or discounted price Options, as part of eligible employees' compensation packages. The UnUsUaL ESOS will provide Group Employees with an incentive to focus more on improving the profitability of our Group thereby enhancing shareholder value when these are eventually reflected through the price appreciation of the Shares after the vesting period.
- (c) Thirdly, where due to speculative forces and having regard to the historical performance of the Share price, the market price of the Shares at the time of the grant of the Options may not be reflective of financial performance indicators such as return on equity and/or earnings growth.

Our Remuneration Committee will have the absolute discretion to grant Options where the exercise price is discounted, to determine the level of discount (subject to a maximum discount of 20.0% of the Market Price) and the grantees to whom, and the Options to which, such discount in the exercise price will apply provided that our Shareholders in general meeting shall have authorised, in a separate resolution, the making of offers and grants of Options under the UnUsUaL ESOS at a discount not exceeding the maximum discount as aforesaid.

In deciding whether to give a discount and the quantum of such discount (subject to the aforesaid limit), our Remuneration Committee will have regard to the financial and other performance of our Company and our Group, the years of service and individual performance of the grantee, the contribution of the grantee to the success and development of our Group and the prevailing market conditions.

Our Company may also grant Options without any discount to the Market Price. Additionally, our Company may, if it deems fit, impose conditions on the exercise of the Options (whether such Options are granted at the market price or at a discount to the market price), such as restricting the number of Shares for which the option may be exercised during the initial years following its vesting.

4. **Adjustments and Alterations under the UnUsUaL ESOS**

The following describes the adjustment events under, and provisions relating to alterations of, the UnUsUaL ESOS.

4.1 **Adjustment events**

If a variation in the issued ordinary share capital of our Company (whether by way of a capitalisation of profits or reserves or rights issue, reduction, subdivision, consolidation or distribution, or otherwise) shall take place, then:

- (a) the exercise price in respect of the Shares comprised in the Option to the extent unexercised;
- (b) the class and/or number of Shares comprised in the Option to the extent unexercised and the rights attached thereto;
- (c) the maximum entitlement in any one financial year; and/or
- (d) the class and/or number of Shares of which additional Options may be granted to participants under the UnUsUaL ESOS,

UNUSUAL ESOS

shall be adjusted in such manner as our Remuneration Committee may determine to be appropriate, provided that no adjustment shall be made (i) if as a result, the participant receives a benefit that a Shareholder does not receive, and (ii) unless our Remuneration Committee after considering all relevant circumstances considers it equitable to do so.

The issue of securities as consideration for an acquisition or a private placement of securities or the cancellation of issued Shares purchased or acquired by our Company by way of a market purchase of such Shares undertaken by our Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force shall not normally be regarded as a circumstance requiring adjustment, unless our Remuneration Committee considers an adjustment to be appropriate.

Any adjustment (except in relation to a capitalisation issue) must be confirmed in writing by our Company's auditors (acting only as experts and not as arbitrators) to be, in their opinion, fair and reasonable.

4.2 ***Modifications or alterations to the UnUsUaL ESOS***

The UnUsUaL ESOS may be modified and/or altered from time to time by a resolution of our Remuneration Committee subject to the prior approval of the Sponsor (acting as agent and on behalf of the SGX-ST) and such other regulatory authorities as may be necessary.

However, no modification or alteration shall adversely affect the rights attached to any Options granted prior to such modification or alteration and which in the opinion of our Remuneration Committee, materially alters the rights attaching to any Option granted prior to such modification or alteration, shall be made except with the written consent of such number of participants under the UnUsUaL ESOS who, if they exercised their Options in full, would thereby become entitled to not less than three-quarters in number of all the Shares which would be issued or transferred in full of all outstanding Options.

No modification or alteration shall be made to particular rules of the UnUsUaL ESOS to the advantage of participants under the UnUsUaL ESOS except with the prior approval of Shareholders in general meeting.

5. **Rationale for participation of executive directors and employees of our associated companies and non-executive directors (including our Independent Directors) of our Group in the UnUsUaL ESOS**

The extension of the UnUsUaL ESOS to executive directors and employees of our associated companies and non-executive directors (including our Independent Directors) of our Group allows our Group to have a fair and equitable system to reward directors and employees who have made and who continue to make significant contributions to the long-term growth of our Group.

We believe that the UnUsUaL ESOS will also enable us to attract, retain and provide incentives to its participants to achieve higher standards of performance as well as encourage greater dedication and loyalty by enabling our Company to give recognition to past contributions and services as well as motivating participants generally to contribute towards the long-term growth of our Group.

Although the non-executive directors are not involved in the day-to-day running of our Group's business, they nonetheless play an invaluable role in furthering the business interests of our Group by contributing their experience and expertise. The participation by the non-executive directors in the UnUsUaL ESOS will provide our Company with a further avenue to acknowledge and recognise their services and contributions to our Group as it may not always be possible to compensate them fully or appropriately by increasing the directors' fees or other forms of cash payment.

In order to minimise any potential conflicts of interest and not to compromise the independence of the non-executive directors, our Company intends to grant only a nominal number of Options under the UnUsUaL ESOS to such non-executive directors.

UNUSUAL ESOS

6. **Rationale for participation of Controlling Shareholders and their Associates in the UnUsUaL ESOS**

Although our Controlling Shareholders and their Associates already have shareholding interests in our Company, our Directors are of the view that they should be provided an opportunity to participate in the UnUsUaL ESOS as they have contributed significantly to the growth and performance of our Group, and the opportunity to participate therein will further motivate and encourage them to continue expending great energies towards the success of our Group. Options, unlike cash bonuses, will additionally encourage such Controlling Shareholders and their Associates to take a long term view of our Group, and will motivate them towards improving the return on equity as this will affect the amount of benefit that they will ultimately derive from their participation in the UnUsUaL ESOS. It is in the long-term interests of our Company to ensure that these Controlling Shareholders and their Associates who are actively contributing to our Group be incentivised to remain in and contribute to the growth and development of our Group. Their continued contribution will benefit our Group.

Pursuant to the Rule 852 of the Catalist Rules, participation in the UnUsUaL ESOS by Controlling Shareholders and their Associates must be approved by independent Shareholders of our Company and a separate resolution must be passed for each such person to approve the actual number and terms of the Options to be granted to such person. Controlling Shareholders and their Associates shall abstain from voting on any resolution in relation to their participation in the UnUsUaL ESOS and grant of Options to them.

7. **Rationale and justification for the proposed participation of Leslie Ong and Johnny Ong, Controlling Shareholders, in the proposed UnUsUaL ESOS**

Leslie Ong and Johnny Ong, our Controlling Shareholders, are the CEO and COO of our Group respectively, and have been instrumental in the overall management of the operations and business opportunities of our Group since its inception. Leslie Ong is in charge of the overall management operations, strategic planning and business development of our Group while Johnny Ong is responsible for the day-to-day operations of our Group, including managing our Group's overall business development and operations. Our Directors believe that Leslie Ong and Johnny Ong have made and will continue to make invaluable contributions to our Group. Our Directors also believe that the leadership of Leslie Ong and Johnny Ong will be important as our Group embarks on its next phase of growth. For these reasons, our Directors consider their experience and contribution towards the growth of our Company to be invaluable.

Our Directors are of the view that the remuneration packages of Leslie Ong and Johnny Ong are fair given their contributions to our Group. The extension of the UnUsUaL ESOS to Leslie Ong and Johnny Ong is consistent with our Company's objectives to motivate its employees to achieve and maintain a high level of performance and contribution which is vital to the success of our Company. Furthermore, the UnUsUaL ESOS will spur them on to further optimise their performance standards and efficiency and to reward them for their significant contributions to our Group. Although Leslie Ong and Johnny Ong already have a shareholding interest in our Company, the extension of the UnUsUaL ESOS to them will ensure that they are equally entitled, with the other employees who are not Controlling Shareholders, to take part in and benefit from this system of remuneration, thereby enhancing their long term commitment to our Company.

For the above reasons, our Directors believe that Leslie Ong and Johnny Ong deserve, and should be allowed to participate in the UnUsUaL ESOS.

Pursuant to Rule 852 of the Catalist Rules, independent Shareholders' approval will be sought in separate resolutions for the grant of Options to each of Leslie Ong and Johnny Ong as well as for the actual number and terms of the Options to be granted.

UNUSUAL ESOS

8. Financial effects of the UnUsUaL ESOS

The UnUsUaL ESOS will increase our issued share capital to the extent of the new Shares that will be issued and allotted pursuant to the exercise of Options. Under the Financial Reporting Standard 102 on Share-based Payment (“**FRS 102**”), the fair value of employee services received in exchange for the grant of the Options would be recognised as an expense. For equity-settled share-based payment transactions, the total amount to be expensed in the income statement over the vesting period is determined by reference to the fair value of each Option granted at the grant date and the number of Options vested by the vesting date, with a corresponding increase in equity.

Before the end of the vesting period, at each balance sheet date, the entity revises its estimates of the number of Options that are expected to vest by the vesting date and recognises the impact of this revision in the income statement with a corresponding adjustment to equity. After the vesting date, no adjustment to the income statement would be made. The proceeds net of any directly attributable transaction costs are credited to the share capital when the Options are exercised.

During the vesting period, the consolidated EPS would be reduced by both the expenses recognised and the potential new Shares to be issued under the UnUsUaL ESOS. When the Options are exercised, the consolidated NTA will be increased by the amount of cash received for exercise of the Options. On a per share basis, the effect is accretive if the exercise price is above the net tangible assets per share but dilutive otherwise.

There will be no cash outlay expended by us at the time of grant of such Options as compared to the payment of cash bonuses. However, as Shareholders may be aware, any Options granted to subscribe for new Shares (whether the exercise price is set at the market price of the shares at the date of grant or otherwise) have a fair value at the time of grant. The fair value of an Option is an estimate of the amount that a willing buyer would pay a willing seller for the Option on the grant date. Options are granted to participants at a nominal consideration of S\$1. Insofar as such Options are granted at a consideration that is less than their fair value at the time of grant, there will be a cost to our Company in that we will receive from the participant upon the grant of the Option a consideration that is less than the fair value of the Option.

The following sets out the financial effects of the UnUsUaL ESOS.

(a) Share capital

The UnUsUaL ESOS will result in an increase in our Company’s issued share capital when new Shares are issued to participants. The number of new Shares issued will depend on, *inter alia*, the size of the Options granted under the UnUsUaL ESOS. Whether and when the Options granted under the UnUsUaL ESOS will be exercised will depend on the exercise price of the Options, when the Options will vest as well as the prevailing trading price of the Shares. In any case, the UnUsUaL ESOS provides that the number of Shares to be issued or transferred under the UnUsUaL ESOS, when aggregated with the aggregate number of Shares over which options or awards are granted under any other share option schemes or share schemes of our Company, will be subject to the maximum limit of 15.0% of our Company’s total number of issued Shares (excluding Shares held by our Company as treasury shares) from time to time. If instead of issuing new Shares to participants, existing Shares are purchased for delivery to participants, the UnUsUaL ESOS will have no impact on our Company’s issued share capital.

(b) NTA

As described in paragraph (c) below on EPS, the grant of Options will be recognised as an expense, the amount of which will be computed in accordance with FRS 102. When new Shares are issued pursuant to the exercise of Options, there would be no effect on the NTA due to the offsetting effect of expenses recognised and the increase in share capital. However, if instead of issuing new Shares to participants, existing Shares are purchased for delivery to participants, the NTA would be impacted by the cost of the Shares purchased.

UNUSUAL ESOS

(c) EPS

Without taking into account earnings that may be derived by our Company from the use of the proceeds from the issuance of Shares pursuant to the exercise of Options granted under the UnUsUaL ESOS, any new Shares issued pursuant to any exercise of the Options will have a dilutive impact on our Company's EPS.

(d) Dilutive impact

The issuance of new Shares under the UnUsUaL ESOS will have a dilutive impact on our consolidated EPS.

We have made an application to the SGX-ST for permission to deal in and for quotation of the Option Shares which may be issued upon the exercise of the Options to be granted under the UnUsUaL ESOS. The approval of the SGX-ST is not to be taken as an indication of the merits of our Company, our subsidiaries, our Shares, the Placement Shares, the Option Shares or the Award Shares.

UNUSUAL PSP

On 15 March 2017, our Shareholder approved a performance share scheme known as the UnUsUaL performance share plan (the “**UnUsUaL PSP**”), the rules of which are set out in Appendix G of this Offer Document. The UnUsUaL PSP complies with the relevant rules as set out in Chapter 8 of the Catalyst Rules. Capitalised terms as used throughout this section, unless otherwise defined, shall bear the meanings as defined in “Appendix G – Rules of the UnUsUaL PSP” of this Offer Document.

1. Objectives of the UnUsUaL PSP

The objectives of the UnUsUaL PSP are to:

- (a) foster a culture of ownership within our Group which aligns the interests of Group Executives with the interests of Shareholders;
- (b) motivate participants to achieve key financial and operational goals of our Company and/or their respective business units and encourage greater dedication and loyalty to our 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 our Group.

2. Operation of the UnUsUaL PSP

Awards granted under the UnUsUaL PSP will be principally performance-based, incorporating an element of stretched targets for senior executives and significantly stretched targets for key senior management aimed at delivering long-term shareholder value. Examples of performance targets to be set include targets based on criteria such as sales growth, EPS and return on investment.

The UnUsUaL PSP uses methods fairly common among major local and multinational companies to incentivise and motivate senior executives and key senior management to achieve predetermined targets which create and enhance economic value for Shareholders. Our Company believes that the UnUsUaL PSP will be an effective tool in motivating senior executives, key senior management and non-executive directors to work towards stretched goals.

The UnUsUaL PSP contemplates the award of fully paid Shares, when and after pre-determined performance or service conditions are accomplished.

A participant’s Award under the UnUsUaL PSP will be determined at the sole discretion of our Remuneration Committee. In considering an Award to be granted to a participant who is an employee, our Remuneration Committee may take into account, *inter alia*, the participant’s capability, creativity, entrepreneurship, innovativeness, scope of responsibility and skills set. In considering an Award to be granted to a participant who is a Non-Executive Director, our Remuneration Committee may take into account, *inter alia*, the services and contributions made to the growth of our Group, attendance and participation in meetings and the years of service.

Awards granted under the UnUsUaL PSP are principally performance-based with performance targets to be set over a performance period and may vary from one performance period to another performance period and from one grant to another grant. Performance targets set by our Remuneration Committee are intended to be based on medium-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth. The performance targets are stretched targets aimed at sustaining long-term growth. These targets will be tied in with our Company’s corporate key performance indicators.

Under the UnUsUaL PSP, participants are encouraged to continue serving our Group beyond the achievement date of the pre-determined performance targets. Our Remuneration Committee has the discretion to impose a further vesting period after the performance period to encourage the participant to continue serving our Group for a further period of time.

The UnUsUaL PSP complies with the relevant rules as set out in Chapter 8 of the Catalyst Rules. As at the Latest Practicable Date, no Awards have been granted under the UnUsUaL PSP.

UNUSUAL PSP

3. Summary of Rules of the UnUsUaL PSP

A summary of the rules of the UnUsUaL PSP is set out as follows:

3.1 Eligibility

Full-time Group Executives who have attained the age of 21 years and hold such rank as may be designated by our 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 our 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.

3.2 Awards

Awards represent the right of a 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.

Shares which are allotted and issued or transferred to a participant pursuant to the grant of an Award shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, during a specified period (as prescribed by our Remuneration Committee in the Award letter), except to the extent approved by our Remuneration Committee.

Our Remuneration Committee, may in its absolute discretion, make a Release of an Award, wholly or partly, in the form of cash rather than Shares.

3.3 Participants

The selection of a participant and the number of Shares which are the subject of each Award to be granted to a participant in accordance with the UnUsUaL PSP shall be determined at the absolute discretion of our Remuneration Committee, which shall take into account criteria such as his rank, job performance, creativity, innovativeness, entrepreneurship, years of service and potential for future development, his contribution to the success and development of our Group and, if applicable, the extent of effort and resourcefulness required to achieve the performance target(s) within the performance period.

3.4 Details of Awards

Our Remuneration Committee shall decide, in relation to an Award to be granted to a participant, amongst others:

- (a) the participant;
- (b) the date on which the Award is to be granted;
- (c) the number of Shares which are the subject of the Award;

UNUSUAL PSP

- (d) the performance target(s) and the performance period during which such performance target(s) are to be satisfied, if any;
- (e) the extent to which Shares, which are the subject of that Award, shall be released on each prescribed performance target(s) being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the performance period; and
- (f) any other condition which our Remuneration Committee may determine in relation to that Award.

Our Remuneration Committee may consist of Directors (including Directors or persons who may be participants of the UnUsUaL PSP). A member of our Remuneration Committee who is also a participant of the UnUsUaL PSP must not be involved in its deliberation in respect of Awards granted or to be granted to him.

3.5 **Timing**

Our Remuneration Committee has the discretion to grant Awards at any time in the year. An Award letter confirming the Award and specifying, *inter alia*, the number of Shares which are the subject of the award, the prescribed performance target(s), the performance period during which the prescribed performance target(s) are to be attained or fulfilled and the schedule setting out the extent to which Shares will be released on satisfaction of the prescribed performance target(s), will be sent to each participant as soon as reasonably practicable after the granting of an Award.

3.6 **Events Prior to Vesting**

Special provisions for the vesting, lapsing and/or cancellation of Awards apply in certain circumstances including the following:

- (a) the misconduct on the part of a participant as determined by our Remuneration Committee in its discretion;
- (b) the participant ceasing to be in the employment of our Group for any reason whatsoever (other than as specified in paragraph (e) below);
- (c) an order being made or a resolution passed for the winding-up of our Company on the basis, or by reason, of its insolvency;
- (d) the bankruptcy of a participant or the happening of any other event which results in him being deprived of the legal or beneficial ownership of the Award;
- (e) the participant ceases to be in the employment of our Group by reason of:
 - (1) ill health, injury or disability (in each case, evidenced to the satisfaction of our Remuneration Committee);
 - (2) redundancy;
 - (3) retirement at or after the legal retirement age;
 - (4) retirement before the legal retirement age with the consent of our Remuneration Committee;
 - (5) the company by which he is employed or to which he is seconded, as the case may be, ceasing to be a company within our Group, or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within our Group, as the case may be; or
 - (6) any other event approved by our the Committee;

UNUSUAL PSP

- (f) the death of a participant;
- (g) any other event approved by our Remuneration Committee; or
- (h) a take-over, reconstruction or amalgamation of our Company or an order being made or a resolution passed for the winding-up of our Company (other than as provided in paragraph (c) above or for amalgamation or reconstruction).

Upon the occurrence of any of the events specified in paragraphs (a), (b) and (c), an Award then held by a participant shall, subject as provided in the rules of the UnUsUaL PSP and to the extent not yet released, immediately lapse without any claim whatsoever against our Company.

Upon the occurrence of any of the events specified in paragraphs (d), (e), (f) and (g) above, our Remuneration Committee may, in its absolute discretion, preserve all or any part of any Award and decide either to vest some or all of the Shares which are the subject of the Award or to preserve all or part of any Award until the end of the relevant performance period. In exercising its discretion, our Remuneration Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that participant and, in the case of performance-related Awards, the extent to which the applicable performance conditions and targets have been satisfied.

Upon the occurrence of the events specified in paragraph (h) above, our Remuneration Committee will consider, at its discretion, whether or not to release any Award, and will take into account all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that participant. If our Remuneration Committee decides to release any Award, then in determining the number of Shares to be vested in respect of such Award, our Remuneration Committee will have regard to the proportion of the performance period which has elapsed and the extent to which the applicable performance conditions and targets have been satisfied.

3.7 ***Size and Duration of the UnUsUaL PSP***

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.

In addition, the number of Shares available to Controlling Shareholders or Associates of a Controlling Shareholder is 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.

The UnUsUaL PSP shall continue in force at the discretion of our Remuneration Committee, subject to a maximum period of 10 years commencing from the date of listing of our 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.

Notwithstanding the expiry or termination of the UnUsUaL PSP, any Awards made to participants prior to such expiry or termination will continue to remain valid.

UNUSUAL PSP

3.8 **Operation of the UnUsUaL PSP**

Subject to the prevailing legislation, our 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, and/or (ii) a transfer of Shares acquired by our Company pursuant to a share purchase mandate and/or held by our Company in treasury.

In determining whether to issue new Shares to participants or to transfer existing Shares upon vesting of their Awards, our Company will take into account factors such as (but not limited to) the number of Shares to be delivered, the prevailing market price of the Shares and the cost to our Company of issuing new Shares or delivering existing Shares.

Additionally, our Company has the flexibility, and if circumstances require, to approve the release of an Award, wholly or partly, in the form of cash rather than Shares. In determining whether to release an Award, wholly or partly, in the form of cash rather than Shares, our Company will take into account factors such as (but not limited to) the cost to the Company of releasing an Award, wholly or partly, in the form of cash rather than Shares.

The financial effects of the above methods are discussed below.

New Shares allotted and issued and existing Shares procured by our Company for transfer on the release of an Award shall be eligible for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the record date for which is on or after the relevant date of issue or, as the case may be, delivery, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

4. **Role and Composition of the Committee**

Our Remuneration Committee will be designated as the committee responsible for the administration of the UnUsUaL PSP, and will comprise such Directors to administer the UnUsUaL PSP, provided that no member of our Remuneration Committee shall participate in any deliberation or decision in respect of Awards granted or to be granted to him.

Our Remuneration Committee shall have the discretion to determine whether the performance condition has been satisfied (whether fully or partially) or exceeded and in making any such determination, our Remuneration Committee shall have the right to take into account such factors as our Remuneration Committee may determine to be relevant, such as changes in accounting methods, taxes and extraordinary events, and further, the right to amend the performance target(s) if our Remuneration Committee decides that a changed performance target would be a fairer measure of performance.

5. **Abstention from voting**

Shareholders who are eligible to participate in the UnUsUaL PSP are to abstain from voting on any shareholders' resolution relating to the UnUsUaL PSP and should not accept nominations as proxy or otherwise for voting unless specific instructions have been given in the proxy form on how the vote is to be cast. In particular, all Shareholders who are eligible to participate in the UnUsUaL PSP shall abstain from voting on the following resolutions, where applicable: (a) implementation of the UnUsUaL PSP; and (b) grant of Awards to Controlling Shareholders and their Associates.

6. **Reporting requirements**

Under the Catalist Rules, an immediate announcement must be made on the date of grant of an Award and the announcement must provide details of the grant, including the following:

- (a) date of grant;
- (b) market price of the Shares on the date of grant of the Award;

UNUSUAL PSP

- (c) number of Shares granted under the Award;
- (d) number of Shares granted to each Director and Controlling Shareholder (and each of their Associates) under the Award, if any; and
- (e) the validity period in relation to the Award.

The following disclosures (as applicable) will be made by our Company in our annual report for so long as the UnUsUaL PSP continues in operation as from time to time required by the Catalist Rules including the following (where applicable):

- (a) the names of the members of our Remuneration Committee administering the UnUsUaL PSP;
- (b) the following information required in the table below for the following participants of the UnUsUaL PSP:
 - (i) Directors of our Company;
 - (ii) Controlling Shareholders of our Company and their Associates; and
 - (iii) participants (other than those in paragraph (i) and (ii) above) who have received Shares pursuant to the release of Awards granted under the UnUsUaL PSP which, in aggregate, represent 5.0% or more of the aggregate of the total number of Shares available under the UnUsUaL PSP:

Name of participant	Aggregate number of Shares comprised in Awards under the UnUsUaL PSP during the financial year under review (including terms)	Aggregate number of Shares comprised in Awards vested to such participant since commencement of the UnUsUaL PSP to end of financial year under review	Aggregate number of Shares comprised in Awards issued since commencement of the UnUsUaL PSP to end of financial year under review	Aggregate number of Shares comprised in Awards which have not been released as at the end of financial year under review

- (c) such other information as may be required by the Catalist Rules or the Companies Act, provided that if any of the above requirements are not applicable, an appropriate negative statement will be included in our annual report.

7. Adjustments and Alterations under the UnUsUaL PSP

The following describes the adjustment events under, and provisions relating to alterations of, the UnUsUaL PSP.

7.1 Adjustment events

If a variation in the issued ordinary share capital of our Company (whether by way of a capitalisation of profits or reserves or rights issue, reduction, subdivision, consolidation or distribution, or otherwise) shall take place, then:

- (a) the class and/or number of Shares which are the subject of an Award to the extent not yet vested; and/or

UNUSUAL PSP

- (b) the class and/or number of Shares over which future Awards may be granted under the UnUsUaL PSP,

shall be adjusted in such manner as our Remuneration Committee may determine to be appropriate, provided that no adjustment shall be made if as a result, the participant receives a benefit that a Shareholder does not receive.

The issue of securities as consideration for an acquisition or a private placement of securities or the cancellation of issued Shares purchased or acquired by our Company by way of a market purchase of such Shares undertaken by our Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force shall not normally be regarded as a circumstance requiring adjustment, unless our Remuneration Committee considers an adjustment to be appropriate.

Any adjustment (except in relation to a capitalisation issue) must be confirmed in writing by our Company's auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.

7.2 ***Modifications or alterations to the UnUsUaL PSP***

The UnUsUaL PSP may be modified and/or altered from time to time by a resolution of our Remuneration Committee subject to the prior approval of the Sponsor (acting as agent and on behalf of the SGX-ST) and such other regulatory authorities as may be necessary.

However, no modification or alteration shall adversely affect the rights attached to Awards granted prior to such modification or alteration except with the written consent of such number of participants under the UnUsUaL PSP who, if their Awards were released to them, would thereby become entitled to not less than three-quarters in number of all the Shares which would be issued or transferred in full of all outstanding awards under the UnUsUaL PSP.

No alteration shall be made to particular rules of the UnUsUaL PSP to the advantage of the holders of the Awards except with the prior approval of Shareholders in general meeting.

8. **Rationale for participation of executive directors and employees of our associated companies and non-executive directors (including our Independent Directors) of our Group in the UnUsUaL PSP**

The extension of the UnUsUaL PSP to executive directors and employees of our associated companies and non-executive directors (including our Independent Directors) of our Group allows our Group to have a fair and equitable system to reward directors and employees who have made and who continue to make significant contributions to the long-term growth of our Group.

We believe that the UnUsUaL PSP will also enable us to attract, retain and provide incentives to its participants to achieve higher standards of performance as well as encourage greater dedication and loyalty by enabling our Company to give recognition to past contributions and services as well as motivating participants generally to contribute towards the long-term growth of our Group.

Although the non-executive directors are not involved in the day-to-day running of our Group's business, they, nonetheless, play an invaluable role in furthering the business interests of our Group by contributing their experience and expertise. The participation by the non-executive directors in the UnUsUaL PSP will provide our Company with a further avenue to acknowledge and recognise their services and contributions to our Group as it may not always be possible to compensate them fully or appropriately by increasing the directors' fees or other forms of cash payment.

In order to minimise any potential conflicts of interest and not to compromise the independence of the non-executive directors, our Company intends to grant only a nominal number of Award Shares under the UnUsUaL PSP to such non-executive directors.

UNUSUAL PSP

9. **Rationale for participation of Controlling Shareholders and their Associates in the UnUsUaL PSP**

The purpose of the participation of Controlling Shareholders and Associates of Controlling Shareholders in the UnUsUaL PSP is to provide an opportunity for eligible Group Executives (including Group Executive Directors) and Group Non-Executive Directors who are Controlling Shareholders or Associates of Controlling Shareholders who have contributed or continue to contribute significantly to the growth and performance of our Group to participate in the equity of our Company.

We acknowledge that the services and contributions of the employees who are Controlling Shareholders or Associates of our Controlling Shareholders are important to the development and success of our Group. The extension of the UnUsUaL PSP to the eligible Directors and employees who are Controlling Shareholders or Associates of our Controlling Shareholders allows our Company to have a fair and equitable system for rewarding the eligible Directors and employees who have made and continue to make important contributions to the long-term growth of our Group notwithstanding that they are Controlling Shareholders or Associates of our Controlling Shareholders.

Although our Controlling Shareholders and/or their Associates may already have shareholding interests in our Company, including them in the UnUsUaL PSP will ensure that they are equally entitled with other eligible Group Executives (including Group Executive Directors) and Group Non-Executive Directors who are not Controlling Shareholders or Associates of Controlling Shareholders to take part and benefit from this system of remuneration. We are of the view that a person who would otherwise be eligible should not be excluded from participating in the UnUsUaL PSP solely by reason that he/she is a Controlling Shareholders or an Associate of our Controlling Shareholder.

The specific approval of our independent Shareholders is required for the participation of and the grant of Awards to such persons as well as the actual number of and terms of such Awards. A separate resolution must be passed for each such participant. In seeking such approval from our independent Shareholders, clear justification as to the participation of our Controlling Shareholders and/or Associates of our Controlling Shareholders, the number of Shares and terms of the Awards to be granted to them shall be provided. Accordingly, we are of the view that there are sufficient safeguards against any abuse of the UnUsUaL PSP resulting from the participation of our Controlling Shareholders and Associates of Controlling Shareholders.

10. **Rationale and justification for the proposed participation of Leslie Ong and Johnny Ong, Controlling Shareholders, in the proposed UnUsUaL PSP**

Leslie Ong and Johnny Ong, our Controlling Shareholders, are the CEO and COO of our Group respectively, and have been instrumental in the overall management of the operations and business opportunities of our Group since its inception. Leslie Ong is in charge of the overall management operations, strategic planning and business development of our Group while Johnny Ong is responsible for the day-to-day operations of our Group, including managing our Group's overall business development and operations. Our Directors believe that Leslie Ong and Johnny Ong have made and will continue to make invaluable contributions to our Group. Our Directors also believe that the leadership of Leslie Ong and Johnny Ong will be important as our Group embarks on its next phase of growth. For these reasons, our Directors consider their experience and contribution towards the growth of our Company to be invaluable.

Our Directors are of the view that the remuneration packages of Leslie Ong and Johnny Ong are fair given their contributions to our Group. The extension of the UnUsUaL PSP to Leslie Ong and Johnny Ong is consistent with our Company's objectives to motivate its employees to achieve and maintain a high level of performance and contribution which is vital to the success of our Company. Furthermore, the UnUsUaL PSP will spur them on to further optimise their performance standards and efficiency and to reward them for their significant contributions to our Group. Although Leslie

UNUSUAL PSP

Ong and Johnny Ong already have a shareholding interest in our Company, the extension of the UnUsUaL PSP to them will ensure that they are equally entitled, with the other employees who are not Controlling Shareholders, to take part in and benefit from this system of remuneration, thereby enhancing their long term commitment to our Company.

For the above reasons, our Directors believe that Leslie Ong and Johnny Ong deserve, and should be allowed to participate in the UnUsUaL PSP.

Pursuant to Rule 852 of the Catalist Rules, independent Shareholders' approval will be sought in separate resolutions for the grant of Awards to each of Leslie Ong and Johnny Ong as well as for the actual number and terms of the Awards to be granted.

11. Financial effects of the UnUsUaL PSP

The UnUsUaL PSP is considered a share-based payment that falls under FRS 102 where participants will receive Shares and the Awards would be accounted for as equity-settled share-based transactions, as described in the following paragraphs.

Benefits to employees, including our Directors, are provided in the form of share-based payment transactions, whereby employees render services in exchange for Shares or rights over Shares. The fair value of the employee services rendered is determined by reference to the fair value of the Shares awarded or rights granted, excluding the impact of any non-market vesting conditions. These are fair valued based on the market price of our Company's Shares on the grant date. This fair value is charged to profit or loss over the vesting period of the share-based payment scheme, with the corresponding increase in equity. The value of the charge is adjusted in profit or loss over the remainder of the vesting period to reflect expected and actual quantities vested, with the corresponding adjustment made in equity.

Cancellations of grants of equity instruments during the vesting period (other than a grant cancelled by forfeiture when the vesting conditions are not satisfied) are accounted for as an acceleration of vesting, therefore any amount unrecognised that would otherwise have been charged is recognised immediately in profit or loss.

The amount charged to the profit and loss account would be the same whether our Company settles the Awards by issuing new Shares or by purchasing existing Shares. The amount of the charge to the income statement also depends on whether or not the performance target attached to an Award is measured by reference to the market price of the Shares. This is known as a market condition. If the performance target is a market condition, the probability of the performance target being met is taken into account in estimating the fair value of the Award granted at the grant date, and no adjustments to the amounts charged to the income statement are made if the market condition is not met. However, if the performance target is not a market condition, the fair value per Share of the Awards granted at the grant date is used to compute the amount to be charged to the income statement at each accounting date, based on an assessment at that date of whether the non-market conditions would be met to enable the Awards to vest. Thus, where the vesting conditions do not include a market condition, there would be no charge to the income statement if the Awards do not ultimately vest.

In the event that the Participants receive cash, our Company shall measure the fair value of the liability at grant date. Until the liability is settled, our Company shall re-measure the fair value of the liability at each accounting date and at the date of settlement, with changes in the fair value recognised in the income statement.

The following sets out the financial effects of the UnUsUaL PSP.

UNUSUAL PSP

11.1 **Share capital**

The UnUsUaL PSP will result in an increase in our Company's issued share capital when new Shares are issued to Participants. The number of new Shares issued will depend on, *inter alia*, the size of the Awards granted under the UnUsUaL PSP. In any case, the UnUsUaL PSP provides that the number of Shares to be issued or transferred under the UnUsUaL PSP, will be subject to the maximum limit of 15.0% of our Company's total number of issued Shares (excluding Shares held by our Company as treasury shares) from time to time.

If instead of issuing new Shares to participants, existing Shares are purchased for delivery to participants, the UnUsUaL PSP will have no impact on our Company's issued share capital.

11.2 **NTA**

As described in paragraph 11.3 below on EPS, the UnUsUaL PSP is likely to result in a charge to our Company's income statement over the period from the grant date to the vesting date of the Awards. The amount of the charge will be computed in accordance with FRS 102. When new Shares are issued under the UnUsUaL PSP, there would be no effect on the NTA due to the offsetting effect of expenses recognised and the increase in share capital. However, if instead of issuing new Shares to participants, existing Shares are purchased for delivery to participants, the NTA would be impacted by the cost of the Shares purchased. It should be noted that the delivery of Shares to participants under the UnUsUaL PSP will generally be contingent upon the eligible participants meeting prescribed performance targets and conditions.

11.3 **EPS**

The UnUsUaL PSP is likely to result in a charge to earnings over the period from the grant date to the vesting date, computed in accordance with FRS 102.

It should again be noted that the delivery of Shares to participants of the UnUsUaL PSP will generally be contingent upon the participants meeting the prescribed performance targets and conditions.

11.4 **Dilutive impact**

The issuance of new Shares under the UnUsUaL PSP will have a dilutive impact on our consolidated EPS.

We have made an application to the SGX-ST for permission to deal in and for quotation of the Award Shares which may be issued upon the release of the Award Shares to be granted under the UnUsUaL PSP. The approval of the SGX-ST is not to be taken as an indication of the merits of our Company, our subsidiaries, our Shares, the Placement Shares, the Option Shares or the Award Shares.

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

Our Directors recognise the importance of corporate governance and the offering of high standards of accountability to our Shareholders, and will use best efforts to implement the good practices recommended in the Code of Corporate Governance 2012.

Our Board has formed three (3) committees: (i) the Nominating Committee; (ii) the Remuneration Committee; and (iii) the Audit Committee. In addition, we have appointed Tan Wee Peng Kelvin as our Lead Independent Director. As Lead Independent Director, he is the contact person for Shareholders in situations where there are concerns or issues which communication with our Non-Executive Chairman, CEO, and/or CFO has failed to resolve or where such communication is inappropriate.

We have six (6) Directors on our Board, of whom three (3) are Independent Directors. Our Independent Directors do not have any past or existing business or professional relationship of a material nature with our Group, our other Directors and/or Substantial Shareholders. Our Independent Directors are also not related to our other Directors and/or Substantial Shareholders.

Nominating Committee

Our Nominating Committee comprises Tang Tung Kin, Leslie Ong and Tan Wee Peng Kelvin. The chairman of our Nominating Committee will be Tang Tung Kin. Our Nominating Committee will be responsible for:

- (a) reviewing and recommending the nomination or re-nomination of our Directors having regard to our Directors' contribution and performance;
- (b) determining on an annual basis whether or not a Director is independent;
- (c) in respect of a Director who has multiple board representations on various companies, to review and decide whether or not such Director is able to and has been adequately carrying out his duties as Director, having regard to the competing time commitments that are faced by the Director when serving on multiple boards;
- (d) deciding whether or not a Director is able to and has been adequately carrying out his duties as a director; and
- (e) reviewing and approving any new employment of related persons and the proposed terms of their employment.

The Nominating Committee will decide how our Board's performance is to be evaluated and propose objective performance criteria, subject to the approval of our Board, which address how our Board has enhanced long-term shareholders' value. Our Board will also implement a process to be carried out by the Nominating Committee for assessing the effectiveness of our Board as a whole and for assessing the contribution of each individual Director to the effectiveness of our Board. Each member of the Nominating Committee shall abstain from voting on any resolutions in respect of the assessment of his performance or re-nomination as Director.

Remuneration Committee

Our Remuneration Committee comprises Tan Yew Chee William, Tan Wee Peng Kelvin and Tang Tung Kin. The chairman of our Remuneration Committee will be Tan Yew Chee William.

Our Remuneration Committee will recommend to our Board a framework of remuneration for our Directors and Executive Officers, and determine specific remuneration packages for each Executive Director. The recommendations of our Remuneration Committee should be submitted for endorsement by the entire Board. All aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses and other benefits-in-kind shall be covered by our Remuneration Committee. Our Remuneration Committee shall also review the remuneration of senior management and employees related to our Directors, if any. Each member of the Remuneration Committee shall abstain from voting on any resolutions in respect of his remuneration package.

CORPORATE GOVERNANCE

Audit Committee

Our Audit Committee comprises Tan Wee Peng Kelvin, Tan Yew Chee William and Tang Tung Kin. The chairman of our Audit Committee will be Tan Wee Peng Kelvin. Our Directors recognise the importance of corporate governance and the offering of high standards of accountability to the Shareholders of our Company.

Our Audit Committee does not have any existing business or professional relationship of a material nature with our Group, our Directors or Substantial Shareholders.

Our Audit Committee will assist our Board of Directors in discharging their responsibility to safeguard our assets, maintain adequate accounting records and develop and maintain effective systems of internal control, with the overall objective of ensuring that our management creates and maintains an effective control environment in our Group.

Our Audit Committee will provide a channel of communication between our Board of Directors, our management and our external auditors on matters relating to audit.

Our Audit Committee shall meet periodically to perform the following functions:

- (a) review with the external auditors the audit plans, their audit report, their management letter and our management's response;
- (b) review with the internal auditors 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 external auditors and our management, and review the assistance given by our management to the external auditors, and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the external auditors may wish to discuss (in the absence of our management where necessary);
- (d) review the co-operation given by our Company's officers to external auditors;
- (e) review the half yearly and annual, and quarterly if applicable, 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 external 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 external auditors and matters relating to resignation or dismissal of the external auditors;
- (h) review transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules (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

- (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 SGXNET;
- (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 Catalist Rules, 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;
- (o) review our 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; and
- (p) review and approve all hedging policies and instruments (if any) to be implemented by our Group.

Apart from the duties listed above, our Audit Committee shall commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or suspected infringement of any law, rule or regulation of the jurisdictions in which our Group operates, which has or is likely to have a material impact on our Company's operating results and/or financial position. In the event that a member of our Audit Committee is interested in any matter being considered by our Audit Committee, he will abstain from reviewing and deliberating on that particular transaction or voting on that particular resolution.

After our admission to Catalist, internal audit on the operational areas of our Group will continue to be audited by third party internal control advisors. The appointed third party internal control advisors shall report its audit findings directly to our Audit Committee. Such third party internal audit is likely to continue, for monitoring reasons, even after the Audit Committee is satisfied that our Group's internal controls are robust and effective enough to mitigate our Group's internal control weaknesses (if any).

Currently, our Board, with the concurrence of our Audit Committee, based on the internal controls established and maintained by our Group, work performed by the internal and external auditors, and reviews by our Board and our Audit Committee, is of the view that we have adequate and effective risk management and internal control systems, including financial, operational, compliance and informational technology controls. In the event of and prior to the decommissioning of such an internal audit, our Board is required to report to the SGX-ST and the Sponsor on how key internal control weaknesses have been rectified, and the basis for the decision to decommission the internal control audit. Thereafter, such audits may be initiated by the Audit Committee as and when it deems fit to satisfy itself that our Group's internal controls remain robust and effective. Upon completion of the internal control audit, appropriate disclosure must be made via SGXNET on any material, price-sensitive internal control weaknesses and any follow-up actions to be taken by our Board.

Our Audit Committee and the Sponsor and Issue Manager have (i) conducted an interview with Tay Joo Heng, our CFO, (ii) considered his qualifications and past working experience, which is set out in the section entitled "Directors, Executive Officers and Employees – Executive Officers" of this Offer Document, and (iii) observed his abilities, familiarity and diligence in relation to the financial matters and information of our Group. As such, our Audit Committee and the Sponsor, Issue Manager and Placement Agent are of the view that Tay Joo Heng is suitable for the position of CFO of our Group.

Our Audit Committee has made all reasonable enquiries and to the best of their knowledge and belief, nothing has come to the attention of the members of our Audit Committee to cause them to believe that Tay Joo Heng does not have the competence, character and integrity expected of a CFO of a listed issuer.

CORPORATE GOVERNANCE

POLICIES

Our Board has adopted or intends to adopt the following policies.

Conflict of Interest Policy

Our Group will adopt a conflict of interest policy to guide our employees in the identification and management of conflicts of interests. Conflicts of interest is defined broadly in the policy to refer to any situation where an employee has a personal interest that is sufficient to influence, or appears to influence, the objective exercise of his official duties. Pursuant to the policy, our employees are required to declare real or perceived conflicts of interests in accordance with documented procedures and to comply with the actions recommended by our management to address such conflicts.

All of our key management, including but not limited to our Executive Directors and Executive Officers, are to complete annual conflict of interest disclosures to our Board.

Insider Trading Policy

Our Group intends to adopt an insider trading policy to preserve the reputation and integrity of our Group and our affiliates, and to promote compliance with the relevant requirements of, amongst others, the Securities and Futures Act. In accordance with the policy, any person who possesses material, non-public information relating to our Company, or any other publicly-traded company, including our customers and suppliers, obtained in the course of employment or by association with our Group, is considered an insider to such information. An insider may not buy or sell securities of our Company or communicate such information to a third party.

The insider trading policy shall include a restriction on the dealing in Shares during the period commencing two (2) weeks before the announcement of our Group's financial statements for each of the first three (3) quarters of our financial year and one (1) month before the announcement of our Group's full year financial statements (if required to announce quarterly financial statements), or one (1) month before the announcement of our Group's half year and full year financial statements (if not required to announce quarterly financial statements).

Interested Person Transaction Policy

The Board shall established internal control procedures for interested person transactions. Please refer to the section entitled "Interested Person Transactions – Guidelines and Review Procedures for Ongoing and Future Interested Person Transactions" of this Offer Document.

Fraud and Whistleblowing Policy

Our Group is committed to maintaining high standards of honesty, openness and accountability and eliminating fraud and corruption in the conduct of our business.

Our Group takes all malpractice very seriously, whether it is committed by an employee, supplier, customer, competitor or contractor. As employees will usually be the first to know when someone inside or connected with our Group is doing something illegal, dishonest or improper, our Group has adopted a whistleblowing policy to alleviate any apprehension that employees may feel about voicing their concerns. Our Board believes that it is in the interest of our Group to have prompt knowledge of such illegal, dishonest or improper activities.

As such, our Group intends to adopt a whistleblowing policy which will be disseminated to our employees, contractors, agents and consultants. Any information received will be examined carefully and if it has merit will be acted on. The whistleblower can be assured that our Group intends to protect our business and reputation.

CORPORATE GOVERNANCE

Privacy Policy

In the course of our operations, our Group is required to collect and retain personal information of our customers. In line with the Personal Data Protection Act 2012 (No. 26 of 2012), our Group respects the right to privacy of our customers and has put in place a privacy policy to address how such information which can identify any individual is treated. Such personal information will be used in providing our service, and may also be used to improve our service and to notify individuals of opportunities which they may be interested in. No personal information is provided to third parties except where necessary to our business partners who assist us in the provision of our services to our customers.

BOARD PRACTICES

Our Directors are appointed by our shareholders at a general meeting, and an election of Directors takes place annually. One third (or the number nearest one third) of our Directors, are required to retire from office at each annual general meeting. Further, all our Directors are required to retire from office at least once every three (3) years. However, a retiring Director is eligible for re-election at the meeting at which he retires. Further details on the appointment and retirement of Directors can be found in the section entitled "Summary of our Constitution" as set out in Appendix D of this Offer Document.

EXCHANGE CONTROLS

Singapore

There are no Singapore governmental laws, decrees, regulations and other legislation that may materially affect the following:

- (a) the import or export of capital, including the availability of cash and cash equivalents for use by our Group; and
- (b) the remittance of dividends, interest or other payments to non-resident holders of our Company's securities.

Hong Kong

There are no Hong Kong governmental laws, decrees, regulations and other legislation that may materially affect the following:

- (a) the repatriation of capital and the remittance of profits by or to our Hong Kong subsidiary; or
- (b) the transfer of funds in the form of cash dividends, loans or advances by or to our Hong Kong subsidiary, such as foreign exchange controls.

Malaysia

Exchange control in Malaysia is implemented under the Malaysian Financial Services Act 2013 and the Malaysian Islamic Financial Services Act 2013 and the government authority is the Foreign Exchange Administration Department of Central Bank of Malaysia ("**BNM**"). Payments or repatriation of moneys from our subsidiary in Malaysia to our Company are considered payments from "residents" to "non-residents" for the purposes of exchange control.

The Government of Malaysia had, on 1 September 1998, as part of its package of policy responses to the 1997 economic crisis in South-East Asia, introduced selective exchange control measures. Subsequently in 1999, the Government of Malaysia has liberalised these exchange control measures to allow foreign investors to repatriate principal capital and profits, subject to an exit levy based on a percentage of profits repatriated. On 2 May 2001, all such controls with respect to the repatriation of foreign portfolio funds (largely consisting of proceeds from the sale of stocks listed on Bursa Malaysia Securities Berhad) were lifted.

It cannot be confirmed, at this time, if the Government of Malaysia may re-impose these exchange control measures in the future. In the event of such re-imposition or introduction of other exchange control measures, investors may not be able to carry out the repatriation or payment between residents and non-residents of Malaysia for a specified period of time, or may only do so after paying tax or levy, or after obtaining consent from BNM.

The BNM has issued notices pursuant to powers conferred by subsections 214(2), (5), (6) and section 261 of the Financial Services Act 2013 and subsections 225(2), (5), (6) and section 272 of the Islamic Financial Services Act 2013 ("**BNM Notices**") which came into operation on 30 June 2013.

Under Notice 4 of the BNM Notices, a resident is allowed to make or receive payment in RM in Malaysia to or from a non-resident under the following circumstances:

- (a) settlement of an RM asset including any income and profit due from the RM asset;
- (b) settlement of trade in goods;
- (c) settlement of services, in any manner;
- (d) income earned or expense incurred in Malaysia;
- (e) settlement of a commodity Murabahah transaction between a resident and non-resident participant undertaken through a resident commodity trading service provider;

EXCHANGE CONTROLS

- (f) settlement of reinsurance for domestic insurance business or Retakaful for domestic Takaful business between a resident and a person licensed to undertake Labuan insurance or Takaful business;
- (g) settlement of a non-financial guarantee denominated in RM issued by a person licensed to undertake Labuan banking business in favour of a resident; or
- (h) for any purpose between immediate family members.

With respect to foreign currencies, payment may be made and received between a resident and a non-resident for any purpose, other than for:

- (a) a derivative denominated in foreign currency offered by the resident save where it has been approved by BNM or allowed under Part B of Notice 5 of the BNM Notices (Issuance, buying or selling of financial instrument or Islamic financial instrument);
- (b) a derivative denominated in foreign currency offered by the non-resident; or
- (c) a derivative denominated in or referenced to RM save where it has been approved by BNM or allowed under Part B of Notice 5 of the BNM Notices (Issuance, buying or selling of financial instrument or Islamic financial instrument).

Notwithstanding that payments may not be made or received between a resident and a non-resident under a derivative denominated in foreign currency offered by the non-resident, payment in foreign currency is allowed for:

- (a) a derivative denominated in foreign currency, other than exchange rate derivative with reference to RM, purchased by a licensed onshore bank for its own account;
- (b) an interest rate swap denominated in foreign currency between a resident and Labuan banks to manage interest rate exposure arising from borrowing in foreign currency as set out in Part A of Notice 2 of the BNM Notices (Borrowing by resident); or
- (c) derivative denominated in foreign currency, other than exchange rate derivatives, offered on a Specified Exchange stipulated under the Capital Markets and Services Act 2007 undertaken through a resident futures broker by a resident with firm commitment.

For the purpose of payment arising from the settlement of services, a resident is allowed to receive such payment in foreign currency from a non-resident in any manner.

If the payment between a resident and a non-resident is for purposes otherwise than allowed above, the parties would be required to obtain the express written consent of BNM to proceed with such payment.

CLEARANCE AND SETTLEMENT

Upon listing and quotation on Catalist, our Shares will be traded under the book-entry settlement system of CDP, and all dealings in and transactions of the Shares through Catalist will be effected in accordance with the terms and conditions for the operation of Securities Accounts with CDP, as amended from time to time.

Our Shares will be registered in the name of CDP or its nominee and held by CDP for and on behalf of persons who maintain, either directly or through depository agents, Securities Accounts with CDP. Persons named as direct Securities Account holders and depository agents in the depository register maintained by CDP, rather than CDP itself, will be treated, under our Constitution and the Companies Act, as members of our Company in respect of the number of Shares credited to their respective Securities Accounts.

Persons holding the Shares in Securities Accounts with CDP may withdraw the number of Shares they own from the book-entry settlement system in the form of physical share certificates. Such share certificates will, however, not be valid for delivery pursuant to trades transacted on Catalist although they will be *prima facie* evidence of title and may be transferred in accordance with our Constitution. A fee of S\$10 for each withdrawal of 1,000 Shares or less and a fee of S\$25 for each withdrawal of more than 1,000 Shares is payable upon withdrawing the Shares from the book-entry settlement system and obtaining physical share certificates. In addition, a fee of S\$2 or such other amount as our Directors may decide, is payable to the share registrar for each share certificate issued and a stamp duty of S\$10 is also payable where our Shares are withdrawn in the name of the person withdrawing our Shares or 20 cents per S\$100 or part thereof of the last-transacted price where it is withdrawn in the name of a third party. Persons holding physical share certificates who wish to trade on Catalist must deposit with CDP their share certificates together with the duly executed and stamped instruments of transfer in favour of CDP, and have their respective Securities Accounts credited with the number of Shares deposited before they can effect the desired trades. A fee of S\$10 is payable upon the deposit of each instrument of transfer with CDP. The above fees may be subject to such changes as may be in accordance with CDP's prevailing policies or the current tax policies that may be in force in Singapore from time to time.

Transactions in the Shares under the book-entry settlement system will be reflected by the seller's Securities Account being debited with the number of Shares sold and the buyer's Securities Account being credited with the number of Shares acquired. No transfer of stamp duty is payable for the Shares that are settled on a book-entry basis.

A Singapore clearing fee for trades in our Shares on Catalist is payable at the rate of 0.04% of the transaction value subject to a maximum of S\$600 per transaction. The clearing fee, instrument of transfer deposit fee and share withdrawal fee may be subject to GST at 7.0% (or such other rate prevailing from time to time).

Dealings of our Shares will be carried out in Singapore dollars and will be effected for settlement on CDP on a scripless basis. Settlement of trades on a normal "ready" basis on Catalist generally takes place on the third Market Day following the transaction date, and payment for the securities is generally settled on the following business day. CDP holds securities on behalf of investors in Securities Accounts. An investor may open a direct account with CDP or a sub-account with a CDP agent. The CDP agent may be a member company of the SGX-ST, bank, merchant bank or trust company.

GENERAL AND STATUTORY INFORMATION

INFORMATION ON DIRECTORS AND EXECUTIVE OFFICERS

Saved as disclosed below, none of our Directors, Executive Officers and Controlling Shareholders:

- (a) has, at any time during the last 10 years, had an application or a petition under any bankruptcy laws of any jurisdiction filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within two (2) years from the date he ceased to be a partner;
- (b) has, at any time during the last 10 years, had an application or a petition under any law of any jurisdiction filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within two (2) years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency;
- (c) has any unsatisfied judgement against him;
- (d) has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose;
- (e) has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach;
- (f) has, at any time during the last 10 years, had judgement entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, nor has he been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part;
- (g) has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust;
- (h) has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust;
- (i) has ever been the subject of any order, judgement or ruling of any court, tribunal or governmental body permanently or temporarily enjoining him from engaging in any type of business practice or activity;
- (j) has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of affairs of:
 - (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere;
 - (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere;
 - (iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or

GENERAL AND STATUTORY INFORMATION

- (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,

in connection with any matter occurring or arising during the period when he was so concerned with the entity or business trust; or

- (k) has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Authority or any other regulatory authority, exchange, professional body or governmental agency, whether in Singapore or elsewhere.

Disclosures relating to UnUsUaL Entertainment

In 2011, IRAS found UnUsUaL Entertainment to have wrongly stated the output tax in its GST returns for the years 2003 to 2006, which resulted in underpayment of GST for these years. In addition to the underpayment of GST, adjustments were made by IRAS to our GST filings for prior years up to (and including) the year 2009.

Due to the aforesaid underpayment of GST and adjustments to the GST filings for the years 2003 to 2009, UnUsUaL Entertainment was ordered to pay a total of approximately S\$2.1 million in GST tax recovery, penalties and fines, of which UnUsUaL Entertainment had settled. No further action was taken by IRAS against UnUsUaL Entertainment and/or its directors in relation to this matter.

Our Group has since strengthened its accounting processes to prevent such incidents from recurring. There were no subsequent breaches or error in our Group's GST filings after the year 2009.

MATERIAL CONTRACTS

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by our Company and our subsidiaries within the two (2) years preceding the date of lodgement of this Offer Document and are or may be material:-

- (a) In connection with the Restructuring Exercise:-
 - (i) The acquisition by our Company of the entire issued and paid-up share capital of UnUsUaL Productions on 12 May 2016 held by Leslie Ong and Johnny Ong being the then shareholders of UnUsUaL Productions, comprising an aggregate of 100,000 shares for a total consideration of S\$2.
 - (ii) The acquisition by our Company of the entire issued and paid-up share capital of UnUsUaL Entertainment on 12 May 2016 held by Leslie Ong and Johnny Ong being the then shareholders of UnUsUaL Entertainment, comprising an aggregate of two (2) shares for a total consideration of S\$2.
 - (iii) The acquisition by our Company of the entire issued and paid-up share capital of UnUsUaL Development on 12 May 2016 held by Leslie Ong and Johnny Ong being the then shareholders of UnUsUaL Development, comprising an aggregate of 500,000 shares for a total consideration of S\$2.
 - (iv) The acquisition by our Company of the entire issued and paid-up share capital of UnUsUaL (Malaysia) on 16 May 2016 held by Leslie Ong and Johnny Ong being the then shareholders of UnUsUaL (Malaysia), comprising an aggregate of 100,000 shares for a total consideration of RM100,000.
 - (v) The acquisition by our Company of the entire issued and paid-up share capital of UnUsUaL (Hong Kong) on 20 May 2016 held by Leslie Ong and Johnny Ong being the then shareholders of UnUsUaL (Hong Kong), comprising an aggregate of two (2) shares for a total consideration of HK\$2.

GENERAL AND STATUTORY INFORMATION

- (b) The Settlement Deed dated 30 September 2016 entered into between our Company, mm2, Leslie Ong, Johnny Ong, UnUsUaL Productions, UnUsUaL Entertainment and UnUsUaL Development, details of which can be found in the section entitled “Restructuring Exercise” of this Offer Document.
- (c) The Convertible Note Subscription Agreement dated 5 December 2016 entered into between the Company and SPH AsiaOne Ltd pursuant to which the Company issued, and SPH AsiaOne Ltd subscribed for the Convertible Notes, having an aggregate principal value of S\$1,000,000.
- (d) The Convertible Note Subscription Agreement dated 5 December 2016 entered into between the Company and Maxi-Harvest Group Pte. Ltd. pursuant to which the Company issued, and Maxi-Harvest Group Pte. Ltd. subscribed for the Convertible Notes, having an aggregate principal value of S\$1,000,000.
- (e) The Convertible Note Subscription Agreement dated 5 December 2016 entered into between the Company and Apex Capital Group Pte. Ltd. pursuant to which the Company issued, and Apex Capital Group Pte. Ltd. subscribed for the Convertible Notes, having an aggregate principal value of S\$1,000,000.
- (f) The Service Agreement of our CEO dated 17 March 2017, details of which can be found in the section entitled “Directors, Executive Officers and Employees – Service Agreements” of the Offer Document.
- (g) The Service Agreement of our COO dated 17 March 2017, details of which can be found in the section entitled “Directors, Executive Officers and Employees – Service Agreements” of the Offer Document.
- (h) The Sponsorship and Management Agreement dated 3 April 2017 made between our Company and the Issue Manager.
- (i) The Placement Agreement dated 3 April 2017 made between our Company and the Placement Agent.

LITIGATION

To the best of our knowledge and belief, as at the Latest Practicable Date, save as disclosed below, neither our Company nor any of our subsidiaries is engaged in any legal or arbitration proceedings as plaintiff or defendant including those which are pending or known to be contemplated which may have or have had in the last 12 months before the date of lodgement of this Offer Document, a material effect on the financial position or the profitability of our Group.

On 9 September 2016, our Singapore Subsidiaries, UnUsUaL Development and UnUsUaL Entertainment, had filed the following claims against our customer, AMC Live Group China (S) Pte. Ltd. (the “**Defendant**”), details of which are as follows:-

- (1) UnUsUaL Development filed a claim for S\$551,749.97, for services rendered but not paid. On 18 October 2016, the High Court of Singapore entered a default judgement in favour of UnUsUaL Development. As at the date of this Offer Document, the Defendant has not paid the sum which was awarded to UnUsUaL Development pursuant to the said default judgement.
- (2) UnUsUaL Entertainment filed a claim for Yuan Renminbi 19 million (or S\$3,850,122.48) and S\$142,926.50 for breach of a services contract. Judgement pursuant to an order of court was entered for the full claim on 8 February 2017. As at the date of this Offer Document, the Defendant has not paid the sum which was awarded to UnUsUaL Entertainment pursuant to the said judgement.

GENERAL AND STATUTORY INFORMATION

MISCELLANEOUS

- (a) The nature of the business of our Company is stated in the section entitled “General Information on our Group – Our Business” of this Offer Document. The companies which by virtue of Section 6 of the Companies Act are deemed to be related to our Company are set out in the section entitled “Group Structure” of this Offer Document.
- (b) There has been no previous issue of Shares by our Company or offer for sale of our Shares to the public within the two (2) years preceding the date of this Offer Document.
- (c) There has not been any public takeover offer by a third party in respect of our Shares or by our Company in respect of shares of another corporation or units of a business trust which has occurred since our Company’s incorporation and the Latest Practicable Date.
- (d) Application monies received by our Company in respect of successful applications (including successful applications which are subsequently rejected) will be placed in a separate non-interest bearing account with the Receiving Banker. In the ordinary course of business, the Receiving Banker will deploy these monies in the inter-bank money market. All profits derived from the deployment of such monies will accrue to the Receiving Banker. Any refund of all or part of the application monies to unsuccessful or partially successful applicants will be made without interest or any share of revenue or other benefit arising therefrom.
- (e) Save as disclosed in this Offer Document, our Directors are not aware of any event which has occurred since the end of 9M2016 to the Latest Practicable Date which may have a material effect on the financial position and results of our Group or the financial information provided in this Offer Document.

Notwithstanding the aforesaid, in December 2016, a Hong Kong company, Unusual Productions (China) Limited, opposed our application to file the “UnUsUaL” trademark in Hong Kong. The Opponent alleges that our Executive Directors had in 2006 given verbal consent for it to use the name “UnUsUaL” for its business operations in Hong Kong. The Opponent further alleges that by its extensive use and promotion of the “UnUsUaL” trade name in Hong Kong and other jurisdictions in respect of a wide spectrum of entertainment services, the name has allegedly acquired substantial goodwill and reputation in Hong Kong and other jurisdictions. We are seeking legal advice to respond to this opposition.

As far as our Group is aware, presently, there is no injunction, court judgement or notice letter from the trademark authority in Hong Kong demanding us to cease the use of the “UnUsUaL” trade name. We have been using the “UnUsUaL” trade name since the incorporation of our Hong Kong subsidiary in 2009. Our management is of the view that we are able to continue using the said “UnUsUaL” trade name until another party manages to successfully register the “UnUsUaL” trade name as a trademark with the relevant authority in Hong Kong. This would put a stop to any other party who wishes to use the said trademark.

Even if we are unable to register the “UnUsUaL” trade name as a trademark, there will not be any material impact on our Group’s business, as our ability to sell tickets for the concerts that we organise and/or promote is mainly due to the popularity of the artistes holding such concerts and not due to our trade name. Our ability to secure deals with our business partners in Hong Kong also does not depend on the success of our trademark application. Henceforth, should the cost of registering the “UnUsUaL” trade name as a trademark in Hong Kong, in terms of actual expenditure and management effort, far outweighs the benefits from the continued use of the trademark, we are prepared to drop the application and create an alternative brand/trademark for our business activities in Hong Kong. Our Group is confident of its ability to continue to deliver good service and products, and create awareness under a new trade name in Hong Kong as we have already demonstrated in Singapore and Malaysia.

GENERAL AND STATUTORY INFORMATION

We cannot guarantee that the use of the said mark by our subsidiary will not be subject to any lawsuits. Please refer to the section of this Offer Document entitled “Risk Factors - We are exposed to risks of infringement of our intellectual property rights and the unauthorised use of our trademarks by third parties and we may face litigation suits for intellectual property infringement”.

- (f) On 9 January 2017, our Group changed our financial year-end from 31 December to 31 March, to align with the financial year-end of mm2, our Controlling Shareholder. There will not be any material impact to the Company’s financial statements for the Period Under Review due to the fact that the Group is not affected by seasonality.
- (g) Nexia TS Public Accounting Corporation has been our auditors since incorporation. We currently have no intention of changing our auditors after the admission to, and listing of, our Company on Catalist.

CONSENTS

- (a) The Independent and Reporting Auditor, has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of the “Independent and Reporting Auditor’s Report on the Audited Combined Financial Statements for the Financial Years ended 31 December 2013, 2014 and 2015” and the “Independent and Reporting Auditor’s Report on the Audited Consolidated Financial Statements for the Nine-Month Period ended 30 September 2016” and references to its name, in the form and context in which they appear in this Offer Document and to act in such capacity in relation to this Offer Document.
- (b) The Sponsor, Issue Manager and Placement Agent, has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of its name and references thereto in the form and context in which it appears in this Offer Document and to act in such capacity in relation to this Offer Document.
- (c) Each of the Solicitors to the Placement and Legal Adviser to our Company on Singapore Law, the Legal Adviser to our Company on Hong Kong Law, the Solicitors to the Sponsor, Issue Manager and Placement Agent, the Share Registrar, the Principal Bankers and the Receiving Banker do not make, or purport to make, any statement in this Offer Document or any statement upon which a statement in this Offer Document is based and, to the maximum extent permitted by law, expressly disclaim and take no responsibility for any liability to any persons which is based on, or arises out of, the statements, information or opinions in this Offer Document.

RESPONSIBILITY STATEMENT BY OUR DIRECTORS

This Offer Document has been seen and approved by our Directors and they collectively and individually accept full responsibility for the accuracy of the information given in this Offer Document and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Offer Document constitutes full and true disclosure of all material facts about the Placement and our Group, and our Directors are not aware of any facts, the omission of which would make any statement in this Offer Document misleading. Where information in this Offer Document has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of our Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Offer Document in its proper form and context.

GENERAL AND STATUTORY INFORMATION

DOCUMENTS AVAILABLE FOR INSPECTION

The following documents or copies thereof may be inspected at our registered office during normal business hours for a period of six (6) months from the date of registration of this Offer Document by the SGX-ST acting as agent on behalf of the Authority:

- (a) the Constitution of our Company;
- (b) the “Independent and Reporting Auditor’s Report on the Audited Combined Financial Statements for the Financial Years ended 31 December 2013, 2014 and 2015” as set out in Appendix A of this Offer Document;
- (c) the “Independent and Reporting Auditor’s Report on the Audited Consolidated Financial Statements for the Nine-Month Period ended 30 September 2016” as set out in Appendix B of this Offer Document;
- (d) the letters of consent referred to in the section entitled “General and Statutory Information – Consents” of this Offer Document;
- (e) the material contracts referred to in this Offer Document; and
- (f) the Service Agreements.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UNUSUAL LIMITED AND ITS SUBSIDIARIES
INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

UnUsUaL Limited and its Subsidiaries

Statement by directors

For the financial years ended 31 December 2013, 2014 and 2015

In the opinion of the directors,

- (i) the combined financial statements set out on pages A-4 to A-59 are drawn up so as to give a true and fair view of the financial positions of the Group as at 31 December 2013, 2014 and 2015, and the financial performances, changes in equity and cash flows of the Group for the financial years then ended; 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.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

On behalf of the directors

Ong Chin Soon
Director

Ong Chin Leong
Director

Singapore

3 April 2017

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

INDEPENDENT AND REPORTING AUDITOR’S REPORT ON THE COMBINED FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015

3 April 2017

**The Board of Directors
UNUSUAL LIMITED
45 Kallang Pudding Road
#01-01 Alpha Building
Singapore 349317**

Dear Sirs

Report on the Combined Financial Statements

We have audited the accompanying combined financial statements of UnUsUaL Limited (the “Company”) and its subsidiaries (collectively, the “Group”) set out on pages A-4 to A-59, which comprise the combined statements of financial position of the Group as at 31 December 2013, 2014 and 2015, the combined statements of comprehensive income, combined statements of changes in equity and combined statements of cash flows for the financial years ended 31 December 2013, 2014 and 2015, and a summary of significant accounting policies and other explanatory information.

Management’s Responsibility for the Combined Financial Statements

Management is responsible for the preparation of combined financial statements that give a true and fair view in accordance with the provisions of the Singapore Financial Reporting Standards, 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

INDEPENDENT AND REPORTING AUDITOR’S REPORT ON THE COMBINED FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015 (continued)

Auditor’s Responsibility (continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation of financial statements that give a true and fair view 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 entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined financial statements of the Group are properly drawn up in accordance with the Singapore Financial Reporting Standards so as to give a true and fair view of the financial positions of the Group as at 31 December 2013, 2014 and 2015, and of the performances, changes in equity and cash flows of the Group for each of the financial years ended 31 December 2013, 2014 and 2015.

Restriction on Distribution and Use

This report is made solely to you as a body for inclusion in the Offer Document of the Company to be issued in relation to the proposed offering of the shares of the Company in connection with the Company’s listing on the Catalist Board of Singapore Exchange Securities Trading Limited (“SGX-ST”).

Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants

Director-in-charge: Low See Lien

Singapore

3 April 2017

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Combined Statements of Comprehensive Income
For the financial years ended 31 December 2013, 2014 and 2015**

	Note	2013 \$	2014 \$	2015 \$
Revenue	4	18,419,706	17,871,028	26,112,158
Cost of sales		(13,546,083)	(14,180,054)	(18,195,939)
Gross profit		4,873,623	3,690,974	7,916,219
Other income	7	55,426	51,633	181,896
Other gains – net	8	491,240	721,485	503,435
Expenses				
- Administrative		(3,300,292)	(4,312,363)	(3,829,957)
- Finance	9	(1,792)	(11,039)	(6,432)
Profit before income tax		2,118,205	140,690	4,765,161
Income tax (expense)/credit	10	(157,276)	195,753	(653,529)
Net profit for the financial year		1,960,929	336,443	4,111,632
Other comprehensive losses, net of tax:				
Currency translation differences arising from consolidation – losses		(3,329)	(15,813)	(29,158)
Total comprehensive income		1,957,600	320,630	4,082,474
Net profit attributable to:				
Equity holders of the Company		1,960,929	336,443	4,111,632
Total comprehensive income attributable to:				
Equity holders of the Company		1,957,600	320,630	4,082,474
Earnings per share for profit attributable to equity holders of the Company (\$ per share)				
Basic and diluted	11	19,609	3,364	41,116

The accompanying notes form an integral part of these combined financial statements.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Combined Statements of Financial Position
As at 31 December 2013, 2014 and 2015**

	Note	2013 \$	2014 \$	2015 \$
ASSETS				
Current assets				
Cash and cash equivalents	12	4,790,533	6,131,287	5,073,880
Held-to-maturity financial asset	13	411,668	–	–
Trade and other receivables	14	7,831,389	10,072,956	10,904,816
Income tax recoverable		63,283	36,162	7,944
		<u>13,096,873</u>	<u>16,240,405</u>	<u>15,986,640</u>
Non-current assets				
Property, plant and equipment	15	1,249,494	2,817,408	4,007,940
Deferred income tax assets	16	339	247,651	–
		<u>1,249,833</u>	<u>3,065,059</u>	<u>4,007,940</u>
Total assets		<u>14,346,706</u>	<u>19,305,464</u>	<u>19,994,580</u>
LIABILITIES				
Current liabilities				
Trade and other payables	17	7,518,509	12,032,180	9,188,768
Finance lease liabilities	18	25,464	58,161	65,001
Income tax payable		82,632	45,320	226,430
		<u>7,626,605</u>	<u>12,135,661</u>	<u>9,480,199</u>
Non-current liabilities				
Finance lease liabilities	18	2,155	131,289	64,452
Deferred income tax liabilities	16	21,106	21,044	149,985
		<u>23,261</u>	<u>152,333</u>	<u>214,437</u>
Total liabilities		<u>7,649,866</u>	<u>12,287,994</u>	<u>9,694,636</u>
NET ASSETS		<u>6,696,840</u>	<u>7,017,470</u>	<u>10,299,944</u>
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	19	639,552	639,552	639,552
Other reserves	20	(3,329)	(19,142)	(48,300)
Retained earnings		6,060,617	6,397,060	9,708,692
Total equity		<u>6,696,840</u>	<u>7,017,470</u>	<u>10,299,944</u>

The accompanying notes form an integral part of these combined financial statements.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Combined Statements of Changes in Equity
For the financial years ended 31 December 2013, 2014 and 2015**

	Note	Attributable to the equity holders of the Company			Total equity \$
		Share capital	Retained earnings ⁽¹⁾	Foreign currency translation reserve	
		\$	\$	\$	
2013					
Beginning of financial year		600,003	4,099,688	–	4,699,691
Issue of shares	19	39,549	–	–	39,549
Total comprehensive income		–	1,960,929	(3,329)	1,957,600
End of financial year		<u>639,552</u>	<u>6,060,617</u>	<u>(3,329)</u>	<u>6,696,840</u>
2014					
Beginning of financial year		639,552	6,060,617	(3,329)	6,696,840
Total comprehensive income		–	336,443	(15,813)	320,630
End of financial year		<u>639,552</u>	<u>6,397,060</u>	<u>(19,142)</u>	<u>7,017,470</u>
2015					
Beginning of financial year		639,552	6,397,060	(19,142)	7,017,470
Total comprehensive income		–	4,111,632	(29,158)	4,082,474
Dividends relating to 2014	21	–	(800,000)	–	(800,000)
End of financial year		<u>639,552</u>	<u>9,708,692</u>	<u>(48,300)</u>	<u>10,299,944</u>

⁽¹⁾ The retained earnings of the Group are distributable.

The accompanying notes form an integral part of these combined financial statements.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Combined Statements of Cash Flows
For the financial years ended 31 December 2013, 2014 and 2015**

	Note	2013 \$	2014 \$	2015 \$
Cash flows from operating activities				
Net profit		1,960,929	336,443	4,111,632
Adjustments for:				
- Income tax expense/(credit)		157,276	(195,753)	653,529
- Depreciation of property, plant and equipment	5	759,528	966,955	1,103,184
- Interest income	7	(53,710)	(23,525)	(8,327)
- Gain on disposal of property, plant and equipment	8	(80,300)	(310,000)	(136,895)
- Finance expenses	9	1,792	11,039	6,432
		2,745,515	785,159	5,729,555
Change in working capital:				
- Trade and other receivables		1,446,184	(2,295,773)	(1,162,414)
- Trade and other payables		(2,758,533)	4,545,378	(2,484,370)
Cash provided by operations		1,433,166	3,034,764	2,082,771
Interest received		4,249	3,933	8,327
Income tax paid		(109,538)	(62,240)	(69,452)
Net cash provided by operating activities		1,327,877	2,976,457	2,021,646
Cash flows from investing activities				
Purchase of property, plant and equipment		(1,200,709)	(1,988,559)	(2,188,233)
Proceeds from disposal of property, plant and equipment		102,500	–	8,295
Proceeds from held-to-maturity financial asset		–	412,929	–
Interest received		15,020	19,592	–
Net cash used in investing activities		(1,083,189)	(1,556,038)	(2,179,938)
Cash flows from financing activities				
Fixed deposit (held as collateral)/released		(64,626)	17,695	136,268
Repayment of finance lease liabilities		(91,127)	(78,169)	(59,997)
Proceeds from issuance of shares	19	39,549	–	–
Dividends paid to equity holders	21	–	–	(800,000)
Interest paid		(1,792)	(11,039)	(6,432)
Net cash used in financing activities		(117,996)	(71,513)	(730,161)
Net increase/(decrease) in cash and cash equivalents		126,692	1,348,906	(888,453)

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Combined Statements of Cash Flows
For the financial years ended 31 December 2013, 2014 and 2015**

	2013	2014	2015
Note	\$	\$	\$
Cash and cash equivalents			
Beginning of financial year	3,986,215	4,106,763	5,465,212
Effect on currency translation on cash and cash equivalents	(6,144)	9,543	(32,686)
End of financial year	12 <u>4,106,763</u>	<u>5,465,212</u>	<u>4,544,073</u>

The accompanying notes form an integral part of these combined financial statements.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

These notes form an integral part and should be read in conjunction with the accompanying combined 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 combined financial statements are presented in Singapore Dollar except otherwise indicated.

The combined financial statements of UnUsUaL Limited (the “Company”) and its subsidiaries (collectively, the “Group”) have been prepared for the purpose of inclusion in filings associated with the proposed initial public offering (“IPO”) of ordinary shares in the Capital of the Company on Catalist, the sponsor-supervised listing platform of the Singapore Exchange Securities Trading Limited (“SGX-ST”).

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 subsidiaries are described below.

The Group, after the restructuring exercise, comprises the Company and the following subsidiaries:

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

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

1 Corporate information (continued)

1.1 The Company (continued)

Name of companies	Country of business/ incorporation	Principal activities	Equity holding %
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

1.2 Restructuring exercise

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

(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 company 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 subsidiaries 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..

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

1 Corporate information (continued)

1.2 Restructuring exercise (continued)

(d) *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 control 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.

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 years ended 31 December 2013, 2014 and 2015 (the “Relevant Periods”) 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 combined 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 combined 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 combined financial statements, are disclosed in Note 3.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015

2 Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

Interpretations and amendments to published standards effective in 2013, 2014 and 2015

On 1 January 2013, the Group adopted the new or amended FRS and Interpretations to FRS (“INT FRS”) that are mandatory for application for the financial years ended 31 December 2013, 2014, and 2015. 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 had no material effect on the amounts reported for the financial years ended 31 December 2013, 2014 and 2015 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 between entities 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.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

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) Others

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 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.

(ii) 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.

(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.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

2 Summary of significant accounting policies (continued)

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.

2.4 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are entities (including special purpose entities) over which the Group has power to govern the financial and operating policies so as to obtain benefits from its activities, generally accompanied by a shareholding giving rise to a majority of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are 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 combined 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 subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary’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 combined statements of comprehensive income, combined statements of changes in equity, and combined statements of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

2 Summary of significant accounting policies (continued)

2.4 Group accounting (continued)

(a) *Subsidiaries* (continued)

(ii) *Acquisition*

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

The consideration transferred for the acquisition of a subsidiary 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.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

2 Summary of significant accounting policies (continued)

2.4 Group accounting (continued)

(a) Subsidiaries (continued)

(ii) Acquisition (continued)

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

- The combined 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 combined financial statements at their existing carrying amounts from the perspective of the controlling party;
- The combined statements 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

(iii) Disposals

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

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

2 Summary of significant accounting policies (continued)

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.

(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	3 to 5 years
Machinery	5 years
Motor vehicles	5 years
Rental equipment	3 to 10 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting 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 combined 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.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

2 Summary of significant accounting policies (continued)

2.5 Property, plant and equipment (continued)

(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 subsidiaries

Property, plant and equipment and investments in subsidiaries 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.

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.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

2 Summary of significant accounting policies (continued)

2.7 Impairment of non-financial assets (continued)

Property, plant and equipment (continued)

Investments in subsidiaries (continued)

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 reporting date.

At the end of each reporting date, the Group does not hold any of the financial assets except loans and receivables and held-to-maturity financial assets.

(i) *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 reporting 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 combined statements of financial position.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

2 Summary of significant accounting policies (continued)

2.8 Financial assets (continued)

(a) Classification (continued)

(ii) Held-to-maturity financial assets

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group’s management has the positive intention and ability to hold to maturity. If the Group were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. They are presented as non-current assets, except for those maturing within 12 months after the reporting date which are presented as current assets.

(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.

(d) Subsequent measurement

Loans and receivables and held-to maturity financial assets are subsequently carried at amortised cost using the effective interest method.

Interest income on financial assets is recognised separately in income.

(e) Impairment

The Group assesses at each reporting 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/Held-to-maturity financial assets

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.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

2 Summary of significant accounting policies (continued)

2.8 Financial assets (continued)

(e) Impairment (continued)

Loans and receivables/Held-to-maturity financial assets (continued)

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 combined statements 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 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 year 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.

2.11 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.

2.12 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.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

2 Summary of significant accounting policies (continued)

2.12 Leases (continued)

(a) When the Group is the lessee: (continued)

(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 combined statements 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 Company is the lessor:

The Group leases exhibition and concert halls, 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.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

2 Summary of significant accounting policies (continued)

2.13 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 reporting 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 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 reporting date; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the reporting 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.

2.14 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 combined statements 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.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

2 Summary of significant accounting policies (continued)

2.15 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.

(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 reporting 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.

2.16 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 reporting date are recognised in profit or loss. However, in the combined financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges, are recognised in other comprehensive income and accumulated in the currency translation reserve.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

2 Summary of significant accounting policies (continued)

2.16 Currency translation (continued)

(b) Transactions and balances (continued)

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 combined statements of comprehensive income within “Finance expense”. All other foreign exchange gains and losses impacting profit or loss are presented in the combined statements 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 reporting 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
- (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 reporting date.

2.17 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors whose members are responsible for allocating resources and assessing performance of the operating segments.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

2 Summary of significant accounting policies (continued)

2.18 Cash and cash equivalents

For the purpose of presentation in the combined statements 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 combined statements of financial position.

2.19 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.

2.20 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.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

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 December 2013, 2014 and 2015 are disclosed in Note 14.

If the net present values of estimated cash flows had been higher/lower by 5% from management’s estimates for all past due loans and receivables, the allowance for impairment of the Group for the financial years ended 31 December 2013, 2014, and 2015 would have been higher/lower by \$127,259, \$110,295 and \$297,573 respectively.

The carrying amount of loans and receivables is disclosed in Note 14 to the financial statements.

(b) Property, plant and equipment

The cost of property, plant and equipment are depreciated on a straight–line basis over their estimated useful lives which management estimates to be within 3 to 10 years.

The Group reviews the residual values and useful lives of property, plant and equipment at each reporting 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 December 2013, 2014, and 2015 are disclosed in Note 15.

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 years ended 31 December 2013, 2014 and 2015 will increase by \$178,694, \$139,776 and \$254,497 respectively or decrease by \$339,292, \$272,304 and \$154,222 respectively.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

3 Critical accounting estimates, assumptions and judgements (continued)

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

(c) *Deferred income tax liabilities*

The Group recognises tax liabilities and assets tax based on an estimation of the likely taxes due, which requires significant judgement as to the ultimate tax determination of certain items. Where the actual amount arising from these issues differs from these estimates, such differences will have an impact on income tax and deferred tax amounts in the period when such determination is made. In addition management judgement is required in determining the amount of current and deferred tax recognised and the extent to which amounts should or can be recognised.

A deferred tax asset is recognised for tax losses and capital allowances carried forward if it is probable that the Group will generate sufficient taxable profit in future periods to benefit from a reduction in tax payments. This involves the management making assumptions within its overall tax planning activities and periodically reassessing them in order to reflect changed circumstances as well as tax regulations.

4 Revenue

	2013	2014	2015
	\$	\$	\$
Production	9,693,181	7,131,624	11,794,374
Promotion	7,590,257	9,987,968	13,588,189
Others	1,136,268	751,436	729,595
	<u>18,419,706</u>	<u>17,871,028</u>	<u>26,112,158</u>

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

5 Expenses by nature

	2013	2014	2015
	\$	\$	\$
Artistes fees	2,304,477	4,086,336	4,581,020
Allowance for impairment of trade receivables (Note 24(b)(i))	73,800	705,076	–
Concert hosting/manpower	5,747,856	6,102,398	8,587,987
Depreciation of property, plant and equipment (Note 15)	759,528	966,955	1,103,184
Equipment rental	1,542,480	656,021	1,142,353
Employee compensation (Note 6)	1,861,981	2,151,690	2,192,963
Material cost	354,530	525,646	775,599
Royalties	156,027	175,597	126,686
Halls related expenditures	2,542,261	1,554,284	1,990,111
Transportation and freight cost	254,538	215,629	198,766
Office rental	459,648	544,500	582,000
Amount due from a related party written off	–	132,254	55,735
Other	789,249	676,031	689,492
Total cost of sales and administrative expenses	<u>16,846,375</u>	<u>18,492,417</u>	<u>22,025,896</u>

6 Employee compensation

	2013	2014	2015
	\$	\$	\$
Salaries and bonuses	1,303,039	1,507,149	1,591,044
Employer’s contribution to defined contributions plans including Central Provident Fund	194,742	232,954	193,721
Directors’ fee	364,200	364,200	364,200
Other benefits	–	47,387	43,998
	<u>1,861,981</u>	<u>2,151,690</u>	<u>2,192,963</u>

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

7 Other income

	2013	2014	2015
	\$	\$	\$
Interest income			
- Bank deposits	4,316	4,852	8,327
- Bond	49,394	18,673	–
	<u>53,710</u>	<u>23,525</u>	<u>8,327</u>
Government grant			
- Productivity and Innovation Credit bonus	–	15,000	–
- Wage credit scheme	–	9,262	50,584
- Temporary employment credit	–	–	4,195
- Special employment credit	1,716	–	1,716
Other ticketing charges	–	–	61,284
Miscellaneous income	–	3,846	55,790
	<u>55,426</u>	<u>51,633</u>	<u>181,896</u>

8 Other gains – net

	2013	2014	2015
	\$	\$	\$
Gain/(loss) on foreign exchange – net	9,027	(72,675)	(141,875)
Gain on disposal of property, plant and equipment	80,300	310,000	136,895
Waiver of non-trade payables due to related parties	401,913	484,160	508,415
	<u>491,240</u>	<u>721,485</u>	<u>503,435</u>

9 Finance expenses

	2013	2014	2015
	\$	\$	\$
Finance lease interest	1,792	11,039	6,432

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

10 Income tax expense/(credit)

	2013	2014	2015
	\$	\$	\$
Tax expense/(credit) attributable to profit is made up of:			
- Profit for the financial year			
- Current income tax			
- Singapore	143,359	45,320	211,984
- Foreign	–	5,947	62,712
	<u>143,359</u>	<u>51,267</u>	<u>274,696</u>
- Deferred income tax	19,348	(246,912)	378,833
	<u>162,707</u>	<u>(195,645)</u>	<u>653,529</u>
- Over provision in prior financial years			
- Current income tax	(3,000)	–	–
- Deferred income tax	(2,431)	(108)	–
	<u>(5,431)</u>	<u>(108)</u>	<u>–</u>
	<u>157,276</u>	<u>(195,753)</u>	<u>653,529</u>

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:

	2013	2014	2015
	\$	\$	\$
Profit before income tax	2,118,205	140,690	4,765,161
Tax calculated at tax rate 17% (2013: 17%; 2014: 17%)	360,095	23,917	810,078
Effects of:			
- different tax rates in other countries	10,244	(5,174)	1,208
- tax incentives	(67,901)	(31,682)	(32,616)
- income not subject to tax	(66,954)	(132,848)	(120,089)
- expenses not deductible for tax purposes	61,540	21,226	83,796
- utilisation of previously unrecognised deferred tax assets	(82,467)	(37,666)	(51,224)
- statutory income tax exemption	(51,850)	(25,925)	(35,525)
- over provision in prior financial years	(5,431)	(108)	–
- others	–	(7,493)	(2,099)
	<u>157,276</u>	<u>(195,753)</u>	<u>653,529</u>

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

11 Earnings per share

Pursuant to the Restructuring Exercise (Note 1.2), the calculation of the basic earnings per share is based on the net profit attributable to equity holders of the Company for the financial years ended 31 December 2013, 2014 and 2015 respectively.

There were no diluted earnings per share for the financial years ended 31 December 2013, 2014 and 2015 as there were no potential ordinary shares outstanding.

	2013	2014	2015
	\$	\$	\$
Basic	19,609	3,364	41,116

12 Cash and cash equivalents

	2013	2014	2015
	\$	\$	\$
Cash at bank and on hand	4,081,633	5,440,069	4,498,365
Short-term bank deposits	708,900	691,218	575,515
	<u>4,790,533</u>	<u>6,131,287</u>	<u>5,073,880</u>

For the purposes of presenting the combined statements of cash flows, cash and cash equivalents comprise the following:

	2013	2014	2015
	\$	\$	\$
Cash and cash equivalents (as above)	4,790,533	6,131,287	5,073,880
Less: Bank deposits pledged	(683,770)	(666,075)	(529,807)
	<u>4,106,763</u>	<u>5,465,212</u>	<u>4,544,073</u>

Bank deposits of \$683,770, \$666,075 and \$529,807 for the respective financial years ended 31 December 2013, 2014 and 2015 were pledged with the bank as collateral to secure the issuance of performance bonds for period not exceeding 48 months in relations to the ordinary course of the business.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

13 Held-to-maturity financial asset

	2013	2014	2015
	\$	\$	\$
Listed debt security			
- Bond with fixed interest of 6.4% and maturity date of 4 April 2014 - China	411,668	–	–

The fair value of the bond at the balance sheet date is as follows:

- Bond with fixed interest of 6.4% and maturity date of 4 April 2014 - China	411,668	–	–
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The fair value is within Level 1 of the fair value hierarchy.

14 Trade and other receivables

	2013	2014	2015
	\$	\$	\$
Trade receivables			
- Related parties	94,231	1,465	7,263
- Non-related parties	2,552,100	2,700,679	6,956,760
	2,646,331	2,702,144	6,964,023
Less: Allowance for impairment of receivables (Note 24(b)(i))			
- Non-related parties	(103,678)	(808,754)	(808,754)
Trade receivables - net	2,542,653	1,893,390	6,155,269
Other receivables			
- Related parties	2,902,831	2,714,313	2,700,322
- Directors	466,407	100,000	310,000
- Non-related parties	1,846,191	1,718,566	61,622
	5,215,429	4,532,879	3,071,944
Less: Allowance for impairment of receivables (Note 24(b)(ii))			
- Non-related parties	(179,620)	–	–
Other receivables - net	5,035,809	4,532,879	3,071,944
Deposits	57,609	449,335	446,069
Prepayments	13,173	9,224	8,032
Advance to supplier	–	–	141,000
Deferred cost	182,145	3,188,128	1,082,502
	7,831,389	10,072,956	10,904,816

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

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR'S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015

15 Property, plant and equipment

2013	Computers and office equipment	Furniture, fittings and renovation	Lighting equipment	Machinery	Motor vehicles	Rental equipment	Total
	\$	\$	\$	\$	\$	\$	\$
Cost							
At 1 January 2013	44,119	74,050	504,130	68,335	1,014,789	1,264,763	2,970,186
Additions	29,187	3,636	360,255	15,800	115,000	791,831	1,315,709
Disposal	–	–	–	–	(218,000)	–	(218,000)
Written-off	(21,333)	(27,507)	(232,500)	(68,335)	(333,276)	(568,571)	(1,251,522)
At 31 December 2013	51,973	50,179	631,885	15,800	578,513	1,488,023	2,816,373
Accumulated depreciation							
At 1 January 2013	34,576	60,954	410,253	68,335	805,874	810,399	2,190,391
Currency translation differences	–	–	–	–	–	(718)	(718)
Depreciation charge (Note 5)	14,713	10,603	212,408	3,160	87,138	431,506	759,528
Disposal	–	–	–	–	(130,800)	–	(130,800)
Written-off	(21,333)	(27,507)	(232,500)	(68,335)	(333,276)	(568,571)	(1,251,522)
At 31 December 2013	27,956	44,050	390,161	3,160	428,936	672,616	1,566,879
Net book value							
At 31 December 2013	24,017	6,129	241,724	12,640	149,577	815,407	1,249,494

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR'S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015

	Computers and office equipment	Furniture, fittings and renovation	Lighting equipment	Machinery	Motor vehicles	Rental equipment	Total
	\$	\$	\$	\$	\$	\$	\$
2014							
Cost							
At 1 January 2014	51,973	50,179	631,885	15,800	578,513	1,488,023	2,816,373
Currency translation differences	–	–	–	–	–	(5,437)	(5,437)
Additions	14,911	2,440	3,391	–	772,864	1,744,953	2,538,559
Disposal	(2,043)	(3,740)	–	–	(142,825)	–	(148,608)
Written-off	(5,120)	(33,782)	(267,015)	–	–	(224,950)	(530,867)
At 31 December 2014	59,721	15,097	368,261	15,800	1,208,552	3,002,589	4,670,020
Accumulated depreciation							
At 1 January 2014	27,956	44,050	390,161	3,160	428,936	672,616	1,566,879
Currency translation differences	–	–	–	–	–	(1,747)	(1,747)
Depreciation charge (Note 5)	12,601	2,252	122,147	3,160	226,503	600,292	966,955
Disposal	(2,043)	(3,740)	–	–	(142,825)	–	(148,608)
Written-off	(5,120)	(33,782)	(267,015)	–	–	(224,950)	(530,867)
At 31 December 2014	33,394	8,780	245,293	6,320	512,614	1,046,211	1,852,612
Net book value							
At 31 December 2014	26,327	6,317	122,968	9,480	695,938	1,956,378	2,817,408

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR'S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015

15 Property, plant and equipment (continued)

	Computers and office equipment	Furniture, fittings and renovation	Lighting equipment	Machinery	Motor vehicles	Rental equipment	Total
	\$	\$	\$	\$	\$	\$	\$
2015							
Cost							
At 1 January 2015	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
Disposals	–	–	–	–	(435,688)	–	(435,688)
Written-off	(11,338)	–	(4,615)	–	–	(191,731)	(207,684)
At 31 December 2015	141,367	17,354	412,900	15,800	1,275,405	4,514,353	6,377,179
Accumulated depreciation							
At 1 January 2015	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
Disposals	–	–	–	–	(366,688)	–	(366,688)
Written-off	(11,338)	–	(4,615)	–	–	(191,731)	(207,684)
At 31 December 2015	63,714	11,682	368,008	9,480	382,500	1,533,855	2,369,239
Net book value							
At 31 December 2015	77,653	5,672	44,892	6,320	892,905	2,980,498	4,007,940

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

15 Property, plant and equipment (continued)

During the financial years ended 31 December 2013, 2014 and 2015, the Group acquired property, plant and equipment with an aggregate cost of \$1,315,709, \$2,538,559, and \$2,385,833 respectively of which \$50,000, \$240,000 and NIL respectively were financed by borrowings from financial institutions and the balance of \$1,200,709, \$1,988,559 and \$2,188,233 by outright cash payment. The remaining amounts of \$65,000, \$310,000 and \$197,600 were the trade-in value of the disposed of property, plant and equipment.

The carrying amounts of motor vehicles acquired under finance leases are \$92,000, \$569,714 and \$472,366 at the respective financial years ended 31 December 2013, 2014 and 2015 (Note 18).

16 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 combined statements of financial position as follows:

	2013	2014	2015
	\$	\$	\$
Deferred income tax (assets)			
- To be recovered after one year	(339)	(247,651)	–
Deferred income tax liabilities			
- To be settled after one year	21,106	21,044	149,985

Movement in deferred income tax account is as follow:

	2013	2014	2015
	\$	\$	\$
Beginning of financial year	4,246	20,767	(226,607)
Currency translation differences	(396)	(354)	(2,241)
Tax charge/(credit) to profit or loss	16,917	(247,020)	378,833
End of financial year	20,767	(226,607)	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. The Group has the following unrecognised tax losses, capital allowances and donations which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised tax losses, capital allowances and donations in their respective countries of incorporation. The tax losses, capital allowances and donations have no expiry date.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

16 Deferred income taxes (continued)

	2013	2014	2015
	\$	\$	\$
Unrecognised tax losses	176,000	297,000	–
Unutilised capital allowances	1,089,000	–	–
Unutilised donations	1,000	–	–
	<u>1,266,000</u>	<u>297,000</u>	<u>–</u>

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

	2013	2014	2015
	\$	\$	\$
<u>Accelerated tax depreciation</u>			
Beginning of financial year	4,246	24,623	96,036
Currency translation differences	(495)	(338)	(2,241)
Tax charge to profit or loss	20,872	71,751	56,190
End of financial year	<u>24,623</u>	<u>96,036</u>	<u>149,985</u>

Deferred income tax assets

	2013	2014	2015
	\$	\$	\$
<u>Tax losses</u>			
Beginning of financial year	–	(3,856)	(139,377)
Currency translation differences	99	(16)	–
Tax (credit)/charge to profit or loss	(3,955)	(135,505)	139,377
End of financial year	<u>(3,856)</u>	<u>(139,377)</u>	<u>–</u>

	2013	2014	2015
	\$	\$	\$
<u>Capital allowances</u>			
Beginning of financial year	–	–	(182,416)
Tax (credit)/charge to profit or loss	–	(182,416)	182,416
End of financial year	<u>–</u>	<u>(182,416)</u>	<u>–</u>

	2013	2014	2015
	\$	\$	\$
<u>Capital allowances</u>			
Beginning of financial year	–	–	(850)
Tax (credit)/charge to profit or loss	–	(850)	850
End of financial year	<u>–</u>	<u>(850)</u>	<u>–</u>

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

17 Trade and other payables

	2013	2014	2015
	\$	\$	\$
Trade payables			
- Related parties	117,700	–	282,480
- Non-related parties	1,981,936	2,770,696	3,418,926
	<u>2,099,636</u>	<u>2,770,696</u>	<u>3,701,406</u>
Other payables			
- Related parties	1,177,061	848,626	405,404
- Directors	3,239,266	3,780,736	3,309,312
- Non-related parties	898	239,992	–
	<u>4,417,225</u>	<u>4,869,354</u>	<u>3,714,716</u>
Accruals	258,379	376,684	323,846
Interest payable	–	2,657	–
Deposit received	–	540,000	120,000
Dividends payable	–	–	300,000
Deferred income	743,269	3,472,789	1,028,800
	<u>7,518,509</u>	<u>12,032,180</u>	<u>9,188,768</u>

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

18 Finance lease liabilities

The Group leases motor vehicles from non-related parties under finance lease. 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.

	2013	2014	2015
	\$	\$	\$
Minimum lease payments due			
- Not later than one year	26,148	66,432	66,432
- Between one and five years	2,163	138,399	71,970
	<u>28,311</u>	<u>204,831</u>	<u>138,402</u>
Less: Future finance charges	(692)	(15,381)	(8,949)
	<u>27,619</u>	<u>189,450</u>	<u>129,453</u>

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

18 Finance lease liabilities (continued)

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

	2013	2014	2015
	\$	\$	\$
Not later than one year	25,464	58,161	65,001
Between one and five years	2,155	131,289	64,452
	<u>27,619</u>	<u>189,450</u>	<u>129,453</u>

Security granted

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.

19 Share capital

For the purpose of the preparation of the combined financial statements, the share capital as at 31 December 2013, 2014 and 2015 represents the aggregate amounts of the paid-up capital of the following companies:

	No. of ordinary shares	Amount \$
Issued and fully paid:		
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.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR'S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

19 Share capital (continued)

	UnUsUaL Entertainment Pte. Ltd.	UnUsUaL Productions Pte Ltd	UnUsUaL Development Pte. Ltd.	UnUsUaL Productions (M) Sdn. Bhd.	UnUsUaL Entertainment International Limited	Total
2013						
Beginning of financial year	2	100,000	500,000	1	*	600,003
Shares issued	—	—	—	39,549	—	39,549
End of financial year	2	100,000	500,000	39,550	*	639,552
2014						
Beginning and end of financial year	2	100,000	500,000	39,550	*	639,552
2015						
Beginning and end of financial year	2	100,000	500,000	39,550	*	639,552

* Amount less than \$1.

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 each company.

On 6 February 2013, UnUsUaL Productions (M) Sdn. Bhd. Issued 99,998 ordinary shares for a total consideration of \$39,549 for cash to provide additional working capital of UnUsUaL Productions (M) Sdn. Bhd.. The newly issued shares rank pari passu with the previously issued shares.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

20 Other reserves

	2013	2014	2015
	\$	\$	\$
<i>Foreign currency translation reserve</i>			
Beginning of financial year	–	(3,329)	(19,142)
Net currency translation differences of financial statements of foreign subsidiaries	(3,329)	(15,813)	(29,158)
End of financial year	<u>(3,329)</u>	<u>(19,142)</u>	<u>(48,300)</u>

Other reserves are non-distributable

21 Dividends

	2013	2014	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	–	–	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.	–	–	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.	–	–	300,000
	<u>–</u>	<u>–</u>	<u>800,000</u>

The subsidiaries declared dividends payable to Ong Chin Soon and Ong Chin Leong, being shareholders of the subsidiaries prior to the Restructuring Exercise (Note 1.2).

22 Contingent liabilities

On 26 June 2015 and 31 July 2015, the Group had obtained bankers guarantees of \$370,000 and \$93,465 for certain on-going projects.

23 Commitments

Operating lease commitments – where the 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.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

23 Commitments (continued)

Operating lease commitments – where the Group is a lessee (continued)

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

	2013	2014	2015
	\$	\$	\$
Not later than one year	432,000	582,000	582,000
Between one and five years	–	50,000	884,000
	432,000	632,000	1,466,000

24 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”) and Malaysia Ringgit (“MYR”). To manage the currency risk, individual Group entities manage as far as possible by natural hedges of matching assets and liabilities.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR'S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015

24 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:

At 31 December 2013

Financial assets

Cash and cash equivalents	3,601,147	650,391	177,176	247,570	114,249	4,790,533
Trade and other receivables	5,564,464	18,145	3,587	2,049,875	–	7,636,071
Held-to-maturity financial asset	–	–	–	–	411,668	411,668
	<u>9,165,611</u>	<u>668,536</u>	<u>180,763</u>	<u>2,297,445</u>	<u>525,917</u>	<u>12,838,272</u>

Financial liabilities

Trade and other payables	3,272,559	189,211	858,950	2,454,520	–	6,775,240
Finance lease liabilities	27,619	–	–	–	–	27,619
	<u>3,300,178</u>	<u>189,211</u>	<u>858,950</u>	<u>2,454,520</u>	<u>–</u>	<u>6,802,859</u>

Net financial assets/(liabilities)

Add: Net non-financial assets	5,865,433	479,325	(678,187)	(157,075)	525,917	6,035,413
	<u>430,856</u>	<u>–</u>	<u>–</u>	<u>230,571</u>	<u>–</u>	<u>661,427</u>

Currency profile including non-financial assets and liabilities

	6,296,289	479,325	(678,187)	73,496	525,917	6,696,840
	<u>(200,000)</u>	<u>479,325</u>	<u>–</u>	<u>–</u>	<u>525,917</u>	<u>805,242</u>

Currency exposure of financial (liabilities)/ assets net of those denominated in the respective entities' functional currency

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR'S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015

24 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:

	<u>SGD</u>	<u>USD</u>	<u>HKD</u>	<u>MYR</u>	<u>Other</u>	<u>Total</u>
	\$	\$	\$	\$	\$	\$
At 31 December 2014						
Financial assets						
Cash and cash equivalents	4,367,829	325,735	180,633	700,026	557,064	6,131,287
Trade and other receivables	4,449,993	5,652	335,023	2,084,936	–	6,875,604
	8,817,822	331,387	515,656	2,784,962	557,064	13,006,891
Financial liabilities						
Trade and other payables	5,399,191	177,871	811,755	2,170,574	–	8,559,391
Finance lease liabilities	189,450	–	–	–	–	189,450
	5,588,641	177,871	811,755	2,170,574	–	8,748,841
Net financial assets/(liabilities)						
	3,229,181	153,516	(296,099)	614,388	557,064	4,258,050
Add: Net non-financial assets/(liabilities)	2,582,568	–	(329,956)	506,808	–	2,759,420
Currency profile including non-financial assets and liabilities	5,811,749	153,516	(626,055)	1,121,196	557,064	7,017,470
Currency exposure of financial (liabilities)/assets net of those denominated in the respective entities' functional currency	(211,424)	153,516	–	–	557,064	499,156

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR'S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

24 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:

At 31 December 2015

Financial assets

Cash and cash equivalents
Trade and other receivables

Financial liabilities

Trade and other payables
Finance lease liabilities

Net financial assets/(liabilities)

Add: Net non-financial assets/(liabilities)

Currency profile including non-financial assets and liabilities

**Currency exposure of financial (liabilities)/assets net of those
denominated in the respective entities' functional currency**

	SGD \$	USD \$	HKD \$	MYR \$	Other \$	Total \$
	3,556,701	264,413	331,607	372,906	548,253	5,073,880
	5,872,049	494,311	1,222,080	2,084,842	–	9,673,282
	9,428,750	758,724	1,553,687	2,457,748	548,253	14,747,162
	3,825,948	1,341,628	1,043,705	1,948,687	–	8,159,968
	129,453	–	–	–	–	129,453
	3,955,401	1,341,628	1,043,705	1,948,687	–	8,289,421
	5,473,349	(582,904)	509,982	509,061	548,253	6,457,741
	3,745,171	–	(39,877)	136,909	–	3,842,203
	9,218,520	(582,904)	470,105	645,970	548,253	10,299,944
	(242,904)	(582,904)	–	–	548,253	(277,555)

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

24 Financial risk management (continued)

(a) *Market risk* (continued)

(i) *Currency risk* (continued)

If the USD change against the SGD during the financial years ended 31 December 2013, 2014 and 2015 by 4%, 4% and 7% 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:

	← Increase/(Decrease) →		
	Profit after tax		
	2013	2014	2015
	\$	\$	\$
USD against SGD			
- strengthen	16,000	5,000	(34,000)
- weakened	(16,000)	(5,000)	34,000
	(16,000)	(5,000)	34,000

(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 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 the finance lease liabilities has been determined by the management as not material to the Group’s profit for the financial years ended 31 December 2013, 2014 and 2015.

(b) *Credit risk*

Credit risk refers to the risk that 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.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

24 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 does 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 combined statements of financial position.

As at 31 December 2013, 2014 and 2015, the trade receivables of the Group comprises of 1 debtor in the respective financial years that individually represented 24% - 51% of the trade receivables.

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

	2013	2014	2015
	\$	\$	\$
<u>By types of customers</u>			
Non-related parties	2,510,553	1,891,925	6,148,006
Related parties	32,100	1,465	7,263
	<u>2,542,653</u>	<u>1,893,390</u>	<u>6,155,269</u>
<u>By geographical areas</u>			
Singapore	2,203,229	1,394,752	3,519,392
Malaysia	321,279	492,986	683,582
Hong Kong	18,145	–	1,946,643
Others	–	5,652	5,652
	<u>2,542,653</u>	<u>1,893,390</u>	<u>6,155,269</u>

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 and other receivables that are neither past due nor impaired are substantially companies with a good collection track record with the Group.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

24 Financial risk management (continued)

(b) *Credit risk* (continued)

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 for trade and other receivables.

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

	2013	2014	2015
	\$	\$	\$
Past due < 3 months	1,237,066	320,060	1,536,034
Past due 3 to 6 months	469,288	131,369	479,365
Past due over 6 months	735,151	945,719	3,127,312
	<u>2,441,505</u>	<u>1,397,148</u>	<u>5,142,711</u>

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

	2013	2014	2015
	\$	\$	\$
Past due over 6 months	103,678	808,754	808,754
Less: Allowance for impairment	(103,678)	(808,754)	(808,754)
	<u>–</u>	<u>–</u>	<u>–</u>
Beginning of financial year	103,837	103,678	808,754
Allowance made (Note 5)	73,800	705,076	–
Utilisation during the financial year	(73,959)	–	–
End of financial year (Note 14)	<u>103,678</u>	<u>808,754</u>	<u>808,754</u>

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

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

24 Financial risk management (continued)

(b) *Credit risk* (continued)

- (ii) The carrying amount of other receivables individually determined to be impaired and the movements in the related allowance for impairment are as follows:

	2013	2014	2015
	\$	\$	\$
Past due over 6 months	179,620	–	–
Less: Allowance for impairment	(179,620)	–	–
	–	–	–
Beginning of financial year	179,620	179,620	–
Utilisation during the financial year	–	(179,620)	–
End of financial year (Note 14)	179,620	–	–

An allowance for impairment for other 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 reporting date, assets held by the Group for managing liquidity risk included cash and cash equivalents as disclosed in Note 12.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

24 Financial risk management (continued)

(c) *Liquidity risk* (continued)

The table below analyses non-derivative financial liabilities of the Group into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Less than 1 year \$	Between 1 and 2 years \$	Between 2 and 5 years \$
At 31 December 2013			
Trade and other payables	6,775,240	–	–
Finance lease liabilities	26,148	2,163	–
At 31 December 2014			
Trade and other payables	8,559,391	–	–
Finance lease liabilities	66,432	138,399	–
At 31 December 2015			
Trade and other payables	8,159,968	–	–
Finance lease liabilities	66,432	71,970	–

(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 finance lease liabilities less cash and cash equivalents (which exclude funds restricted in use). No changes were made in the objectives, policies or processes during the years ended 31 December 2013, 2014 and 2015.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

24 Financial risk management (continued)

(d) *Capital risk* (continued)

	2013	2014	2015
	\$	\$	\$
Net debt	3,439,365	6,756,418	4,774,148
Total equity	6,696,840	7,017,470	10,299,944
Total capital	<u>10,136,205</u>	<u>13,773,888</u>	<u>15,074,092</u>
Gearing ratio	<u>34%</u>	<u>49%</u>	<u>32%</u>

The Group is in compliance with all externally imposed capital requirements for the financial years ended 31 December 2013, 2014 and 2015.

(e) *Fair value measurements*

The following table presents assets and liabilities measured and carried at fair value and classified by level of the following fair value measurement hierarchy:

- i. quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- ii. inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- iii. inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

See Note 13 for disclosure of the held-to-maturity financial asset that is measured at fair value.

The carrying amounts of current financial assets and financial liabilities are assumed to approximate their fair values.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

24 Financial risk management (continued)

(f) *Financial instruments by category*

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

	2013	2014	2015
	\$	\$	\$
Loans and receivables	12,426,604	13,006,891	14,747,162
Financial liabilities at amortised cost	6,802,859	8,748,841	8,289,421

25 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*

	2013	2014	2015
	\$	\$	\$
Office rental			
- Related parties	432,000	432,000	432,000

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

Outstanding balances at 31 December 2013, 2014 and 2015, arising from sale/purchases of goods and services, are unsecured and payable within 12 months from balance sheet date and are disclosed in Notes 14 and 17.

(b) *Key management personnel compensation*

Key management personnel compensation is as follows:

	2013	2014	2015
	\$	\$	\$
Salaries and bonuses	310,500	340,850	420,875
Employer’s contribution to defined contributions plans including Central Provident Fund	48,812	55,470	47,261
Directors’ fee	364,200	364,200	364,200
	723,512	760,520	832,336

The above represents total compensation to all directors of the Group.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

26 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 December 2013, 2014 and 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 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
	\$	\$	\$	\$
At 31 December 2013				
Revenue				
Sales to external parties	9,693,181	7,590,257	1,136,268	18,419,706
Adjusted earnings before interest, tax, depreciation and amortisation, (“EBITDA”)	2,378,354	195,783	305,388	2,879,525
Depreciation	700,463	59,065	–	759,528
Finance expense	1,792	–	–	1,792
Profit before income tax	1,676,099	136,718	305,388	2,118,205

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

26 Segment information (continued)

	Production \$	Promotion \$	Others \$	Total \$
At 31 December 2014				
Revenue				
Sales to external parties	7,131,624	9,987,968	751,436	17,871,028
Adjusted EBITDA	44,945	674,665	399,074	1,118,684
Depreciation	855,809	111,146	–	966,955
Finance expense	7,590	3,449	–	11,039
(Loss)/profit before income tax	(818,454)	560,070	399,074	140,690
At 31 December 2015				
Revenue				
Sales to external parties	11,794,374	13,588,189	729,595	26,112,158
Adjusted EBITDA	2,477,575	2,954,275	442,927	5,874,777
Depreciation	968,195	134,989	–	1,103,184
Finance expense	4,288	2,144	–	6,432
Profit before income tax	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 \$5,693,000, \$5,316,000 and \$3,579,000 is derived from a single external customer at the respective financial years ended 31 December 2013, 2014 and 2015. These revenues are attributable to promotion segment.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

26 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:

	2013	2014	2015
	\$	\$	\$
Singapore	16,627,250	16,361,115	19,062,625
Malaysia	687,969	923,852	3,586,341
Hong Kong	55,719	186,061	2,472,991
Others	1,048,768	400,000	990,201
	<u>18,419,706</u>	<u>17,871,028</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:

	2013	2014	2015
	\$	\$	\$
Singapore	1,026,222	2,873,205	3,864,675
Malaysia	223,611	191,854	143,265
	<u>1,249,833</u>	<u>3,065,059</u>	<u>4,007,940</u>

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

27 Events occurring after reporting date

- (a) On 4 May 2016, the Group had entered into a sale and purchase agreement with an external party for the sale of its lighting and rental equipment, with a carrying amount of \$1,633,585, for a purchase consideration of \$2,600,000.

The sale and purchase has been completed on 20 June 2016.

- (b) 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 subsidiaries 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 subsidiaries.

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, a settlement deed was 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 are still owing and due to the directors.

- (c) On 22 September 2016 and 27 September 2016, the Group had capital expenditures contracted for to purchase of property, plant and equipment for a total consideration of \$2,534,028.

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

27 Events occurring after reporting date (continued)

- (d) On 5 December 2016, the Company entered into a Convertible Note Subscription Agreements with Pre-IPO Investors. The aggregate principal amounts of the Convertible Notes issued by the Company to the Pre-IPO Investors are S\$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 of the Company.

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

- (e) 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.

28 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 January 2016 or later periods and which the Group has not early adopted:

Effective for annual periods beginning on or after 1 January 2016

- FRS 114: Regulatory Deferral Accounts
- Amendments to FRS 1: Disclosure Initiative
- Amendments to FRS 27: Equity Method in Separate Financial Statements
- Amendments to FRS 16 and FRS 38: Clarification of Acceptable Methods of Depreciation and Amortisation
- Amendments to FRS 16 and FRS 41: Agriculture: Bearer Plants
- Amendments to FRS 111: Accounting for Acquisitions of Interests in Joint Operations
- Amendments to FRS 110, FRS 112 and FRS 28: Investment Entities: Applying the Consolidation Exception
- Improvements to FRSs (November 2014)
 - FRS 105: Non-current Assets Held for Sale and Discontinued Operations
 - FRS 107: Financial Instruments: Disclosures
 - FRS 19: Employee Benefits
 - FRS 34: Interim Financial Reporting

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

**APPENDIX A – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013, 2014 AND 2015**

**UnUsUaL Limited and its Subsidiaries
Notes to the Combined Financial Statements
For the financial years ended 31 December 2013, 2014 and 2015**

28 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 January 2016 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
- 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

Effective for annual period beginning on or after 1 January 2019

- FRS 116: Leases

*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.

29 Authorisation of financial statements

These combined financial statements have been prepared for inclusion in the Offer Document of UnUsUaL Limited (the “Company”) and were authorised for issue by the Board of Directors of the Company on 3 April 2017.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UNUSUAL LIMITED AND ITS SUBSIDIARIES
INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Statement by directors
For the Nine-Month Period Ended 30 September 2016**

In the opinion of the directors,

- (i) the consolidated financial statements set out on pages B-4 to B-58 are drawn up so as to give a true and fair view of the financial position of the Group as at 30 September 2016, and the financial performance, changes in equity and cash flows of the Group for the nine-month period then ended; 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.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

On behalf of the directors

Ong Chin Soon
Director

Ong Chin Leong
Director

Singapore

3 April 2017

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

INDEPENDENT AND REPORTING AUDITOR’S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016

3 April 2017

**The Board of Directors
UNUSUAL LIMITED
45 Kallang Pudding Road
#01-01 Alpha Building
Singapore 349317**

Dear Sirs

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of UnUsUaL Limited (the “Company”) and its subsidiaries (collectively, the “Group”) set out on pages B-4 to B-58, which comprise the consolidated statement of financial position of the Group as at 30 September 2016, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for nine-month period ended 30 September 2016, and a summary of significant accounting policies and other explanatory information.

The comparative figures for the corresponding nine-month period ended 30 September 2015 were extracted from the unaudited management financial information and we have not carried out an audit or review of those financial information. The unaudited consolidated financial information for the corresponding nine-month period ended 30 September 2015 is the responsibility of the management.

Management’s Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the provisions of the Singapore Financial Reporting Standards, 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

INDEPENDENT AND REPORTING AUDITOR’S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016 (continued)

Auditor’s Responsibility (continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation of financial statements that give a true and fair view 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 entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group are properly drawn up in accordance with the Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Group as at 30 September 2016, and of the financial performance, changes in equity and cash flows of the Group for the nine-month period then ended.

Restriction on Distribution and Use

This report is made solely to you as a body for inclusion in the Offer Document of the Company to be issued in relation to the proposed offering of the shares of the Company in connection with the Company’s listing on the Catalist Board of Singapore Exchange Securities Trading Limited (“SGX-ST”).

Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants

Director-in-charge: Low See Lien

Singapore

3 April 2017

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Consolidated Statements of Comprehensive Income
For the Nine-Month Period Ended 30 September 2016**

	Note	Nine-month period ended 30 September	
		2015 \$ (unaudited)	2016 \$ (audited)
Revenue	4	22,256,614	16,006,859
Cost of sales		(16,146,133)	(9,983,222)
Gross profit		6,110,481	6,023,637
Other income	7	122,424	17,185
Other (losses)/gains – net	8	(89,385)	1,491,733
Expenses			
- Administrative		(2,860,073)	(3,043,465)
- Finance	9	(4,824)	(13,066)
Profit before income tax		3,278,623	4,476,024
Income tax expense	10	(494,912)	(630,536)
Net profit for the financial period		2,783,711	3,845,488
Other comprehensive losses, net of tax:			
Currency translation differences arising from consolidation - losses		(46,167)	(887)
Total comprehensive income		2,737,544	3,844,601
Net profit attributable to:			
Equity holders of the Company		2,783,711	3,845,488
Total comprehensive income attributable to:			
Equity holders of the Company		2,737,544	3,844,601
Earnings per share for profit attributable to equity holders of the Company (\$ per share)			
Basic and diluted	11	27,837	38,455

The accompanying notes form an integral part of these consolidated financial statements.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Consolidated Statements of Financial Position
As at 30 September 2016**

	Note	31 December 2015 \$ (audited)	30 September 2016 \$ (audited)
ASSETS			
Current assets			
Cash and cash equivalents	12	5,073,880	7,433,590
Trade and other receivables	13	10,904,816	5,797,397
Income tax recoverable		7,944	12,948
		<u>15,986,640</u>	<u>13,243,935</u>
Non-current assets			
Property, plant and equipment	14	4,007,940	2,008,173
		<u>4,007,940</u>	<u>2,008,173</u>
Total assets		<u>19,994,580</u>	<u>15,252,108</u>
LIABILITIES			
Current liabilities			
Trade and other payables	15	9,188,768	8,298,741
Borrowings	16	65,001	570,565
Income tax payable		226,430	495,274
		<u>9,480,199</u>	<u>9,364,580</u>
Non-current liabilities			
Borrowings	16	64,452	37,749
Deferred income tax liabilities	18	149,985	150,007
		<u>214,437</u>	<u>187,756</u>
Total liabilities		<u>9,694,636</u>	<u>9,552,336</u>
NET ASSETS		<u>10,299,944</u>	<u>5,699,772</u>
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	19	639,552	100
Other reserves	20	(48,300)	556,869
Retained earnings		9,708,692	5,142,803
Total equity		<u>10,299,944</u>	<u>5,699,772</u>

The accompanying notes form an integral part of these consolidated financial statements.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR'S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Consolidated Statements of Changes in Equity
For the Nine-Month Period Ended 30 September 2016**

	Note	← Attributable to the equity holders of the Company →			
		Share capital \$	Retained earnings ⁽¹⁾ \$	Other reserves \$	Total equity \$
2015					
Beginning of financial period (unaudited)		639,552	6,397,060	(19,142)	7,017,470
Total comprehensive income/(losses)		–	2,783,711	(46,167)	2,737,544
End of financial period		639,552	9,180,771	(65,309)	9,755,014
2016					
Beginning of financial period (audited)		639,552	9,708,692	(48,300)	10,299,944
Issuance of shares at date of incorporation of the Company	19	100	–	–	100
Restructuring Exercise	19	(639,552)	–	606,056	(33,496)
Total comprehensive income/(losses)		–	3,845,488	(887)	3,844,601
Dividends relating to period ended 30 September 2016	21	–	(8,411,377)	–	(8,411,377)
End of financial period		100	5,142,803	556,869	5,699,772

⁽¹⁾ The retained profits of the Group are distributable.

The accompanying notes form an integral part of these consolidated financial statements.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Consolidated Statements of Cash Flows
For the Nine-Month Period Ended 30 September 2016**

	30 September 2015	30 September 2016
Note	\$ (unaudited)	\$ (audited)
Cash flows from operating activities		
Net profit	2,783,711	3,845,488
Adjustments for:		
- Income tax expense	494,912	630,536
- Depreciation of property, plant and equipment	5 827,389	708,038
- Interest income	7 (6,305)	(8,076)
- Gain on disposal of property, plant and equipment	8 (125,200)	(1,219,293)
- Finance expenses	9 4,824	13,066
	<u>3,979,331</u>	<u>3,969,759</u>
Change in working capital:		
- Trade and other receivables	(537,426)	595,949
- Trade and other payables	(2,009,545)	(887,764)
Cash provided by operations	<u>1,432,360</u>	<u>3,677,944</u>
Interest received	6,305	8,076
Income tax paid	(98,319)	(365,832)
Net cash provided by operating activities	<u>1,340,346</u>	<u>3,320,188</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(807,083)	(243,579)
Proceeds from disposal of property, plant and equipment	–	2,855,856
Proceeds from issuance of shares	19 –	100
Net cash (used in)/provided by investing activities	<u>(807,083)</u>	<u>2,612,377</u>
Cash flows from financing activities		
Fixed deposit held as released/(collateral)	137,920	(27,235)
Proceeds from borrowings	–	500,000
Repayment of finance lease liabilities	(44,998)	(121,139)
Dividends paid to equity holders	21 –	(3,914,210)
Interest paid	(4,824)	(13,066)
Net cash provided by/(used in) financing activities	<u>88,098</u>	<u>(3,575,650)</u>
Net increase in cash and cash equivalents	<u>621,361</u>	<u>2,356,915</u>
Cash and cash equivalents		
Beginning of financial period	5,465,212	4,544,073
Effect on currency translation on cash and cash equivalents	(38,776)	(24,440)
End of financial period	<u>12 6,047,797</u>	<u>6,876,548</u>

The accompanying notes form an integral part of these consolidated financial statements.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

These notes form an integral part of and should be read in conjunction with the accompanying consolidated 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 consolidated financial statements of UnUsUaL Limited (the “Company”) and its subsidiaries (collectively, the “Group”) have been prepared for the purpose of inclusion in filings associated with the proposed initial public offering (“IPO”) of ordinary shares in the Capital of the Company on Catalyst, the sponsor-supervised listing platform of the Singapore Exchange Securities Trading Limited (“SGX-ST”).

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 other investment holding. The principal activities of the subsidiaries are described below.

The Group after restructuring comprises the Company and the following subsidiaries:

Name of companies	Country of business/ incorporation	Principal activities	Equity holding 30 September 2016 %
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

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

1 Corporate information (continued)

1.1 The Company (continued)

The Group after restructuring comprises the Company and the following subsidiaries: (continued)

Name of companies	Country of business/ incorporation	Principal activities	Equity holding 30 September 2016 %
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

1.2 Restructuring exercise

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

(a) *Incorporation of the Company*

The Company was incorporated in the Republic of Singapore on 3 May 2016, in accordance with the Companies Act as an exempt private company limited by shares to act as the holding company 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 subsidiaries 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..

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

1 Corporate information (continued)

1.2 Restructuring exercise (continued)

(d) 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 control 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..

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 consolidated financial statements for the financial period ended 30 September 2016 (the “Relevant Periods”) 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 consolidated 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 consolidated financial statements in conformity with FRS requires the 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 consolidated financial statements, are disclosed in Note 3.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

2 Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

Interpretations and amendments to published standards effective in 2016

On 1 January 2016, the Group adopted the new or amended FRS and Interpretations to FRS (“INT FRS”) that are mandatory for application for the financial period ended 30 September 2016. 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 had no material effect on the amounts reported for the financial period ended 30 September 2016 or prior financial years.

2.2 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the 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.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

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 take place. When subscriptions to a number of events is sold, the fee is allocated to each event on a basis where reflects the extent to which services are performed at each event.

(ii) Others

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 exhibition/concert halls 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 15) and “deferred cost” (Note 13) in the notes to the financial statements.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

2 Summary of significant accounting policies (continued)

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.

2.4 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are entities (including special purpose entities) over which the Group has power to govern the financial and operating policies so as to obtain benefits from its activities, generally accompanied by a shareholding giving rise to a majority of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are 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 subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary’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 statements of comprehensive income, consolidated statements of changes in equity, and consolidated statements of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

2 Summary of significant accounting policies (continued)

2.4 Group accounting (continued)

(a) Subsidiaries (continued)

(ii) Acquisition

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

The consideration transferred for the acquisition of a subsidiary 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.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

2 Summary of significant accounting policies (continued)

2.4 Group accounting (continued)

(a) Subsidiaries (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 statements 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 is taken to merger reserve.

(iii) Disposals

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

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

2 Summary of significant accounting policies (continued)

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.

(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	3 to 5 years
Machinery	5 years
Motor vehicle	5 years
Rental equipment	3 to 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.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting 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 consolidated 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.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

2 Summary of significant accounting policies (continued)

2.5 Property, plant and equipment (continued)

(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 subsidiaries

Property, plant and equipment and investments in subsidiaries 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.

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.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

2 Summary of significant accounting policies (continued)

2.7 Impairment of non-financial assets (continued)

Property, plant and equipment (continued)

Investments in subsidiaries (continued)

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 reporting date.

At the end of each reporting 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 reporting date which are presented as non-current assets. Loans and receivables are presented as “Trade and other receivables” (Note 13), “Cash and cash equivalents” (Note 12) on the consolidated statements 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.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

2 Summary of significant accounting policies (continued)

2.8 Financial assets (continued)

(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.

(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 income.

(e) Impairment

The Group assesses at each reporting 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 consolidated statements 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.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

2 Summary of significant accounting policies (continued)

2.10 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 year 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.

2.11 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.

2.12 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 consolidated statements 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.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

2 Summary of significant accounting policies (continued)

2.12 Leases (continued)

(b) When the Company 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.

2.13 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 reporting 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, 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.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

2 Summary of significant accounting policies (continued)

2.13 Taxes (continued)

Income taxes (continued)

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 reporting date; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the reporting 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.

2.14 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 statements 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.

2.15 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.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

2 Summary of significant accounting policies (continued)

2.15 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 reporting 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.

2.16 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 reporting 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, 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 statements of comprehensive income within “Finance expense”. All other foreign exchange gains and losses impacting profit or loss are presented in the consolidated statements 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.

APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016

UnUsUaL Limited and its Subsidiaries Notes to the Consolidated Financial Statements For the Nine-Month Period Ended 30 September 2016

2 Summary of significant accounting policies (continued)

2.16 Currency translation (continued)

(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 reporting 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
- (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 reporting date.

2.17 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors whose members are responsible for allocating resources and assessing performance of the operating segments.

2.18 Cash and cash equivalents

For the purpose of presentation in the consolidated statements 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 consolidated statements of financial position.

2.19 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.

2.20 Dividends to Company’s shareholders

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

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

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.

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 30 September 2016 are disclosed in Note 13.

If the net present values of estimated cash flows had been higher/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/lower by \$121,430 respectively.

The carrying amount of loans and receivables is disclosed in Note 13 to the financial statements.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

3 Critical accounting estimates, assumptions and judgements (continued)

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

(b) Property, plant and equipment

The cost of property, plant and equipment are 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 reporting 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 30 September 2016 are disclosed in Note 14.

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:

	30 September 2016	2017 - 2021
Increase/(Decrease) in depreciation expenses	49,986	(49,986)

The carrying amount of this rental equipment with revised useful lives as at 30 September 2016 was \$76,322.

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 will increase by \$72,260 or decrease by \$195,904.

(c) Deferred income tax liabilities

The Group recognises tax liabilities and assets tax based on an estimation of the likely taxes due, which requires significant judgement as to the ultimate tax determination of certain items. Where the actual amount arising from these issues differs from these estimates, such differences will have an impact on income tax and deferred tax amounts in the period when such determination is made. In addition management judgement is required in determining the amount of current and deferred tax recognised and the extent to which amounts should or can be recognised.

A deferred tax asset is recognised for tax losses and capital allowances carried forward if it is probable that the Group will generate sufficient taxable profit in future periods to benefit from a reduction in tax payments. This involves the management making assumptions within its overall tax planning activities and periodically reassessing them in order to reflect changed circumstances as well as tax regulations.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

4 Revenue

	Nine-month period ended 30 September	
	2015	2016
	\$	\$
	(unaudited)	(audited)
Production	10,028,851	8,433,991
Promotion	11,656,972	5,907,409
Others	570,791	1,665,459
	22,256,614	16,006,859

5 Expenses by nature

	Nine-month period ended 30 September	
	2015	2016
	\$	\$
	(unaudited)	(audited)
Artistes fees	4,504,703	2,007,395
Allowance for impairment of trade receivables (Note 24(b)(ii))	–	36,730
Bad debt written off	–	8,560
Concert hosting/manpower	7,504,337	5,263,771
Depreciation of property, plant and equipment	827,389	708,038
Equipment rental	1,004,157	374,777
Employee compensation (Note 6)	1,554,090	1,857,825
Material cost	700,449	239,052
Royalties	76,825	88,495
Halls related expenditures	1,599,991	1,308,989
Transportation and freight cost	160,607	309,093
Office rental	449,000	436,500
Amount due from a related party written off	55,735	–
Other	568,923	387,462
Total cost of sales and administrative expenses	19,006,206	13,026,687

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

6 Employee compensation

	Nine-month period ended 30 September	
	2015	2016
	\$	\$
	(unaudited)	(audited)
Salaries and bonuses	1,075,306	1,524,777
Employer’s contribution to defined contributions plans including Central Provident Fund	171,721	201,165
Directors’ fee	273,150	30,350
Other benefits	33,913	101,533
	1,554,090	1,857,825

7 Other income

	Nine-month period ended 30 September	
	2015	2016
	\$	\$
	(unaudited)	(audited)
Interest income – bank deposits	6,305	8,076
Government grant		
- Wage credit scheme	17,880	–
- Temporary employment credit	–	3,928
- Special employment credit	1,716	1,736
Other ticketing charges	61,284	–
Miscellaneous income	35,239	3,445
	122,424	17,185

8 Other (losses)/gains – net

	Nine-month period ended 30 September	
	2015	2016
	\$	\$
	(unaudited)	(audited)
(Loss)/gain on foreign exchange - net	(214,585)	8,639
Gain on disposal of property, plant and equipment	125,200	1,219,293
Waiver of non-trade payables due to related parties	–	263,801
	(89,385)	1,491,733

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

9 Finance expenses

	Nine-month period ended 30 September	
	2015	2016
	\$	\$
	(unaudited)	(audited)
Finance lease interest	4,824	7,368
Short term borrowing interest	–	3,910
Directors loan interest	–	1,788
	4,824	13,066
	4,824	13,066

10 Income tax expenses

	Nine-month period ended 30 September	
	2015	2016
	\$	\$
	(unaudited)	(audited)
Tax expense attributable to profit is made up of:		
- Profit for the financial period		
- Current income tax		
- Singapore	80,715	546,549
- Foreign	62,712	85,814
	143,427	632,363
- Deferred income tax	351,485	–
	494,912	632,363
- Over provision in prior financial years		
- Current income tax	–	(1,827)
	494,912	630,536
	494,912	630,536

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

10 Income tax expenses (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:

	Nine-month period ended 30 September	
	2015	2016
	\$	\$
	(unaudited)	(audited)
Profit before income tax	3,278,623	4,476,024
Tax calculated at tax rate 17% (2015: 17%)	557,366	760,924
Effects of:		
- different tax rates in other countries	13,064	(1,949)
- tax incentives	(32,616)	(64,008)
- income not subject to tax	(22,737)	(2,368)
- expenses not deductible for tax purposes	63,131	17,539
- utilisation of previously unrecognised deferred tax assets	(51,224)	–
- statutory income tax exemption	(35,525)	(77,775)
- over provision of tax in prior financial years	–	(1,827)
- others	3,453	–
	494,912	630,536

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 for the nine-month period ended 30 September 2015 and 2016 respectively.

There were no diluted earnings per share for the nine-month period ended 30 September 2015 and 2016 as there were no potential ordinary shares outstanding.

	Nine-month period ended 30 September	
	2015	2016
	\$	\$
	(unaudited)	(audited)
Basic	27,837	38,455

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

12 Cash and cash equivalents

	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
Cash at bank and on hand	4,498,365	6,851,382
Short-term bank deposits	575,515	582,208
	<u>5,073,880</u>	<u>7,433,590</u>

For the purpose of presenting in the consolidated statements of cash flows, cash and cash equivalents comprises the following:

	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
Cash and cash equivalents (as above)	5,073,880	7,433,590
Less: Bank deposits pledged	(529,807)	(557,042)
	<u>4,544,073</u>	<u>6,876,548</u>

Bank deposits of \$529,807 and \$557,042 at the respective financial year/period ended 31 December 2015 and 30 September 2016 were pledged with the bank as collateral to secure the issuance of performance bonds for period not exceeding 48 months in relations to the ordinary course of the business.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

13 Trade and other receivables

	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
Trade receivables		
- Related parties	7,263	–
- Non-related parties	6,956,760	2,677,047
	<u>6,964,023</u>	<u>2,677,047</u>
Less: Allowance for impairment of receivables (Note 24(b)(ii))		
- Non-related parties	(808,754)	(36,730)
Trade receivables - net	<u>6,155,269</u>	<u>2,640,317</u>
Other receivables		
- Related parties	2,700,322	–
- Directors	310,000	8,072
- Non-related parties	61,622	1,040,463
	<u>3,071,944</u>	<u>1,048,535</u>
Deposits	446,069	69,519
Prepayments	8,032	16,888
Advance to supplier	141,000	–
Accrued income	–	32,100
Deferred cost	1,082,502	1,990,038
	<u>10,904,816</u>	<u>5,797,397</u>

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

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR'S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

14 Property, plant and equipment

	Computers and office equipment	Furniture, fittings and renovation	Lighting equipment	Machinery	Motor vehicles	Rental equipment	Total
	\$	\$	\$	\$	\$	\$	\$
2015 (audited)							
Cost							
At 1 January 2015	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
Disposals	–	–	–	–	(435,688)	–	(435,688)
Written-off	(11,338)	–	(4,615)	–	–	(191,731)	(207,684)
At 31 December 2015	141,367	17,354	412,900	15,800	1,275,405	4,514,353	6,377,179
Accumulated depreciation							
At 1 January 2015	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	41,658	2,902	127,330	3,160	236,574	691,560	1,103,184
Disposals	–	–	–	–	(366,688)	–	(366,688)
Written-off	(11,338)	–	(4,615)	–	–	(191,731)	(207,684)
At 31 December 2015	63,714	11,682	368,008	9,480	382,500	1,533,855	2,369,239
Net book value							
At 31 December 2015	77,653	5,672	44,892	6,320	892,905	2,980,498	4,007,940

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR'S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016

14 Property, plant and equipment (continued)	Computers and office equipment	Furniture, fittings and renovation	Lighting equipment	Machinery	Motor vehicles	Rental equipment	Total
	\$	\$	\$	\$	\$	\$	\$
2016 (audited)							
Cost							
At 1 January 2016	141,367	17,354	412,900	15,800	1,275,405	4,514,353	6,377,179
Currency translation differences	–	–	–	–	–	363	363
Additions	28,303	786	72,759	8,000	153,643	80,088	343,579
Disposals	–	–	(412,900)	–	(507,976)	(3,002,349)	(3,923,225)
Reclassification	–	–	1,273,229	–	–	(1,273,229)	–
At 30 September 2016	169,670	18,140	1,345,988	23,800	921,072	319,226	2,797,896
Accumulated depreciation							
At 1 January 2016	63,714	11,682	368,008	9,480	382,500	1,533,855	2,369,239
Currency translation differences	–	–	–	–	–	(892)	(892)
Depreciation charge	31,185	1,828	203,521	2,770	176,153	292,581	708,038
Disposals	–	–	(373,274)	–	(253,988)	(1,659,400)	(2,286,662)
At 30 September 2016	94,899	13,510	198,255	12,250	304,665	166,144	789,723
Net book value							
At 30 September 2016	74,771	4,630	1,147,733	11,550	616,407	153,082	2,008,173

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

14 Property, plant and equipment (continued)

During the financial period ended 30 September 2016, the Group acquired property, plant and equipment with an aggregate cost of \$343,579 of which \$100,000 were financed by borrowings from financial institutions and the balance of \$243,579 by outright cash payment.

The carrying amounts of motor vehicles acquired under finance leases are \$472,366 and \$267,014 at the respective financial year/period ended 31 December 2015 and 30 September 2016 (Note 16).

15 Trade and other payables

	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
Trade payables		
- Related parties	282,480	–
- Non-related parties	3,418,926	2,108,505
	3,701,406	2,108,505
Other payables		
- Related parties ⁽¹⁾	405,404	–
- Directors ⁽²⁾	3,309,312	4,376,568
- Non-related parties	–	80,183
	3,714,716	4,456,751
Accruals	323,846	907,678
Deposit received	120,000	–
Dividends payable	300,000	–
Deferred income	1,028,800	825,807
	9,188,768	8,298,741

⁽¹⁾ Amount due to related parties are non-trade in nature, interest-free, unsecured and repayable on demand.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

15 Trade and other payables (continued)

⁽²⁾ Amounts due to directors consist of the following:

	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
Advance received from directors ⁽ⁱ⁾	3,309,312	162,358
Dividends payable to directors ⁽ⁱⁱ⁾	–	3,914,210
Loan from directors ⁽ⁱⁱⁱ⁾	–	300,000
	<u>3,309,312</u>	<u>4,376,568</u>

⁽ⁱ⁾ Advance received from directors are non-trade in nature, interest-free, unsecured and repayable on demand.

⁽ⁱⁱ⁾ Dividends payable to directors are interest-free, unsecured and repayable on demand (Note 21).

⁽ⁱⁱⁱ⁾ Loan from directors are interest-free, unsecured and repayable on demand.

16 Borrowings

	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
<i>Current</i>		
Bank borrowing	–	500,000
Finance lease liabilities (Note 17)	65,001	70,565
	<u>65,001</u>	<u>570,565</u>
<i>Non-current</i>		
Finance lease liabilities (Note 17)	64,452	37,749
	<u>64,452</u>	<u>37,749</u>
Total borrowings	<u>129,453</u>	<u>608,314</u>

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

16 Borrowings (continued)

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

	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
Less than 6 months	–	500,000

(a) Security granted

Total borrowings of the Group include secured liabilities of \$129,453 and \$608,314 at the respective financial year/period ended 31 December 2015 and 30 September 2016.

Bank borrowing of the Group is secured over personal guarantees from the directors and leasehold building of a related party.

Finance lease liabilities of the Group are effectively secured over the motor vehicles (Note 14), 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 balance sheet date which the directors expect to be available to the Group as follows:-

	31 December 2015	30 September 2016
	%	%
	(audited)	(audited)
Finance lease liabilities	5.31	5.31 – 6.14

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

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

17 Finance lease liabilities

The Group leases motor vehicles from non-related parties under finance lease. 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.

	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
Minimum lease payments due		
- Not later than one year	66,432	75,136
- Between one and five years	71,970	38,289
	<u>138,402</u>	<u>113,425</u>
Less: Future finance charges	(8,949)	(5,111)
	<u><u>129,453</u></u>	<u><u>108,314</u></u>

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

	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
Not later than one year	65,001	70,565
Between one and five years	64,452	37,749
	<u>129,453</u>	<u>108,314</u>

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

18 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 consolidated statements of financial position as follows:

	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
Deferred income tax liabilities		
- To be settled after one year	149,985	150,007

Movement in deferred income tax account is as follow:

	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
Beginning of financial year/period	(226,607)	149,985
Currency translation differences	(2,241)	22
Tax charge to profit or loss	378,833	-
End of financial year/period	149,985	150,007

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.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

18 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

	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
<u>Accelerated tax depreciation</u>		
Beginning of financial year/period	96,036	149,985
Currency translation differences	(2,241)	22
Tax charge to profit or loss	56,190	–
End of financial year/period	<u>149,985</u>	<u>150,007</u>

Deferred income tax assets

	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
<u>Tax losses</u>		
Beginning of financial year/period	(139,377)	–
Tax charge to profit or loss	139,377	–
End of financial year/period	<u>–</u>	<u>–</u>

	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
<u>Capital allowances</u>		
Beginning of financial year/period	(182,416)	–
Tax charge to profit or loss	182,416	–
End of financial year/period	<u>–</u>	<u>–</u>

	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
<u>Others</u>		
Beginning of financial year/period	(850)	–
Tax charge to profit or loss	850	–
End of financial year/period	<u>–</u>	<u>–</u>

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

19 Share capital

	No. of ordinary shares	Amount \$ (audited)
Issued and fully paid:		
Beginning of financial period	700,004	639,552
Restructuring Exercise ^(a)	(700,004)	(639,552)
Issuance of shares at date of incorporation of the Company ^(b)	100	100
End of financial period	100	100

^(a) Pursuant to the Restructuring Exercise, aggregate number of 700,004 shares 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 an aggregate consideration of \$33,496 (Note 1.2(b)).

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

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.

As the Restructuring Exercise as per Note 1.2(b) was completed subsequent to 31 December 2015, the Group’s comparative figures for financial year ended 31 December 2015, comprise of the share capital of the Group represents the aggregate amounts of the paid-up capital of the following subsidiaries:

	No. of ordinary shares	Amount \$ (audited)
Issued and fully paid:		
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	*
	700,004	639,552

* Amount less than \$1.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

20 Other reserves

	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
(a) Composition:		
Foreign currency translation reserve	(48,300)	(49,187)
Merger reserve ^(a)	–	606,056
	<u>(48,300)</u>	<u>556,869</u>
(a) Merger reserve represents the difference between the cost of investment and the nominal value of share capital of the subsidiaries acquired under common control.		
(b) Movement:		
(i) <i>Foreign currency translation reserve</i>		
Beginning of financial year/period	(19,142)	(48,300)
Net currency translation differences of financial statements of foreign subsidiaries	(29,158)	(887)
End of financial year/period	<u>(48,300)</u>	<u>(49,187)</u>
(ii) <i>Merger reserve</i>		
Beginning of financial year/period	–	–
Net difference between consideration paid and the share capital of the subsidiaries acquired	–	606,056
End of financial year/period	<u>–</u>	<u>606,056</u>

Other reserves are non-distributable

21 Dividends

	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
<i>Ordinary dividends declared</i>		
One-tier exempt dividends declared in respect of the financial period ended 30 September 2016 of \$84,114 per share	–	8,411,377
	<u>–</u>	<u>8,411,377</u>

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

21 Dividends (continued)

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 subsidiaries 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 subsidiaries.

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
	<u>4,497,167</u>

The remaining outstanding dividends of \$3,914,210 are still owing and due to the directors (Note 15).

22 Contingent liabilities

On 24 June 2016, the Group had obtained bankers guarantees of \$370,000 for certain on-going projects.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

23 Commitments

(a) Capital commitments

Capital expenditures contracted for at the balance sheet date but not recognised in the financial statements are as follows:-

	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
Property, plant and equipment	–	2,534,028

(b) Operating lease commitments – where the 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 reporting date but not recognised as liabilities, are as follows:

	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
Not later than one year	582,000	582,000
Between one and five years	884,000	447,500
	1,466,000	1,029,500

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

24 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”) and Malaysia Ringgit (“MYR”). To manage the currency risk, individual Group entities manage as far as possible by natural hedges of matching assets and liabilities.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR'S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016

24 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
	\$	\$	\$	\$	\$	\$
At 31 December 2015 (audited)						
Financial assets						
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
	9,428,750	758,724	1,553,687	2,457,748	548,253	14,747,162
Financial liabilities						
Trade and other payables	3,825,948	1,341,628	1,043,705	1,948,687	–	8,159,968
Borrowings	129,453	–	–	–	–	129,453
	3,955,401	1,341,628	1,043,705	1,948,687	–	8,289,421
Net financial assets/(liabilities)	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
Currency profile including non- financial assets and liabilities	9,218,520	(582,904)	470,105	645,970	548,253	10,299,944
Currency exposure of financial (liabilities)/assets net of those denominated in the respective entities' functional currency	(242,904)	(582,904)	–	–	548,253	(277,555)

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR'S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016

24 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:

	<u>SGD</u>	<u>USD</u>	<u>HKD</u>	<u>MYR</u>	<u>Other</u>	<u>Total</u>
	\$	\$	\$	\$	\$	\$
At 30 September 2016 (audited)						
Financial assets						
Cash and cash equivalents	5,626,954	265,138	715,028	261,675	564,795	7,433,590
Trade and other receivables	2,474,371	5,652	1,013,441	297,007	–	3,790,471
	8,101,325	270,790	1,728,469	558,682	564,795	11,224,061
Financial liabilities						
Trade and other payables	6,670,774	365,598	423,268	13,294	–	7,472,934
Borrowings	608,314	–	–	–	–	608,314
	7,279,088	365,598	423,268	13,294	–	8,081,248
Net financial assets/(liabilities)	822,237	(94,808)	1,305,201	545,388	564,795	3,142,813
Add: Net non-financial assets/ (liabilities)	2,606,677	–	(124,761)	75,043	–	2,556,959
Currency profile including non-financial assets and liabilities	3,428,914	(94,808)	1,180,440	620,431	564,795	5,699,772
Currency exposure of financial (liabilities)/assets net of those denominated in the respective entities' functional currency	(127,175)	(94,808)	–	–	564,795	342,812

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

24 Financial risk management (continued)

(a) *Market risk (continued)*

(i) *Currency risk (continued)*

If the USD change against the SGD during the financial years ended 31 December 2015 and 30 September 2016 by 7% and 4% 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:

	← Increase/(decrease) →	
	Profit after tax	
	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
USD against SGD		
- strengthen	(34,000)	(3,000)
- weakened	34,000	3,000
	34,000	3,000

(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 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 the borrowings has been determined by the management as not material to the Group’s profit for the financial year/period ended 31 December 2015 and 30 September 2016.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

24 Financial risk management (continued)

(b) *Credit risk*

Credit risk refers to the risk that 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.

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 that 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 does 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 consolidated statements of financial position.

As at 31 December 2015 and 30 September 2016, the trade receivables of the Group comprise of 1 debtor in the respective financial year/period that individually represented 21 - 29% of the trade receivables.

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

	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
<u>By types of customers</u>		
Non-related parties	6,148,006	2,640,317
Related parties	7,263	–
	6,155,269	2,640,317
<u>By geographical areas</u>		
Singapore	3,519,392	800,998
Malaysia	683,582	558,298
Hong Kong	1,946,643	1,275,369
Others	5,652	5,652
	6,155,269	2,640,317

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

24 Financial risk management (continued)

(b) *Credit risk* (continued)

(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 and other receivables that are neither past due nor impaired are substantially companies with a good collection track record with the Group.

(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 for trade and other receivables.

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

	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
Past due < 3 months	1,536,034	1,000,985
Past due 3 to 6 months	479,365	90,950
Past due over 6 months	3,127,312	1,300,013
	<u>5,142,711</u>	<u>2,391,948</u>

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

	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
Past due over 6 months	808,754	36,730
Less: Allowance for impairment	(808,754)	(36,730)
	<u>–</u>	<u>–</u>
Beginning of financial year	808,754	808,754
Allowance made (Note 5)	–	36,730
Utilisation during the financial year/period	–	(808,754)
End of financial year (Note 13)	<u>808,754</u>	<u>36,730</u>

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

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

24 Financial risk management (continued)

(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 reporting date, assets held by the Group for managing liquidity risk included cash and cash equivalents as disclosed in Note 12.

The table below analyses non-derivative financial liabilities of the Group into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years
	\$	\$	\$
At 31 December 2015 (audited)			
Trade and other payables	8,159,968	–	–
Borrowings	66,432	71,970	–
	<u>66,432</u>	<u>71,970</u>	<u>–</u>
At 30 September 2016 (audited)			
Trade and other payables	7,472,934	–	–
Borrowings	576,472	38,289	–
	<u>576,472</u>	<u>38,289</u>	<u>–</u>

(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 year/period ended 31 December 2015 and 30 September 2016.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

24 Financial risk management (continued)

(d) *Capital risk* (continued)

	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
Net debt	4,774,148	2,030,507
Total equity	10,299,944	5,699,772
Total capital	15,074,092	7,730,279
	32%	26%

The Group is in compliance with all externally imposed capital requirements for the financial year/period ended 31 December 2015 and 30 September 2016.

(e) *Fair value measurements*

The following table presents assets and liabilities measured and carried at fair value and classified by level of the following fair value measurement hierarchy:

- i. quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- ii. inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- iii. inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The carrying amounts of current financial assets and financial liabilities are assumed to approximate their fair values.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

24 Financial risk management (continued)

(f) Financial instruments by category

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

	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
Loans and receivables	14,747,162	11,224,061
Financial liabilities at amortised cost	8,289,421	8,081,248

(g) Offsetting financial assets and financial liabilities

(i) Financial assets

The Group has the following financial instruments subject to enforceable netting arrangement or similar arrangement as follows:

	Related amounts set off in the balance sheet		
	Gross amount – financial assets	Gross amount – financial liabilities	Net amounts – financial assets presented in the balance sheet
	(a)	(b)	(c) = (a) – (b)
	\$	\$	\$
As at 30 September 2016 (audited)			
Trade and other receivables	1,773,697	(1,773,697)	–

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

24 Financial risk management (continued)

(g) *Offsetting financial assets and financial liabilities* (continued)

(ii) Financial liabilities

The Group has the following financial instruments subject to enforceable netting arrangement or similar arrangement as follows:

	Related amounts set off in the balance sheet		
	Gross amount – financial liabilities	Gross amount – financial assets	Net amounts – financial liabilities presented in the balance sheet
	(a)	(b)	(c) = (a) – (b)
	\$	\$	\$
As at 30 September 2016 (audited)			
Trade and other payables	65,980	(65,980)	–
Amount due to directors	1,870,075	(1,707,717)	162,358
	1,936,055	(1,773,697)	162,358

For the financial assets and liabilities subject to enforceable netting arrangements or similar arrangements above, each arrangement between the Group and their respective counterparties allows for net settlement for the relevant financial assets and liabilities when both elect to settle on a net basis.

25 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*

	Nine-month period ended 30 September	
	2015	2016
	\$	\$
	(unaudited)	(audited)
Office rental		
- Related parties	324,000	324,000
	324,000	324,000

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

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

25 Related party transactions (continued)

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

Outstanding balances at 31 December 2015 and 30 September 2016, arising from sale/purchases of goods and services, are unsecured and payable within 12 months from balance sheet date and are disclosed in Notes 13 and 15.

(b) Key management personnel compensation

Key management personnel compensation is as follows:

	Nine-month period ended 30 September	
	2015	2016
	\$	\$
	(unaudited)	(audited)
Salaries and bonuses	256,250	614,625
Employer’s contribution to defined contributions plans including Central Provident Fund	41,453	56,989
Directors’ fee	273,150	30,350
	570,853	701,964
	570,853	701,964

The above represents total compensation to all directors of the Group.

26 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 segment based on the reports reviewed by the CODM that are used to make strategic decisions, allocate resources, and assess performance.

At 30 September 2015 and 30 September 2016, 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 equipment and rendering of technical services.
3. Others
Rental of exhibition/concert halls related equipment and co-management of exhibition/concert halls.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

26 Segment information (continued)

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 \$
At 30 September 2015 (unaudited)				
Revenue				
Sales to external parties	10,028,851	11,656,972	570,791	22,256,614
Adjusted earnings before interest, tax, depreciation and amortisation, ("EBITDA")	2,305,079	1,448,422	357,335	4,110,836
Depreciation	726,147	101,242	–	827,389
Finance expense	3,216	1,608	–	4,824
Profit before income tax	1,575,716	1,345,572	357,335	3,278,623
At 30 September 2016 (audited)				
Revenue				
Sales to external parties	8,433,991	5,907,409	1,665,459	16,006,859
Adjusted EBITDA	3,676,888	1,103,379	416,861	5,197,128
Depreciation	623,197	84,841	–	708,038
Finance expense	5,610	5,668	1,788	13,066
Profit before income tax	3,048,081	1,012,870	415,073	4,476,024

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 \$3,237,153 and \$3,337,838 is derived from a single external customer at the respective financial periods 30 September 2015 and 2016. These revenues are attributable to promotion segment.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

26 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:

	Nine-month period ended 30 September	
	2015	2016
	\$	\$
	(unaudited)	(audited)
Singapore	15,627,082	10,994,599
Malaysia	3,436,341	1,777,400
Hong Kong	2,352,991	1,065,036
Thailand	–	1,948,430
Others	840,200	221,394
	22,256,614	16,006,859

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

	31 December 2015	30 September 2016
	\$	\$
	(audited)	(audited)
Singapore	3,864,675	1,931,851
Malaysia	143,265	76,322
	4,007,940	2,008,173

27 Events occurring after reporting date

(a) On 5 December 2016, the Company entered into a Convertible Note Subscription Agreements with Pre-IPO Investors. The aggregate principal amounts of the Convertible Notes issued by the Company to the Pre-IPO Investors are S\$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 of the Company.

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

(b) 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.

**APPENDIX B – INDEPENDENT AND REPORTING AUDITOR’S REPORT
ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

**UnUsUaL Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine-Month Period Ended 30 September 2016**

28 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 January 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

Effective for annual period beginning on or after 1 January 2018

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

Effective for annual period beginning on or after 1 January 2019

- FRS 116: Leases

*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.

29 Authorisation of financial statements

These consolidated financial statements have been prepared for inclusion in the Offer Document of Unusual Limited (the “Company”) and were authorised for issue by the Board of Directors of the Company on 3 April 2017.

APPENDIX C – DESCRIPTION OF OUR SHARES

The following statements are brief summaries of the rights and privileges of Shareholders conferred by the laws of Singapore and the Constitution of our Company. These statements summarise the material provisions of our Constitution and are qualified in entirety by reference to our Constitution and the Companies Act.

Ordinary Shares

There are no founders, management, deferred or unissued shares reserved for issue for any purpose. We have only one (1) class of shares, namely, our ordinary shares which have identical rights in all respects and rank equally with one another. All of the ordinary shares are in registered form. Our Company may, subject to the provisions of the Companies Act and the rules of the SGX-ST, purchase its Shares. However, it may not, except in circumstances permitted by the Companies Act, grant any financial assistance for the acquisition or proposed acquisition of its own Shares.

New Shares

New Shares may only be issued with the prior approval in a general meeting of our Shareholders. The aggregate number of Shares to be issued pursuant to such approval may not exceed 100.0% (or such other limit as may be prescribed by the SGX-ST) of our issued share capital for the time being, of which the aggregate number of shares to be issued other than on a *pro rata* basis to our Shareholders may not exceed 50.0% (or such other limit as may be prescribed by the SGX-ST) of our issued share capital for the time being (the percentage of issued share capital being based on our issued Shares at the time such authority is given after adjusting for new Shares arising from the conversion of convertible securities or employee share options on issue at the time such authority is given and any subsequent consolidation or sub-division of Shares). The approval, if granted, will lapse at the conclusion of the annual general meeting following the date on which the approval was granted or the date by which the annual general meeting is required by law to be held, whichever is the earlier but any approval may be previously revoked or varied by our Company in general meeting. Subject to the foregoing, the provisions of the Companies Act and any special rights attached to any class of shares currently issued, all new Shares are under the control of our Board who may allot and issue the same with such rights and restrictions as it may think fit.

Shareholders

Only persons who are registered in the register of Shareholders of our Company and, in cases in which the person so registered is CDP, the persons named as the Depositors in the Depository Register maintained by CDP for the Shares, are recognised as our Shareholders. Our Company will not, except as required by law, recognise any equitable, contingent, future or partial interest in any Share or other rights for any Share other than the absolute right thereto of the registered holder of that Share or of the person whose name is entered in the Depository Register for that Share. Our Company may close the register of Shareholders for any time or times if we provide the SGX-ST at least five (5) clear market days' notice. However, the register of Shareholders may not be closed for more than 30 days in aggregate in any calendar year. Our Company typically closes the register of Shareholders to determine Shareholders' entitlement to receive dividends and other distributions.

Transfer of Shares

There is no restriction on the transfer of fully paid Shares except where required by law or the Catalist Rules or the rules or by-laws of any stock exchange on which our Company is listed. Our Board may decline to register any transfer of Shares which are not fully paid Shares, or Shares on which our Company has a lien. Our Shares may be transferred by a duly signed instrument of transfer in a form approved by the SGX-ST or any stock exchange on which our Company is listed.

Our Board may also decline to register any instrument of transfer unless, among other things, it has been duly stamped and is presented for registration together with the share certificate and such other evidence of title as it may require. Our Company will replace lost or destroyed certificates for Shares if it is properly notified and if the applicant pays a fee which will not exceed S\$2 and furnishes any evidence and indemnity that our Board may require.

APPENDIX C – DESCRIPTION OF OUR SHARES

General Meetings of Shareholders

Our Company is required to hold an annual general meeting every year. Our Board may convene an extraordinary general meeting whenever it thinks fit and must do so if Shareholders representing not less than 10.0% of the total voting rights of all Shareholders request in writing that such a meeting be held. In addition, two (2) or more Shareholders holding not less than 10.0% of the issued share capital of our Company (excluding treasury shares) may call a meeting. Unless otherwise required by law or by our Constitution, voting at general meetings is by ordinary resolution, requiring an affirmative vote of a simple majority of the votes cast at that meeting. An ordinary resolution suffices, for example, for the appointment of directors. A special resolution, requiring the affirmative vote of at least 75.0% of the votes cast at the meeting, is necessary for certain matters under Singapore law, including voluntary winding up, amendments to our Constitution, a change of the corporate name and a reduction in the share capital. Our Company must give at least 21 days' notice in writing for every general meeting convened for the purpose of passing a special resolution. Ordinary resolutions generally require at least 14 days' notice in writing. The notice must be given to every Shareholder who has supplied our Company with an address in Singapore for the giving of notices and must set forth the place, the day and the hour of the meeting and, in the case of special business, the general nature of that business.

Voting Rights

A Shareholder is entitled to attend, speak and vote at any general meeting, in person or by proxy. Proxies need not be Shareholders. A person who holds ordinary shares through the SGX-ST book-entry settlement system will only be entitled to vote at a general meeting as a Shareholder if his name appears on the Depository Register maintained by CDP 72 hours before the general meeting. Except as otherwise provided in our Constitution, two (2) or more Shareholders must be present in person or by proxy to constitute a quorum at any general meeting. Under our Constitution, on a show of hands, every Shareholder present in person and by proxy shall have one (1) vote (provided that in the case of a Shareholder who is represented by more than one (1) proxy (subject to the provisions of the Companies Act), only one (1) of the proxies as determined by that Shareholder or, failing such determination, by the chairman of the meeting in his sole discretion shall be entitled to vote on a show of hands), and on a poll, every Shareholder present in person or by proxy shall have one (1) vote for each Share which he holds or represents. A poll may be demanded in certain circumstances, including by the chairman of the meeting or by any Shareholder or Shareholders present in person or by proxy and representing not less than 5.0% of the total voting rights of all Shareholders having the right to attend and vote at the meeting or by not less than two (2) Shareholders present in person or by proxy and entitled to vote. In the case of an equality of votes, whether on a show of hands or a poll, the chairman of the meeting shall be entitled to a casting vote.

Dividends

Our Company may, by ordinary resolution of our Shareholders, declare dividends at a general meeting, but it may not pay dividends in excess of the amount recommended by our Board. Our Company must pay all dividends out of its profits. Our Board may also declare an interim dividend without the approval of our Shareholders. All dividends are paid *pro rata* among our Shareholders in proportion to the amount paid up on each Share, unless the rights attaching to an issue of any Share provide otherwise. Unless otherwise directed, dividends are paid by cheque or warrant sent through the post to each Shareholder at his registered address. Notwithstanding the foregoing, the payment by our Company to CDP of any dividend payable to a Shareholder whose name is entered in the Depository Register shall, to the extent of payment made to CDP, discharge our Company from any liability to that Shareholder in respect of that payment.

Bonus and Rights Issues

Our Board may, with approval by our Shareholders at a general meeting, capitalise any reserves or profits and distribute the same as bonus Shares credited as paid-up to our Shareholders in proportion to their shareholdings. Our Board may also issue rights to take up additional Shares to Shareholders in proportion to their shareholdings. Such rights are subject to any conditions attached to such issue and the regulations of any stock exchange on which our Company is listed.

APPENDIX C – DESCRIPTION OF OUR SHARES

Take-overs

Under the Singapore Code on Take-overs and Mergers (“**Singapore Take-over Code**”), issued by the Authority pursuant to Section 321 of the SFA, any person acquiring an interest, either on his own or together with parties acting in concert with him, in 30.0% or more of the voting Shares must extend a takeover offer for the remaining voting Shares in accordance with the provisions of the Singapore Take-over Code. In addition, a mandatory takeover offer is also required to be made if a person holding, either on his own or together with parties acting in concert with him, between 30.0% and 50.0% of the voting rights acquires additional voting shares representing more than 1.0% of the voting shares in any six (6) month period. Under the Singapore Take-over Code, the following individuals and companies will be presumed to be persons acting in concert with each other unless the contrary is established:

- (a) the following companies:
 - (i) a company;
 - (ii) the parent company of (i);
 - (iii) the subsidiaries of (i);
 - (iv) the fellow subsidiaries of (i);
 - (v) the associated companies of (i), (ii), (iii) or (iv);
 - (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and
 - (vii) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights;
- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);
- (c) a company with any of its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (e) a financial or other professional adviser, including a stockbroker, with its customer in respect of the shareholdings of:
 - (i) the adviser and persons controlling, controlled by or under the same control as the adviser; and
 - (ii) all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the customer total 10.0% or more of the customer’s equity share capital;
- (f) directors of a company (together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a bona fide offer for their company may be imminent;
- (g) partners; and

APPENDIX C – DESCRIPTION OF OUR SHARES

- (h) the following persons and entities:
 - (i) an individual;
 - (ii) the close relatives of (i);
 - (iii) the related trusts of (i);
 - (iv) any person who is accustomed to act in accordance with the instructions of (i);
 - (v) companies controlled by any of (i), (ii), (iii) or (iv); and
 - (vi) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights.

Under the Singapore Take-over Code, a mandatory offer made with consideration other than cash must be accompanied by a cash alternative at not less than the highest price paid by the offeror or any person acting in concert within the preceding six (6) months.

Liquidation or Other Return of Capital

If our Company is liquidated or in the event of any other return of capital, holders of our Shares will be entitled to participate in any surplus assets in proportion to their shareholdings, subject to any special rights attaching to any other class of shares.

Indemnity

As permitted by Singapore law, our Constitution provides that, subject to the Companies Act, our Board and officers shall be entitled to be indemnified by our Company against any liability incurred in defending any proceedings, whether civil or criminal, which relate to anything done or omitted to have been done as an officer, director or employee and in which judgment is given in their favour or in which they are acquitted or in connection with any application under any statute for relief from liability in respect thereof in which relief is granted by the court. Our Company may not indemnify our Directors and officers against any liability which by law would otherwise attach to them in respect of any negligence, default, breach of duty or breach of trust of which they may be guilty in relation to our Company.

Limitations on Rights to Hold or Vote Shares

Except as described in the sections entitled “Voting Rights” and “Take-overs” above, there are no limitations imposed by Singapore law or by our Constitution on the rights of non-resident Shareholders to hold or vote in respect of our Shares.

Minority Rights

The rights of minority Shareholders of Singapore-incorporated companies are protected under Section 216 of the Companies Act, which gives the Singapore courts a general power to make any order, upon application by any Shareholder of our Company, as they think fit to remedy any of the following situations:

- (a) our affairs are being conducted or the powers of our Board are being exercised in a manner oppressive to, or in disregard of the interests of, one (1) or more of our Shareholders; or
- (b) we take an action, or threaten to take an action, or our Shareholders pass a resolution, or propose to pass a resolution, which unfairly discriminates against, or is otherwise prejudicial to, one (1) or more of our Shareholders, including the applicant.

APPENDIX C – DESCRIPTION OF OUR SHARES

Singapore courts have wide discretion as to the reliefs they may grant and those reliefs are in no way limited to those listed in the Companies Act itself. Without prejudice to the foregoing, Singapore courts may:

- (a) direct or prohibit any act or cancel or vary any transaction or resolution;
- (b) regulate the conduct of our affairs in the future;
- (c) authorise civil proceedings to be brought in the name of, or on behalf of, our Company by a person or persons and on such terms as the court may direct;
- (d) provide for the purchase of a minority Shareholder's shares by our other Shareholders or by us and, in the case of a purchase of Shares by us, a corresponding reduction of our share capital;
- (e) provide that our Constitution be amended; or
- (f) provide that we be wound up.

APPENDIX D – SUMMARY OF OUR CONSTITUTION

The discussion below provides information on certain provisions of our Constitution and the laws of Singapore. This discussion is only a summary and is qualified by reference to our Constitution and to Singapore law.

The instrument that constitutes and defines our Company is the Constitution of our Company.

1. Directors

(a) Ability of interested directors to vote

A Director shall not vote in respect of any contract, proposed contract or arrangement or any other proposal in which he has any personal material interest, and he shall not be counted in the quorum present at the meeting.

(b) Remuneration

Fees payable to Non-executive Directors shall be a fixed sum (not being a commission on or a percentage of profits or turnover of the Company) as shall from time to time be determined by the Company in general meeting. Fees payable to Directors shall not be increased except at a general meeting convened by a notice specifying the intention to propose such increase.

Any Director who holds any executive office, or who serves on any committee of the Directors, or who performs services outside the ordinary duties of a Director, may be paid extra remuneration by way of salary or otherwise, as the Directors may determine.

The remuneration of a Chief Executive Officer, or persons holding equivalent positions, shall from time to time be fixed by the Directors and may, subject to the provisions of this Constitution, be by way of salary or commission or participation in profits or by any or all of these modes but shall not be by a commission on or a percentage of turnover.

The Directors shall have power to pay pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any Director for the time being holding any executive office and for the purpose of providing any such pension or other benefits, to contribute to any scheme or fund or to pay premiums.

The Directors shall not vote in respect of any contract or proposed contract or arrangement or any other proposal whatsoever in which he has any personal material interest, directly or indirectly. A Director shall also not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.

(c) Borrowing

Subject to our Constitution and the applicable laws, our Directors may exercise all the powers of our Company to raise or borrow money, to mortgage or charge its undertaking, property and uncalled capital, and to secure any debt, liability or obligation of our Company or of any third party.

(d) Retirement age limit

There is no retirement age limit for Directors under our Constitution.

(e) Shareholding qualification

There is no shareholding qualification for Directors in our Constitution.

APPENDIX D – SUMMARY OF OUR CONSTITUTION

2. Share rights and restrictions

Our Company currently has one (1) class of shares, namely, ordinary shares. Only persons who are registered on our register of Shareholders and in cases in which the person so registered is CDP, the persons named as the depositors in the Depository Register maintained by CDP for the ordinary shares, are recognised as our Shareholders.

(a) Dividends and distribution

We may, by ordinary resolution of our Shareholders, declare dividends at a general meeting, but we shall not pay dividends in excess of the amount recommended by our Board of Directors. We must pay all dividends out of our profits; however, we may capitalise any sum standing to the credit of any of our Company's reserve accounts or other distributable reserve or any sum standing to the credit of profit and loss account and apply it to pay dividends, if such dividends are satisfied by the issue of Shares to our Shareholders. All dividends are paid *pro rata* amongst our Shareholders in proportion to the amount paid up on each Shareholder's ordinary shares, unless the rights attaching to an issue of any ordinary Share provide otherwise. Unless otherwise directed, dividends are paid by cheque or warrant sent through the post to each Shareholder at his registered address. Notwithstanding the foregoing, the payment by us to CDP of any dividend payable to a Shareholder whose name is entered in the Depository Register shall, to the extent of payment made to CDP, discharge us from any liability to that Shareholder in respect of that payment.

The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a Share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends unclaimed after being declared may be invested or otherwise made use of by the Directors for the benefit of the Company. Any dividend unclaimed after a period of six (6) years after having been declared may be forfeited and shall revert to the Company but the Directors may thereafter at their discretion annul any such forfeiture and pay the dividend so forfeited to the person entitled prior to the forfeiture.

The Directors may retain any dividends or other moneys payable on or in respect of a Share on which our Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

(b) Voting rights

A Shareholder is entitled to attend, speak and vote at any general meeting, in person or by proxy. Proxies need not be Shareholders. A person who holds ordinary Shares through the SGX-ST book-entry settlement system will only be entitled to vote at a general meeting as a Shareholder if his name appears on the Depository Register maintained by CDP 72 hours before the general meeting. Except as otherwise provided in our Constitution, two (2) or more Shareholders must be present in person or by proxy to constitute a quorum at any general meeting. Under our Constitution, on a show of hands, every Shareholder who is not a relevant intermediary present in person and by proxy shall have one (1) vote, and on a poll, every Shareholder present in person or by proxy shall have one (1) vote for each Share which he holds or represents. A Shareholder who is not a relevant intermediary may appoint not more than two (2) proxies to attend and vote at the same general meeting. A Shareholder who is a relevant intermediary may appoint more than two (2) proxies to attend and vote at the same general meeting, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by it. A poll may be demanded in certain circumstances, including by the chairman of the meeting or by any Shareholder or Shareholders present in person or by proxy and representing not less than five per cent. (5.0%) of the total voting rights of all Shareholders having the right to attend and vote at the meeting or by not less than two (2) Shareholders present in person or by proxy and entitled to vote. In the case of an equality of votes, whether on a show of hands or a poll, the chairman of the meeting shall be entitled to a casting vote.

APPENDIX D – SUMMARY OF OUR CONSTITUTION

3. Change in capital

Changes in the capital structure of our Company (for example, an increase, consolidation, cancellation, sub-division or conversion of our share capital) require Shareholders to pass an ordinary resolution. Ordinary resolutions generally require at least 14 days' notice in writing. The notice must be given to each of our Shareholders who have supplied us with an address in Singapore for the giving of notices and must set forth the place, the day and the hour of the meeting. However, we are required to obtain our Shareholders' approval by way of a special resolution for any reduction of our share capital or other undistributable reserve, subject to the conditions prescribed by law.

4. Variation of rights of existing shares or classes of shares

Subject to the Companies Act, whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may be varied or abrogated either with the consent in writing of the holders of three-quarters of the total voting rights of the issued shares of the class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class. To every such separate general meeting the provisions of our Constitution relating to general meetings of the Company and to the proceedings thereat shall *mutatis mutandis* apply, except that the necessary quorum shall be two (2) persons at least holding or representing by proxy at least one-third of the total voting rights of the issued shares of the class, and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him, provided always that where the necessary majority for such a special resolution is not obtained at such general meeting, consent in writing if obtained from the holders of three-quarters of the total voting rights of the issued shares of the class concerned within two (2) months of such general meeting shall be as valid and effectual as a special resolution carried at such general meeting. These provisions shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied or abrogated.

The relevant regulation in our Constitution does not impose more significant conditions than the Companies Act in this regard.

5. Limitations on foreign or non-resident shareholders

There are no limitations imposed by Singapore law or by our Constitution on the rights of our Shareholders who are regarded as non-residents of Singapore, to hold or vote their Shares.

APPENDIX E – DESCRIPTION OF SINGAPORE LAW RELATING TO TAXATION

The following is a discussion of certain tax matters arising under the current tax laws in Singapore and is not intended to be and does not constitute legal or tax advice. The summary below is based on laws, regulations, interpretations, rulings and decisions in effect as at the Latest Practicable Date. These laws, regulations, interpretations, rulings and decisions, however, may change at any time, and any change could be retrospective to the date of issuance of our Shares. These laws and regulations are also subject to various interpretations and the relevant tax authorities or the courts of Singapore could later disagree with the explanations or conclusions set out herein.

The summary below is not intended to constitute a comprehensive or exhaustive description of the taxes mentioned herein nor of all the taxes that may be applicable or relevant to the subscription for, ownership and disposal of our Share.

Prospective investors should consult their own tax advisors and/or legal advisors regarding taxation in Singapore and other consequences of subscribing for, owning and disposing of our Shares. It is emphasised that neither our Company, our Directors nor any other persons involved in this Placement accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of our Shares.

Income Tax

Corporate Income Tax

Singapore imposes tax on a modified territorial basis i.e. income is subject to tax only when it is accrued in or derived from Singapore (i.e. Singapore-sourced) and when it is received in Singapore from outside Singapore (i.e. foreign-sourced income received or deemed received in Singapore). This applies to both resident and non-resident companies.

A company is regarded as a tax resident in Singapore if the control and management of the company's business is exercised in Singapore. In general, control and management of the company is vested in its board of directors and the place of residence of the company is generally where its directors meet.

A Singapore tax resident corporate taxpayer is subject to Singapore income tax on foreign-sourced income received or deemed received in Singapore, unless otherwise exempted. Foreign-sourced income in the form of branch profits, dividends and service fee income ("**specified foreign income**") received or deemed received in Singapore by a Singapore tax resident company are exempted from Singapore tax provided that the following qualifying conditions are met:

- (a) such income is subject to tax of a similar character to income tax under the law of the territory from which such income is received;
- (b) at the time the income is received in Singapore, the highest rate of tax of a similar character to income tax (by whatever name called) levied under the law of the territory from which the income is received on any gains or profits from any trade or business carried on by any company in that territory at that time is not less than 1.0%; and
- (c) the Comptroller of Income Tax (the "**Comptroller**") is satisfied that the tax exemption would be beneficial to the corporate taxpayer.

A non-Singapore tax resident corporate taxpayer, subject to certain exceptions, is subject to Singapore income tax on income accruing in or derived from Singapore, and on foreign sourced income received or deemed received in Singapore.

The prevailing corporate income tax rate in Singapore is 17.0% with the first S\$300,000 of chargeable income of a company being partially exempt from tax as follows:

- (a) 75.0% of up to the first S\$10,000 of a company's chargeable income; and
- (b) 50.0% of up to the next S\$290,000 of a company's chargeable income.

APPENDIX E – DESCRIPTION OF SINGAPORE LAW RELATING TO TAXATION

The remaining chargeable income (after the above partial tax exemption) will be taxed at the prevailing corporate tax rate, currently 17.0%. In the 2016 Budget, the Minister for Finance had announced that both resident and non-resident companies will enjoy a corporate income tax rebate from year of assessment 2016 to year of assessment 2017. This tax rebate will be based on 50.0% of the tax payable up to a maximum tax rebate of S\$20,000 per year of assessment. This tax rebate will not apply to income derived by a non-resident company that is subject to final withholding tax.

Individual Income tax

An individual taxpayer (both resident and non-resident) is subject to Singapore income tax on income accrued in or derived from Singapore, subject to certain exceptions. Foreign-sourced income received or deemed received by a Singapore tax resident individual is generally exempt from income tax in Singapore except for such income received through a partnership in Singapore. Certain Singapore-sourced investment income received or deemed received by individuals is also exempt from tax.

Currently, a Singapore tax resident individual is subject to tax at the progressive rates, ranging from 0% to 20.0% (and from 0% to 22.0% with effect from the year of assessment 2017), after deductions of qualifying personal reliefs where applicable.

An individual is regarded as a tax resident in Singapore in a year of assessment, if in the calendar year preceding the year of assessment, he was physically present in Singapore or exercised an employment in Singapore (other than as a director of a company) for 183 days or more, or if he ordinarily resides in Singapore.

Dividend Distributions

Under the one-tier corporate tax system, the tax paid by a resident company is a final tax and the distributable profits of the company can be paid to shareholders as tax exempt (one-tier) dividends, regardless of the tax residence status or the legal form of the shareholders. However, foreign shareholders receiving tax exempt (one-tier) dividends are advised to consult their own tax advisors to take into account the tax laws of their respective countries of residence and the existence of any double taxation agreement which their country of residence may have with Singapore.

Capital Gains Tax

Singapore currently does not impose tax on capital gains. However, there are no specific laws or regulations which deal with the characterisation of capital gains. In general, gains or profits derived from the disposal of our Shares acquired for long-term investment purposes will not be taxable in Singapore if they are capital in nature.

On the other hand, where such gains or profits arise from activities which the Comptroller regards as the carrying on of a trade or business of dealing in shares in Singapore, such gains or profits will ordinarily be taxed as income (rather than capital gains) and thus subject to Singapore income tax.

As the precise status of Shareholders will vary from one another, Shareholders are advised to consult their own professional advisers on the Singapore tax consequences that may apply to their individual circumstances.

Stamp Duty

There is no stamp duty payable on the subscription for, allotment or holding of our Shares.

Stamp duty is payable on the instrument of transfer of our Shares at the rate of S\$0.20 for every S\$100 or any part thereof, computed on the consideration paid or market value of our Shares registered in Singapore, whichever is higher.

The purchaser is liable for stamp duty, unless there is an agreement to the contrary. No stamp duty is payable if no instrument of transfer is executed (such as in the case of scripless shares, the transfer of which does not require instruments of transfer to be executed) or if the instrument of transfer is executed outside Singapore. However, stamp duty may be payable if the instrument of transfer which is executed outside Singapore is subsequently received in Singapore.

APPENDIX E – DESCRIPTION OF SINGAPORE LAW RELATING TO TAXATION

Stamp duty is not applicable to electronic transfers of our shares through the scripless trading system operated by CDP.

Goods and Services Tax

The sale of our Shares by a GST-registered investor to another person belonging in Singapore is an exempt supply that is not subject to GST.

Where our Shares are sold by a GST-registered investor in the course of a business to a person belonging outside Singapore, and that person is outside Singapore when the sale is executed, the sale should generally, subject to satisfaction of certain conditions, be considered a taxable supply subject to GST at zero-rate. Subject to the normal rules for input tax recovery, any GST incurred by a GST-registered investor in the making of this supply in the course of or furtherance of a business carried on by him is recoverable from the Comptroller of GST as input tax.

Services such as brokerage, handling and clearing services rendered by a GST-registered person to an investor belonging in Singapore in connection with the investor's purchase, sale or holding of our Shares will be subject to GST at the current rate of 7.0%. Similar services rendered to an investor belonging outside Singapore is generally subject to GST at zero-rate, provided that the investor is outside Singapore when the services are performed and the services provided do not benefit any Singapore persons.

Investors should seek their own tax advice on the recoverability of GST incurred on expenses in connection with purchase and sale of our Shares.

Estate Duty

With effect from 15 February 2008, no estate duty will be leviable in respect of deaths occurring on or after 15 February 2008.

APPENDIX F – RULES OF THE UNUSUAL ESOS

RULES OF THE UNUSUAL EMPLOYEE SHARE OPTION SCHEME

1. DEFINITIONS

In this Scheme, unless the context otherwise requires, the following words and expressions shall have the following meanings: –

“Act”	:	The Companies Act, (Chapter 50) of Singapore, as amended or modified from time to time
“Associate”	:	Shall have the meaning assigned to it in the Catalist Rules
“Associated Company”	:	A company in which at least 20.0% but not more than 50.0% of its issued shares are held by the company or the Group and over which the Company has Control
“Associated Company Employee”	:	Any confirmed employee (including directors) of an Associated Company selected by the Committee to participate in the Scheme
“Auditors”	:	The auditors of the Company for the time being
“Board”	:	The board of Directors of the Company for the time being
“Catalist Rules”	:	The rules constituted in Section B of the Listing Manual of the SGX-ST, as amended or modified from time to time
“CDP”	:	The Central Depository (Pte) Limited
“Committee”	:	The Remuneration Committee of the Company
“Company”	:	UnUsUaL Limited
“Constitution”	:	The constitution of our Company, as amended or modified from time to time
“Control”	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company
“Controlling Shareholder”	:	A Shareholder who: (a) holds directly or indirectly 15.0% or more of the total number of issued Shares (excluding Shares held by the Company as treasury shares) (unless otherwise determined by the SGX-ST that a person who satisfies this subparagraph is not a controlling shareholder); or (b) in fact exercises Control over the Company
“Date of Grant”	:	The date on which an Option is granted to a Participant pursuant to Rule 7
“Director”	:	A person holding office as a director for the time being of the Company
“EGM”	:	An extraordinary general meeting of the Company

APPENDIX F – RULES OF THE UNUSUAL ESOS

- “Executive Director”* : A Director who is an employee of the Group and who performs an executive function
- “Exercise Price”* : The price at which a Participant shall acquire each Share upon the exercise of an Option, as determined in accordance with Rule 9, or such adjusted price as may be applicable pursuant to Rule 10
- “Financial Year”* : Each period of 12 months or more or less than 12 months, at the end of which the balance of accounts of the Company are prepared and audited, for the purpose of laying the same before an annual general meeting of the Company
- “Grantee”* : The person to whom an offer of an Option is made
- “Group”* : The Company, its Subsidiaries and Associated Companies (as they may exist from time to time)
- “Group Employee”* : Any confirmed employee of the Group (including an Executive Director) selected by the Committee to participate in the Scheme in accordance with Rule 4
- “Market Day”* : A day on which the SGX-ST is open for trading of securities
- “Market Price”* : The average of the last dealt prices for a Share determined by reference to the daily Official List published by the SGX-ST for a period of five (5) consecutive Market Days immediately prior to the relevant Offer Date Provided always that in the case of a Market Day on which the Shares are not traded on the SGX-ST, the last dealt price for Shares on such Market Day shall be deemed to be the last dealt price of the Shares on the immediately preceding Market Day on which the Shares were traded, rounded up to the nearest whole cent in the event of fractional prices
- “Non-executive Director”* : A director of the Company and/or its Subsidiaries, other than one who performs an executive function
- “Offer Date”* : The date on which an offer to grant an Option is made pursuant to the Scheme
- “Option”* : The right to acquire Shares granted or to be granted to a Group Employee or a Non-executive Director pursuant to the Scheme and for the time being subsisting
- “Option Period”* : Subject as provided in Rules 11 and 15, the period for the exercise of an Option being:
- (a) in the case of an Option granted with the Exercise Price set at Market Price, a period beginning one (1) year from the Offer Date of that Option and expiring on the tenth year from the relevant Offer Date or such earlier date as may be determined by the Committee, subject as provided in Rules 11 and 15, and any other conditions as may be determined by the Committee from time to time; and

APPENDIX F – RULES OF THE UNUSUAL ESOS

- (b) in the case of an Option granted with the Exercise Price set at a discount to the Market Price, a period beginning two (2) years from the Offer Date of that Option and expiring on the tenth year from the relevant Offer Date or such earlier date as may be determined by the Committee, subject as provided in Rules 11 and 15, and any other conditions as may be determined by the Committee from time to time

<i>“Participant”</i>	:	The holder of an Option
<i>“Record Date”</i>	:	The date as at the close of business on which the Shareholders must be registered in order to participate in any dividends, rights, allotments or other distributions
<i>“Rules”</i>	:	The rules of this Scheme, as amended or modified from time to time
<i>“Scheme”</i>	:	The UnUsUaL employee share option scheme
<i>“S\$”</i>	:	Singapore dollars
<i>“SGX-ST”</i>	:	The Singapore Exchange Securities Trading Limited
<i>“Shares”</i>	:	Ordinary shares in the capital of the Company
<i>“Shareholders”</i>	:	The registered holders for the time being of the Shares (other than CDP) or in the case of Depositors, Depositors who have Shares entered against their names in the Depository Register
<i>“Sponsor”</i>	:	Hong Leong Finance Limited, or such other sponsor of the Company, for the time being
<i>“Subsidiary”</i>	:	A company which is for the time being a subsidiary of the Company as defined by Section 5 of the Act

The terms “Depositor”, “Depository Register” and “Depository Agent” shall have the meanings ascribed to them respectively by Section 81SF of the Securities and Futures Act (Chapter 289) of Singapore.

Words denoting the singular shall, where applicable, include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine and neuter gender. References to persons shall include corporations.

Any reference in the Scheme to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act or any statutory modification thereof and used in this Scheme shall, where applicable, have the same meaning assigned to it under the Act. Any reference in this Scheme to a time of day shall be a reference to Singapore time unless otherwise stated.

2. NAME OF THE SCHEME

The Scheme shall be called the “UnUsUaL Employee Share Option Scheme”.

3. OBJECTIVES OF THE SCHEME

The Scheme will provide an opportunity for Group Employees who have contributed significantly to the growth and performance of the Group and Non-executive Directors and who satisfy the eligibility criteria as set out in Rule 4 of the Scheme, to participate in the equity of the Company.

APPENDIX F – RULES OF THE UNUSUAL ESOS

The Scheme is primarily a share incentive scheme. It recognises the fact that the services of Group Employees and Non-executive Directors are important to the success and continued well-being of the Group. Implementation of the Scheme will enable the Company to give recognition to the contributions made by such Group Employees and Non-executive Directors. At the same time, it will give such Group Employees and Non-executive Directors an opportunity to have a direct interest in the Company at no direct cost to its profitability and will also help to achieve the following positive objectives:

- (a) to motivate Participants to optimise their performance standards and efficiency and to maintain a high level of contribution to the Group;
- (b) to retain key employees and directors whose contributions are essential to the long-term growth and prosperity of the Group;
- (c) to instil loyalty to, and a stronger identification by Participants with the long-term prosperity of the Group;
- (d) to attract potential employees with relevant skills to contribute to the Group and to create value for the Shareholders; and
- (e) to align the interests of Participants with the interests of the Shareholders.

4. ELIGIBILITY

4.1 The following persons shall be eligible to participate in the Scheme at the absolute discretion of the Committee:

- (a) Group Employees (including Executive Directors) who have attained the age of 21 years on or prior to the relevant Offer Date and are not undischarged bankrupts and have not entered into a composition with their respective creditors, and who have, as at the Date of Grant, been in the employment of the Group for a period of at least 12 months, or such shorter period as the Committee may determine; and
- (b) Non-executive Directors who have attained the age of 21 years on or prior to the relevant Offer Date and are not undischarged bankrupts and have not entered into a composition with their respective creditors.

Directors and employees of the Company's parent company and its Subsidiaries (other than the Company and the Company's Subsidiaries) are not entitled to participate in the Scheme.

Save as prescribed by the Catalist Rules, there shall be no restriction on the eligibility of any Participant to participate in any other share option or share incentive schemes implemented by any other companies within the Group.

4.2 Controlling Shareholders and their Associates who satisfy the criteria set out in Rule 4.1 above shall be eligible to participate in the Plan provided that:

- (a) their participation; and
- (b) the actual or maximum number of Shares and terms of any Awards to be granted to them,

have been approved by independent Shareholders at a general meeting in separate resolutions for each of (i) his participation, and (ii) the actual or maximum number of Shares and terms of any Options to be granted to him, provided always that it shall not be necessary to obtain the approval of the independent Shareholders for the participation in the Plan of a Controlling Shareholder of his Associate who is, at the relevant time, already a Participant.

APPENDIX F – RULES OF THE UNUSUAL ESOS

4.3 Subject to the Act and any requirement of the SGX-ST or any other stock exchange on which the Shares may be listed or quoted, the terms of eligibility for participation in this Scheme may be amended from time to time at the absolute discretion of the Committee.

5. MAXIMUM ENTITLEMENT

Subject to Rule 4 and Rule 10, the aggregate number of Shares in respect of which Options may be offered to a Grantee for acquisition in accordance with the Scheme shall be determined at the discretion of the Committee who shall take into account criteria such as rank, past performance, years of service and potential development of the Grantee.

6. LIMITATION ON THE SIZE OF THE SCHEME

6.1 The aggregate number of Shares over which the 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 Scheme 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 Offer Date of the Option.

6.2 The aggregate number of Shares which may be issued or transferred pursuant to Options under the Scheme to Participants who are Controlling Shareholders and their Associates shall not exceed 25.0% of the Shares available under the Scheme.

6.3 The number of Shares which may be issued or transferred pursuant to Options under the Scheme to each Participant who is a Controlling Shareholder or his Associate shall not exceed 10.0% of the Shares available under the Scheme.

7. OFFER DATE

7.1 The Committee may, save as provided in Rules 4, 5 and 6, offer to grant Options to such Grantees as it may select in its absolute discretion at any time during the period when the Scheme is in force, except that no Options shall be granted during the period of 30 days immediately preceding the date of announcement of the Company's interim and/or final results (whichever the case may be). In addition, in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is imminent, offers to grant Options may only be made on or after the third Market Day on which such announcement is released.

7.2 An offer to grant the Option to a Grantee shall be made by way of a letter (the "Letter of Offer") in the form or substantially in the form set out in Annex 1, subject to such amendments as the Committee may determine from time to time.

8. ACCEPTANCE OF OFFER

8.1 An Option offered to a Grantee pursuant to Rule 7 may only be accepted by the Grantee within 30 days after the relevant Offer Date and not later than 5.00 p.m. on the 30th day from such Offer Date (a) by completing, signing and returning to the Company the Acceptance Form in or substantially in the form set out in Annex 2, subject to such modification as the Committee may from time to time determine, accompanied by payment of S\$1 as consideration or such other amount and such other documentation as the Committee may require and (b) if, at the date on which the Company receives from the Grantee the Acceptance Form in respect of the Option as aforesaid, he remains eligible to participate in the Scheme in accordance with these Rules.

8.2 If a grant of an Option is not accepted strictly in the manner as provided in this Rule 8, such offer shall, upon the expiry of the 30 day period, automatically lapse and shall forthwith be deemed to be null and void and be of no effect.

APPENDIX F – RULES OF THE UNUSUAL ESOS

- 8.3 The Company shall be entitled to reject any purported acceptance of a grant of an Option made pursuant to this Rule 8 or Exercise Notice (as defined in Rule 12) given pursuant to Rule 12 which does not strictly comply with the terms of the Scheme.
- 8.4 Options are personal to the Grantees to whom they are granted and shall not be sold, mortgaged, transferred, charged, assigned, pledged or otherwise disposed of or encumbered in whole or in part or in any way whatsoever without the Committee's prior written approval, but may be exercised by the Grantee's duly appointed personal representative as provided in Rule 11.6 in the event of the death of such Grantee.
- 8.5 The Grantee may accept or refuse the whole or part of the offer. If only part of the offer is accepted, the Grantee shall accept the offer in multiples of 100 Shares. The Committee shall, within 15 Market Days of receipt of the Acceptance Form and consideration, acknowledge receipt of the same.
- 8.6 In the event that a grant of an Option results in a contravention of any applicable law or regulation, such grant shall be null and void and be of no effect and the relevant Participant shall have no claim whatsoever against the Company.
- 8.7 Unless the Committee determines otherwise, an Option shall automatically lapse and become null, void and of no effect and shall not be capable of acceptance if:
- (a) it is not accepted in the manner as provided in Rule 8.1 within the 30 day period; or
 - (b) the Participant dies prior to his acceptance of the Option; or
 - (c) the Participant is adjudicated a bankrupt or enters into composition with his creditors prior to his acceptance of the Option; or
 - (d) the Grantee, being a Group Employee, ceases to be in the employment of the Group or (being an Executive Director) ceases to be a Director of the Company, in each case, for any reason whatsoever prior to his acceptance of the Option; or
 - (e) the Company is liquidated or wound-up prior to the Grantee's acceptance of the Option.

9. EXERCISE PRICE

- 9.1 Subject to any adjustment pursuant to Rule 10, the Exercise Price for each Share in respect of which an Option is exercisable shall be determined by the Committee at its absolute discretion, and shall be fixed by the Committee at:
- (a) the Market Price; or
 - (b) a price which is set at a discount to the Market Price, the quantum of such discount to be determined by the Committee in its absolute discretion, provided that the maximum discount which may be given in respect of any Option shall not exceed 20.0% of the Market Price in respect of that Option.
- 9.2 In making any determination under Rule 9.1(b) on whether to give a discount and the quantum of such discount, the Committee shall be at liberty to take into consideration such criteria as the Committee may, at its absolute discretion, deem appropriate, including but not limited to:
- (a) the performance of the Company, its Subsidiaries and Associated Companies, as the case may be, taking into account financial parameters such as net profit after tax, return on equity and earnings growth;
 - (b) the years of service and individual performance of the eligible Group Employee;

APPENDIX F – RULES OF THE UNUSUAL ESOS

- (c) the contribution of the eligible Group Employee to the success and development of the Company and/or the Group; and
- (d) the prevailing market conditions.

10. ALTERATION OF CAPITAL

10.1 If a variation in the issued share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue or reduction, subdivision, consolidation or distribution, or otherwise howsoever) should take place, then:

- (a) the Exercise Price in respect of the Shares comprised in the Option to the extent unexercised; and/or
- (b) the class and/or number of Shares comprised in the Option to the extent unexercised and the rights attached thereto; and/or
- (c) the maximum entitlement in any one Financial Year; and/or
- (d) the class and/or number of Shares in respect of which additional Options may be granted to Participants,

may, at the option of the Committee, be adjusted in such manner as the Committee may determine to be appropriate, including retrospective adjustments, where such variation occurs after the date of exercise of an Option but the Record Date relating to such variation precedes such date of exercise and, except in relation to a capitalisation issue, upon the written confirmation of the Auditors (acting only as experts and not as arbitrators), that in their opinion, such adjustment is fair and reasonable.

10.2 Notwithstanding the provisions of Rule 10.1 above, no such adjustment shall be made (a) if as a result, the Participant receives a benefit that a Shareholder does not receive; and (b) unless the Committee after considering all relevant circumstances considers it equitable to do so.

10.3 The issue of securities as consideration for an acquisition of any assets by the Company or a private placement of securities or the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares, in accordance with the Catalist Rules, undertaken by the Company on the SGX-ST during the period when a share repurchase mandate granted by the Shareholders (including any renewal of such mandate) is in force, will not be regarded as a circumstance requiring adjustment under the provisions of this Rule 10.

10.4 The restriction on the number of Shares to be offered to any Grantee under Rule 5 above, shall not apply to the number of additional Shares or Options over additional Shares issued or transferred by virtue of any adjustment to the number of Shares and/or Options pursuant to this Rule 10.

10.5 Upon any adjustment required to be made, the Company shall notify each Participant (or his duly appointed personal representative(s)) in writing and deliver to him (or, where applicable, his duly appointed personal representative(s)) a statement setting forth the new Exercise Price thereafter in effect and the class and/or number of Shares thereafter comprised in the Option so far as unexercised and the maximum entitlement in any one Financial Year.

11. OPTION PERIOD

11.1 Options granted with the Exercise Price set at Market Price shall only be exercisable, in whole or in part (provided that an Option may be exercised in part only in respect of 100 Shares or any multiple thereof), at any time, by a Participant after the first anniversary of the Offer Date of that Option, provided always that the Options shall be exercised before the tenth anniversary of the relevant Offer Date, or such earlier date as may be determined by the Committee, failing which all unexercised Options shall immediately lapse and become null and void and a Participant shall have no claim against the Company.

APPENDIX F – RULES OF THE UNUSUAL ESOS

- 11.2 Options granted with the Exercise Price set at a discount to Market Price shall only be exercisable, in whole or in part (provided that an Option may be exercised in part only in respect of 100 Shares or any multiple thereof), at any time, by a Participant after the second anniversary from the Offer Date of that Option, provided always that the Options shall be exercised before the tenth anniversary of the relevant Offer Date, or such earlier date as may be determined by the Committee, failing which all unexercised Options shall immediately lapse and become null and void and a Participant shall have no claim against the Company.
- 11.3 An Option shall, to the extent unexercised, immediately lapse and become null and void and a Participant shall have no claim against the Company:
- (a) subject to Rules 11.4, 11.5 and 11.6, upon the Participant ceasing to be in the employment of the Company or any of the companies within the Group for any reason whatsoever; or
 - (b) upon the bankruptcy of the Participant or the happening of any other event which results in his being deprived of the legal or beneficial ownership of such Option; or
 - (c) in the event of misconduct on the part of the Participant, as determined by the Committee in its absolute discretion.

For the purpose of Rule 11.3(a), a Participant shall be deemed to have ceased to be so employed as of the date the notice of termination of employment is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date.

- 11.4 If a Participant ceases to be employed by the Group by reason of his:
- (a) ill health, injury or disability, in each case, as certified by a medical practitioner approved by the Committee;
 - (b) redundancy;
 - (c) retirement at or after a normal retirement age; or
 - (d) retirement before that age with the consent of the Committee,

or for any other reason approved in writing by the Committee, he may, at the absolute discretion of the Committee, exercise any unexercised Option within the relevant Option Period and upon the expiry of such period, the Option shall immediately lapse and become null and void.

- 11.5 If a Participant ceases to be employed by a Subsidiary:
- (a) by reason of the Subsidiary, by which he is principally employed ceasing to be a company within the Group or the undertaking or part of the undertaking of such Subsidiary, being transferred otherwise than to another company within the Group; or
 - (b) for any other reason, provided the Committee gives its consent in writing,

he may, at the absolute discretion of the Committee, exercise any unexercised Option within the relevant Option Period and upon the expiry of such period, the Option shall immediately lapse and become null and void.

- 11.6 If a Participant dies and at the date of his death holds any unexercised Option, such Option may, at the absolute discretion of the Committee, be exercised by the duly appointed legal personal representatives of the Participant within the relevant Option Period and upon the expiry of such period, the Option shall immediately lapse and become null and void.
- 11.7 If a Participant, who is also an Executive Director or a Non-executive Director (as the case may be), ceases to be a director for any reason whatsoever, he may, at the absolute discretion of the Committee, exercise any unexercised Option within the relevant Option Period and upon the expiry of such period, the Option shall immediately lapse and become null and void.

APPENDIX F – RULES OF THE UNUSUAL ESOS

12. EXERCISE OF OPTIONS, ALLOTMENT OR TRANSFER AND LISTING OF SHARES

12.1 An Option may be exercised, in whole or in part (provided that an Option may be exercised in part only in respect of 100 Shares or any multiple thereof), by a Participant giving notice in writing to the Company in or substantially in the form set out in Annex 3 (the “**Exercise Notice**”), subject to such amendments as the Committee may from time to time determine. Every Exercise Notice must be accompanied by a remittance for the full amount of the aggregate Exercise Price in respect of the Shares which have been exercised under the Option, the relevant CDP charges (if any) and any other documentation the Committee may require. All payments shall be made by cheque, cashier’s order, bank draft or postal order made out in favour of the Company. An Option shall be deemed to be exercised upon the receipt by the Company of the said notice duly completed and the receipt by the Company of the full amount of the aggregate Exercise Price in respect of the Shares which have been exercised under the Option.

12.2 Subject to the Act and the Catalist Rules, the Company shall have the flexibility to deliver Shares to Participants upon the exercise of their Options by way of:

- (a) an issue and allotment of new Shares; and/or
- (b) subject to applicable laws, the transfer of existing Shares, including any Shares acquired by the Company pursuant to a share purchase mandate and/or held by the Company as treasury shares.

In determining whether to issue new Shares or to deliver existing Shares to Participants upon the exercise of their Options, the Company will take into account factors such as (but not limited to):

- (i) the prevailing market price of the Shares;
- (ii) the prevailing market price of the Shares relative to the financial performance of the Company;
- (iii) the cash position of the Company;
- (iv) the projected cash needs of the Company;
- (v) the dilution impact (if any);
- (vi) the cost to the Company of either issuing either new Shares or purchasing existing Shares; and
- (vii) the liquidity of the Shares based on the average daily trading volume of the Shares, and in particular whether the repurchase by the Company of existing Shares to deliver to Participants upon exercise of their Options would materially impact upon the market price of the Shares.

12.3 Subject to:

- (a) such consents or other actions required by any competent authority under any regulations or enactments for the time being in force as may be necessary (including any approvals required from the SGX-ST); and
- (b) compliance with the Rules of the Scheme and the Constitution of the Company,

the Company shall, as soon as practicable after the exercise of an Option by a Participant but in any event within 10 Market Days after the date of the exercise of the Option in accordance with Rule 12.1, allot the Shares or, as the case may be, procure the transfer of existing Shares (which may include, where desired, any Shares held by the Company as treasury shares), in respect of which such Option has been exercised by the Participant and where required, or as the case may be, within five (5) Market Days from the date of such allotment, despatch the relevant share certificates to CDP for the credit of the securities account of that Participant by ordinary post or such other mode of delivery as the Committee may deem fit.

APPENDIX F – RULES OF THE UNUSUAL ESOS

- 12.4 The Company shall as soon as practicable after the exercise of an Option, apply to the SGX-ST or any other stock exchange on which the Shares are quoted or listed for permission to deal in and for quotation of the Shares which may be issued upon exercise of the Option and the Shares (if any) which may be issued to the Participant pursuant to any adjustments made in accordance with Rule 10.
- 12.5 Shares which are all allotted or transferred on the exercise of an Option by a Participant shall be issued, as the Participant may elect, in the name of, or transferred to, CDP to the credit of the securities account of the Participant maintained with CDP or the Participant's securities sub-account with a Depository Agent.
- 12.6 Shares allotted and issued, and existing Shares procured by the Company for transfer, upon the exercise of an Option shall be subject to all provisions of the Memorandum and the Constitution of the Company and shall rank *pari passu* in all respects with the then existing issued Shares except for any dividends, rights, allotments or other distributions, the Record Date for which is prior to the date such Option is exercised.
- 12.7 Except as set out in Rule 12 and subject to Rule 10, an Option does not confer on a Participant any right to participate in any new issue of Shares.

13. ALTERATIONS AND AMENDMENTS TO THE SCHEME

- 13.1 Any or all of the provisions of the Scheme may be modified and/or altered at any time and from time to time by resolution of the Committee except that:
- (a) any modification or alteration which shall alter adversely the rights attaching to any Option granted prior to such modification or alteration and which in the opinion of the Committee, materially alters the rights attaching to any Option granted prior to such modification or alteration, may only be made with the consent in writing of such number of Participants who, if they exercised their Options in full, would thereby become entitled to not less than three-quarters in number of all the Shares which would fall to be issued and allotted or transferred upon exercise in full of all outstanding Options;
 - (b) any modification or alteration which would be to the advantage of Participants under the Scheme shall be subject to the prior approval of Shareholders at a general meeting; and
 - (c) no modification or alteration shall be made without the prior approval of the Sponsor (acting as agent and on behalf of the SGX-ST) or (if required) any other stock exchange on which the Shares are quoted or listed, and such other regulatory authorities as may be necessary.

For the purposes of Rule 13.1(a), the opinion of the Committee as to whether any modification or alteration would alter adversely the rights attaching to any Option shall be final and conclusive.

- 13.2 Notwithstanding anything to the contrary contained in Rule 13.1, the Committee may at any time by resolution (and without any other formality save for the prior approval of the Sponsor (acting as agent and on behalf of the SGX-ST)) amend or alter the Scheme in any way to the extent necessary to cause the Scheme to comply with any statutory provision or the provisions or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).
- 13.3 Written notice of any modification or alteration made in accordance with this Rule shall be given to all Participants.

14. DURATION OF THE SCHEME

- 14.1 The Scheme shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years, commencing on the date on which the Scheme is adopted by Shareholders in the EGM. Subject to compliance with any applicable laws and regulations in Singapore, the Scheme may be continued beyond the above stipulated period with the approval of the Shareholders by ordinary resolution at a general meeting and of any relevant authorities which may then be required.

APPENDIX F – RULES OF THE UNUSUAL ESOS

- 14.2 The Scheme may be terminated at any time by the Committee or by resolution of the Shareholders at a general meeting subject to all other relevant approvals which may be required and if the Scheme is so terminated, no further Options shall be offered by the Company hereunder.
- 14.3 The termination, discontinuance or expiry of the Scheme shall be without prejudice to the rights accrued to Options which have been granted and accepted as provided in Rule 8, whether such Options have been exercised (whether fully or partially) or not.

15. TAKE-OVER AND WINDING-UP OF THE COMPANY

- 15.1 In the event of a take-over offer being made for the Company, Participants (including Participants holding Options which are then not exercisable pursuant to the provisions of Rules 11.1 and 11.2) holding Options as yet unexercised shall, notwithstanding Rule 11 and Rule 12 but subject to Rule 15.5, be entitled to exercise such Options in full or in part in the period commencing on the date on which such offer is made or, if such offer is conditional, the date on which the offer becomes or is declared unconditional, as the case may be, and ending on the earlier of:
- (a) the expiry of six (6) months thereafter, unless prior to the expiry of such six (6) month period, at the recommendation of the offeror and with the approvals of the Committee and the SGX-ST, such expiry date is extended to a later date (being a date falling not later than the date of expiry of the Option Period relating thereto); or
 - (b) the date of the expiry of the Option Period relating thereto;

whereupon any Option then remaining unexercised shall immediately lapse and become null and void.

Provided always that if during such period the offeror becomes entitled or bound to exercise the rights of compulsory acquisition of the Shares under the provisions of the Act and, being entitled to do so, gives notice to the Participants that it intends to exercise such rights on a specified date, the Option shall remain exercisable by the Participants until such specified date or the expiry of the Option Period relating thereto, whichever is earlier. Any Option not so exercised by the said specified date shall lapse and become null and void provided that the rights of acquisition or obligation to acquire stated in the notice shall have been exercised or performed, as the case may be. If such rights of acquisition or obligations have not been exercised or performed, all Options shall, subject to Rule 11, remain exercisable until the expiry of the Option Period.

- 15.2 If, under the Act, the court sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies, Participants (including Participants holding Options which are then not exercisable pursuant to the provisions of Rules 11.1 and 11.2) shall notwithstanding Rule 11 and Rule 12 but subject to Rule 15.5, be entitled to exercise any Option then held by them during the period commencing on the date upon which the compromise or arrangement is sanctioned by the court and ending either on the expiry of 60 days thereafter or the date upon which the compromise or arrangement becomes effective, whichever is later (but not after the expiry of the Option Period relating thereto), whereupon any unexercised Option shall lapse and become null and void, provided always that the date of exercise of any Option shall be before the tenth anniversary of the Offer Date.
- 15.3 If an order or an effective resolution is passed for the winding-up of the Company on the basis of its insolvency, all Options, to the extent unexercised, shall lapse and become null and void.
- 15.4 In the event of a members' solvent voluntary winding-up (other than for amalgamation or reconstruction), Participants (including Participants holding Options which are then not exercisable pursuant to the provisions of Rules 11.1 and 11.2) shall, subject to Rule 15.5, be entitled within 30 days of the passing of the resolution of such winding-up (but not after the expiry of the Option Period relating thereto) to exercise in full any unexercised Option, after which such unexercised Option shall lapse and become null and void.

APPENDIX F – RULES OF THE UNUSUAL ESOS

15.5 If in connection with the making of a general offer referred to in Rule 15.1 above or the scheme referred to in Rule 15.2 above or the winding-up referred to in Rule 15.4 above, arrangements are made (which are confirmed in writing by the Auditors, acting only as experts and not as arbitrators, to be fair and reasonable) for the compensation of Participants, whether by the continuation of their Options or the payment of cash or the grant of other options or otherwise, a Participant holding an Option, which is not then exercisable, may not, at the discretion of the Committee, be permitted to exercise that Option as provided for in this Rule 15.

15.6 To the extent that an Option is not exercised within the periods referred to in this Rule 15, it shall lapse and become null and void.

16. ADMINISTRATION OF THE SCHEME

16.1 The Scheme shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board.

16.2 The Committee shall have the power, from time to time, to make or vary such regulations (not being inconsistent with the Scheme) for the implementation and administration of the Scheme as it thinks fit.

16.3 Any decision of the Committee, made pursuant to any provision of the Scheme (other than a matter to be certified by the Auditors), shall be final and binding (including any decisions pertaining to disputes as to the interpretation of the Scheme or any rule, regulation, or procedure thereunder or as to any rights under the Scheme).

16.4 A Director who is a member of the Committee shall not be involved in its deliberation in respect of Options to be granted to him.

17. NOTICES

17.1 Any notice given by a Participant to the Company shall be sent by post or delivered to the registered office of the Company or such other address as may be notified by the Company to the Participant in writing.

17.2 Any notice or documents given by the Company to a Participant shall be sent to the Participant by hand or sent to him at his home address stated in the records of the Company or the last known address of the Participant, and if sent by post shall be deemed to have been given on the day immediately following the date of posting.

18. TERMS OF EMPLOYMENT UNAFFECTED

18.1 The Scheme or any Option shall not form part of any contract of employment between the Company, any Subsidiary or Associated Company (as the case may be) and any Participant and the rights and obligations of any individual under the terms of the office or employment with such company within the Group shall not be affected by his participation in the Scheme or any right which he may have to participate in it or any Option which he may hold and the Scheme or any Option shall afford such an individual no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason whatsoever.

18.2 The Scheme shall not confer on any person any legal or equitable rights (other than those constituting the Options themselves) against the Company, any Subsidiary and/or Associated Company directly or indirectly or give rise to any cause of action at law or in equity against the Company, any Subsidiary or Associated Company.

APPENDIX F – RULES OF THE UNUSUAL ESOS

19. TAXES

All taxes (including income tax) arising from the exercise of any Option granted to any Participant under the Scheme shall be borne by the Participant.

20. COSTS AND EXPENSES OF THE SCHEME

20.1 Each Participant shall be responsible for all fees of CDP relating to or in connection with the issue and allotment or transfer of any Shares pursuant to the exercise of any Option in CDP's name, the deposit of share certificate(s) with CDP, the Participant's securities account with CDP or the Participant's securities sub-account with his Depository Agent and all taxes referred to in Rule 19 which shall be payable by the relevant Participant.

20.2 Save for such costs and expenses expressly provided in the Scheme to be payable by the Participants, all fees, costs, and expenses incurred by the Company in relation to the Scheme including but not limited to the fees, costs and expenses relating to the issue and allotment or transfer of the Shares pursuant to the exercise of any Option shall be borne by the Company.

21. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained and subject to the Act, the Board, the Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in respect of any matter under or in connection with the Scheme including but not limited to the Company's delay or failure in issuing and allotting, or procuring the transfer of, the Shares or in applying for or procuring the listing of and quotation for the Shares on the SGX-ST or any other stock exchanges on which the Shares are quoted or listed.

22. DISPUTES

Any disputes or differences of any nature in connection with the Scheme shall be referred to the Committee and its decision shall be final and binding in all respects.

23. ABSTENTION FROM VOTING

Shareholders who are eligible to participate in the Scheme are to abstain from voting on any Shareholders' resolution relating to the Scheme and should not accept nominations as proxy or otherwise for voting unless specific instructions have been given in the proxy form on how the vote is to be cast. In particular, Shareholders who are eligible to participate in the Scheme shall abstain from voting on the following resolutions, where applicable: (a) implementation of the Scheme; (b) the maximum discount which may be given in respect of any Option, and (c) participation by and grant of Options to Controlling Shareholders and their Associates.

24. CONDITION OF OPTION

Every Option shall be subject to the condition that no Shares shall be issued or transferred pursuant to the exercise of an Option if such issue or transfer would be contrary to any law or enactment, or any rules or regulations of any legislative or non-legislative governing body for the time being in force in Singapore or any other relevant country.

25. GOVERNING LAW

The Scheme shall be governed by and construed in accordance with the laws of the Republic of Singapore. The Company and the Participants, by accepting the offer of the grant of Options in accordance with the Scheme, shall submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

APPENDIX F – RULES OF THE UNUSUAL ESOS

26. DISCLOSURE IN ANNUAL REPORT

The Company shall make the following disclosure in its annual report:

- (a) the names of the members of the Committee;
- (b) the information required in the table below for the following Participants (which for the avoidance of doubt, shall include Participants who have exercised all their Options in any particular Financial Year):
 - (i) Participants who are Directors of the Company;
 - (ii) Participants who are Controlling Shareholders and their Associates; and
 - (iii) Participants, other than those in (i) and (ii) above, who receive 5.0% or more of the total number of Options available under the Scheme;

Name of Participant	Options granted during financial year under review (including terms)	Aggregate Options granted since commencement of the Scheme to end of financial year under review	Aggregate Options exercised since commencement of the Scheme to end of financial year under review	Aggregate Options outstanding as at end of financial year under review

- (c) The number and proportion of Options granted at the following discounts to the Market Price in the financial year under review:
 - (i) Options granted at up to 10.0% discount; and
 - (ii) Options granted at between 10.0% but not more than 20.0% discount; and
- (d) such other information as may be required under the Catalist Rules or the Act,

provided that if any of the above requirements are not applicable, an appropriate negative statement should be included therein.

UNUSUAL EMPLOYEE SHARE OPTION SCHEME

LETTER OF OFFER

Serial No.: _____

PRIVATE AND CONFIDENTIAL

Date:

To: [Name]
[Designation]
[Address]

Dear Sir / Madam

We are pleased to inform you that you have been nominated by the Remuneration Committee of the Board of Directors of UnUsUaL Limited (the “**Company**”) to participate in the UnUsUaL Employee Share Option Scheme (the “**Scheme**”). Terms as defined in the Scheme shall have the same meaning when used in this letter.

Accordingly, an offer is hereby made to grant you an Option, in consideration of the payment of a sum of S\$1, to acquire _____ ordinary shares in the capital of the Company (the “**Shares**”) at the price of S\$_____ per Share. The Option shall be subject to the terms of this Letter of Offer and the Scheme (as the same may be amended from time to time pursuant to the terms and conditions of the Scheme), a copy of which is enclosed herewith.

The Option is personal to you and may not be sold, mortgaged, transferred, charged, assigned, pledged or otherwise disposed of or encumbered in whole or in part or in any way whatsoever.

If you wish to accept the offer, please sign and return the enclosed Acceptance Form with a sum of S\$1 not later than _____ a.m./p.m. on the _____ day of _____ failing which this offer will forthwith lapse.

Yours faithfully
For and on behalf of
UnUsUaL Limited

Name:
Designation:

APPENDIX F – RULES OF THE UNUSUAL ESOS

ANNEX 2

UNUSUAL EMPLOYEE SHARE OPTION SCHEME

ACCEPTANCE FORM

Serial No.: _____

To: The Remuneration Committee
UnUsUaL Employee Share Option Scheme
[c/o The Company Secretary]
[address]

Closing Time and Date for Acceptance of Option : _____

No. of ordinary shares (the “**Shares**”) in respect of which Option is offered : _____

Exercise Price per Share : S\$ _____

Total Amount Payable on Acceptance of Option (exclusive of the relevant CDP charges as defined below) : S\$ _____

I have read your Letter of Offer dated _____ (the “**Offer Date**”) and agree to be bound by the terms thereof and of the UnUsUaL Employee Share Option Scheme stated therein. I confirm that my acceptance of the Option will not result in the contravention of any applicable law or regulation in relation to the ownership of shares in the Company or options to acquire such shares.

I hereby accept the Option to acquire _____ ordinary shares in the capital of UnUsUaL Limited (the “**Shares**”) at S\$ _____ per Share and enclose a *cash/banker’s draft/cashier’s order/postal order no. _____ for S\$ _____ being payment for the purchase of the Option.

I understand that I am not obliged to exercise the Option.

I also understand that I shall be responsible for all the fees of The Central Depository (Pte) Limited (the “**CDP**”) relating to or in connection with the issue and allotment or transfer of any Shares in CDP’s name, the deposit of share certificates with CDP, my securities account with CDP or my securities sub-account with a Depository Agent (as the case may be) (collectively, the “**CDP charges**”) and any stamp duties in respect thereof.

I confirm that as at the date hereof:

- (a) I am not less than 21 years old, nor an undischarged bankrupt, nor have I entered into a composition with any of my creditors;
- (b) I satisfy the eligibility requirements to participate in the Scheme as defined in Rule 4 of the Scheme; and
- (c) I satisfy the other requirements to participate in the Scheme as set out in the Rules of the Scheme.

I hereby acknowledge that you have not made any representation or warranty or given me any expectation of employment or continued employment to induce me to accept the offer and that the terms of the Letter of Offer and this Acceptance Form constitute the entire agreement between us relating to the offer.

I agree to keep all information pertaining to the grant of the Option to me confidential.

APPENDIX F – RULES OF THE UNUSUAL ESOS

PLEASE PRINT IN BLOCK LETTERS

Name in full : _____

Designation : _____

Address : _____

Nationality : _____

*NRIC/Passport No. : _____

Signature : _____

Date : _____

*Delete as appropriate

Notes:

- (1) Option must be accepted in full or in multiples of 100 Shares.
- (2) The Acceptance Form must be forwarded to the Company Secretary in an envelope marked "Private and Confidential".
- (3) The Participant shall be informed by the Company of the relevant CDP charges payable at the time of the exercise of an Option.

UNUSUAL EMPLOYEE SHARE OPTION SCHEME

EXERCISE NOTICE

To: The Remuneration Committee
UnUsUaL Employee Share Option Scheme
c/o The Company Secretary
UnUsUaL Limited
45 Kallang Pudding Road
#01-01 Alpha Building
Singapore 349317

Total Number of ordinary shares (the “**Shares**”) at : _____
S\$_____ per Share under an option
granted on _____ (the “**Offer Date**”)

Number of Shares previously allotted and issued or : _____
transferred thereunder

Outstanding balance of Shares which may be : _____
allotted and issued or transferred thereunder

Number of Shares now to be acquired : _____
(in multiples of 100)

1. Pursuant to your Letter of Offer dated (the “**Offer Date**”) and my acceptance thereof, I hereby exercise the Option to acquire Shares in UnUsUaL Limited (the “**Company**”) at S\$_____ per Share.

2. I hereby request the Company to allot and issue or transfer to me the number of Shares specified in paragraph 1 in the name of The Central Depository (Pte) Limited (“**CDP**”) to the credit of my Securities Account with the CDP/Securities Sub-Account with a Depository Agent specified below and to deliver the share certificates relating thereto to CDP at my own risk. I further agree to bear such fees or other charges as may be imposed by CDP (the “**CDP charges**”) and any stamp duties in respect thereof:

*(a) Direct Securities Account Number : _____

*(b) Securities Sub-Account Number : _____

Name of Depository Agent : _____

3. I enclose a cheque/cashier’s order/bank draft/postal order no. _____ for S\$_____ in payment for the Exercise Price of S\$_____ for the total number of the said Shares and the CDP charges of S\$_____.

4. I agree to acquire the Shares subject to the terms of the Letter of Offer, the UnUsUaL Employee Share Option Scheme (as the same may be amended pursuant to the terms thereof from time to time) and the Constitution of the Company.

5. I declare that I am acquiring the Shares for myself and not as a nominee for any other person.

APPENDIX F – RULES OF THE UNUSUAL ESOS

PLEASE PRINT IN BLOCK LETTERS

Name in full : _____

Designation : _____

Address : _____

Nationality : _____

*NRIC/Passport No. : _____

Signature : _____

Date : _____

*Delete as appropriate

Notes:

- (1) An Option may be exercised in whole or in part provided that an Option may be exercised in part only in respect of 100 Shares or any multiple thereof.
- (2) The form entitled "Exercise Notice" must be forwarded to the Company Secretary in an envelope marked "Private and Confidential".

APPENDIX G – RULES OF THE UNUSUAL PSP

RULES OF THE UNUSUAL PERFORMANCE SHARE PLAN

1. NAME OF THE PLAN

This performance share plan shall be called the “UnUsUaL Performance Share Plan”.

2. DEFINITIONS

2.1 In the Plan, unless the context otherwise requires, the following words and expressions shall have the following meanings:

- “Act” : The Companies Act, (Chapter 50) of Singapore, as amended or modified from time to time
- “Adoption Date” : The date on which the Plan is adopted by the Company in a general meeting
- “Associate” : Shall have the meaning assigned to it in the Catalist Rules
- “Associated Company” : A company in which at least 20.0% but not more than 50.0% of its issued shares are held by the company or the Group and over which the Company has Control
- “Auditors” : The auditors of the Company for the time being
- “Award” : A contingent award of Shares under Rule 5
- “Award Date” : In relation to an Award, the date on which the Award is granted pursuant to Rule 5
- “Award Letter” : A letter in such form as the Committee shall approve confirming an Award granted to a Participant by the Committee
- “Catalist Rules” : The rules constituted in Section B of the Listing Manual of the SGX-ST, as amended or modified from time to time
- “CDP” : The Central Depository (Pte) Limited
- “Committee” : The Remuneration Committee of the Company
- “Company” : UnUsUaL Limited, a company incorporated in Singapore
- “Constitution” : The constitution of our Company, as amended or modified from time to time
- “Control” : The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company
- “Controlling Shareholder” : A Shareholder who:
- (a) holds directly or indirectly 15.0% or more of the total number of issued Shares (excluding Shares held by the Company as treasury shares) (unless otherwise determined by the SGX-ST that a person who satisfies this subparagraph is not a controlling shareholder); or
 - (b) in fact exercises Control over the Company.

APPENDIX G – RULES OF THE UNUSUAL PSP

<i>“Director”</i>	:	A person holding office as a director for the time being of the Company
<i>“Group”</i>	:	The Company and its subsidiaries and Associated Companies (as they may exist from time to time)
<i>“Group Executive”</i>	:	Any employee of the Group (including any Group Executive Director who meet the relevant criteria and who shall be regarded as a Group Executive for the purposes of the Plan) selected by the Committee to participate in the Plan in accordance with Rule 4
<i>“Group Executive Director”</i>	:	A director of the Company and/or any of its subsidiaries and/or any of its Associated Companies, as the case may be, who performs an executive function
<i>“Non-executive Director”</i>	:	A director of the Company and/or its subsidiaries, other than one who performs an executive function
<i>“Participant”</i>	:	A Group Executive or a Non-executive Director who has been granted an Award
<i>“Performance Condition”</i>	:	In relation to an Award, the condition specified on the Award Date in relation to that Award
<i>“Performance Period”</i>	:	The period, as may be determined by the Committee at its discretion, during which the Performance Condition is to be satisfied
<i>“Plan”</i>	:	The UnUsUaL Performance Share Plan, as the same may be modified from time to time
<i>“Release”</i>	:	In relation to an Award, the release at the end of the Performance Period relating to that Award of all or some of the Shares to which that Award relates in accordance with Rule 7 and, to the extent that any Shares which are the subject of the Award are not released pursuant to Rule 7, the Award in relation to those Shares shall lapse accordingly, and <i>“Released”</i> shall be construed accordingly
<i>“Release Schedule”</i>	:	In relation to an Award, a schedule in such form as the Committee shall approve, setting out the extent to which Shares which are the subject of that Award shall be Released on the Performance Condition being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the Performance Period
<i>“Released Award”</i>	:	An Award which has been released in accordance with Rule 7
<i>“Retention Period”</i>	:	Such retention period as may be determined by the Committee and notified to the Participant at the grant of the relevant Award to that Participant
<i>“Rules”</i>	:	The rules of the Plan, as amended or modified from time to time
<i>“SGX-ST”</i>	:	The Singapore Exchange Securities Trading Limited

APPENDIX G – RULES OF THE UNUSUAL PSP

“Shareholders”	:	The registered holders for the time being of the Shares (other than CDP) or in the case of Depositors, Depositors who have Shares entered against their names in the Depository Register
“Shares”	:	Ordinary shares in the capital of the Company
“Sponsor”	:	Hong Leong Finance Limited or such other sponsor of the Company for the time being
“Subsidiary”	:	A company which is for the time being a subsidiary of the Company as defined by Section 5 of the Act
“Trading Day”	:	A day on which the Shares are traded on the SGX-ST
“UnUsUaL ESOS”	:	The UnUsUaL Employee Share Option Scheme
“Vesting”	:	In relation to Shares which are the subject of a Released Award, the absolute entitlement to all or some of the Shares which are the subject of a Released Award and “Vest” and “Vested” shall be construed accordingly
“Vesting Date”	:	In relation to Shares which are the subject of a Released Award, the date (as determined by the Committee and notified to the relevant Participant) on which those Shares have Vested pursuant to Rule 7
“Vesting Period”	:	The period during which an Award may Vest, if any

2.2 The terms “Depositor”, “Depository Register” and “Depository Agent” shall have the meanings ascribed to them respectively by Section 81SF of the Securities and Futures Act (Chapter 289) of Singapore.

2.3 Words importing the singular number shall, where applicable, include the plural number and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders.

2.4 Any reference in the Plan to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act or any statutory modification thereof and not otherwise defined in the Plan and used in the Plan shall have the meaning assigned to it under the Act or any statutory modification thereof, as the case may be. Any reference to a time of a day in the Plan is a reference to Singapore time.

3. OBJECTIVES OF THE PLAN

The Plan has been proposed in order to:

- (a) foster an ownership culture within the Group which aligns the interests of Group Executives and Non-executive Directors 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
- (c) make total employee remuneration sufficiently competitive to recruit and retain staff having skills that are commensurate with the Company’s ambition to become a world class company.

APPENDIX G – RULES OF THE UNUSUAL PSP

4. ELIGIBILITY OF PARTICIPANTS

- 4.1 (a) Group Executives who have attained the age of 21 years and hold such rank as may be designated by the Committee from time to time and who have, as at the Award Date, been in full time employment of the Group for a period of at least 12 months (or in the case of any Group Executive Director, such shorter period as the Committee may determine); and
- (b) Non-executive Directors,
- shall be eligible to participate in the Plan at the absolute discretion of the Committee.
- 4.2 Controlling Shareholders and their Associates who satisfy the criteria set out in Rule 4.1 above shall be eligible to participate in the Plan provided that:
- (a) their participation; and
- (b) the actual or maximum number of Shares and terms of any Awards to be granted to them,
- have been approved by independent Shareholders at a general meeting in separate resolutions for each of (i) his participation, and (ii) the actual or maximum number of Shares and terms of any Awards to be granted to him, provided always that it shall not be necessary to obtain the approval of the independent Shareholders for the participation in the Plan of a Controlling Shareholder of his Associate who is, at the relevant time, already a Participant.
- 4.3 Save as prescribed by the Catalist Rules, there shall be no restriction on the eligibility of any Participant to participate in any other share option or share incentive scheme, implemented or to be implemented by any company within our Group. Subject to the Act and any requirement of the SGX-ST or any other stock exchange on which the Shares may be listed or quoted, the terms of eligibility for participation in the Plan may be amended from time to time at the absolute discretion of the Committee.

5. GRANT OF AWARDS

- 5.1 Subject as provided in Rule 8, the Committee may grant Awards to Group Executives and Non-executive Directors as the Committee may select, in its absolute discretion, at any time during the period when the Plan is in force.
- 5.2 The number of Shares which are the subject of each Award to be granted to a Participant in accordance with the Plan shall be determined at the absolute discretion of the Committee, which shall take into account criteria such as his rank, job performance and potential for future development, his contribution to the success and development of the Group and the extent of effort with which the Performance Condition may be achieved within the Performance Period.
- 5.3 The Committee shall decide in relation to an Award:
- (a) the Participant;
- (b) the Award Date;
- (c) the Performance Period;
- (d) the number of Shares which are the subject of the Award;
- (e) the Performance Condition;
- (f) the Release Schedule; and
- (g) any other condition which the Committee may determine in relation to that Award.

APPENDIX G – RULES OF THE UNUSUAL PSP

- 5.4 The Committee may amend or waive the Performance Period, the Performance Condition and/or the Release Schedule in respect of any Award:
- (a) in the event of a take-over offer being made for the Shares or if under the Act, the court sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies or in the event of a proposal to liquidate or sell all or substantially all of the assets of the Company; or
 - (b) if anything happens which causes the Committee to conclude that:
 - (i) a changed Performance Condition and/or Release Schedule would be a fairer measure of performance, and would be no less difficult to satisfy; or
 - (ii) the Performance Condition and/or Release Schedule should be waived,and shall notify the Participants of such change or waiver.
- 5.5 As soon as reasonably practicable after making an Award, the Committee shall send to each Participant an Award Letter confirming the Award and specifying in relation to the Award:
- (a) the Award Date;
 - (b) the Performance Period;
 - (c) the number of Shares which are the subject of the Award;
 - (d) the Performance Condition;
 - (e) the Release Schedule; and
 - (f) any other condition which the Committee may determine in relation to that Award.
- 5.6 Participants are not required to pay for the grant of Awards.
- 5.7 An Award or Released Award shall be personal to the Participant to whom it is granted and, prior to the allotment and/or transfer to the Participant of the Shares to which the Released Award relates, shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the prior approval of the Committee and if a Participant shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any rights under an Award or Released Award without the prior approval of the Committee, that Award or Released Award shall immediately lapse.
- 5.8 For the avoidance of doubt, the Company has the flexibility to grant Awards under the Plan as well as Options under the UnUsUaL ESOS to the same Participant simultaneously. No minimum Vesting Periods are prescribed under the Plan and the length of Vesting Period in respect of each Award shall be determined on a case-by-case basis. The Committee may also make an Award at any time where in its opinion, a Participant's performance and/or contribution justified such an Award.

6. EVENTS PRIOR TO THE VESTING DATE

- 6.1 An Award shall, to the extent not yet Released, immediately lapse without any claim whatsoever against the Company:
- (a) in the event of misconduct on the part of the Participant as determined by the Committee in its discretion;
 - (b) subject to Rule 6.2(b), upon the Participant ceasing to be in the employment of the Group for any reason whatsoever; or

APPENDIX G – RULES OF THE UNUSUAL PSP

- (c) in the event of an order being made or a resolution passed for the winding-up of the Company on the basis, or by reason, of its insolvency.

For the purpose of Rule 6.1(b), the Participant shall be deemed to have ceased to be so employed as of the date the notice of termination of employment is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date.

6.2 In any of the following events, namely:

- (a) the bankruptcy of the Participant or the happening of any other event which results in his being deprived of the legal or beneficial ownership of an Award;
- (b) where the Participant ceases to be in the employment of the Group by reason of:
 - (i) ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee;
 - (ii) redundancy;
 - (iii) retirement at or after the legal retirement age;
 - (iv) retirement before the legal retirement age with the consent of the Committee;
 - (v) the company by which he is employed or to which he is seconded, as the case may be, ceasing to be a company within the Group, or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group, as the case may be;
 - (vi) (where applicable) his transfer of employment between companies within the Group;
 - (vii) his transfer to any government ministry, governmental or statutory body or corporation at the direction of any company within the Group; or
 - (viii) any other event approved by the Committee;
- (c) the death of a Participant; or
- (d) any other event approved by the Committee,

the Committee may, in its absolute discretion, preserve all or any part of any Award and decide as soon as reasonably practicable following such event either to Vest some or all of the Shares which are the subject of any Award or to preserve all or part of any Award until the end of the Performance Period and subject to the provisions of the Plan. In exercising its discretion, the Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant and the extent to which the Performance Condition has been satisfied.

6.3 Without prejudice to the provisions of Rule 5.4, if before the Vesting Date, any of the following occurs:

- (a) a take-over offer for the Shares becomes or is declared unconditional;
- (b) a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies being approved by shareholders of the Company and/or sanctioned by the court under the Act; or

APPENDIX G – RULES OF THE UNUSUAL PSP

- (c) an order being made or a resolution being passed for the winding-up of the Company (other than as provided in Rule 6.1(c) or for amalgamation or reconstruction),

the Committee will consider, at its discretion, whether or not to Release any Award, and will take into account all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant. If the Committee decides to Release any Award, then in determining the number of Shares to be Vested in respect of such Award, the Committee will have regard to the proportion of the Performance Period which has elapsed and the extent to which the Performance Condition has been satisfied. Where Awards are Released, the Committee will, as soon as practicable after the Awards have been Released, procure the allotment or transfer to each Participant of the number of Shares so determined, such allotment or transfer to be made in accordance with Rule 7.

7. RELEASE OF AWARDS

7.1 Review of Performance Condition

7.1.1 As soon as reasonably practicable after the end of each Performance Period, the Committee shall review the Performance Condition specified in respect of each Award and determine at its discretion whether it has been satisfied and, if so, the extent to which it has been satisfied, and provided that the relevant Participant has continued to be a Group Executive or a Non-executive Director from the Award Date up to the end of the Performance Period, shall Release to that Participant all or part (as determined by the Committee at its discretion in the case where the Committee has determined that there has been partial satisfaction of the Performance Condition) of the Shares to which his Award relates in accordance with the Release Schedule specified in respect of his Award on the Vesting Date. If not, the Awards shall lapse and be of no value.

If the Committee determines in its sole discretion that the Performance Condition has not been satisfied or (subject to Rule 6) if the relevant Participant has not continued to be a Group Executive or a Non-executive Director from the Award Date up to the end of the relevant Performance Period, that Award shall lapse and be of no value and the provisions of Rules 7.2 to 7.4 shall be of no effect.

The Committee shall have the discretion to determine whether the Performance Condition has been satisfied (whether fully or partially) or exceeded and in making any such determination, the Committee shall have the right to make computational adjustments to the audited results of the Company or the Group, to take into account such factors as the Committee may determine to be relevant, including changes in accounting methods, taxes and extraordinary events, and further the right to amend the Performance Condition if the Committee decides that a changed performance target would be a fairer measure of performance.

7.1.2 Shares which are the subject of a Released Award shall be Vested to a Participant on the Vesting Date, which shall be a Trading Day falling as soon as practicable after the review by the Committee referred to in Rule 7.1.1 and, on the Vesting Date, the Committee will procure the allotment or transfer to each Participant of the number of Shares so determined.

7.1.3 Where new Shares are allotted upon the Vesting of any Award, the Company shall, as soon as practicable after such allotment, apply to the SGX-ST for permission to deal in and for quotation of such Shares.

7.2 Release of Award

Shares which are allotted or transferred on the Release of an Award to a Participant shall be issued in the name of, or transferred to, CDP to the credit of the securities account of that Participant maintained with CDP or the securities sub-account of that Participant maintained with a Depository Agent, in each case, as designated by that Participant.

APPENDIX G – RULES OF THE UNUSUAL PSP

Subject to the Act and the Catalist Rules, the Company shall have the flexibility to deliver Shares to Participants upon the Release of their Awards by way of (a) the allotment and issuance to each Participant of the number of new Shares, deemed to be fully paid or credited upon their allotment and issuance, and/or (b) the transfer of existing Shares to the Participant, including (subject to applicable laws) any Shares acquired by the Company pursuant to a share purchase mandate and/or held by the Company as treasury shares.

In determining whether to allot and issue new Shares or to purchase existing Shares for delivery existing to the Participants upon the Release of their Awards, the Committee will take into account factors such as (but not limited to) the number of Shares to be delivered, the prevailing market price of the Shares and the cost to the Company of either issuing new Shares or purchasing existing Shares.

7.3 Ranking of Shares

New Shares allotted and issued, and existing Shares procured by the Company for transfer, on the Release of an Award shall:

- (a) be subject to all the provisions of the Constitution of the Company; and
- (b) rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which is on or after the relevant Vesting Date, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

For the purposes of this Rule 7.3, “**Record Date**” means the date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to or rights of holders of Shares.

7.4 Moratorium

Shares which are allotted and issued or transferred to a Participant pursuant to the Release of an Award shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, during the Retention Period, except to the extent set out in the Award Letter or with the prior approval of the Committee. The Company may take steps that it considers necessary or appropriate to enforce or give effect to this disposal restriction including specifying in the Award Letter the conditions which are to be attached to an Award for the purpose of enforcing this disposal restriction.

8. LIMITATION ON THE SIZE OF THE PLAN

- 8.1 The aggregate number of Shares which may be issued or transferred pursuant to Awards granted under the Plan on any date, when aggregated with the aggregate number of Shares over which options or awards are 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 preceding that date.
- 8.2 The aggregate number of Shares which may be issued or transferred pursuant to Awards under the Plan to Participants who are Controlling Shareholders and their Associates shall not exceed 25.0% of the Shares available under the Plan.
- 8.3 The number of Shares which may be issued or transferred pursuant to Awards under the Plan to each Participant who is a Controlling Shareholder or his Associate shall not exceed 10.0% of the Shares available under the Plan.
- 8.4 Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards granted by the Committee under the Plan.

APPENDIX G – RULES OF THE UNUSUAL PSP

9. ADJUSTMENT EVENTS

9.1 If a variation in the issued ordinary share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue, reduction, subdivision, consolidation, distribution or otherwise) shall take place, then:

- (a) the class and/or number of Shares which are the subject of an Award to the extent not yet Vested; and/or
- (b) the class and/or number of Shares in respect of which future Awards may be granted under the Plan,

shall be adjusted in such manner as the Committee may determine to be appropriate, provided that no adjustment shall be made if as a result, the Participant receives a benefit that a shareholder of the Company does not receive.

9.2 Unless the Committee considers an adjustment to be appropriate, the issue of securities as consideration for an acquisition or a private placement of securities, or the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by shareholders of the Company (including any renewal of such mandate) is in force, shall not normally be regarded as a circumstance requiring adjustment.

9.3 Notwithstanding the provisions of Rule 9.1, any adjustment (except in relation to a capitalisation issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.

9.4 Upon any adjustment required to be made pursuant to this Rule 9, the Company shall notify the Participant (or his duly appointed personal representatives where applicable) in writing and deliver to him (or his duly appointed personal representatives where applicable) a statement setting forth the class and/or number of Shares thereafter to be issued or transferred on the Vesting of an Award. Any adjustment shall take effect upon such written notification being given.

10. ADMINISTRATION OF THE PLAN

10.1 The Plan shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the board of directors of the Company, provided that no member of the Committee shall participate in any deliberation or decision in respect of Awards to be granted to him or held by him.

10.2 The Committee shall have the power, from time to time, to make and vary such arrangements, guidelines and/or regulations (not being inconsistent with the Plan) for the implementation and administration of the Plan, to give effect to the provisions of the Plan and/or to enhance the benefit of the Awards and the Released Awards to the Participants, as it may, in its absolute discretion, think fit. Any matter pertaining or pursuant to the Plan and any dispute and uncertainty as to the interpretation of the Plan, any rule, regulation or procedure thereunder or any rights under the Plan shall be determined by the Committee.

10.3 Neither the Plan nor the grant of Awards under the Plan shall impose on the Company or the Committee or any of its members any liability whatsoever in connection with: (a) the lapsing of any Awards pursuant to any provision of the Plan; (b) the failure or refusal by the Committee to exercise, or the exercise by the Committee of, any discretion under the Plan; and/or (c) any decision or determination of the Committee made pursuant to any provision of the Plan.

10.4 Any decision or determination of the Committee made pursuant to any provision of the Plan (other than a matter to be certified by the Auditors) shall be final, binding and conclusive (including for the avoidance of doubt, any decisions pertaining to disputes as to the interpretation of the Plan or any rule, regulation or procedure hereunder or as to any rights under the Plan). The Committee shall not be required to furnish any reasons for any decision or determination made by it.

APPENDIX G – RULES OF THE UNUSUAL PSP

10.5 A Director who is a member of the Committee shall not be involved in its deliberation in respect of Awards to be granted to him.

11. NOTICES AND COMMUNICATIONS

11.1 Any notice required to be given by a Participant to the Company shall be sent or made to the registered office of the Company or such other addresses (including electronic mail addresses) or facsimile number, and marked for the attention of the Committee, as may be notified by the Company to him in writing.

11.2 Any notices or documents required to be given to a Participant or any correspondence to be made between the Company and the Participant shall be given or made by the Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be delivered to him by hand or sent to him at his home address, electronic mail address or facsimile number according to the records of the Company or the last known address, electronic mail address or facsimile number of the Participant.

11.3 Any notice or other communication from a Participant to the Company shall be irrevocable, and shall not be effective until received by the Company. Any other notice or communication from the Company to a Participant shall be deemed to be received by that Participant, when left at the address specified in Rule 11.2 or, if sent by post, on the day following the date of posting or, if sent by electronic mail or facsimile transmission, on the day of dispatch.

12. MODIFICATIONS TO THE PLAN

12.1 Any or all the provisions of the Plan may be modified and/or altered at any time and from time to time by a resolution of the Committee, except that:

- (a) no modification or alteration shall alter adversely the rights attached to any Award granted prior to such modification or alteration except with the consent in writing of such number of Participants who, if their Awards were Released to them upon the Performance Conditions for their Awards being satisfied in full, would become entitled to not less than three-quarters in number of all the Shares which would fall to be Vested upon Release of all outstanding Awards upon the Performance Conditions for all outstanding Awards being satisfied in full;
- (b) the definitions of “**Associated Company**”, “**Group Executive**”, “**Group Executive Director**”, “**Non-executive Director**”, “**Participant**”, “**Performance Period**” and “**Release Schedule**” and the provisions of Rules 4, 5, 6, 7, 8, 9, 10 and this Rule 12 shall not be altered to the advantage of Participants except with the prior approval of the Company’s shareholders in general meeting; and
- (c) no modification or alteration shall be made without the prior approval of the Sponsor (acting as agent and on behalf of the SGX-ST) and such other regulatory authorities as may be necessary.

For the purposes of Rule 12.1(a), the opinion of the Committee as to whether any modification or alteration would adversely affect the rights attached to any Award shall be final, binding and conclusive.

For the avoidance of doubt, nothing in this Rule 12.1 shall affect the right of the Committee under any other provision of the Plan to amend or adjust any Award.

12.2 Notwithstanding anything to the contrary contained in Rule 12.1, the Committee may at any time by resolution (and without other formality, save for the prior approval of the Sponsor (acting as agent and on behalf of the SGX-ST)) amend or alter the Plan in any way to the extent necessary or desirable, in the opinion of the Committee, to cause the Plan to comply with, or take into account, any statutory provision (or any amendment or modification thereto, including amendment of or modification to the Act) or the provision or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).

APPENDIX G – RULES OF THE UNUSUAL PSP

12.3 Written notice of any modification or alteration made in accordance with this Rule 12 shall be given to all Participants.

13. TAKE-OVER AND WINDING-UP OF THE COMPANY

13.1 Subject to Rule 13.5, in the event of a take-over offer being made for the Company, a Participant shall be entitled to the Shares under the Awards if he has met the Performance Condition for the corresponding Performance Period. For the avoidance of doubt, the vesting of such Awards shall not be affected by the take-over offer.

13.2 If under any applicable laws, the court sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies, each Participant who has fulfilled his Performance Condition shall be entitled, notwithstanding the provisions under this Rule 13 but subject to Rule 13.5, to any Shares under the Awards so determined by the Committee to be released to him during the period commencing on the date upon which the compromise or arrangement is sanctioned by the court and ending either on the expiry of 60 days thereafter or the date upon which the compromise or arrangement becomes effective, whichever is later.

13.3 If an order is made for the winding-up of the Company on the basis of its insolvency, all Awards, notwithstanding that Shares may not have been released to the Participants, shall be deemed null and void.

13.4 In the event of a members' voluntary winding-up (other than for amalgamation or reconstruction), the Shares under the Awards shall be released to the Participant for so long as, in the absolute determination by the Committee, the Participant has met the Performance Condition prior to the date on which the members' voluntary winding-up is deemed to have commenced or is effective in law.

13.5 If in connection with the making of a general offer referred to in Rule 13.1 or the scheme referred to in Rule 13.2 or the winding-up referred to in Rule 13.4, arrangements are made (which are confirmed in writing by the Auditors, acting only as experts and not as arbitrators, to be fair and reasonable) for the compensation of Participants, whether by the payment of cash or by any other form of benefit, no Release of Shares under the Award shall be made in such circumstances.

14. TERMS OF EMPLOYMENT UNAFFECTED

The terms of employment of a Participant shall not be affected by his participation in the Plan, which shall neither form part of such terms nor entitle him to take into account such participation in calculating any compensation or damages on the termination of his employment for any reason.

15. DURATION OF THE PLAN

15.1 The Plan shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years commencing on the Adoption Date, provided always that the Plan may continue beyond the above stipulated period with the approval of the Company's shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

15.2 The Plan may be terminated at any time by the Committee or, at the discretion of the Committee, by resolution of the Company in general meeting, subject to all relevant approvals which may be required and if the Plan is so terminated, no further Awards shall be granted by the Committee hereunder.

15.3 The expiry or termination of the Plan shall not affect Awards which have been granted prior to such expiry or termination, whether such Awards have been Released (whether fully or partially) or not.

APPENDIX G – RULES OF THE UNUSUAL PSP

16. TAXES

All taxes (including income tax) arising from the grant or Release of any Award granted to any Participant under the Plan shall be borne by that Participant.

17. COSTS AND EXPENSES OF THE PLAN

17.1 Each Participant shall be responsible for all fees of CDP relating to or in connection with the issue and allotment or transfer of any Shares pursuant to the Release of any Award in CDP's name, the deposit of share certificate(s) with CDP, the Participant's securities account with CDP, or the Participant's securities sub-account with a Depository Agent.

17.2 Save for the taxes referred to in Rule 16 and such other costs and expenses expressly provided in the Plan to be payable by the Participants, all fees, costs and expenses incurred by the Company in relation to the Plan including but not limited to the fees, costs and expenses relating to the allotment and issue, or transfer, of Shares pursuant to the Release of any Award shall be borne by the Company.

18. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained, the Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in any event, including but not limited to the Company's delay in issuing, or procuring the transfer of, the Shares or applying for or procuring the listing of new Shares on the SGX-ST in accordance with Rule 7.1.3.

19. DISCLOSURES IN ANNUAL REPORTS

The following disclosures (as applicable) will be made by the Company in its annual report for so long as the Plan continues in operation: –

- (a) the names of the members of the Committee administering the Plan;
- (b) the information required in the table below for the following Participants of the Plan:
 - (i) Directors of the Company;
 - (ii) Controlling Shareholders and their Associates; and
 - (iii) Participants (other than those in paragraphs (i) and (ii) above) who have received Shares pursuant to the Release of Awards granted under the Plan which, in aggregate, represent 5.0% or more of the aggregate of the total number of Shares available under the Plan,

Name of participant	Aggregate number of Shares comprised in Awards under the UnUsUaL PSP during the financial year under review (including terms)	Aggregate number of Shares comprised in Awards vested to such participant since commencement of the UnUsUaL PSP to end of financial year under review	Aggregate number of Shares comprised in Awards issued since commencement of the UnUsUaL PSP to end of financial year under review	Aggregate number of Shares comprised in Awards which have not been released as at the end of financial year under review
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APPENDIX G – RULES OF THE UNUSUAL PSP

(c) such other information as may be required under the Catalist Rules or the Act,

provided that if any of the above requirements are not applicable, an appropriate negative statement should be included therein.

20. DISPUTES

Any disputes or differences of any nature arising hereunder shall be referred to the Committee and its decision shall be final and binding in all respects.

21. ABSTENTION FROM VOTING

Shareholders who are eligible to participate in the Plan are to abstain from voting on any Shareholders' resolution relating to the Plan and should not accept nominations as proxy or otherwise for voting unless specific instructions have been given in the proxy form on how the vote is to be cast. In particular, Shareholders who are eligible to participate in the Plan shall abstain from voting on the following resolutions, where applicable: (a) implementation of the Plan; and (b) participation by and grant of Awards to Controlling Shareholders and their Associates.

22. GOVERNING LAW

The Plan shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Participants, by accepting grants of Awards in accordance with the Plan, and the Company submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

23. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT, CHAPTER 53B

No person other than the Company or a Participant shall have any right to enforce any provision of the Plan or any Award by the virtue of the Contracts (Rights of Third Parties) Act, (Chapter 53B) of Singapore.

APPENDIX H – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATIONS

You are invited to apply and subscribe for the Placement Shares at the Placement Price subject to the following terms and conditions:

1. **YOUR APPLICATION MUST BE MADE IN LOTS OF 100 PLACEMENT SHARES OR INTEGRAL MULTIPLES THEREOF SUBJECT TO A MINIMUM OF 1,000 SHARES. YOUR APPLICATION FOR ANY OTHER NUMBER OF SHARES WILL BE REJECTED.**

2. Your application for the Placement Shares may only be made by way of printed Placement Shares Application Forms.

YOU MAY NOT USE CPF FUNDS TO APPLY FOR THE PLACEMENT SHARES.

3. **You (not being an approved nominee company) are allowed to submit only one (1) application in your own name for the Placement Shares.**

If you, being other than an approved nominee company, have submitted an application for Placement Shares in your own name, you should not submit any other application for Placement Shares for any other person. Such separate applications shall be deemed to be multiple applications and may be rejected at the discretion of our Company, and the Sponsor, Issue Manager and Placement Agent.

Joint or multiple applications for the Placement Shares shall be rejected at the discretion of our Company, and the Sponsor, Issue Manager and Placement Agent. If you submit or procure submissions of multiple share applications for the Placement Shares, you may be deemed to have committed an offence under the Penal Code (Chapter 224) of Singapore and the SFA, and your applications may be referred to the relevant authorities for investigation. Multiple applications or those appearing to be or suspected of being multiple applications may be rejected at the discretion of our Company, and the Sponsor, Issue Manager and Placement Agent.

4. We will not accept applications from any person under the age of 18 years, undischarged bankrupts, sole-proprietorships, partnerships, or non-corporate bodies, joint Securities Account holders of CDP and from applicants whose addresses (as furnished in their Application Forms) bear post office box numbers. No person acting or purporting to act on behalf of a deceased person is allowed to apply under the Securities Account with CDP in the deceased's name at the time of application.

5. We will not recognise the existence of a trust. Any application by a trustee or trustees must therefore be made in his/her/their own name(s) and without qualification or, where the application is made by way of an Application Form by a nominee, in the name(s) of an approved nominee company or companies after complying with paragraph 6 below.

6. **WE WILL NOT ACCEPT APPLICATIONS FROM NOMINEES EXCEPT THOSE MADE BY APPROVED NOMINEE COMPANIES ONLY.** "Approved nominee companies" are defined as banks, merchant banks, finance companies, insurance companies, licensed securities dealers in Singapore and nominee companies controlled by them. Applications made by persons acting as nominees other than approved nominee companies shall be rejected.

7. **IF YOU ARE NOT AN APPROVED NOMINEE COMPANY, YOU MUST MAINTAIN A SECURITIES ACCOUNT WITH CDP IN YOUR OWN NAME AT THE TIME OF YOUR APPLICATION.** If you do not have an existing Securities Account with CDP in your own name at the time of your application, your application will be rejected. If you have an existing Securities Account with CDP but fail to provide your Securities Account number or provide an incorrect Securities Account number in the Application Form, your application is liable to be rejected. Subject to paragraph 8 below, your application shall be rejected if your particulars such as name, NRIC/passport number, nationality and permanent residence status provided in your Application Form differ from those particulars in your Securities Account as maintained with CDP. If you possess more than one (1) individual direct Securities Account with CDP, your application shall be rejected.

APPENDIX H – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATIONS

8. If your address as stated in the Application Form is different from the address registered with CDP, you must inform CDP of your updated address promptly, failing which the notification letter on successful allotment and other correspondence from CDP will be sent to your address last registered with CDP.
9. Our Company and the Sponsor, Issue Manager and Placement Agent reserves the right to reject any application which does not conform strictly to the instructions set out in the Application Forms and in this Offer Document or with the terms and conditions of this Offer Document or, in the case of an application by way of an Application Form, which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly drawn remittance or improper form of remittance or remittances which are not honoured upon the first presentation.

Our Company and the Sponsor, Issue Manager and Placement Agent further reserves the right to treat as valid any applications not completed or submitted or effected in all respects in accordance with the instructions set out in the Application Forms or the terms and conditions of this Offer Document, and also to present for payment or other processes all remittances at any time after receipt and to have full access to all information relating to, or deriving from, such remittances or the processing thereof.

10. Our Company and the Sponsor, Issue Manager and Placement Agent reserves the right to reject or to accept, in whole or in part, or to scale down or to ballot any application, without assigning any reason therefor, and none of our Company and/or the Sponsor, Issue Manager and Placement Agent will entertain any enquiry and/or correspondence on the decision of our Company or the Sponsor, Issue Manager and Placement Agent. In deciding the basis of allotment, which shall be at the discretion of our Company and the Sponsor, Issue Manager and Placement Agent, due consideration will be given to the desirability of allotting the Placement Shares to a reasonable number of applicants with a view to establishing an adequate market for our Shares.
11. Subject to your provision of a valid and correct CDP Securities Account number, share certificates will be registered in the name of CDP or its nominee and will be forwarded only to CDP. It is expected that CDP will send to you, at your own risk, within 15 Market Days after the close of the Application List, and subject to the submission of valid applications and payment for the Placement Shares, a statement of account stating that your Securities Account has been credited with the number of Placement Shares allotted to you, if your application is successful. This will be the only acknowledgement of application monies received and is not an acknowledgement by our Company or the Sponsor, Issue Manager and Placement Agent. You irrevocably authorise CDP to complete and sign on your behalf, as transferee or renounee, any instrument of transfer and/or other documents required for the issue and/or transfer of the Placement Shares allotted to you.

You hereby consent to the disclosure of your name, NRIC/passport number or company registration number, address, nationality, permanent residency status, CDP Securities Account number, CPF Investment Account number (if applicable), share application amount and other personal data to and by the Share Registrar, CDP, CPF, Securities Clearing Computer Services (Pte) Ltd ("**SCCS**"), SGX-ST, our Company, the Sponsor, Issue Manager and Placement Agent and/or other authorised operators.

12. In the event that our Company lodges a supplementary or replacement offer document ("**Relevant Document**") pursuant to the SFA or any applicable legislation in force from time to time prior to the close of the Placement, and the Placement Shares have not been issued, we will (as required by law and subject to the SFA), at our sole and absolute discretion, either:
 - (a) within two (2) days (excluding any Saturday, Sunday or public holiday) from the date of the lodgement of the Relevant Document, give you notice in writing of how to obtain, or arrange to receive, a copy of the same and provide you with an option to withdraw your application and take all reasonable steps to make available within a reasonable period the Relevant Document to you if you have indicated that you wish to obtain, or have arranged to receive, a copy of the Relevant Document;

APPENDIX H – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATIONS

- (b) within seven (7) days from the date of lodgement of the Relevant Document give you a copy of Relevant Document and provide you with an option to withdraw your application; or
- (c) treat your application as withdrawn and cancelled, in which case the applications shall be deemed to have been withdrawn and cancelled, and we shall, within seven (7) days from the date of lodgement of the Relevant Document, refund all monies paid in respect of any application for the Placement Shares, without interest or any share of revenue or benefit arising therefrom and at your own risk.

Where you have notified us within 14 days from the date of lodgement of the Relevant Document of your wish to exercise your option under paragraph 12(a) or (b) above to withdraw your application, we shall pay to you all monies paid by you on account of your application for the Placement Shares without interest or any share of revenue or other benefit arising therefrom and at your own risk, within seven (7) days from the receipt of such notification and you will not have any claim against our Company, or the Sponsor, Issue Manager and Placement Agent.

In the event that at the time of the lodgement of the Relevant Document, the Placement Shares have already been issued but trading has not commenced, we will (as required by law and subject to the SFA), at our sole and absolute discretion, either:

- (i) within two (2) days (excluding any Saturday, Sunday or public holiday) from the date of lodgement of the Relevant Document, give you notice in writing of how to obtain, or arrange to receive, a copy of the same and provide you with an option to return to our Company the Placement Shares which you do not wish to retain title in and take all reasonable steps to make available within a reasonable period the Relevant Document to you if you have indicated that you wish to obtain, or have arranged to receive, a copy of the Relevant Document;
- (ii) within seven (7) days from the date of lodgement of the Relevant Document give you a copy of the Relevant Document and provide you with an option to return the Placement Shares which you do not wish to retain title in; or
- (iii) treat the issue of the Placement Shares as void, in which case the issue shall be void, and refund all monies paid in respect of any application, for the Placement Shares (without interest or any share of revenue or other benefits arising therefrom and at your own risk) within seven (7) days from the date of lodgement of the Relevant Document,

and you shall not have any claim against our Company, or the Sponsor, Issue Manager and Placement Agent.

Any applicant who wishes to exercise his option under paragraph 12(i) or (ii) above to return the Placement Shares issued to him shall, within 14 days from the date of lodgement of the Relevant Document, notify our Company of this and return all documents, if any, purporting to be evidence of title of those Placement Shares to us, whereupon we shall, subject to compliance with applicable laws and the Constitution of our Company, within seven (7) days from the receipt of such notification and documents, pay to him all monies paid by him for the Placement Shares without interest or any share of revenue or other benefit arising therefrom and at his own risk, and the Placement Shares issued to him shall be deemed to be void. You shall not have any claim whatsoever against our Company, or the Sponsor, Issue Manager and Placement Agent.

Additional terms and instructions applicable upon the lodgement of the Relevant Document, including instructions on how you can exercise the option to withdraw your application or return the Placement Shares allotted to you, may be found in such Relevant Document.

13. The basis of allotment of the Placement Shares as may be decided by our Directors in ensuring a reasonable spread of shareholders of our Company, shall be made public as soon as practicable via an announcement through the SGX-ST website at <http://www.sgx.com> and through an advertisement in a local English newspaper.

APPENDIX H – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATIONS

14. You irrevocably authorise CDP to disclose the outcome of your application, including the number of Placement Shares allotted to you pursuant to your application, to us, the Sponsor, Issue Manager and Placement Agent and any other parties so authorised by the foregoing persons.
15. Any reference to “you” or the “applicant” in this section shall include an individual, a corporation, an approved nominee and trustee applying for the Placement Shares through the Placement Agent or its designated sub-placement agent.
16. By completing and delivering an Application Form in accordance with the provisions of this Offer Document, you:
 - (a) irrevocably offer, agree and undertake to subscribe for the number of Placement Shares specified in your application (or such smaller number for which the application is accepted) at the Placement Price for each Placement Share and agree that you will accept such Placement Shares as may be allotted to you, in each case on the terms of, and subject to the conditions set out in this Offer Document and the Constitution of our Company;
 - (b) agree that the aggregate Placement Price for the Placement Shares applied for is due and payable to the Company upon application;
 - (c) warrant the truth and accuracy of the information contained, and representations and declarations made, in your application, and acknowledge and agree that such information, representations and declarations will be relied on by our Company and Sponsor, Issue Manager and Placement Agent in determining whether to accept your application and/or whether to allot any Placement Shares to you;
 - (d) (i) consent to the collection, use, processing and disclosure of your name/NRIC/passport number or company registration number, address, nationality, permanent resident status, CDP Securities Account number, share application amount, the outcome of your application (including the number of Placement Shares allotted to you pursuant to your application) and other personal data (“**Personal Data**”) to and by the Share Registrar, CDP, SCCS, the SGX-ST, our Company, the Sponsor, Issue Manager and Placement Agent and/or other authorised operators (the “**Relevant Parties**”) for the purpose of processing your application for the Placement Shares, and in order for the Relevant Parties to comply with any applicable laws, listing rules and/or guidelines (collectively, the “**Purposes**”) and warrant that such Personal Data is true, accurate and correct; (ii) warrant that where you, as an approved nominee company, disclose the Personal Data of the beneficial owner(s) for the collection, use, processing and disclosure by the Relevant Parties of the Personal Data of such beneficial owner(s) for the Purposes, such disclosure is in compliance with applicable law; (iii) agree that the Relevant Parties may do anything or disclose any Personal Data or matters without notice to you if the Sponsor, Issue Manager and Placement Agent considers them to be required or desirable in respect of any applicable policy, law, regulation, government entity, regulatory authority or similar body; and (iv) agree that you will indemnify the Relevant Parties in respect of any penalties, liabilities, claims, demands, losses and damages as a result of your breach of warranties. You also agree that the Relevant Parties shall be entitled to enforce this indemnity (collectively, the “**Personal Data Privacy Terms**”); and
 - (e) agree and warrant that, if the laws of any jurisdictions outside Singapore are applicable to your application, you have complied with all such laws and neither our Company nor the Sponsor, Issue Manager and Placement Agent will infringe any such laws as a result of the acceptance of your application.
17. Our acceptance of applications will be conditional upon, *inter alia*, our Company and Sponsor, Issue Manager and Placement Agent being satisfied that:
 - (a) permission has been granted by the SGX-ST to deal in and for quotation for all our existing Shares, the Placement Shares, the Award Shares and the Option Shares on a “when-issued” basis on Catalist;

APPENDIX H – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATIONS

- (b) the Sponsorship and Management Agreement and the Placement Agreement referred to in the section entitled “Sponsorship, Management and Placement Arrangements” of this Offer Document have become unconditional and have not been terminated or cancelled prior to such date as our Company may determine; and
 - (c) the SGX-ST, acting as an agent on behalf of the Authority, has not served a stop order (“**Stop Order**”) which directs that no or no further shares to which this Offer Document relates be allotted, issued or sold.
18. In the event that a Stop Order in respect of the Placement Shares is served by the Authority or the SGX-ST, acting as an agent on behalf of the Authority, and applications to subscribe for the Placement Shares have been made prior to the Stop Order, then to the extent permissible under the applicable laws:
- (a) in the case where the Placement Shares have not been issued, all applications shall be deemed to have been withdrawn and cancelled and our Company shall refund (at your own risk) all monies paid on account of your application for the Placement Shares (without interest or any share of revenue or other benefit arising therefrom) to you within 14 days of the date of the Stop Order and you shall not have any claim whatsoever against our Company, or the Sponsor, Issue Manager and Placement Agent; or
 - (b) in the case where the Placement Shares have already been issued and/or transferred but trading has not commenced, the issue and/or transfer of the Placement Shares shall be deemed to be void and our Company shall, within 14 days from the date of the Stop Order, refund (at your own risk) all monies paid on account of your application for the Placement Shares (without interest or any share of revenue or other benefit arising therefrom) and you shall not have any claim whatsoever against our Company, or the Sponsor, Issue Manager and Placement Agent.

This shall not apply where only an interim Stop Order has been served.

19. In the event that an interim Stop Order in respect of the Placement Shares is served by the Authority or the SGX-ST, acting as an agent on behalf of the Authority, or other competent authority, no Placement Shares shall be issued to you during the time when the interim Stop Order is in force.
20. The Authority or the SGX-ST, acting as an agent on behalf of the Authority, is not able to serve a Stop Order in respect of the Placement Shares if the Placement Shares have been issued, listed for quotation on a securities exchange and trading in the Placement Shares has commenced.

In the event of any changes in the closure of the Application List or the time period during which the Placement is open, we will publicly announce the same through a SGXNET announcement to be posted on the SGX-ST’s website, <http://www.sgx.com>, and through a paid advertisement in a local newspaper.

21. We will not hold any application in reserve.
22. We will not allot and/or allocate Shares on the basis of this Offer Document later than six (6) months after the date of registration of this Offer Document by the SGX-ST, acting as agent on behalf of the Authority.
23. Additional terms and conditions for applications by way of Application Forms are set out in “Additional Terms and Conditions for Applications Using Application Forms” of this Appendix H.
24. All payments in respect of any application for the Placement Shares, and all refunds where (a) an application is rejected or accepted in part only, or (b) the Placement does not proceed for any reason, shall be made in Singapore dollars.

APPENDIX H – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATIONS

ADDITIONAL TERMS AND CONDITIONS FOR APPLICATIONS USING APPLICATION FORMS

Applications by way of an Application Form shall be made on, and subject to, the terms and conditions of this Offer Document including but not limited to the terms and conditions appearing below as well as the Constitution of our Company.

1. Your application for the Placement Shares must be made using the **BLUE** Application Forms for Placement Shares or such other forms of application as the Sponsor, Issue Manager and Placement Agent deems appropriate accompanying and forming part of this Offer Document. **ONLY ONE APPLICATION** should be enclosed in each envelope.

We draw your attention to the detailed instructions contained in the Application Form and this Offer Document for the completion of the Application Form which must be carefully followed. **Our Company and the Sponsor, Issue Manager and Placement Agent reserves the right to reject applications which do not conform strictly to the instructions set out in the Application Form and this Offer Document or to the terms and conditions of this Offer Document or which are illegible, incomplete, incorrectly completed or which are accompanied by improperly drawn remittances or improper form of remittances which are not honoured upon their first presentation.**

2. Your Application Forms must be completed in English. Please type or write clearly in ink using **BLOCK LETTERS**.
3. All spaces in the Application Forms except those under the heading **“FOR OFFICIAL USE ONLY”** must be completed and the words **“NOT APPLICABLE”** or **“N.A.”** should be written in any space that is not applicable.
4. Individuals, corporations, approved nominee companies and trustees must give their names in full. If you are an individual, you must make your application using your full names as they appear in your identity cards (if you have such an identification document) or in your passports and, in the case of a corporation, in your full name as registered with a competent authority. If you are not an individual, you must complete the Application Form under the hand of an official who must state the name and capacity in which he signs the Application Form. If you are a corporation completing the Application Form, you are required to affix your Common Seal (if any) in accordance with your constitution or equivalent constitutive documents of the corporation. If you are a corporate applicant and your application is successful, a copy of your constitution or equivalent constitutive documents must be lodged with our Company’s Share Registrar. Our Company and the Sponsor, Issue Manager and Placement Agent reserve the right to require you to produce documentary proof of identification for verification purposes.
5.
 - (a) You must complete Sections A and B and sign on page 1 of the Application Form.
 - (b) You are required to delete either paragraph 7(a) or 7(b) on page 1 of the Application Form. Where paragraph 7(a) is deleted, you must also complete Section C of the Application Form with particulars of the beneficial owner(s).
 - (c) If you fail to make the required declaration in paragraph 7(a) or 7(b), as the case may be, on page 1 of the Application Form, your application is liable to be rejected.

You (whether you are an individual or corporate applicant, whether incorporated or unincorporated and wherever incorporated or constituted) will be required to declare whether you are a citizen or permanent resident of Singapore or a corporation in which citizens or permanent residents of Singapore or any body corporate constituted under any statute of Singapore having an interest in the aggregate of more than 50.0% of the issued share capital of or interests in such corporations.

APPENDIX H – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATIONS

If you are an approved nominee company, you are required to declare whether the beneficial owner of the Placement Shares is a citizen or permanent resident of Singapore or a corporation, whether incorporated or unincorporated and wherever incorporated or constituted, in which citizens or permanent residents of Singapore or any body corporate whether incorporated or unincorporated and wherever incorporated or constituted under any statute of Singapore have an interest in the aggregate of more than 50.0% of the issued share capital of or interests in such corporation.

6. The completed and signed **BLUE** Placement Shares Application Form and the correct remittance in full in respect of the number of Placement Shares applied for (in accordance with the terms and conditions of this Offer Document) with your name and address written clearly on the reverse side, must be enclosed and sealed in an envelope to be provided by you. You must affix adequate Singapore postage on the envelope (if despatching by ordinary post) and thereafter the sealed envelope must be **DESPATCHED BY ORDINARY POST OR DELIVERED BY HAND** at your own risk to **UNUSUAL LIMITED C/O B.A.C.S. Private Limited, 8 Robinson Road #08-00, ASO Building, Singapore 048544**, to arrive by **12.00 noon on 6 April 2017 or such other time as our Company may, in consultation with the Sponsor, Issue Manager and Placement Agent, decide. Local Urgent Mail or Registered Post must NOT be used.** No acknowledgement of receipt will be issued for any application or remittance received.
7. Your application must be accompanied by a remittance in Singapore currency for the full amount payable, in respect of the number of Placement Shares applied for, in the form of a **BANKER'S DRAFT** or **CASHIER'S ORDER** drawn on a bank in Singapore, made out in favour of "**UNUSUAL LIMITED SHARE ISSUE ACCOUNT**" crossed "**A/C PAYEE ONLY**", and with your name and address written clearly on the reverse side. **Applications not accompanied by any payment or accompanied by any other form of payment will not be accepted.** No combined Banker's Draft or Cashier's Order for different CDP Securities Accounts shall be accepted. We will reject remittances bearing "**NOT TRANSFERABLE**" or "**NON TRANSFERABLE**" crossings. No acknowledgement or receipt will be issued by our Company, or the Sponsor, Issue Manager and Placement Agent for applications and application monies received.
8. Monies paid in respect of unsuccessful applications are expected to be returned (without interest or any share of revenue or other benefit arising therefrom) to you by ordinary post within 24 hours of balloting of applications at your own risk. Where your application is rejected or accepted in part only, the full amount or the balance of the application monies, as the case may be, will be refunded (without interest or any share of revenue or other benefit arising therefrom) to you by ordinary post at your own risk within 14 days after the close of the Application List, provided that the remittance accompanying such application which has been presented for payment or other processes has been honoured and application monies have been received in the designated share issue account. In the event that the Placement is cancelled by us following the termination of the Sponsorship and Management Agreement and the Placement Agreement, the application monies received will be refunded (without interest or any share of revenue or other benefit arising therefrom) to you by ordinary post at your own risk within 14 days of the termination of the Placement. In the event that the Placement is cancelled by us following the issuance of a Stop Order by the Authority or the SGX-ST, acting as an agent on behalf of the Authority, the application monies received will be refunded (without interest or any share of revenue or other benefit arising therefrom) to you by ordinary post at your own risk within 14 days from the date of the Stop Order.
9. Capitalised terms used in the Application Forms and defined in this Offer Document shall bear the meanings assigned to them in this Offer Document.
10. You irrevocably agree and acknowledge that your application is subject to risks of fires, acts of God and other events beyond the control of our Company, our Directors, the Sponsor, Issue Manager and Placement Agent, and/or any other party involved in the Placement, and if, in any such event, our Company and/or the Sponsor, Issue Manager and Placement Agent do not receive your Application Form, you shall have no claim whatsoever against our Company, the Sponsor, Issue Manager and Placement Agent, and/or any other party involved in the Placement for the Placement Shares applied for or for any compensation, loss or damage.

APPENDIX H – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATIONS

11. By completing and delivering the Application Form, you agree that:
- (a) in consideration of our Company having distributed the Application Form to you and agreeing to close the Application List at **12.00 noon on 6 April 2017** or such other time or date as our Company may, in consultation with the Sponsor, decide:
 - (i) your application is irrevocable; and
 - (ii) your remittance will be honoured on first presentation and that any monies returnable may be held pending clearance of your payment without interest or any share of revenue or other benefit arising therefrom;
 - (b) neither our Company, the Sponsor, Issue Manager and Placement Agent nor any other party involved in the Placement shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to your application to us or CDP due to breakdowns or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 10 above or to any cause beyond their respective controls;
 - (c) all applications, acceptances and contracts resulting therefrom under the Placement shall be governed by and construed in accordance with the laws of Singapore and that you irrevocably submit to the non-exclusive jurisdiction of the Singapore courts;
 - (d) in respect of the Placement Shares for which your application has been received and not rejected, acceptance of your application shall be constituted by written notification and not otherwise, notwithstanding any remittance being presented for payment by or on behalf of our Company;
 - (e) you will not be entitled to exercise any remedy of rescission for misrepresentation at any time after acceptance of your application;
 - (f) in making your application, reliance is placed solely on the information contained in this Offer Document and that none of our Company, the Sponsor, Issue Manager and Placement Agent or any other person involved in the Placement shall have any liability for any information not so contained;
 - (g) you accept and agree to the Personal Data Privacy Terms set out in paragraph 16(d) of Appendix H; and
 - (h) you irrevocably agree and undertake to subscribe for the number of Placement Shares applied for as stated in the Application Form or any smaller number of such Placement Shares that may be allotted to you in respect of your application. In the event that our Company decides to allot and/or allocate a smaller number of Placement Shares or not to allot and/or allocate any Placement Shares to you, you agree to accept such decision as final.

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