

E-PLUS LIMITED

ACN 605 951 059

NSX Appendix 3

PRELIMINARY FINAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

1. Reporting Period

Current Reporting Period: 1 January 2016 to 31 December 2016
Prior Reporting Period: 20 May 2015 to 31 December 2015

2. Results for announcement to the market

| | |
|--|-----------------------|
| Revenue from ordinary activities for the year | Up 49% to \$2,483,192 |
| Loss from ordinary activities after tax for the year attributable to members | Up 149% to \$534,093 |
| Net loss for the year attributable to members | Up 149% to \$534,093 |

| EPS | As at 31 December 2016 | As at 31 December 2015 |
|--------------------------|------------------------|------------------------|
| Basic Earnings per share | 0.22 cents | 0.13 cents |

3. Financial Result

| | 2016 | 2015 |
|-------------------------|-----------|-----------|
| | \$ | \$ |
| CURRENT ASSETS | 1,564,265 | 1,976,317 |
| NON-CURRENT ASSETS | 611,675 | 639,030 |
| TOTAL ASSETS | 2,175,940 | 2,615,347 |
| CURRENT LIABILITIES | 1,732,510 | 1,642,681 |
| NON-CURRENT LIABILITIES | 288,788 | 269,268 |
| TOTAL LIABILITIES | 2,021,298 | 1,911,949 |
| NET ASSETS | 154,642 | 703,398 |

Net tangible assets per security were \$0.06 cents at 31 December 2016.

| | 31 December 2016 | 20 May 2015 to 31 December 2015 |
|--|---------------------|--|
| | \$ | \$ |
| Sales revenue | 2,483,192 | 1,669,058 |
| Cost of sales | (1,665,046) | (1,396,349) |
| Gross profit | 818,146 | 272,709 |
| Marketing expenses | (525,604) | (12,005) |
| Administrative expenses | (692,473) | (296,654) |
| Other operating expenses | (206,249) | (252,065) |
| Loss before income tax | (606,180) | (288,015) |
| Income tax benefit | 72,087 | 73,673 |
| Loss from continuing operations | (534,093) | (214,342) |

4. Commentary on Results

Commentary on results for the year:

- Significant increased in marketing expenses is in line with the business expansion plan of the Group.
- Sales Revenue increased in 2016 due to few major sporting event that the company has contracted namely Powerman Asia Duathlon Championship and FIM Supermoto Asia Championship.
- Significant increase in administrative expenses is due to a few hire of key team member specialised in the respective sports.
- Travelling and other operating expenses incurred to negotiate and to secure future events rights to increase the portfolio.

Dividends

The Company has not paid dividends and is not proposing to pay dividends.

5. Statement of profit or loss and other comprehensive income

Refer to attached Statement of profit or loss and other comprehensive income

6. Statement of financial position

Refer to attached statement of financial position

7. Statement of changes in equity

Refer to attached statement of changes in equity

8. Statement of cash flows

Refer to attached statement of cash flows

9. Details of entities over which control has been gained or lost

There were no changes in the Group for the year to 31 December 2016.

10. Status of audit and description of likely disputes or qualifications

This preliminary final report is in the process of being audited. No matters have arisen which would result in a dispute or qualification.



Director

Syuen Kar Nei

16/3/2017

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**
FOR THE YEAR ENDED 31 DECEMBER 2016

| | 31 December 2016 | 20 May 2015 to 31 December 2015 |
|--|---------------------|--|
| | \$ | \$ |
| Sales revenue | 2,483,192 | 1,669,058 |
| Cost of sales | (1,665,046) | (1,396,349) |
| Gross profit | 818,146 | 272,709 |
| Marketing expenses | (525,604) | (12,005) |
| Administrative expenses | (692,473) | (296,654) |
| Professional services | (91,394) | (49,137) |
| Rental expense | (31,059) | (12,108) |
| Repair and maintenance | (22,730) | (14,138) |
| Depreciation expense | (46,176) | (156,469) |
| Finance costs | (14,890) | (20,213) |
| Loss before income tax | (606,180) | (288,015) |
| Income tax benefit | 72,087 | 73,673 |
| Loss from continuing operations | (534,093) | (214,342) |
| Loss for the year | (534,093) | (214,342) |
| Other comprehensive income, net of income tax | | |
| Items that will not be reclassified subsequently to profit or loss | - | - |
| Items that will be reclassified to profit or loss when specific conditions are met | - | - |
| Exchange differences on translating foreign subsidiaries | (14,663) | (99,584) |
| Total comprehensive income for the year | (548,756) | (313,926) |
| Loss attributable to: | | |
| Members of the parent entity | (534,093) | (214,342) |
| Total comprehensive income attributable to: | | |
| Members of the parent entity | (548,756) | (313,926) |

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2016

| | 2016 | 2015 |
|-------------------------------|-----------|-----------|
| | \$ | \$ |
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | 233,860 | 1,153,691 |
| Trade and other receivables | 1,127,123 | 628,128 |
| Current tax receivable | 23,816 | 16,685 |
| Other assets | 179,466 | 177,813 |
| TOTAL CURRENT ASSETS | 1,564,265 | 1,976,317 |
| NON-CURRENT ASSETS | | |
| Property, plant and equipment | 475,439 | 571,398 |
| Deferred tax assets | 136,236 | 67,632 |
| TOTAL NON-CURRENT ASSETS | 611,675 | 639,030 |
| TOTAL ASSETS | 2,175,940 | 2,615,347 |
| LIABILITIES | | |
| CURRENT LIABILITIES | | |
| Trade and other payables | 1,653,642 | 1,585,645 |
| Borrowings | 78,868 | 56,012 |
| Other liabilities | - | 1,024 |
| TOTAL CURRENT LIABILITIES | 1,732,510 | 1,642,681 |
| NON-CURRENT LIABILITIES | | |
| Borrowings | 288,788 | 269,268 |
| TOTAL NON-CURRENT LIABILITIES | 288,788 | 269,268 |
| TOTAL LIABILITIES | 2,021,298 | 1,911,949 |
| NET ASSETS | 154,642 | 703,398 |
| EQUITY | | |
| Issued capital | 1,244,987 | 1,244,987 |
| Reserves | (114,247) | (99,584) |
| Accumulated losses | (976,098) | (442,005) |
| TOTAL EQUITY | 154,642 | 703,398 |

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

| | Ordinary Shares \$ | Accumulate d losses \$ | Foreign currency translation reserve \$ | Total \$ |
|---|--------------------------|------------------------------|---|-------------|
| Balance at 23 July 2015* | 1,244,987 | (227,663) | - | 1,017,324 |
| Loss attributable to members of the parent entity | - | (214,342) | - | (214,342) |
| Foreign currency translation | - | - | (99,584) | (99,584) |
| Total comprehensive loss | - | (214,342) | (99,584) | (313,926) |
| Balance at 31 December 2015 | 1,244,987 | (442,005) | (99,584) | 703,398 |
| Loss attributable to members of the parent entity | - | (534,093) | - | (534,093) |
| Foreign currency translation | - | - | (14,663) | (14,663) |
| Total comprehensive loss | - | (534,093) | (14,663) | (548,756) |
| Balance at 31 December 2016 | 1,244,987 | (976,098) | (114,247) | 154,642 |

*This represents the value of the Group at the date of the reverse acquisition.

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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016

| | 31 December 2016 \$ | 20 May 2015 to 31 December 2015 \$ |
|---|---------------------------|--|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Receipts from customers | 2,175,904 | 1,313,527 |
| Payments to suppliers and employees | (2,628,822) | (1,317,074) |
| Interest paid | (14,890) | (20,212) |
| Interest received | 47 | - |
| Income taxes paid | (11,496) | (6,575) |
| Income taxes refunded | 3,683 | - |
| Net cash used in operating activities | (475,574) | (30,334) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Cash acquired as a result of business combination | - | 1,807,286 |
| Proceeds from disposal of property, plant and equipment | 80,936 | - |
| Purchase of property, plant and equipment | (18,273) | (233,786) |
| Net cash used in investing activities | 62,663 | 1,573,500 |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Drawdown of borrowing | 109,749 | - |
| Repayment of borrowings | (3,483) | (350,201) |
| Payment of finance lease liabilities | (52,046) | (24,076) |
| Net loans (repayment) /from related parties | (537,427) | 158,645 |
| Net cash used in financing activities | (483,207) | (215,632) |
| Effects of exchange rate changes on cash and cash equivalents | (23,713) | (173,843) |
| Net (decrease)/increase in cash and cash equivalents held | (919,831) | 1,153,691 |
| Cash and cash equivalents at beginning of year | 1,153,691 | - |
| Cash and cash equivalents at end of the year | 233,860 | 1,153,691 |

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