

E-Plus Limited and Controlled Entities

ACN: 605 951 059

Financial Statements

For the Half-Year Ended 30 June 2019

E-Plus Limited and Controlled Entities

ACN: 605 951 059

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For the Year Ended 30 June 2019

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E-Plus Limited and Controlled Entities

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Directors' Report

30 June 2019

The directors submit the financial report of the the Group for the year ended 30 June 2019.

General information

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Names	Position
Keong Ngok Ching	Executive Director and CEO
Kon Kong Ching	Non Executive Chairman
Brendon Michael O'Connor	Independent Non Executive Director
Kar Nee Suen	Executive Director and COO
Ding Chai Yap	Independent Non Executive Director

Company secretary

Natalia Sylvia Climo of Boardroom Partners has been the company secretary since 19 October 2018

Review of operations

The consolidated income of the Group for the financial year after providing for income tax amounted to \$ 20,609. (2018 \$150,890)

The Group's is a Malaysian based events management service provider in the entertainment industry, specialising in providing personalised events, government projects and corporate events. The Group is an integrated agency providing its clients with a full range of services, including event planning and implementation, client servicing and support, public relations and advertising, equipment rental, artist management, technical support, manpower management and permit management. The Group has, since incorporation, managed and organised various local and international events, ranging from private dinners to major scale international concerts. The Group currently possesses committed and secured contracts from its buyers and customers.

The Group has employed and developed capable senior managers with extensive experience within the events management to ensure quality event management services are provided to the clients.

Principal activities and significant changes in nature of activities

The principal activities of the Group during the financial year were providing events management service, particularly in the entertainment industry, personalised events, Government projects and Corporate events.

There were no significant changes in the nature of the Group's principal activities during the financial year.

E-Plus Limited and Controlled Entities

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Directors' Report

30 June 2019

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the year ended 30 June 2019 has been received and can be found on page 3 of the financial report.

This report is signed in accordance with a resolution of the Board of Directors.



Director:
Keong Ngok Ching

Dated this 16th day of September 2019

LNP Audit + Assurance

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AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF E-PLUS LTD

As lead auditor of E-Plus Ltd for the half-year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
2. no contraventions of any applicable code of professional conduct in relation to the audit.

LNP Audit and Assurance



Anthony Rose
Director

Sydney 16 September 2019

E-Plus Limited and Controlled Entities

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Half-Year Ended 30 June 2019

		30 June 2019	30 June 2018
	Note	\$	\$
Sales revenue	3	1,092,716	1,218,662
Cost of sales		(634,206)	(1,104,534)
Gross profit		458,510	114,128
Other income		102,435	922,080
Administrative expenses		(433,563)	(564,466)
Impairment expense		-	(87,808)
Professional services		(27,534)	(40,008)
Directors fees		(41,253)	(59,600)
Depreciation expense		(25,690)	(29,088)
Profit before income tax		32,905	255,238
Income tax expense		(12,296)	(104,348)
Profit from continuing operations		20,609	150,890
Profit for the year		20,609	150,890
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 controlled entities		(8,094)	(5,552)
Other comprehensive income for the year, net of tax		(8,094)	(5,552)
Total comprehensive income for the year		12,515	145,338
Profit attributable to:			
Members of the parent entity		20,609	150,890
Total comprehensive income attributable to:			
Members of the parent entity		12,515	145,338
Earnings per share			
Basic earnings (loss) per share (cents)		0.01	0.06
Diluted earnings (loss) per share (cents)		0.01	0.06

The accompanying notes form part of these financial statements.

E-Plus Limited and Controlled Entities

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Consolidated Statement of Financial Position

As At 30 June 2019

		30 June 2019 \$	31 December 2018 \$
Note			
ASSETS			
CURRENT ASSETS			
	Cash and cash equivalents	70,031	219,846
4	Trade and other receivables	2,661,021	2,716,143
	Current tax receivable	-	13,509
	Other assets	137,706	197,238
	TOTAL CURRENT ASSETS	2,868,758	3,146,736
NON-CURRENT ASSETS			
	Property, plant and equipment	403,659	426,159
	Deferred tax assets	-	9,174
	TOTAL NON-CURRENT ASSETS	403,659	435,333
	TOTAL ASSETS	3,272,417	3,582,069
LIABILITIES			
CURRENT LIABILITIES			
5	Trade and other payables	2,246,785	2,669,586
6	Borrowings	530,402	396,631
	Current tax liabilities	1,809	4,548
	Other financial liabilities	28,623	28,453
	TOTAL CURRENT LIABILITIES	2,807,619	3,095,941
NON-CURRENT LIABILITIES			
6	Borrowings	368,541	396,631
	Deferred tax liabilities	-	5,755
	TOTAL NON-CURRENT LIABILITIES	368,541	402,386
	TOTAL LIABILITIES	3,176,160	3,498,327
	NET ASSETS	96,257	83,742
EQUITY			
7	Issued capital	1,244,987	1,244,987
	Reserves	(17,732)	(9,638)
	Retained earnings	(1,130,998)	(1,151,607)
	TOTAL EQUITY	96,257	83,742

The accompanying notes form part of these financial statements.

E-Plus Limited and Controlled Entities

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Consolidated Statement of Changes in Equity For the Half-Year Ended 30 June 2019

	Ordinary Shares	Retained Earnings	Foreign Currency Translation Reserve	Total
Note	\$	\$	\$	\$
Balance at January 1, 2019	1,244,987	(1,151,607)	(9,638)	83,742
Profit attributable to members of the parent entity	-	20,609	-	20,609
Total other comprehensive income	-	-	(8,094)	(8,094)
Balance at 30 June 2019	1,244,987	(1,130,998)	(17,732)	96,257

	Ordinary Shares	Retained Earnings	Foreign Currency Translation Reserve	Total
Note	\$	\$	\$	\$
Balance at January 1, 2018	1,244,987	(1,067,973)	(101,526)	75,488
Profit attributable to members of the parent entity	-	150,890	-	150,890
Total other comprehensive income	-	-	(5,552)	(5,552)
Balance at 30 June 2018	1,244,987	(917,083)	(107,078)	220,826

The accompanying notes form part of these financial statements.

E-Plus Limited and Controlled Entities

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Consolidated Statement of Cash Flows For the Half-Year Ended 30 June 2019

	30 June 2019 \$	30 June 2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	1,334,117	1,356,881
Payments to suppliers and employees	(1,510,319)	(1,532,288)
Interest received	172	-
Interest paid	(53,214)	(4,290)
Income taxes (refunded)/ paid	1,893	(23,097)
Net cash used in operating activities	<u>(227,351)</u>	<u>(202,794)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(3,190)</u>	<u>(401)</u>
Net cash used in investing activities	<u>(3,190)</u>	<u>(401)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net loans from related parties	608,457	277,739
Repayment of borrowings	(504,557)	(229,621)
Payment of finance lease liabilities	<u>(15,080)</u>	<u>(23,967)</u>
Net cash provided by financing activities	<u>88,820</u>	<u>24,151</u>
Effects of exchange rate changes on cash and cash equivalents	<u>(8,094)</u>	<u>(5,552)</u>
Net increase/(decrease) in cash and cash equivalents held	<u>(149,815)</u>	<u>(184,596)</u>
Cash and cash equivalents at beginning of year	<u>219,846</u>	<u>228,643</u>
Cash and cash equivalents at end of financial year	<u>70,031</u>	<u>44,047</u>

The accompanying notes form part of these financial statements.

E-Plus Limited and Controlled Entities

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Notes to the Financial Statements

For the Half-Year Ended 30 June 2019

The financial report covers E-Plus Limited and Controlled Entities and its controlled entities ('the Group'). E-Plus Limited and Controlled Entities is a for-profit Company limited by shares, incorporated and domiciled in Australia.

Each of the entities within the Group prepare their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

The financial report was authorised for issue by the Directors on 15 September 2019.

1 Basis of Preparation

This condensed consolidated interim financial report for the reporting period ending 30 June 2019 has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. The principal activities of the Group during the financial year were providing events management service, particularly in the entertainment industry, personalised events, Government projects and Corporate events.

The interim financial report is intended to provide users with an update on the latest annual financial statements of E-Plus Limited and Controlled Entities and controlled entities (the Group). As such it does not contain information that represents relatively insignificant changes occurring during the year within the Group. This condensed consolidated financial report does not include all the notes normally included in an annual financial report. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended December 31, 2018, together with any public announcements made during the year.

Changes in accounting policies, accounting standards and interpretations

The accounting policies adopted in the preparation of the financial statements for the half-year ended 30 June 2019 are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the period ended 31 December 2018, except for the adoption of the new standard noted below:

The Group has adopted accounting standard AASB 16 effective from 1 January 2019. The adoption of the standard has not resulted to any material impact to the financial position of the Group.

2 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

(a) Going concern

The directors have prepared financial statements on a going concern basis which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

At 30 June 2019 the Group has recorded a net profit after tax for the year of \$20,609(30 June 2018: profit of: \$150,190). The Group also incurred operating cash outflows of \$227,351 (30 June 2018: outflow of \$202,794). As at 30 June 2019 the Group has net current assets of \$61,139 (31 December 2018: net current assets of \$50,795). Included in net assets are related party receivables of \$2,452,855 (31 December 2018: \$2,101,111). Included in liabilities is loans from Directors and related parties of \$1,527,349 (31 December 2018 \$1,402,276).

E-Plus Limited and Controlled Entities

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Notes to the Financial Statements

For the Half-Year Ended 30 June 2019

2 Critical Accounting Estimates and Judgments

(a) Going concern

The continuing viability of the Group and its ability to meet its debts and commitments as they fall due is dependent upon the Group being successful in one or more of the following areas:

- Achieving budgets and forecasts of the group
- Meeting the requirements of the group's financiers;
- Receiving continued financial support from directors (refer to Note 9)

These matters give significant rise to a material uncertainty that may cast doubt upon the Group's ability to continue as a going concern.

In the event that the Group does not achieve the conditions stated the Group's ability to continue as a Going Concern may be impacted and therefore the Group may not be able to realise its assets and extinguish its liabilities in the ordinary course of operations and at the amounts stated in the financial report.

Notwithstanding the above, the directors believe that the Group will be successful in the above matters and be in a position to realise its assets and settle its liabilities and commitments in the normal course of business and at the amounts stated in the financial report. Accordingly, the financial report has been prepared on a going concern basis.

No adjustments have been made to the recoverability and classification of recorded asset values and the amount and classification of liabilities that might be necessary should the Group and company not continue as going concerns.

(b) Key estimates - receivables

Receivable at reporting date have been reviewed to determine whether there is any objective evidence that any receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. During the period an allowance for impairment of \$28,507 (31 December 2018: \$37,431) was made against trade receivables. The impairment provision is based on the best information at the reporting date.

3 Revenue and Other Income

Revenue from continuing operations

	30 June 2019 \$	30 June 2018 \$
- Revenue from contract with customers - events	1,092,716	1,218,662
Total Revenue	1,092,716	1,218,662

E-Plus Limited and Controlled Entities

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Notes to the Financial Statements For the Half-Year Ended 30 June 2019

4 Trade and Other Receivables

	30 June 2019 \$	31 December 2018 \$
CURRENT		
Trade receivables	204,732	626,519
Provision for impairment	(28,507)	(37,431)
	<u>176,225</u>	<u>589,088</u>
Receivables from related entities	<u>2,452,855</u>	<u>2,101,111</u>
	<u>2,452,855</u>	<u>2,101,111</u>
Other receivables	31,941	37,836
Provision for impairment on other receivables	-	(11,892)
	<u>31,941</u>	<u>25,944</u>
Total current trade and other receivables	<u>2,661,021</u>	<u>2,716,143</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

5 Trade and Other Payables

	30 June 2019 \$	31 December 2018 \$
Current		
Trade payables	512,632	804,237
Related party payables	1,527,349	1,008,922
GST payable	52,104	35,874
Sundry payables and accrued expenses	148,603	410,802
Other payables	6,097	409,751
	<u>2,246,785</u>	<u>2,669,586</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

E-Plus Limited and Controlled Entities

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Notes to the Financial Statements

For the Half-Year Ended 30 June 2019

6 Borrowings

	30 June 2019 \$	31 December 2018 \$
CURRENT		
Bank loans	516,846	375,865
Lease liability secured	13,556	20,766
Total current borrowings	530,402	396,631
NON-CURRENT		
Bank loans	343,147	363,367
Lease liability secured	25,394	33,264
Total non-current borrowings	368,541	396,631

(a) Bank overdrafts

The bank overdrafts of the parent entity and subsidiaries are secured by a registered first mortgage over certain freehold properties of controlled entities.

7 Issued Capital

	30 June 2019 \$	31 December 2018 \$
245,000,000 (31 December 2018: 245,000,000) Ordinary shares	1,244,987	1,244,987
Total	1,244,987	1,244,987

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote.

The Company does not have authorised capital or par value in respect of its shares.

8 Earnings per Share

	30 June 2019 \$	30 June 2018 \$
Profit/ (loss) after tax	20,609	150,890

(a) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS

	30 June 2019 No.	30 June 2018 No.
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	245,000,000	245,000,000

E-Plus Limited and Controlled Entities

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Notes to the Financial Statements

For the Half-Year Ended 30 June 2019

9 Related Parties

(a) The Group's main related parties are as follows:

The ultimate parent entity, which exercises control over the Group, is E-Plus Limited which is incorporated in Australia and owns 100% of the Controlled Entities of E-Plus Limited

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

The Directors of the Group have guaranteed to support the group for the next 12 months to ensure that the Group remains a going concern.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

	Balance outstanding	
	Owed to the Group	Owed by the Group
	\$	\$
Related parties		
E-Plus Singapore	487,616	-
E-Plus Philippines	494,070	112,593
E-Plus Indonesia	648,086	3,994
E-Plus Thailand	805,053	-
Arts & performance Festival	15,184	-
Asia Supersports Group	906	-
Dreamteam Asia Marketing	1,317	-
Sendi Dunia	-	56,142
Ultra Blue Sdn Bhd	-	24,486
Directors		
Andrew Ching		994,231
Suen Kar Nee		56,987
Kon Kong Ching		278,916

10 Events Occurring After the Reporting Date

The financial report was authorised for issue on 15 September 2019 by the board of directors.

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

11 Statutory Information

The registered office and principal place of business of the company is:

E-Plus Limited and Controlled Entities
Boardroom Pty Ltd, "Grosvenor Place" Level 12
225 George Street
Sydney NSW 2000

E-Plus Limited and Controlled Entities

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Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 4 to 12 are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting; and
 - (b) give a true and fair view of the consolidated group's financial position as at 30 June 2019 and of its performance for the half-year ended on that date.
2. In the directors opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable with the continuing support of creditors.

This declaration is made in accordance with a resolution of the Board of Directors.



Director
Keong Ngok Ching

Dated 16 September 2019

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF E-PLUS LTD

Report on the Half-Year Financial Report

Qualified Conclusion

We have reviewed the accompanying half year financial report of E-Plus Ltd and controlled entities ('the consolidated entity'), which comprises the consolidated statement of financial position as at 30 June 2019, consolidated statement profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information notes and the directors' declaration.

Based on our review, which is not an audit, with the exception of the matter described in the basis for conclusion paragraph below, we have not become aware of any matter that makes us believe that the half-year financial report of E-Plus Ltd and controlled entities is not in accordance with the *Corporations Act 2001* including:

- i giving a true and fair view of the consolidated entity's financial position as at 30 June 2019 and of its performance for the half-year ended on that date; and
- ii complying with AASB 134 *Interim Financial Reporting and the Corporation Regulations 2001*.

Basis for Qualified Conclusion

As at 30 June 2019, the Group had receivables from related parties of \$2,452,855. We were unable to obtain sufficient appropriate evidence about the carrying amount of these receivables from related parties. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

Significant Uncertainty Regarding Going Concern

We draw attention to Note 2 of the consolidated financial report, which states that at 30 June 2019 the Group recorded a net profit after tax for the year of \$20,609 (30 June 2018: profit of: \$150,190). The Group also incurred operating cash outflows of \$227,351 (30 June 2018: outflow of \$202,794). As at 30 June 2019 the Group had net current assets of \$61,139 (31 December 2018: net current assets of \$50,795). Included in net assets are related party receivables of \$2,452,855 (31 December 2018: \$2,101,111). Included in liabilities are loans from Directors and related parties of \$1,527,349 (31 December 2018 \$1,402,276).

These conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our review of the financial report of the current year. These matters were addressed in the context of our review of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Review of the Financial Report section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our review conclusion on the accompanying financial report.

Key Audit Matter	How our review addressed the matter
<p>Related Party Disclosures</p> <p>The related parties identified by the Group are the Directors and their related parties. The Group's working capital is being provided by the directors at 30 June 2019, and directors have provided a guarantee for the Group.</p> <p>Related party transactions are a key audit matter as they are integral to financing and operations of the Group.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> • Critically enquiring of and considering the identity of related parties and related party transactions, • obtaining correspondence from relevant related parties in relation to transactions, balances and terms, • considering the terms of transactions with related parties, and • evaluating the adequacy of disclosure of related party transactions and balances

Director's Responsibility for the Half-Year Financial Report

The directors' of E-Plus Ltd are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such controls as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: *Review of an Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of E-Plus Ltd and controlled entities financial position as at 30 June 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of E-Plus Ltd and controlled entities, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Matters Relating to the Electronic Presentation of the Audited Financial Report

This review report relates to the financial report of the E-Plus Ltd and controlled entities for the half-year ended 30 June 2019 included on the website of E-Plus Ltd. The directors of the company are responsible for the integrity of the website and we have not been engaged to report on its integrity. This review report refers only to the half-year financial report identified above and it does not provide an opinion on any other information which may have been hyperlinked to or from the financial report. If users of this report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the reviewed financial report to confirm the information contained in this website version of the financial report.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

LNP Audit and Assurance



Anthony Rose

Director

Sydney, 16 September 2019