

6 February 2015

## CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement sets out the Company's current position with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**Principles and Recommendations**). The Principles and Recommendations are not mandatory, however, the Company will be required to provide a statement in its future annual reports disclosing the extent to which the Company has followed the Principles and Recommendations.

The Company currently has in place a series of Corporate Governance policies can be found on the Company's website at [www.group-premiere.com](http://www.group-premiere.com).

## ASX BEST PRACTICE RECOMMENDATIONS

Item	ASX Best Practice Recommendation		Comment
1.	<b>Lay solid foundations for management and oversight</b>		
1.1	Formalise and disclose the functions reserved to the board and those delegated to management.	✓	The Corporate Governance Policy includes a Board Charter, which discloses the specific responsibilities of the Board and provides that the Board shall delegate responsibility for the day-to-day operations and administration of the Company to the Executive Director.
1.2	A listed entity should undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director	✓	The Corporate Governance Policy includes a Board Charter, which requires appropriate checks of potential directors to be carried out before appointing that person or putting them forward as a candidate for election.
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their	✓	The Company has a written agreement in place with each director and senior executive which sets out the terms of

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	appointment.		their appointment.
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	✓	The Company Secretary is directly accountable to the Board as set out in the written agreement between the Company Secretary and the Company.
1.5	Disclose the entity's Diversity Policy which includes requirements for the Board to set measurable objectives for achieving gender diversity.	✓	The Board has adopted a Diversity Policy which sets measurable objectives which are assessed on an annual basis. This policy is to ensure that the Company established measurable objectives for achieving gender diversity.
1.6	Process for evaluating the performance of the board, its committees and individual directors.	✓	<p>The performance evaluation of Board members occurs by way of:</p> <ul style="list-style-type: none"> <li>• the Chairperson meeting with each non-executive directors separately to discuss individual performance and ideas for improvement; and</li> <li>• the Board as a whole discussing and analysing its own performance during the year including suggestions for change and improvement.</li> </ul> <p>The Board will meet annually to review the performance of executives. The senior executives' performance is assessed against the performance of the Company as a whole.</p> <p>The Board has adopted a board performance evaluation policy. This policy is to ensure the Executive Director and key executives execute the Company's strategy through the efficient and effective implementation of the business objectives.</p>

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<b>2</b>	<b>Structure the board to add value</b>		
2.1	The board of a listed entity should have a nomination committee.	✓	<p>The Company will establish a Remuneration and Nomination Committee composed of members of the Board. The Company has adopted a Nomination and Remuneration Committee Charter. The roles and responsibilities of a Remuneration and Nomination Committee are currently undertaken by the full Board.</p> <p>Given the size and nature of the Company, the Board considers the composition of the Remuneration and Nomination Committee is appropriate at this stage.</p>
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills.	✗	<p>The Board currently does not have a skills matrix. The Board will consider completing and disclosing a board skills matrix setting out the mix of skills that the Company seeks.</p> <p>Given the size and nature of the Company, the Board considers that the current Board has the requisition mix of skills required for such a Company.</p>
2.3	A listed entity should disclose the names of the directors considered to be independent directors and the length of service of each director.	✓	<p>The following are independent Directors of the Company:</p> <ul style="list-style-type: none"> <li>• Mr David Wheeler;</li> <li>• Mr Kay Heng Lau; and</li> <li>• Mr Ting Jiang;</li> </ul> <p>Each independent Director has recently joined the Board.</p>
2.4	A majority of the board should be independent directors.	✓	<p>The Board currently has an even split of independent and non-independent Directors.</p> <p>The Board seeks to nominate persons for</p>

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			<p>appointment to the Board who have the qualification, experience and skills to augment the capabilities of the Board.</p> <p>Given the size and nature of the Company, the Board considers the composition of the Board is appropriate at this stage.</p>
2.5	The chairperson should be an independent director and in particular, should not be the same person as the CEO of the entity.	✘	<p>The current Chairman is not independent but is a non-executive Director.</p> <p>The Chairperson and Chief Executive Officer role are held by different individuals.</p> <p>Given the size and nature of the Company, the Board considers that it is appropriate that the Chairman is not independent.</p>
2.6	A program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform they role as directors effectively	✘	<p>The Company may establish a program for inducting new directors when necessary in the future.</p> <p>Given the size and nature of the Company, the Board considers that the current human resource policies in relation to inducting new directors is sufficient and will make amendments to this policy as and when necessary.</p>
<b>3</b>	<b>Promote ethical and responsible decision-making</b>		
3.1	A listed entity should have a code of conduct for its directors, senior executives and employees; and disclose that code or a summary of it	✓	<p>The Corporate Governance Policy includes a Code of Conduct, which provides a framework for decisions and actions in relation to ethical conduct in employment.</p> <p>A copy of the Code of Conduct has been posted on the Company's website at <a href="http://www.group-premiere.com">www.group-premiere.com</a>.</p>
<b>4</b>	<b>Safeguard integrity in financial reporting</b>		

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4.1	<p>The board should establish an audit committee.</p> <p>The structure of the audit committee should consists of:</p> <p>(a) at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(b) is chaired by an independent directors, who is not the chair of the board.</p> <p>and disclose:</p> <p>(c) the charter of the committee;</p> <p>(d) the relevant qualifications and experience of the members of the committee; and</p> <p>(e) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meeting; or</p> <p>if it does not have an audit committee, disclose the fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	✓	<p>An Audit Committee has been established.</p> <p>The Company will establish a formal Audit Committee consisting of</p> <p>(a) Only non-executive directors;</p> <p>(b) A majority of independent directors; and</p> <p>(c) An independent chairperson</p> <p>The Company has employed an external auditor whilst it is in the process of establishing an official Audit Committee.</p>
4.2	<p>The Board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and</p>	✓	<p>The Company intends to adopt the practice contemplated by ASX Recommendations 4.2 in respect of future annual reports.</p>

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	that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.		
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit	✓	The Board will ensure that its external auditor is in attendance at the AGM and is available to answer questions from shareholders.
<b>5</b>	<b>Make timely and balance disclosure</b>		
5.1	Establish written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level for that compliance.	✓	The Company has a Continuous Disclosure Policy in place designed to ensure the factual presentation of the Company's position at all times. A copy of this policy is available on the Company's website at <a href="http://www.group-premiere.com">www.group-premiere.com</a> .
<b>6</b>			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	✓	The Company has a Shareholder Communications Policy in place which sets out the procedure to provide shareholders with relevant information which include identifying matters that may have a material effect on the price of the Company's securities, notifying them to the ASX, posting them on the Company's website and issuing media releases where required. A copy of the Shareholder Communication Policy is available on the Company's website at <a href="http://www.group-premiere.com">www.group-premiere.com</a> .
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way	✓	The Company's Shareholders Communications Policy aims to ensure that the shareholders are informed of all

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	communication with investors		major developments affecting the Company's state of affairs.
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	✓	The Company will encourage shareholders to participate in general meeting of the Company and provide a means by which feedback can be given to the Company.
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security register electronically.	✓	Through the Company's registry services provider, shareholders will be able to communicate with the Company electronically with respect to matters affecting their shareholding.
<b>7</b>	<b>Recognise and manage risk</b>		
7.1	Establish policies on risk oversight and management of material business risk.	✓	The Company's Corporate Governance Policy includes a Risk Management Policy. Under this policy the Board determines the Company's "risk profile" and is responsible for overseeing and approving risk management strategy and policies for internal compliance and internal control. A copy of this policy is available on the Company's website at <a href="http://www.group-premiere.com">www.group-premiere.com</a> .
7.2	The board or a committee of the board should review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and disclose, in relation to each reporting period, whether such a review has taken place.	✓	The Board will monitor and if necessary receives advice on areas of operational and financial risk, and considers strategies for appropriate risk management arrangements.  The Board will review its risk management procedures and associated policies and procedures on an annual basis and will disclose in its annual report whether such review has taken place.
7.3	A listed entity should disclose:  (a) if it has an internal audit function, how the function is structured and	✗	The Company has not established an internal audit function given the size and its function. The risk management

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	<p>what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>		functions employed by the Board are summarised in 7.1 and 7.2 above.
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	✓	The Company intends to disclose the relevant information in the future annual reports.
<b>8</b>	<b>Remunerate fairly and responsibly</b>		
8.1	<p>The board should establish a remuneration committee.</p> <p>The remuneration committee should be structured so that it:</p> <ul style="list-style-type: none"> <li>• consists of a majority of independent directors</li> <li>• is chaired by an independent chair</li> <li>• has at least three members</li> </ul>	×	<p>The Company will establish a Remuneration and Nomination Committee composed of members of the Board. The Company has adopted a Nomination and Remuneration Committee Charter. The roles and responsibilities of a Remuneration and Nomination Committee are currently undertaken by the full Board.</p> <p>Given the size and nature of the Company, the Board considers the composition of the Remuneration Committee is appropriate at this stage.</p>
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives	✓	Each Director has entered into separate employment agreements with the Company. The Remuneration of directors is reviewed annually. No director participates in the decision of the remainder of the Board in agreeing final terms of his or her remuneration.
8.3	A listed entity which has an equity-based remuneration scheme should:	×	The Company does not have an equity-based remuneration scheme.



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	(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and  (b) disclose that policy or a summary of it.		

Reference through the above table is made to the Company's website at [www.group-premiere.com](http://www.group-premiere.com).

### **Compliance with ASX Listing Rules**

The Company confirms that, as at the date of this announcement, it is in compliance with the ASX Listing Rules and, in particular, ASX Listing Rule 3.1.

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