

### INITIATE COVERAGE

## UnUsUaL (UNU SP)

Rare Gem With UnUsUaL Growth

**Boasting a wonderful track record, UnUsUaL has organised many sold-out concerts for popular artistes, such as JJ Lin and Andy Lau, creating strong working relationships along the way. Unusual is expected to continue its strong EPS growth for the next two years, based on its strong orderbook. Strengthening its foothold in family entertainment, we believe this new segment would boost UnUsUaL's EPS growth. Initiate coverage with BUY and PE-based target price of S\$0.44.**

### INVESTMENT HIGHLIGHTS

- Good track record and regional reach.** UnUsUaL Entertainment (UnUsUaL) has organised many sold-out concerts for popular artistes, such as JJ Lin, Sam Smith and G.E.M (Gloria Tang Sze-wing). By doing so, UnUsUaL is able to create strong and sticky relationships with these artistes, being the exclusive organiser for their events. We reckon UnUsUaL would be able to replicate this formula with other up-and-coming artistes, backed by its organisational expertise and a good track record of selling out concerts.
- Expanding into more segments of entertainment.** UnUsUaL has branched out into different segments of entertainment, such as the family-friendly Disney on Ice and Walking with Dinosaurs shows. Having recently organised successful Disney on Ice shows in South Korea, UnUsUaL is bringing the shows to Taiwan and Shenzhen in 3QFY20. Also, UnUsUaL is holding 117 Walking with Dinosaurs shows in 11 cities across Asia. Management said it is in talks with other companies to bring in more family-friendly content. Coupled with a strong pipeline of concerts, we believe this new segment would boost UnUsUaL's net profit as the company brings in more family-friendly shows from 3QFY20 onwards.
- Robust growth for the concerts pipeline.** Following strong growth in 2QFY20, UnUsUaL is expected to continue reporting strong net profit growth, based on its strong orderbook. From 180 shows in FY19, total number of shows is expected grow to 279 in FY20 and 306 in FY21. Strong revenue from three sold-out JJ Lin concerts, two Eric Chou concerts, four sold-out Andy Lau concerts and shows from Walking With Dinosaurs are expected to boost EPS by 26% in FY20.
- Initiate coverage with BUY and PE-based target price of S\$0.44,** based on 21.8x FY21F PE, pegged at regional peers' 2020 average PE. UnUsUaL is currently trading at 15.0x FY21F PE, unjustified, based on its strong revenue and EPS growth vs other regional peers, and is well below its long-term PE mean of 36.2x. Our target price represents an upside of 44.3% from current price levels.

### KEY FINANCIALS

Year to 31 Mar (S\$m)	2018	2019	2020F	2021F	2022F
Net turnover	46	57	75	88	99
EBITDA	14	18	20	26	30
Operating profit	12	16	20	26	30
Net profit (rep./act.)	10	13	17	21	24
Net profit (adj.)	10	13	17	21	24
EPS (S\$ cent)	1.0	1.3	1.6	2.0	2.4
PE (x)	30.1	23.0	18.3	14.5	12.5
P/B (x)	7.6	5.7	4.4	3.4	2.6
EV/EBITDA (x)	22.3	16.9	14.9	11.9	10.3
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0
Net margin (%)	21.6	23.2	22.2	23.7	24.5
Net debt/(cash) to equity (%)	(46.1)	0.5	13.9	(6.1)	(26.1)
Interest cover (x)	2,290.2	1,160.1	239.2	298.8	346.3
ROE (%)	38.6	28.5	27.1	26.1	23.6
Consensus net profit	-	-	17	21	25
UOBKH/Consensus (x)	-	-	0.98	0.98	0.99

Source: UnUsUaL, Bloomberg, UOB Kay Hian

## BUY

Share Price	S\$0.305
Target Price	S\$0.440
Upside	+44.3%

### COMPANY DESCRIPTION

UnUsUaL provides production and promotions services for events and concerts. The company provides services in staging, SLV (sound, light and visuals) for events and concerts, as well as organises and promotes concerts.

### STOCK DATA

GICS sector	Communication Services
Bloomberg ticker:	UNU SP
Shares issued (m):	1029.2
Market cap (S\$m):	313.9
Market cap (US\$m):	230.7
3-mth avg daily t'over (US\$m):	0.2

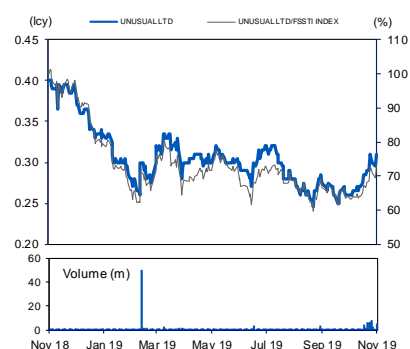
### Price Performance (%)

52-week high/low	S\$0.400/S\$0.245			
<b>1mth</b>	<b>3mth</b>	<b>6mth</b>	<b>1yr</b>	<b>YTD</b>
17.3	8.9	1.7	(23.8)	(37.8)

### Major Shareholders

FY20 NAV/Share (S\$)	0.07
FY20 Net Cash/Share (S\$)	0.00

### PRICE CHART



Source: Bloomberg

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*This report uses the closing prices of 19 November 2019*

### Investment Highlights

**Synergistic business model.** Being a locally integrated company with both production and promotions capabilities, UnUsUaL is able to cut unnecessary costs that come with only having either capability. Removing the need of a third-party production company, this synergistic model allows UnUsUaL to keep costs lower while maintaining its margins per event. Furthermore, with the extra costs savings, UnUsUaL could implement more technical and complex solutions, impressing the artistes as well as creating stickier relationships with them. Having one of the largest technical inventories in Singapore, UnUsUaL also has experience working in most of the local venues, making the company a leading player in Singapore.

**Good track record and regional reach.** Started out as a local company with a small focus, UnUsUaL has expanded into being a regional player, organising concerts and events worldwide. Boasting a wonderful track record, UnUsUaL has organised many sold-out concerts for popular artistes, such as JJ Lin, Sam Smith and G.E.M (Gloria Tang Sze-wing). Furthermore, some sold-out concerts were located in cities and countries such as San Francisco (G.E.M) and Australia (JJ Lin), new untapped markets for UnUsUaL. With the huge demand for Chinese/Mandopop music, management has planned to leverage this growing trend and gain market share in new markets.

Due to the successful concerts organised for JJ Lin, UnUsUaL has been working with him for years, selling out one-night concerts at smaller stadiums such as the 8,000-capacity Singapore Indoor Stadium to two nights at the larger 55,000-capacity Singapore National Stadium. Some other long-time relationships include Andy Lau and Jacky Cheung, working with them for at least a decade. Management also has plans to bring in more K-pop groups due to the strong demand shown from the recent GFriend concert. We reckon UnUsUaL would be able to replicate this formula with more up-and-coming artistes, backed by its organisational expertise and amazing record in selling out concerts.

FIGURE 1: PAST CONCERTS ORGANISED BY UNUSUAL TILL 1QFY20

Date	Artiste	Tour Name	Country	Venue	Venue Capacity
Jul 19	Westlife	The Twenty Tour	Bangkok, Thailand	Impact Arena, Muang Thong Thani	11,440
Jul 19	Gfriend	GO GO GFRIEND Asia Tour	Singapore	The Star Theatre	5,000
Mar 19	GEM	Queen of Hearts World Tour	San Francisco	Bill Graham Civic Auditorium	8,500
Mar 19	Wang Lee Hom	Descendants of the Dragon 2060 World Tour	Kuala Lumpur, Malaysia	Stadium Merdeka	40,000
Mar 19	JJ Lin	Sanctuary World Tour	Melbourne, Australia	Rod Laver Arena	14,820
Mar 19	JJ Lin	Sanctuary World Tour	Sydney, Australia	Oudos Bank Arena	21,000
Jan 19	Hacken Lee	30th Anniversary Concert	Genting, Malaysia	Arena of Stars	6,000
Jan 19	Wang Lee Hom	Descendants of the Dragon 2060 World Tour	Singapore	Singapore Indoor Stadium	12,000
Nov 18	Guns N' Roses	Not In This Lifetime	Jakarta, Indonesia	Stadion Utama Gelora Bung Karno	77,193
Nov 18	iKON	2018 Continue Tour	Singapore	The MAX Pavilion @ Expo	7,000
Nov 18	Winner	2018 Everywhere Tour	Singapore	The MAX Pavilion @ Expo	7,000
Oct 18	Jason Mraz	Good Vibes	Singapore	National Stadium	55,000
Oct 18	Wakin Chau	WAU Live 2018	Singapore	National Stadium	55,000
Oct 18	Sam Smith	The Thrill Of It All Tour	Singapore	Singapore Indoor Stadium	12,000
Sep 18	JJ Lin	Sanctuary World Tour	Kuala Lumpur, Malaysia	Axiata Arena	16,000
Sep 18	Eric	22PLUS Asia Tour 2018	Kuala Lumpur, Malaysia	Axiata Arena	16,000
Sep 18	Hacken Lee	30th Anniversary Concert	Singapore	Resort World Ballroom	6,500
Aug 18	Boyzone	Boyzone Live	Singapore	Singapore Indoor Stadium	12,000
Aug 18	JJ Lin	Sanctuary World Tour	Singapore	Singapore Indoor Stadium	12,000

Source: UnUsUaL

FIGURE 2: G.E.M QUEEN OF HEARTS WORLD TOUR



Source: UnUsUaL

FIGURE 3: WESTLIFE "THE TWENTY TOUR"



Source: UnUsUaL

FIGURE 4: JJ LIN SANCTUARY WORLD TOUR



Source: UnUsUaL

FIGURE 5: DISNEY ON ICE



Source: UnUsUaL

FIGURE 6: WALKING WITH DINOSAURS

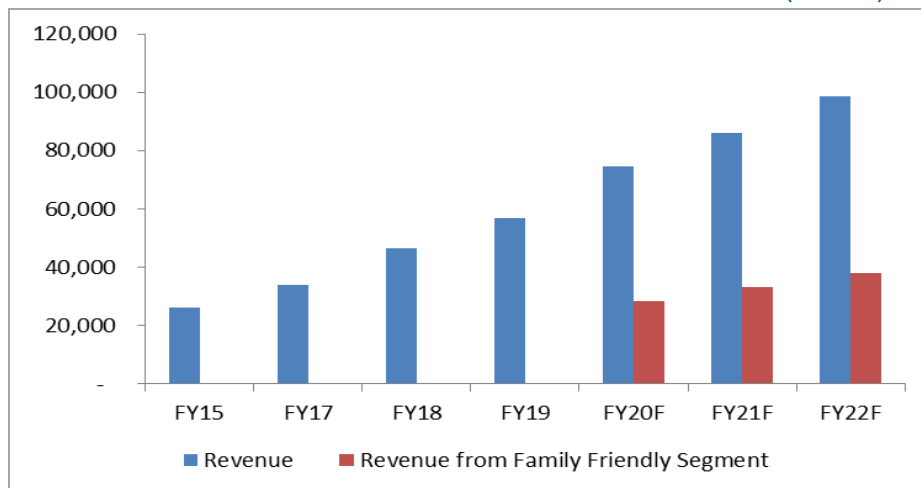


Source: UnUsUaL

**Great orderbook visibility going into 2020.** Three sold-out JJ Lin concerts (two at the 80,000-capacity Singapore National Stadium and one at the 87,411-capacity Bukit Jalil National Stadium), two Eric Chou concerts at the Singapore Indoor Stadium, four sold-out nights for Andy Lau at the Singapore Indoor Stadium and shows from Walking With Dinosaurs are expected to keep UnUsUaL's top- and bottom-line growth momentum going into 3QFY20. Also, management said it is in discussions with up-and-coming artistes, and is constantly adding more artistes to its growing portfolio. We forecast UnUsUaL's revenue and net profit will increase by a robust CAGR of 20.1% and 22.4% respectively in FY19-22.

**Expanding into different segments of entertainment.** Aside from pop/rock concerts, UnUsUaL has started to branch out into different segments of entertainment, such as the family-friendly Disney on Ice and Walking with Dinosaurs. Having recently organised successful Disney on Ice shows in South Korea, UnUsUaL is bringing the shows to Taiwan and Shenzhen in 3QFY20. Also, UnUsUaL is holding 117 Walking with Dinosaurs shows in 11 cities across Asia. Management said it is in talks with other companies to bring in more family-friendly content. With the strong pipeline of concerts coupled with a new revenue growth driver, we believe this new family-friendly segment would boost UnUsUaL's profits from FY20.

FIGURE 7: TOTAL REVENUE AGAINST REVENUE FROM FAMILY-FRIENDLY SEGMENT (SGD\$'000)



Source: UnUsUaL

### Valuation

- **Initiate coverage with BUY and PE-based target price of S\$0.44**, based on 21.8x FY21F PE, pegged to regional peers' 2020 PE average. UnUsUaL is currently trading at 15.0x FY21F PE, unjustified, based on its strong revenue and EPS growth vs other regional peers, and is well below its long-term PE mean of 36.2x. We believe UnUsUaL should be trading near or on a par with its competitors. Our target price of S\$0.44 represents an upside of 44.3% from current price levels. Our sensitivity analysis shows that every S\$1m change in FY21 net profit would shift our target price by 1-2 S cents.

FIGURE 8: PE BAND



Source: Bloomberg, UOB Kay Hian

FIGURE 9: P/B BAND



Source: Bloomberg, UOB Kay Hian

FIGURE 10: SENSITIVITY ANALYSIS

PE Multiple (x)	FY21F Net Profit (S\$'000)						
	19,025	19,525	20,025	20,525	21,025	21,525	22,025
20.3x	0.38	0.39	0.40	0.41	0.42	0.43	0.44
20.8x	0.39	0.40	0.41	0.42	0.43	0.44	0.45
21.3x	0.40	0.41	0.42	0.43	0.44	0.45	0.46
<u>21.8x</u>	0.41	0.42	0.43	<b>0.44</b>	0.45	0.46	0.47
22.3x	0.42	0.43	0.44	0.45	0.46	0.47	0.49
22.8x	0.43	0.44	0.45	0.46	0.47	0.49	0.50
23.3x	0.44	0.45	0.46	0.47	0.48	0.50	0.51

Source: Bloomberg, UOB Kay Hian

FIGURE 11: PEER COMPARISON

Company	Ticker	Market Cap (US\$m)	PE			P/B 2019F (x)	Yield 2019F (%)	ROE 2019F (%)
			2018 (x)	2019F (x)	2020F (x)			
Live Nation Entertainment	LYV US	13,808.2	n.a.	382.3	136.0	10.8	0.0	4.2
Tv Asahi Holdings Corp	9409 JP	1,788.3	14.9	18.6	17.3	0.5	2.5	2.9
Sotsu Co Ltd	3711 JP	427.1	24.3	24.8	22.1	2.0	1.5	8.3
Cube Entertainment Inc	182360 KS	107.4	115.4	70.1	42.0	6.8	n.a.	10.2
DMS IN	9782 JP	146.3	13.4	11.3	n.a.	n.a.	1.0	n.a.
Cts Eventim Ag & Co Kga	EVD GR	5,528.7	42.6	36.4	32.4	9.6	1.4	27.8
Cineworld Group Pl	CINE LN	3,592.2	11.7	8.6	7.9	1.0	7.2	14.6
Cinemark Holdings Inc	CNK US	4,053.3	18.9	16.4	15.2	2.6	4.0	16.5
Six Flags Entertainment Corp	SIX US	3,881.4	14.0	17.3	16.0	n.a.	7.2	-32.5
<b>Average (excl. LYV US)</b>			<b>31.9</b>	<b>25.4</b>	<b>21.8</b>	<b>1.8</b>	<b>6.1</b>	<b>-0.5</b>
Unusual*	UNU SP	230.3	23.8	17.6	15.3	4.4	n.a.	24.3

\* Year ending 31 March

Source: Bloomberg, UOB Kay Hian



### Company Background

Started out in 1997, UnUsUaL was in the stage, sound and lighting equipment rental business. Within 20 years, it has grown to become one of the leading names in Asia, specialising in the production and promotion of large-scale live events and concerts by Asian and international artistes. The company has the expertise in providing technical services and creative input while also organising and promoting such events and concerts. UnUsUaL has started branching out into family-friendly entertainment, bringing shows such as Disney On Ice and Walking With Dinosaurs to different cities around Asia.

### Production

UnUsUaL provides a full range of support to the artiste's team or the event organiser in terms of design set creation and stage design, as well as the installation and provision of sound, light and video solutions. The company also assists in conceptualising and developing creative inputs for the event, being already familiar with most major venues around the region. Its ability to deliver a complete range of technical solutions has seen the company working on a diverse range of events such as concerts, product launches, press conferences, red carpet events, exhibitions, trade shows, music festivals and sports events. UnUsUaL is also a partner of the Singapore Arts Festival, the Chingay Parade, SG50 Youth Celebrate! and the Formula One Singapore Grand Prix.

### Promotions

UnUsUaL markets and organises concerts, fan meets, private events, music festivals and plans to branch into sports entertainment. This is done through building and maintaining good working relationships with artistes and their teams. It also undertakes procurement of sponsorship and provision of event hospitality and logistics. Sold-out performances by Asian and International artistes under UnUsUaL's portfolio included Air Supply, Andy Lau, Backstreet Boys, Cesar Millan, Chang Hui Mei, Foo Fighters, G.E.M, Hillsong, Jacky Cheung, Jay Chou, JJ Lin, Kim Soo Hyun, Lee Min Ho, Lionel Richie, Mariah Carey, Michael Bublé, Park Bo Gum, Pet Shop Boys, S.H.E., Stefanie Sun, Rain, Wakin Chau and Yanni.

FIGURE 12: UPCOMING CONCERTS AND EVENTS IN 3Q-4QFY20



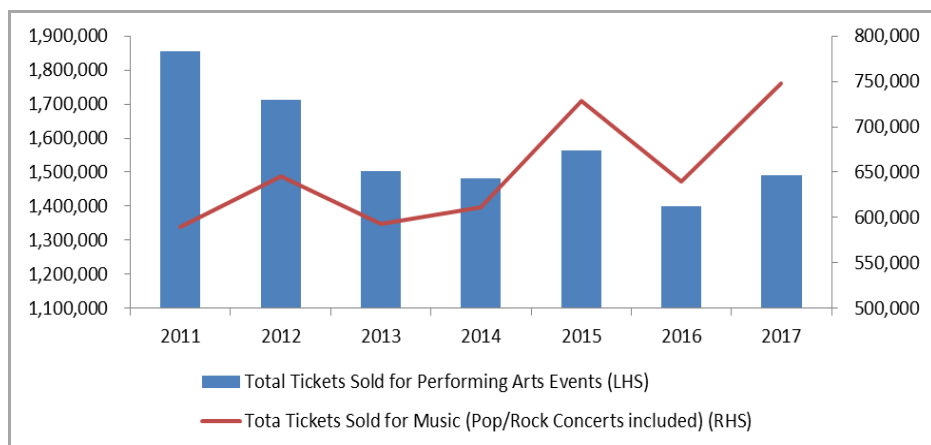
Source: UnUsUaL, UOB Kay Hian

### Industry Overview

#### STRONG DEMAND FOR MUSIC EVENTS IN SINGAPORE

According to the Singapore's National Art Council, total ticketing sales for the performing arts in Singapore have decreased from 1.85m in 2011 to 1.48m in 2017, showing a clear drop in interest for performing arts. However, upon further analysis, tickets sold in the sub-segments for music events in Singapore (pop/rock concerts included) have been steadily increasing since 2011 (Figure 13). This indicates a resilient demand for ticketed music events, such as live pop/rock concerts in Singapore.

FIGURE 13: TICKET SALES FOR PERFORMING ARTS EVENTS IN SINGAPORE

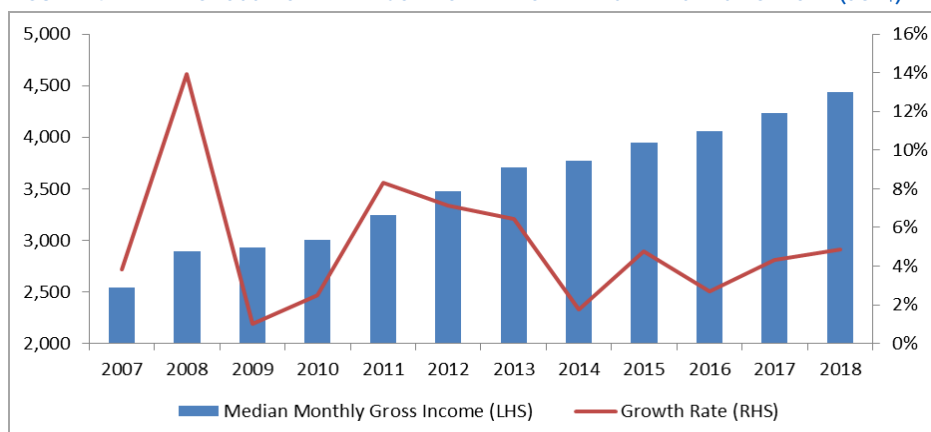


Source: Singapore National Arts Council, UOB Kay Hian

#### RISING MEDIAN MONTHLY INCOME INCREASES DISCRETIONARY SPENDING

Furthermore, based on statistics from the Ministry of Manpower, Singapore's median monthly gross income has been increasing over the past 10 years, implying that an increasing number of Singaporeans have more spending power to indulge in "luxury" goods, such as concerts and ticketed events. UnUsUaL stands to benefit from the rising affluence. As 50-80% of UnUsUaL's revenue comes from Singapore, we believe the growing affluence in Singapore would help boost UnUsUaL's revenue and net profit.

FIGURE 14: MEDIAN GROSS MONTHLY INCOME OF EMPLOYED RESIDENTS IN SINGAPORE (SGD\$)

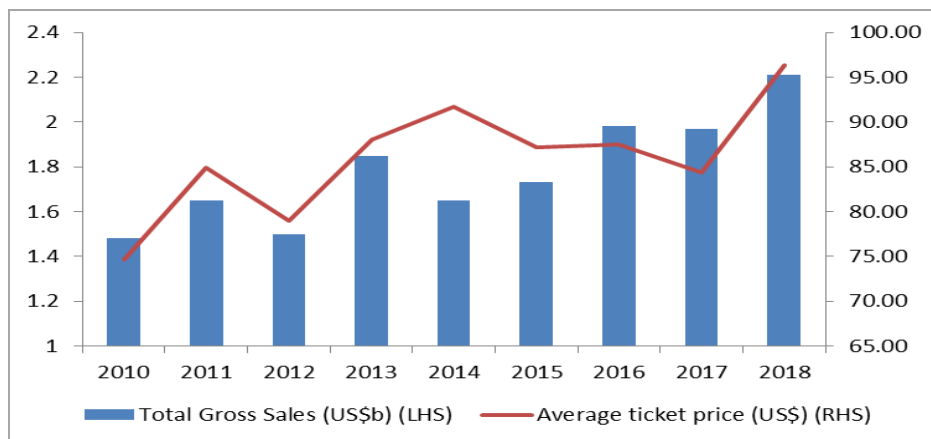


Source: Ministry of Manpower, Manpower Research and Statistics Department, UOB Kay Hian

### LIVE CONCERTS GAINING TRACTION DESPITE HIGHER TICKET PRICES

According to Pollstar, a trade publication for the concert industry, worldwide ticket sales have been steadily increasing from 2010 to 2018. Total worldwide gross revenue for concerts and tours in 2018 was US\$2.21b, a 12.0% yoy increase and representing a CAGR of 5.1% from 2010 to 2018. Furthermore, it is worth noting that the average ticket price for concerts and tours had also increased from US\$74.70 in 2010 to US\$96.30 in 2018.

**FIGURE 15: WORLDWIDE GROSS REVENUE FOR CONCERTS COMPARED AGAINST AVERAGE TICKET PRICES**

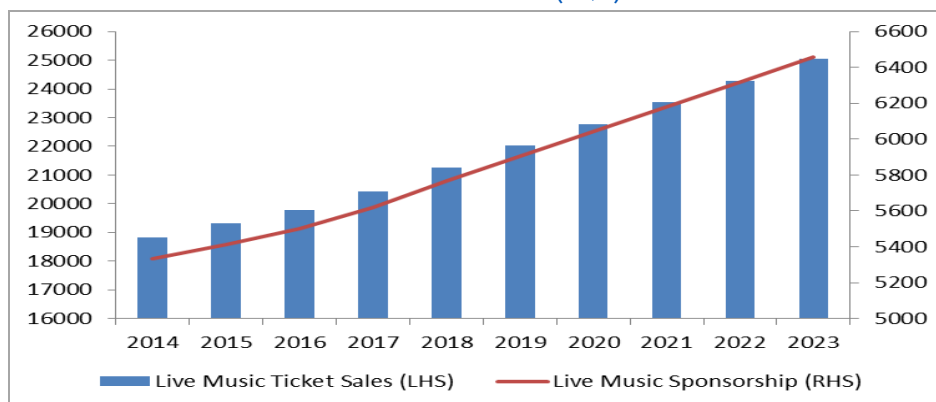


Source: Pollstar, UOB Kay Hian

As the world becomes more digitally advanced with recorded music streaming applications such as Spotify becoming easily accessible, recorded music has been stealing market share from the live music market. However, having a positive direct relationship between ticket prices and total gross ticket revenue is definitely encouraging for the live music industry. As live music provides a truly unique form of entertainment that cannot be replicated by recorded music, this has created strong resilient demand for live concerts. Consumers are unfazed by rising ticket prices, leading to a rise in total gross ticket revenue.

According to PwC's Global Entertainment & Media Outlook 2019-2023, live ticket sales will increase at a CAGR of 3.3% from 2018 to 2023, exceeding US\$25.0b in 2023. We reckon UnUsUaL is poised to benefit from this industry tailwind and secure more events with artistes around the world.

**FIGURE 16: LIVE MUSIC TICKET SALES AND SPONSORSHIP (US\$m)**



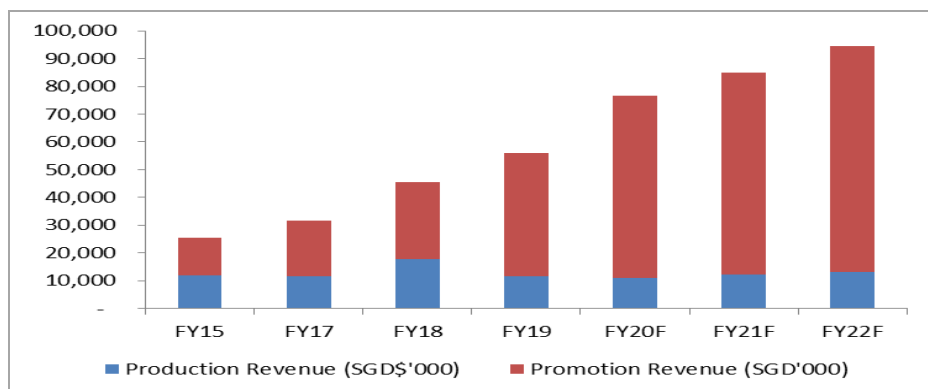
Source: PwC, UOB Kay Hian



## Earnings Outlook

**Growth in production and promotions segments.** Factoring in strong contributions from the growing pipeline and resilient demand for concerts, we expect strong growth in the promotions segment. We forecast promotions revenue at S\$63.6m, S\$75.9m and S\$85.5m for FY20-22 respectively, implying a strong CAGR of 24.6% for FY19-22. On the other hand, we assume production revenue would drop 5.8% yoy in FY20 before recording a positive 11.0% yoy growth in FY21 due to more resources being allocated to the promotion segment in FY20. Production revenue is forecasted at S\$11.0m, S\$12.2m and S\$13.2m for FY20-22 respectively, implying a modest CAGR of 4.1% for FY19-22.

FIGURE 17: REVENUE FOR PRODUCTION AND PROMOTIONS SEGMENTS



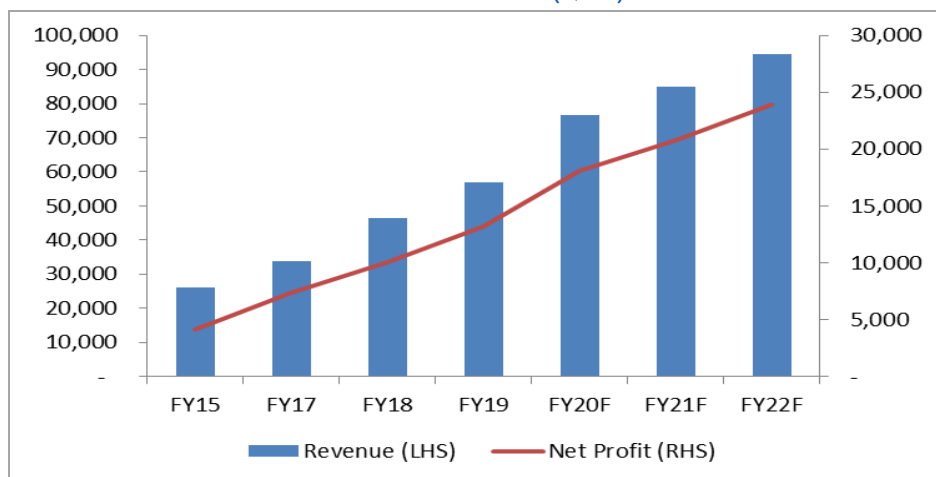
Source: UnUsUaL, UOB Kay Hian

**Revenue CAGR of 20.1% for FY20-22.** Factoring in strong contributions from upcoming shows, we expect total revenue to increase 31.1% yoy in FY20 and at S\$74.7m, S\$88.1m and S\$98.7m for FY20-22 respectively, implying revenue CAGR of 20.1% for FY20-22.

**Gross margin to improve.** Along with the rise in revenue, we expect gross margins to rise gradually over FY20-22 as well. We opine that with more shows completed for each of the respective programmes in the pipeline, UnUsUaL would have the technical ability and know-how to reduce costs for subsequent shows. We forecast gross margin to improve from 40.8% in FY20 to 43.0% in FY22.

**Net profit CAGR of 22.4% for FY20-22.** We forecast net profit at S\$16.6m, S\$20.9m and S\$24.2m for FY20-22 respectively, with net margins of 22.3-24.5% and net profit CAGR of 22.4%.

FIGURE 18: UNUSUAL'S TOTAL REVENUE AND NET PROFIT (S\$'000)



Source: UnUsUaL, UOB Kay Hian

### Financial Statements

FIGURE 19: PROFIT & LOSS

Year to 31 Mar (\$m)	2018	2019	2020F	2021F	2022F
Revenue, net	46	57	75	88	99
Operating expenses	(34)	(41)	(54)	(63)	(69)
<b>EBIT</b>	<b>12</b>	<b>16</b>	<b>20</b>	<b>26</b>	<b>30</b>
Net interest income/(expense)	(0)	(0)	(0)	(0)	(0)
<b>Pre-tax profit</b>	<b>12</b>	<b>16</b>	<b>20</b>	<b>25</b>	<b>30</b>
Tax	(2)	(3)	(4)	(5)	(5)
Minorities	0	0	0	0	0
<b>Net profit (rep./act.)</b>	<b>10</b>	<b>13</b>	<b>17</b>	<b>21</b>	<b>24</b>
Net profit(adj.)	10	13	17	21	24
Deprec. & amort.	1	2	0	0	0
EBITDA	14	18	20	26	30
<b>Per share (S cent)</b>					
EPS - diluted	1.0	1.3	1.6	2.0	2.4
Reported EPS - diluted	1.0	1.3	1.6	2.0	2.4
Book value	3.9	5.1	6.8	8.8	11.1
Dividend	0.0	0.0	0.0	0.0	0.0

Source: UnUsUaL, UOB Kay Hian

FIGURE 20: BALANCE SHEET

Year to 31 Mar (\$m)	2018	2019	2020F	2021F	2022F
Cash/Near cash equiv.	18	4	9	25	49
Accounts receivable/debtors	13	35	57	58	57
Stocks	0	0	0	0	0
Other current assets	7	39	41	43	46
<b>Current assets</b>	<b>39</b>	<b>78</b>	<b>108</b>	<b>126</b>	<b>152</b>
Fixed assets	10	10	12	13	14
Intangible assets	3	2	2	2	2
Other non-current tangible assets	0	0	0	0	0
<b>Total non-current assets</b>	<b>12</b>	<b>12</b>	<b>14</b>	<b>15</b>	<b>16</b>
<b>Total assets</b>	<b>51</b>	<b>90</b>	<b>121</b>	<b>141</b>	<b>168</b>
Accounts payable/creditors	9	30	29	28	31
Short-term debt/borrowings	0	4	7	7	7
Other current liabilities	2	3	3	3	3
<b>Current liabilities</b>	<b>11</b>	<b>36</b>	<b>39</b>	<b>38</b>	<b>40</b>
Long-term debt	0	0	12	12	12
Deferred tax liability	0	1	1	1	1
Other non-current liabilities	0	0	0	0	0
<b>Total non-current liabilities</b>	<b>0</b>	<b>1</b>	<b>13</b>	<b>13</b>	<b>13</b>
<b>Total liabilities</b>	<b>12</b>	<b>37</b>	<b>52</b>	<b>50</b>	<b>53</b>
Minority interest - accumulated	0	0	0	0	0
<b>Shareholders' equity</b>	<b>40</b>	<b>53</b>	<b>70</b>	<b>90</b>	<b>115</b>
<b>Liabilities and shareholders' funds</b>	<b>51</b>	<b>90</b>	<b>121</b>	<b>141</b>	<b>168</b>

Source: UnUsUaL, UOB Kay Hian

**FIGURE 21: CASH FLOW**

Year to 31 Mar (\$m)	2018	2019	2020F	2021F	2022F
<b>Operating cashflows</b>	<b>(3)</b>	<b>(6)</b>	<b>(7)</b>	<b>18</b>	<b>27</b>
Pre-tax profit	12	16	20	25	30
Tax	(2)	(3)	(4)	(5)	(5)
Deprec. & amort.	1	2	0	0	0
Associates	0	0	0	0	0
Working capital changes	(15)	(22)	(25)	(4)	1
Non-cash items	0	(0)	0	0	0
Others	1	1	2	2	2
<b>Cash from investing activities</b>	<b>(7)</b>	<b>(12)</b>	<b>(3)</b>	<b>(3)</b>	<b>(3)</b>
Capex (growth)	(4)	(2)	(3)	(3)	(3)
Proceeds from sale of assets	0	0	0	0	0
Others	(3)	(10)	0	0	0
<b>Cash from financing activities</b>	<b>17</b>	<b>4</b>	<b>15</b>	<b>0</b>	<b>0</b>
Dividend payments	0	0	0	0	0
Issue of shares	18	0	0	0	0
Proceeds from borrowings	0	4	15	0	0
Loan repayment	(1)	(0)	0	0	0
Others/interest paid	0	0	0	0	0
Net increase/(decrease) in cash	8	(15)	6	15	24
Beginning cash	10	18	4	9	25
Changes due to forex impact	(0)	(0)	0	0	0
<b>End cash</b>	<b>18</b>	<b>4</b>	<b>9</b>	<b>25</b>	<b>49</b>

Source: UnUsUaL, UOB Kay Hian

**FIGURE 22: KEY METRICS**

Year to 31 Mar (%)	2018	2019	2020F	2021F	2022F
<b>Growth</b>					
Turnover	37.1	22.6	31.1	18.0	12.0
EBITDA	61.4	32.2	13.5	24.9	15.9
Pre-tax profit	44.9	32.1	26.3	25.0	16.0
Net profit	36.6	31.7	25.8	25.8	16.0
Net profit (adj.)	n.a.	31.7	25.8	25.8	16.0
EPS	(17.5)	30.8	25.8	25.8	16.0
<b>Profitability</b>					
EBITDA margin	29.4	31.7	27.4	29.0	30.0
EBIT margin	26.3	28.4	27.4	29.0	30.0
Gross margin	38.5	40.3	40.8	42.0	43.0
Pre-tax margin	26.3	28.3	27.3	28.9	29.9
Net margin	21.6	23.2	22.2	23.7	24.5
ROE	38.6	28.5	27.1	26.1	23.6
ROA	26.9	18.7	15.7	15.9	15.7
ROIC	38.2	27.3	22.9	21.2	20.0
RONTA	31.8	22.1	16.1	16.3	15.9
<b>Leverage</b>					
Interest cover (x)	2,290.2	1,160.1	239.2	298.8	346.3
Debt to total capital	0.0	7.0	21.5	17.4	14.2
Debt to equity	0.0	7.6	27.3	21.0	16.6
Net debt/(cash) to equity	(46.1)	0.5	13.9	(6.1)	(26.1)
Current ratio (x)	3.5	2.1	2.8	3.4	3.8

Source: UnUsUaL, UOB Kay Hian

## Appendix I: Risk Factors

**Dependant on relationships for its promotions segment.** The promotions segment is heavily dependent on the relationship between artistes and UnUsUaL's key personnel. There is no guarantee that the relationship will last as any changes in relationship or any key personnel leaving could lead to a loss in revenue.

**Cancellation and postponement of shows and events.** Due to unforeseen circumstances, UnUsUaL may have to incur additional costs if an event is cancelled or postponed. UnUsUaL also incurs upfront costs as it plans and prepares for a concert or event. If the event is cancelled, especially if the cancellation is close to the date of the concert or event, UnUsUaL would lose a substantial amount of sunk costs, failing to generate the anticipated revenue and may be forced to issue refunds for tickets sold.

**Rapidly changing public taste.** UnUsUaL's production and promotions businesses depend in part on its ability to anticipate the taste of consumers and to offer events that appeal to the masses. However, as consumer preferences change, it may not be able to anticipate, identify or react to these changes and secure artistes which are current and popular. This in turn could impact the revenue and profitability of the company.

**Accidents or mishaps.** Accidents or mishaps may occur at the events or concerts, which may severely disrupt the events or concerts, exposing the company to personal injury litigation as well as damaging its reputation. This would affect UnUsUaL's operations and financial performance.

**Non-performance and quality of subcontracted works.** UnUsUaL sub-contracts some parts of projects and services to third-party contractors. If the subcontractor is unable to perform the works or provide the required services in a satisfactory manner, UnUsUaL will be liable to its customers. Should UnUsUaL be unable to procure other contractors to complete the works or to carry out the works itself at the same cost, this would affect its business and profitability.

### Appendix II: Key Management

#### SELECTED DIRECTORS AND MANAGEMENT

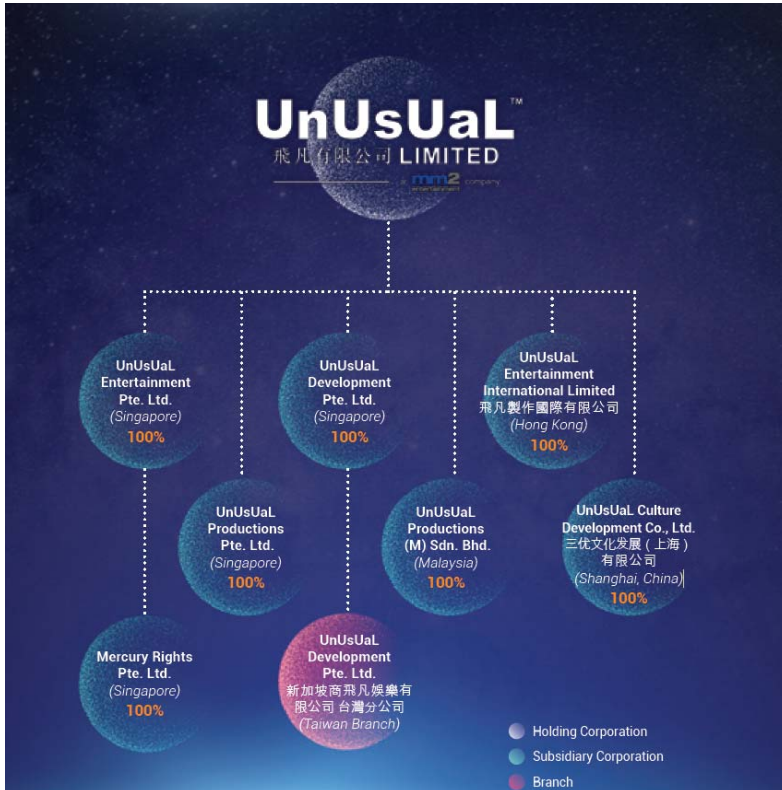
Name	Position	Experience
 Mr Ang Wee Chye	Non-Executive Chairman and Non-Independent Director	<p>Ang Wee Chye (Melvin Ang) is Non-Executive Chairman and Non-Independent Director. He is also the Founder, Executive Chairman and Executive Director of mm2 Asia Ltd., responsible for supervising the overall business operations and management of the mm2 group of companies, as well as business planning and providing executive leadership and supervision to the group's senior management team.</p> <p>In Aug 97, he was Vice President, Business Development, for Television Corporation of Singapore. He was Chief Operating Officer of Media Business Group of SPH MediaWorks Ltd, from Nov 2000 to Apr 03.</p> <p>Between Jul 03 and Mar 07, Mr Melvin Ang was Managing Director of MediaCorp Studios and Media Prima Bhd's Executive Advisor between Jul 07 and Dec 08. He set up mm2 Malaysia and mm2 Singapore in Jan 09,</p>
 Mr Ong Chin Soon	Executive Director and Chief Executive Officer	<p>Ong Chin Soon (Leslie Ong) is Executive Director and Chief Executive Officer. He is responsible for the overall management operations, strategic planning and business development. Leslie has been with the group since its inception in 1997 and has nearly 20 years of experience in the production and promotion business. He obtained his diploma in Electronic Engineering in 1988 from Ngee Ann Polytechnic.</p>
 Mr Ong Chin Leong	Executive Director and Chief Operating Officer	<p>Ong Chin Leong (Johnny Ong) is Executive Director and Chief Operating Officer. He is responsible for the day-to-day operations, including overall business development and operations. Mr Johnny Ong has been with the group since its inception in 1997 and has nearly 20 years of experience in the production and promotions businesses. Johnny Ong completed his secondary education in 1984.</p>
 Mr Tan Wee Peng Kelvin	Lead Independent Director	<p>Tan Wee Peng Kelvin is Lead Independent Director and Chairman of the Audit Committee. He has over 30 years of professional and management experience in the private and public sectors in Singapore. From 1996 to 2003, Mr. Kelvin Tan was with Temasek Holdings Pte Ltd, where his last held position was Managing Director of 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.</p> <p>He later assumed the position of the President of AETOS Security Management Pte Ltd from 2004 to 2008. From 2008 to 2014, Mr. Kelvin Tan was Managing Director of GBE Holdings Pte Ltd. Mr Kelvin Tan also advises private companies and private equity funds in corporate governance, finance and investments, business strategy and corporate development, and leadership development. He is also an Adjunct Associate Professor with the NUS Business School.</p>
 Mr Tan Yew Che William	Independent Director	<p>Tan Yew Che William is Independent Director and Chairman of the Remuneration Committee. He has more than 20 years of experience in the accounting and finance industries. He started his career as an audit assistant at a local audit firm in 1990. From 1992 to 2001, he was Managing Director for a local small and medium enterprise before joining Nixvue Systems Pte Ltd as Financial Controller from 2001 to 2005</p> <p>From 2005 to 2007, Mr William Tan was Group Financial Controller of Unidux Electronics Ltd where he was responsible for the overall finance and accounting, human resource, business development and planning functions. In Jul 07, he joined SNF Corporation Ltd as Group Chief Financial Officer. In 2008, Mr William Tan was engaged as a financial consultant by Sinocome Solar Group, a solar energy solutions provider in Beijing.</p> <p>From 2012 to 2015, Mr William Tan was a non-executive independent director of China Sky Chemical Fibre Co Ltd, a company listed on the Mainboard of the SGX-ST. He has been the Chief Financial Officer of Sinostar PEC Holdings Ltd, a company listed on the Mainboard of the SGX-ST, since 2008.</p>
 Mr Tang Tung Kin	Independent Director	<p>Tang Tung Kin (Michael Tang) is Independent Director and Chairman of the Nominating Committee. He has 23 years of experience in the media industry, across areas such as broadcast engineering, channel programming, pay TV, satellite services business and subtitling and dubbing services. He started his career as a broadcast engineer with the Television Corporation of Singapore in 1992.</p> <p>He was a programming manager (Channel 5) from 1996 to 1998 and a programming manager at Channel NewsAsia from 1998 to 2000, before joining Williams Vyxx Services as a Regional Director in 2000. He was Director of Affiliate Sales, South East Asia, at Turner Broadcasting System Asia Pacific, Inc. from 2001 to 2004. Mr Michael Tang joined SDI Media Hong Kong Ltd as its Managing Director, Asia, in 2004 where he was responsible for the management, business development and operations of the SDI Media Group across Asia. Mr Michael Tang is also a director of SDI Media Hong Kong Ltd, SDI Media Japan KK, SDI Media (Thailand) Ltd, SDI Media (Malaysia) Sdn Bhd and Causeway Challenge Sdn Bhd.</p>

Source: UnUsUaL



## Appendix III: Group Structure

### UNUSUAL'S GROUP STRUCTURE



Source: UnUsUaL

### SUBSTANTIAL SHAREHOLDERS AS AT 20 JUN 19

No.	Name	No of Shares Held	%	Deemed Interest	%
1	UnUsUaL Management Pte Ltd	791,203,041	76.88	-	-
2	mm2 Asia Ltd (*)	-	-	791,203,041	76.88
3	Melvin Ang (**)	-	-	791,203,041	76.88
4	Leslie Ong (***)	21,408,164	2.08	791,203,041	76.90
5	Johnny Ong (****)	0	0	791,203,041	76.94

\* mm2 Asia Ltd. ("mm2") is deemed to be interested in the shares held by UnUsUaL Management Pte. Ltd. ("UnUsUaL Management") by virtue of Section 7 of the Companies Act, Chapter 50 as it holds 51% of the shareholdings in UnUsUaL Management.

\*\* Mr. Melvin Ang is deemed to be interested in the shares held by mm2 by virtue of Section 7 of the Companies Act, Chapter 50, as he holds 38.11% of the shareholdings in mm2.

\*\*\* Mr. Leslie Ong and Mr. Johnny Ong are deemed to be interested in the 791,203,041 shares held by UnUsUaL Management by virtue of Section 7 of the Companies Act, Chapter 50, as they hold 24.5% of the shareholdings in UnUsUaL Management, and 240,000 shares held by their respective spouses.

\*\*\*\* Mr. Johnny Ong is deemed to be interested in 397,700 ordinary shares held under the nominee account with Maybank Kim Eng Securities Pte. Ltd.

Source: UnUsUaL

**Appendix IV: Events Organised**

WESTLIFE "THE TWENTY TOUR"



Source: UnUsUaL

ANDY LAU WORLD TOUR



Source: UnUsUaL

BACKSTREET BOYS CONCERT



Source: UnUsUaL

JJ LIN SANCTUARY WORLD TOUR



Source: UnUsUaL

FOO FIGHTERS CONCRETE AND GOLD TOUR



Source: UnUsUaL

TAEYANG WORLD TOUR



Source: UnUsUaL



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