

**RESPONSES TO QUESTIONS RECEIVED FROM THE SECURITIES INVESTORS ASSOCIATION
(SINGAPORE) AND SHAREHOLDERS ON THE ANNUAL REPORT FOR THE FINANCIAL YEAR
ENDED 31 MARCH 2025**

The Board of Directors (the “**Board**”) of UnUsUaL Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) has received the following questions from the Securities Investors Association (Singapore) (“**SIAS**”) and Shareholders regarding the Annual Report for the financial year ended 31 March 2025 (“**AR FY2025**”).

QUESTIONS FROM SIAS

Question 1

The group's consolidated statement of comprehensive income for the financial year ended 31 March 2025 is shown on page 61 of the annual report.

Cost of sales is higher than the year's revenue, resulting in gross loss of \$(4.0) million. It is also 15% higher year-on-year, when revenue actually decreased by 28.5% in the financial year.

- (i) For greater transparency, could management provide a breakdown of the \$57.2 million in cost of sales incurred in FY2025?

The Company's Response

The components contributing to the \$57.2 million in cost of sales for FY2025 are partly disclosed under Note 5 of the Annual Report. This note provides a breakdown of the significant expense items, including those relating to cost of sales, to enhance transparency and facilitate a clearer understanding of the Group's financial performance.

In addition, in the operating financial review, management attributed lower revenue and the gross loss of \$4.0 million to the fair value loss on financial assets measured at fair value through profit or loss.

- (ii) Can the audit committee, management or the external auditor clarify why fair value changes in financial assets are included in revenue and impact gross margins, rather than reported below-the-line?

The Company's Response

Please refers to the Note 15 of the Financial Statements for the details and nature of financial assets, at FVPL. The fair value changes in financial assets have been presented within revenue as this reflects the nature of the Group's business activities and aligns with market practices. This presentation is consistent with the prior year and is aligned with the requirements under the Singapore Financial Reporting Standards (International) (“SFRS(I)”).

Under SFRS(I) 9 Financial Instruments, such fair value changes are required to be recognised in profit or loss. However, SFRS(I) does not prescribe the specific line item in which these changes must be presented.

According to SFRS(I) 1-1 Presentation of Financial Statements, entities are required to present items of income and expense in a manner that is relevant to the understanding of the entity's financial performance (SFRS(I) 1-1, para 85 and 99). To enhance clarity, the fair value changes are separately disclosed in the breakdown of revenue in the Notes to the financial statements.

Question 2

The group reported a net loss attributable to shareholders of \$(23.3) million in FY2025. Management attributed the loss to a strategic pivot, citing the abandonment or scaling back of high-profile projects, including Walking with Dinosaur and Apollo, as key contributing factors.

- (i) Can the board provide clarity on the rationale behind the strategic pivot? What evaluation framework or review process was used to determine which projects to continue and which to discontinue?

The Company's Response

The strategic pivot was driven by changing market conditions and evolving audience demand, which required the Group to reassess its project pipeline and strategic priorities. As previously disclosed in earlier announcements, this shift reflects a deliberate decision to realign the business in response to these external factors.

Given the Group's finite resources, management continually reviews major projects to assess their commercial viability, risk profile, and potential for long-term value creation. Projects may be scaled back or discontinued following this evaluation, allowing the Group to focus on initiatives that are better positioned to deliver sustainable returns and maximise shareholders' value.

The group recorded impairment charges of \$5.1 million on property, plant and equipment and \$5.5 million on intangible assets during the year.

- (ii) For transparency and better shareholder understanding of the group's revised direction, can management provide a full list of projects that were abandoned or scaled back, along with the corresponding impairment amounts allocated to each?

The Company's Response

As much as the company wishes to share more information with shareholders, we are unable to disclose project-specific impairment allocations due to commercial sensitivity and confidentiality considerations. Such disclosures could potentially compromise the Group's strategic positioning and competitive interests.

While there have been tactical adjustments in project execution, the Group's core objective remains unchanged — to deliver sustainable returns and maximise shareholders' value.

That said, we remain committed to transparency. The impairment charges of \$5.1 million on property, plant and equipment, and \$5.5 million on intangible assets are disclosed in the Notes to the financial statements, along with the relevant accounting policies and key assumptions used in the impairment assessments.

The group recognised \$4.9 million in loss allowances on trade receivables over the past two years. In FY2025, certain receivables that had been past due for 4 to 5 years (in FY2024) were written off.

- (iii) What are the profiles of the debtors with long outstanding debt? What were the group's collection efforts over the years?

The Company's Response

The long-outstanding receivables primarily relate to customers in the same industry. The Group has continuously engaged customers with long outstanding receivables with the aim to recover the outstanding amounts through regular discussions and negotiations. Some customers have responded with proposed repayment plans. In some cases, however, progress has been limited due to the prolonged financial impact on these customers from the COVID-19 pandemic.

- (iv) Can the audit committee elaborate on the robustness of the group's credit risk assessment framework? What triggered the full write-off of long-outstanding receivables in FY2025, and should these have been impaired in prior periods?

The Company's Response

The Group's credit risk assessment framework is outlined in Notes 2.10(b), 3(a), 13, and 28(b) of the Financial Statements, which provide a comprehensive overview of the Group's approach

to identifying, measuring, and managing credit risk. A full provision of loss allowance was made in FY2025 for the long-outstanding receivables after annual credit reviews which take into account customers' financial strength, the Group's past experiences with the customers and other relevant factors. Based on information available in prior periods, partial provisions were made in line with the Group's credit risk framework, and full impairment was only deemed necessary in FY2025 when recoverability was assessed to be remote.

In 2024, the group paid \$1.7 million in directors' incentives. However, remuneration disclosures stated that all directors received less than \$250,000 in both 2024 and 2025.

- (v) Can the board, particularly the remuneration committee, confirm the accuracy of the remuneration disclosures for FY2024 and FY2025?

The Company's Response

The sub-headings in the tables showing the Directors' remuneration were not correct in the Company's Annual Reports for the financial years ended 31 March 2024 (on Page 33) and 31 March 2025 (on Page 33).

A corrigendum announcement was made on 21 July 2025 on the SGX's website at the URL <https://links.sgx.com/1.0.0/corporate-announcements/C8AT8TISZW7Q6KB7/fa9f1c485730efa8dfd039a22c4967ebe4490f2b3489c74aa8e61728b86cb999>

We apologise for any confusion that may arise and are grateful for the opportunity to put the presentation right. Moving forward, we will take steps to strengthen the review and validation process to prevent such occurrences in the future.

- (vi) What role did the sponsor and the remuneration committee (RC) play in ensuring accurate disclosure of executive compensation in the annual report?

The Company's Response

The RC is responsible for establishing a formal and transparent policy for determining the remuneration of executive directors and key management personnel. The Sponsor and Board play a role in demanding and scrutinising these disclosures, ensuring that the company acts in the best interests of its shareholders and stakeholders. Going forward, with the actual remuneration amounts to be disclosed in full, such oversight will be minimised.

- (vii) For transparency and accountability, will the company disclose the actual remuneration received by each executive director in FY2024 and FY2025, including a breakdown of the \$1.7 million in incentives?

The Company's Response

The actual remuneration of each Executive Director for FY2025 has been disclosed in accordance with the current disclosure requirements. For FY2024, the Company has complied with the disclosure standards applicable at that time.

- (viii) Do the remuneration agreements for executive directors include high-water mark clauses to ensure alignment with shareholder value creation? Does the board recognise that awarding \$1.7 million in director incentives in the year before a major loss (due to impairments) may create serious concerns about governance credibility and the integrity of performance-based pay? How does the remuneration committee reconcile this with its duty to minority shareholders? What controls are in place to prevent remuneration from being misaligned with longer-term business outcomes and shareholder value?

The Company's Response

The Board recognises the importance of ensuring that executive remuneration is aligned with the Group's performance and long-term shareholder value creation, while also serving to motivate and retain key directors. We also acknowledge shareholders' concerns and appreciate the need for transparency and accountability in this area.

The incentives awarded in FY2024 were determined based on performance metrics and contractual entitlements applicable at the time, taking into account the business environment and

contributions made by the executive directors. These were based on actual financial and operational outcomes, rather than projections or forward-looking estimates. The subsequent loss in FY2025 arose from unexpected changes in the industry and broader operating conditions, which could not have been reasonably foreseen at the time. Nevertheless, the Board acknowledges that this may raise questions about perceived alignment between short-term incentives and long-term outcomes.

While the Group's remuneration framework does not currently include a "high-water mark" clause, such provisions are typically used in fund or investment management sectors and are not commonly applied in businesses such as ours. Nonetheless, the RC continues to review annually and will refine the remuneration structure to strengthen alignment with long-term performance. This includes incorporating appropriate safeguards, performance conditions, and accountability mechanisms to protect the interests of all shareholders, including minorities.

The Group always adhere to the company policies and will continue to enhancing its governance practices.

Question 3

The company's controlling shareholder, mm2 Asia Ltd., holds approximately 76.88% of the company's issued shares. Recent announcements show that mm2 has received a statutory demand for more than \$7.55 million in outstanding principal owed. mm2's associate, Cathay Cineplexes Pte. Ltd., has also received letters of demand from several landlords for rental arrears. Separately, mm2 has announced its intention to divest a 21% stake in Vividthree Holdings Ltd., another of its associates.

- (i) Is it business as usual at the company and its operating subsidiaries? Have the financial issues at mm2 affected the execution and pace of the group's strategic growth initiatives? What safeguards are in place to ensure financial independence from its controlling shareholder?

The Company's Response

mm2 Asia Ltd.'s effective holding of the company's issued shares is only 39.2%. The issues presently faced by mm2 Asia Ltd. is peculiar to itself and has nothing to do with the company. The company adheres to the relevant Catalist Rules strictly, under Rule 907, Interested Party Transactions are disclosed accordingly in the Annual Report. Furthermore, the management of the company is separate and independent from mm2 Asia Ltd..

- (ii) Was the group's recent pivot away from certain content genres (e.g. family-themed projects) a commercially-driven decision, or was it influenced by mm2's shifting priorities or financial constraints?

The Company's Response

It was a commercially-driven or market-focused decision and has nothing to do with mm2 Asia Ltd..

- (iii) Has the board evaluated the possibility of onboarding new strategic investors who are financially sound and aligned with the company's long-term creative and commercial direction? Is the board in active dialogue with mm2 on its strategic intentions for its stake in the company? Could there be a forced divestment of shares, and how would that

The Company's Response

From time to time, the Board/Directors respond to queries from various parties, including possible strategic investors, on collaborations in various forms. In short, the Board is open for discussion on any initiative(s) to bring the company and group to greater heights.

The Board respectfully desist from making any comments on the possibilities and eventual outcome related to mm2 Asia Ltd.'s stake in the company. Suffice to say, the Board would consider any development and if necessary, make announcement via SGXNet to keep shareholders updated.

QUESTIONS FROM SHAREHOLDERS

Question 1

Why didn't the company raise the ticket prices to take into account of increased show/ concert and event hosting fees and expenses?

The Company's Response

Ticket prices are carefully determined by considering multiple factors, including market conditions, audience affordability, and competition within the industry. Our pricing strategy aims to balance these elements to ensure accessibility while maintaining sustainable operations.

Question 2

Why didn't the company continue with promoting and producing Jacky Cheung concert this year after doing it in 2023?

The Company's Response

Decisions on event promotion and production take into account overall cost considerations and strategic priorities. While we successfully organized the concert in 2023, similar opportunities are evaluated on a case-by-case basis to ensure alignment with our financial and operational goals.

Question 3

The upcoming Wakin Chau concert is a collaboration between Unusual and Live Nation. What is the rationale behind this collaboration and will it be the way going forward?

The Company's Response

The collaboration aligns with our broader business strategy to leverage strategic partnerships that enhance event reach and operational efficiency. Our goal is to optimise value for shareholders while delivering quality experiences to audiences. We continue to explore such collaborations as part of our future planning.

By Order of the Board

Leslie Ong Chin Soon
Executive Director and Chief Executive Officer
22 July 2025

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor, Hong Leong Finance Limited. It has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

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