



The Board of OneAll is cognizant of the need for a well-articulated and robust corporate governance framework and believes that good corporate governance is essential to the preservation and enhancement of shareholder value. The Board believes that the success of the business is strengthened by implementing clearly articulated policies to enhance accountability, efficiency and the reliable measurement of performance.

The Board has adopted a *Board Charter* (the **Charter**), which sets out the key corporate governance principles and procedures of OneAll. The Charter and other corporate governance documents are available on the Company's website at [oneallinternational.com](http://oneallinternational.com). These key documents will be kept under review by the Board and amended from time to time.

The Charter and the other governance measures adopted reflect the Board's endorsement of the recommendations contained in the ASX Corporate Governance Council's Principles and Recommendations, 3rd edition, 2014 (**Principles**). Those Principles marked with a  either have not been fully implemented or are to be addressed during the FY2017 reporting year. The commentary addresses the reasons for the departure from the requirements.

#### Principle 1 – Lay solid foundations for management and oversight

1.1	The Board has outlined in its charter, its roles and responsibilities and has established a clear distinction between its functions and those delegated to management.	✓
	Key focus areas for the Board since listing in December 2015 were:	
	<ul style="list-style-type: none"> <li>• Establish regular and open communication channels with the management team;</li> <li>• Overseeing management's performance in strategy implementation and monitoring the financial condition of the Group</li> <li>• Implementing high level risk management and governance measures such as Delegation of Authority</li> <li>• Refining policies and practices to ensure the corporate governance framework meets the need of group operation</li> </ul>	
1.2	Appropriate checks including criminal record checks have been carried out on all Board members prior to their appointment. The Company will provide shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director at future general meetings	✓
1.3	All Directors and senior executives have a written agreement with the Company or a member of the OneAll Group setting out the terms of their appointment.	✓
1.4	The Company Secretary is accountable directly to the Board, through the Chairman on all matters to do with the proper functioning of the Board.	✓
1.5	The Board has adopted a Diversity Policy (a copy of which is on the Company's website). The Diversity Policy requires the Board to set measurable objectives for obtaining gender diversity. The board is currently collating data from the Company to enable meaningful gender and other	

diversity targets to be established.

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| 1.6 | At least once per year the Board will, with the advice and assistance of the Nomination and Remuneration Committee ( <b>NRC</b> ), review and evaluate the performance of the Board, each Board committee and each individual Director against the relevant charters, corporate governance policies, and agreed goals and objectives.   | ✓ |
| 1.7 | Performance reviews for Executive Directors and Senior Management will take place at least annually. The NRC has accountability in its Charter to oversee these reviews and report to the Board on their outcomes. The Company intends to ensure the appropriate disclosures in the remuneration report are made in relation to each reporting period as to the performance evaluations that were undertaken and the process that was followed. | ✓ |

#### Principle 2 – Structure the Board to add value

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| 2.1 | The Board has formed a Nomination and Remuneration Committee. The charter for the Nomination and Remuneration Committee is available on the Company's website. Membership of the Nomination and Remuneration Committee is: Peter Neville Hogan, Fook Weng (Philip) Au and Jiaying (Jimmy) Chen.  | ✓ |
| 2.2 | In establishing the Board of OneAll, regard was had to the skills and expertise required of the Directors relevant to OneAll's business, its listing in Australia and operations in China and its franchising network. Directors with the desired skills and expertise were carefully selected for appointment to the Board.   | ✓ |
| 2.3 | The Board Charter sets out the criteria adopted by the Board for considering if a Director is & independent. The Board is comprised of five members, two of whom are independent. Peter  | ⊙ |
| 2.4 | Neville Hogan (appointed 18 August 2015) and Fook Weng (Phillip) Au (appointed 18 August 2015) are considered independent as none of them has a material shareholding in the Company or is an advisor or supplier to the Company or has any other material contractual relationship with the Company other than their position as a Director. The Company has considered the recommendation of having a majority of the Board as independent Directors. However, the Board considers the Company's immediate requirements as it transitions to an ASX-listed company and is satisfied that the composition of the Board reflects an appropriate range of independence and skill and experience in the period immediately after listing on the ASX. Together, the Directors have a broad range of experience, expertise, skills, qualifications and contacts relevant to the business of the Company. | ⊙ |
| 2.5 | The Board recognises the recommendation that the chairman should be an independent non-executive director. However, the Board believes that Mr. Huatang (Douts) Li (appointed 29 June 2015) is the most appropriate person to act as Chairman and lead the Board given his extensive experience and application of sound judgment to issues falling within the scope of the role of Chairman. Further, Mr. Li has unmatched and extensive knowledge of the Group's   | ⊙ |

operations and important business relationships that the Group as a whole benefits from.

- 2.6 All Non-executive Directors have had an extensive induction into the business of the Company prior to accepting their appointment and have received continuing information on the Company and its operations since being appointed. The induction process has included site visits in China and presentations by management. ✓

Directors are also given access to continuing education in relation to the Company extending to its business, the industry in which it operates, and other information required by them to discharge the responsibilities of their office.

### Principle 3 – Act ethically and responsibly

- 3.1 The Board has adopted a code of conduct applicable to all Directors, senior executives and employees, a copy of which is disclosed on the Company's website. ✓

### Principle 4 – Safeguard integrity in financial reporting

- 4.1 The Board has established an audit and risk committee (ARC). The audit and risk committee is comprised a majority of Non-executive Directors. Its composition being Peter Neville Hogan, Fook Weng (Philip) Au and Jianhui (Roger) Cao. The qualifications of the members of the audit and risk committee are set out in the Board of Directors section of the website. ✓

A copy of the audit and risk committee's charter is on the Company's website.

- 4.2 The board of OneAll in approving its full year financial statements received signed declarations from the MD and CFO in respect of the financial records, internal controls and risk management of the OneAll Group. ✓

- 4.3 OneAll has not yet held an AGM but it is the intention of the Board to ensure that its external auditor attends the AGM and is available to answer questions from security holders relevant to the audit.

### Principle 5 – Make timely and balanced disclosure

- 5.1 The Board has established a written continuous disclosure policy to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability for compliance. Each Board meeting considers whether any continuous disclosure issues arose during the course of the meeting. The continuous disclosure policy is on the Company's website. ✓

#### Principle 6 – Respect the rights of Shareholders

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| 6.1 | OneAll has established an English website which provides information about the OneAll Group, Directors and executives, key governance policies and other information relevant to its investors. The website will be a key communication tool between the Company and the shareholders.                | ✓ |
| 6.2 | OneAll has not yet designed and implemented an investor relations program to facilitate effective two-way communication with investors, however, the Board recognises its importance and will put in place a tailored program in FY2017.  | ⊗ |
| 6.3 | The Board has adopted a shareholder communication policy and will provide shareholders with opportunities to have questions addressed at shareholder meetings, irrespective of whether the shareholder is able to attend. A copy of the shareholder communication policy is on the Company's website. | ✓ |
| 6.4 | All shareholders of OneAll will be able to communicate with the Company and its share registry electronically and in fact this method of communication is encouraged.   | ✓ |

#### Principle 7 – Recognise and manage risk

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| 7.1 | The Board has established a combined audit and risk committee. The audit and risk committee is comprised a majority of Non-executive Directors. Its composition being Peter Neville Hogan, Fook Weng (Philip) Au and Jianhui (Roger) Cao. The qualifications of the members of the audit and risk committee are set out in their biographies under Board of Directors on the company's website.<br><br>A copy of the audit and risk committee's charter is on the Company's website.                    | ✓ |
| 7.2 | The risk management framework for the OneAll Group is still being implemented under supervision of the Board with a view to completing it by December 2016 and a formal review to be undertaken in 2017. The Board has appointed the ARC to assist it with discharging its oversight function in respect of material business risks and to determine if the system of risk management is sound. Outcomes of those reviews will be continuously reported in the corporate governance statement annually. | ⊗ |
| 7.3 | The OneAll Group has established the Internal Audit function headed by the Chief Finance Officer. Internal Audit Manual and FY2017 Audit Plan have been set up. The Internal control reviews are undertaken on a periodic basis and the results are reported to the ARC.<br><br>The external audit function is separated and independent of the above processes. Third party consultants, if necessary, are engaged to perform procedures to review internal controls.                                  | ✓ |
| 7.4 | As mentioned under Principle 7.2, the Board expects a report on the risk management framework in December 2016 and has requested that management address economic, environmental and sustainability risks. The outcome of that review will be reported in future annual reports of the Company.   | ⊗ |

**Principle 8 – Remunerate fairly and responsibly**

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| 8.1 | The Board has formed a combined Nomination and Remuneration Committee. Membership of the Nomination and Remuneration Committee is: Peter Neville Hogan, Fook Weng (Philip) Au and Jiaying (Jimmy) Chen. A copy of the charter for the NRC is provided on the company's website. The qualifications of the members of the nomination and remuneration committee are set out in their biographies under Board of Directors on the company's website.<br>A copy of the charter for the NRC is provided on the Company's website. | ✓ |
| 8.2 | The Board has adopted a remuneration policy for Non-Executive Directors. A remuneration policy for Executive Directors and other Senior Executives will be developed in FY2017.   | ⊙ |
| 8.3 | The Company's Securities Trading Policy prohibits participants of any equity-based remuneration scheme entering into transactions which limits the economic risk of a participant.  | ✓ |