
PROPOSED PLACEMENT OF 37,500,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT A PLACEMENT PRICE OF S\$0.05832 PER SHARE

1. INTRODUCTION

- 1.1 The Board of Directors (“**Board**”) of Vividthree Holdings Ltd. (“**Company**”, and together with its subsidiaries, “**Group**”) wishes to announce that the Company has on 19 November 2021 entered into a placement agreement (the “**Placement Agreement**”) for the issuance and allotment of 37,500,000 new ordinary shares in the capital of the Company (“**Placement Shares**”) with the following persons (each a “**Placee**” and collectively, the “**Placees**”) in the following proportions:

S/N	Name of Placee	Number of Placement Shares	Placement Consideration (S\$)	Number of Placement Shares as a percentage of the existing share capital of the Company⁽¹⁾ (%)	Number of Placement Shares as a percentage of the enlarged share capital of the Company⁽²⁾ (%)
1.	Evolve Capital Management Private Limited	15,000,000	874,800	4.49	4.04
2.	Cheong Weixiong (Zhang Weixiong)	15,000,000	874,800	4.49	4.04
3.	Asdew Acquisitions Pte. Ltd.	2,000,000	116,640	0.60	0.54
4.	Jin Xin Wealth Management Pte. Ltd.	2,000,000	116,640	0.60	0.54
5.	Sim Siew Tin Carol	2,000,000	116,640	0.60	0.54
6.	Mak Shi Min Jasmin	1,000,000	58,320	0.30	0.27
7.	Lau Hong Eng	500,000	29,160	0.15	0.13
	Total	37,500,000	2,187,000	11.23	10.09

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Notes:

- (1) Calculated based on the number of Placement Shares over the existing capital of 334,011,764 Shares (adjusted for rounding).
 - (2) Calculated based on the number of Placement Shares over the enlarged issued and paid-up share capital of the Company of 371,511,764 Shares after the Proposed Placement (adjusted for rounding).
 - (3) The percentage calculated above may not add up due to rounding off.
- 1.2 Pursuant to the Placement Agreement, the Placees have agreed to subscribe for the Placement Shares at a placement price of S\$0.05832 per Placement Share ("**Placement Price**"), amounting to an aggregate consideration of S\$2,187,000 ("**Placement Consideration**") on the terms and conditions of the Placement Agreement ("**Proposed Placement**").
- 1.3 The Placement Shares represent approximately 11.23% of the existing capital of 334,011,764 ordinary shares ("**Shares**") as at the date of this announcement (excluding treasury shares). Immediately after completion of the Proposed Placement ("**Completion**") and assuming that no further Shares are issued prior thereto, the Proposed Placement will increase the issued and paid-up share capital of the Company to 371,511,764 Shares and the Placement Shares will represent approximately 10.09% of the enlarged issued and paid-up share capital of the Company (excluding treasury shares).

2. GENERAL MANDATE

The Placement Shares will be allotted and issued under the general share issue mandate (the "**Share Issue Mandate**") granted by the shareholders of the Company (the "**Shareholders**") to the Directors at the annual general meeting of the Company held on 29 July 2021.

As at the date of the Share Issue Mandate, the Company had 334,011,764 Shares in issue and did not hold any Shares in treasury. No new Shares (including Shares to be issued in pursuance of Instruments made or granted) have been issued under the Share Issue Mandate prior to the date of the Placement Agreement, and accordingly, the total number of Shares that may be issued pursuant to the Share Issue Mandate is 334,011,764 Shares, of which no more than 167,005,882 Shares may be issued for a non pro rata subscription.

Accordingly, the proposed issuance of an aggregate of 37,500,000 new Shares will be within the limits of the Share Issue Mandate.

3. THE PROPOSED PLACEMENT

3.1 The Placement Shares

The Placement Shares, when issued and fully paid, shall rank pari passu with the existing issued Shares and be free from all encumbrances, and with all rights and benefits attaching thereto except for any dividends, rights, allotments or other distributions, which the Record Date falls on or prior to the date of issuance of the Placement Shares.

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3.2 Placement Price

The Placement Price represents a discount of 10% to the volume weighted average price of S\$0.0648 for each Share, based on the trades done on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 16 November 2021 (being the last full market day on which the Company's Shares were traded prior to the signing of the Placement Agreement).

3.3 Conditions to the Proposed Placement

Completion is conditional upon, *inter alia*:-

- (a) the listing and quotation notice from the SGX-ST for the listing and quotation of the Placement Shares on the Catalist Board of the SGX-ST ("**LQN**") having been received from the SGX-ST, and not having been revoked or amended and where there are conditions attached to the LQN which are required to be fulfilled on or before Completion Date, they are so fulfilled to the satisfaction of the SGX-ST unless waived by the SGX-ST;
- (b) the allotment and issuance of the Placement Shares not resulting in any of the Placees holding directly or indirectly 15.0% or more of the total number of issued Shares (excluding treasury shares) of the Company, unless prior approval of shareholders of the Company in general meeting is obtained;
- (c) the allotment and issuance of the Placement Shares not resulting in any of the Placees and their respective concert parties incurring an obligation to make a mandatory general offer under Rule 14 of the Singapore Code on Take-overs and Mergers;
- (d) there being no breach of the conditions attached to the LQN; and
- (e) there being no breach of any representations, warranties and undertakings required to be performed or caused to be performed by the Company under this Agreement since the date hereof.

There will not be any prospectus or offer information statement issued in connection with the Proposed Placement as the Proposed Placement will be made pursuant to exemptions under Sections 272B of the Securities and Futures Act. As such, no placement agent has been appointed in respect of the Proposed Placement. No commission or referral fees pursuant to the Proposed Placement will be paid to any party.

3.4 Back-Stop Date

If any of the conditions precedent set out above is not satisfied on or before the 30th Market Day after the date of the Placement Agreement, or such other date as may be mutually agreed between the Parties in writing ("**Back-Stop Date**"), the Placement Agreement shall ipso facto cease and determine and in such event neither the Company nor the Placees shall have any claim against the other for costs, damages, compensation or otherwise, save for any claim (i) by a Placee against the other arising from an antecedent breach of the terms herein or (ii) under any clause which is expressly or by implication intended to survive such termination of the Placement Agreement.

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3.5 Completion

The Company's Sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**"), will be submitting an application on behalf of the Company to the SGX-ST for the listing of and quotation for the Placement Shares on Catalist Board of SGX-ST. The Company will make the necessary announcements once the LQN for the listing of and quotation for the Placement Shares is obtained from SGX-ST.

4. INFORMATION RELATING TO THE PLACEES

*Shareholders of the Company ("**Shareholders**") should note that information relating to the Placees in this paragraph and elsewhere in this announcement was provided by the Placees. The Company and the Directors have not independently verified the accuracy and correctness of such information herein.*

4.1 The details on the Placees are as set out in the table below:

Name of Placee	Background of Placee
Evolve Capital Management Private Limited	Monetary Authority of Singapore ("MAS") regulated fund manager with mandate to invest in growth capital opportunities
Cheong Weixiong (Zhang Weixiong)	A private investor
Asdew Acquisitions Pte. Ltd.	An investment holding company majority owned by an Individual, Alan Wang Yu Huei
Jin Xin Wealth Management Pte. Ltd.	An investment holding company incorporated in Singapore
Sim Siew Tin Carol	A private investor
Mak Shi Min Jasmin	A private investor
Lau Hong Eng	A private investor

4.2 As at the date of this announcement, none of the Placees are existing shareholders of the Company.

4.3 There is no introducer for the Proposed Placement. The Placees are private investors who were identified by the Company through business meetings, and have expressed interest to invest in the Company and subscribe for the Placement Shares for their respective investment purposes. No introducer fee or commission is paid or payable by the Company in connection with the Proposed Placement.

4.4 Each of the Placees has represented, warranted and undertaken to the Company that, *inter alia*:

- (a) such Placee is not, as the case may be:
 - (i) a Substantial Shareholder;

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- (ii) a related company (as defined in Section 6 of the Companies Act), associated company or sister company of a Substantial Shareholder;
 - (iii) a corporation in whose shares the Company's directors and Substantial Shareholders have an aggregate interest of at least 10.0%;
 - (iv) does not have any relations by way of family, employment or directorships with any other Placee;
- (b) such Placee has full power and authority to execute and perform its obligations under this Agreement;
 - (c) such Placee has full power and authority to execute and perform its obligations under this Agreement;
 - (d) this Agreement constitutes legal, valid and binding obligations of the Placee, enforceable in accordance with its terms;
 - (e) such Placee has entered into this Agreement as principal and not agent, and not acting under the instructions of, or on behalf of, any other persons or entities, and further that the Placee is not acting in concert (as defined under the Singapore Code on Takeovers and Mergers) with any existing shareholder of the Company to obtain or consolidate effective control of the Company;
 - (f) such Placee is subscribing for the Placement Shares for investment purposes only and has no intention of influencing the management of, or exercising control over, the Company or appointing a nominee director on to the board of the Company; and
 - (g) following Completion and assuming such Placee does not further subscribe for or otherwise acquire additional Shares) such Placee is not a person in respect of whom the issue and receipt of the Placement Shares would trigger the requirement under Rule 14 of the Takeover Code for the Placee and/or any parties acting in concert with the Placee to make a mandatory general offer to acquire all the issued Shares;

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- (h) such Placee has sufficient funds to fulfil its obligations under this Agreement and the monies that it will use to settle the Placement Consideration and purchase the Placement Shares are legitimately owned by it and will not breach or infringe any money-laundering provisions in any way in any jurisdiction and it has not, and is not, in any way, directly or indirectly, involved in any form of money laundering, drug trafficking, tax evasion, financial misconduct or any form of illegal or prohibited activities in any jurisdiction
- 4.5 The Placement Shares will not be placed out to any person who is a director or substantial shareholder of the Company, or any other person falling within the categories set out in Rule 812(1) of the Listing Manual Section B: Rules of Catalist of the SGX-ST ("**Catalist Rules**"), save for exceptions under Rule 812(3) of the Catalist Rules.
- 4.6 There is no moratorium imposed on the Placement Shares.

5. FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT

The financial effects of the Proposed Placement set out below are strictly for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of the Company and the Group after the Proposed Placement. These financial effects do not take into account (i) any other corporate actions announced and undertaken by the Group; and (ii) any issuance of new Shares, on or after the financial year end of the Company as at 31 March 2021. The financial effects also do not take into account any fees and expenses to be incurred in relation to the Proposed Placement.

	Before Completion	After Completion
Paid-up share capital (S\$)	13,277,231	15,959,231
Number of Shares	334,011,764	371,511,764
NTA ¹ per Share (Singapore cents)	5.00	5.08
Loss attributable to owners of the Company	(4,502,429)	(4,502,429)
EPS (Singapore cents)	(1.35)	(1.21)

Notes:

¹ Net Tangible Asset ("NTA") per share = (Net Assets – Goodwill - Intangible Assets but excluding Acquired Rights)/ Number of shares

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6. RATIONALE AND USE OF PROCEEDS

- 6.1 Based on the Placement Price of S\$0.05832 per Placement Share and assuming the Placement Shares will be taken up in full, the Proposed Placement will allow the Company to raise net cash proceeds (after deducting estimated expenses of approximately S\$26,500) of approximately S\$2,160,500 (the “**Net Proceeds**”), which will be utilised as follows:-
- (a) 50% of the Net Proceeds will be used to finance acquisitions;
 - (b) 50% of the Net Proceeds will be utilised for funding new projects.
- 6.2 The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such Net Proceeds are materially disbursed, and whether the use of Net Proceeds is in accordance with the stated use and in accordance with the percentage allocated. The Company will also provide a status report on the utilisation of such Net Proceeds in the Company’s interim and full-year financial statements and annual report(s). Where the Net Proceeds are used for working capital purposes, the Company will provide a breakdown with specific details on how the Net Proceeds have been applied in the relevant announcements and status report. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.
- 6.3 Pending deployment of the Net Proceeds, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money market instruments or debt instruments or used for any other purposes on a short-term basis, as the Directors may, in their absolute discretion, deem fit from time to time.

7. DIRECTORS’ CONFIRMATION

The Directors are of the opinion that, after taking into consideration the present bank facilities, the working capital available to the Group is sufficient to meet its present requirements. The Directors are of the opinion that, after taking into consideration the present bank facilities, and Net Proceeds of the Proposed Placement, the working capital available to the Group is sufficient to meet its present requirements. Notwithstanding the above, the Company has decided to undertake the Proposed Placement to strengthen its financial position in order to meet its anticipated general working capital requirements and business expansion, and for greater flexibility to capitalise on growth opportunities.

8. INTERESTS OF THE DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or, to the best of the Company’s knowledge, the substantial shareholders of the Company, as well as their respective associates, has any interest, direct or indirect, in the Proposed Placement (other than through their respective shareholdings in the Company) except that the Placement Agents may elect to place the Placement Shares to substantial shareholders as permitted under Rule 812(3) of the Catalist Rules.

VIVIDTHREE HOLDINGS LTD.
Registration No. 201811828R
(Incorporated in the Republic of Singapore)

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9. TRADING CAUTION

Shareholders are advised to exercise caution in trading their Shares. Completion of the Proposed Placement is subject to certain conditions. As at the date of this announcement, there is no certainty or assurance that the Proposed Placement will be completed or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

10. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Placement and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

By Order of the Board

Yeo Eng Pu, Charles
Managing Director
19 November 2021

*This Announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. ("**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.*

This Announcement has not been examined or approved by the SGX-ST and the SGX-ST 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.

The contact person for the Sponsor is Mr Lay Shi Wei - Registered Professional, 6 Raffles Quay, #24-02, Singapore 048580, sponsor@rhtgoc.com