



Immediate Release

## ***Vividthree Holdings makes successful trading debut on SGX Catalist***

### **The IPO:**

- ***Successful trading debut on the Catalist board of SGX-ST at 9.00a.m. this morning***
- ***VFX/CGI service provider with experience in content production and digital IP development***
- ***Major shareholder, mm2 Asia***

**Singapore, September 25, 2018** - Vividthree Holdings (OMK:SI), a virtual reality (“VR”), visual effects and computer-generated imagery production studio (“Vividthree”, the “Company” or the “Group”) today made its successful listing on the Catalist Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The placement of **51,800,000** new shares (“Placement Shares”) priced is expected to raise gross proceeds of S\$12.95 million.

The Company provides post-production services of visual effects (“VFX”) and computer-generated imagery (“CGI”) to its customers such as film producers, corporate clients and advertising agencies. As a VFX/CGI service provider, the Company specialises in providing integrated services in relation to concept development, production planning and execution, and ultimately, post-production.

As at the Listing Date, mm2 Asia will continue to hold a majority stake in Vividthree of 138,720,000 shares, while pre-IPO investor, R3 Asian Gems, holds 9,411,764 shares which represent 41.53% and 2.82% respectively, of Vividthree’s total enlarged shares after the IPO.

The Company’s majority shareholder, mm2 Asia, is an SGX Mainboard listed Singapore-based media content provider with extensive business network and partners in Asia, which Vividthree can tap on.

**Charles Yeo (杨英富)**, Managing Director of Vividthree said that over the last few years, Vividthree has successfully transformed itself from post-production into a content production house, with this segment now contributing to around 60 per cent of fiscal 2018 revenue. The working relationship with mm2 Asia family has opened doors to new opportunities, such as clinching the rights to create a VR thematic tour for “Train to Busan”, which was also through the cinema network of mm2 Asia.

***“With the rising penetration of Augmented Reality (“AR”) and VR immersive content producers like Vividthree will continue to benefit; having recently gained access to the rights to develop a VR thematic tour show for the highly popular film, Train to Busan.”***

***“In our opinion, the VR tour may be a potential game changer for the Group, transforming its business model into one which is highly scalable.”*** he added.

Mr Yeo noted that over the years, the Company has successfully executed and completed its part of the work related to various movies, TV series, commercial advertising and immersive media works, shown in cinemas, on TV, online, and in installations. Some of their works include ‘Ah Boys to Men 3- Frogmen’, Hong Kong film ‘Vampire Cleanup Department’, and Taiwanese film ‘老师你会不会回来 (Teacher Are You Coming Back)’.

### **Vividthree’s Journey**

Vividthree has built up a wide network of business relationship in Singapore and Malaysia, as well as established a presence in Hong Kong, Taiwan and China.

Starting in fiscal 2018 (FY2018), the Group began to expand its content production business by leveraging on its expertise in developing VFX and CGI.

It has developed and acquired digital Intellectual Property assets (“**IP assets**”), in order to produce VR such as thematic tour shows using VR. In March 2018, the Group entered into a binding term sheet with Contents Panda to develop and produce the *Train to Busan* Thematic Tour Show.

## Financial Overview

Financial Year Ended 31 March (S\$m)	2016	2017	2018
Post-production revenue	3.96	5.29	2.86
Content production revenue	-	-	4.20
<b>Total Revenue</b>	<b>3.96</b>	<b>5.29</b>	<b>7.06</b>
<b>Gross profit</b>	<b>2.83</b>	<b>3.12</b>	<b>4.60</b>

## Use of Proceeds

Vividthree's initial public offering ("IPO" or "Placement") is expected to raise gross proceeds of S\$12.95 million and net proceeds of S\$11.18 million, after deducted listing expenses. The net proceeds will be used by the Group for general working capital purposes, including production of VR content and immersive media, as well as for business expansion through development and/or acquisition of IP assets and joint ventures among other things.

The Company plans to expand its presence both locally and overseas through strategic acquisitions, joint ventures and alliances.

At the same time, it also plans to expand its business through strategic acquisitions of IP assets or rights which are complementary to its business or which will allow further expansion of its market presence. It will also build up its digital IP through the development of VR products.

As at the date of this press release, the resultant issued and paid-up share capital of the Company will be S\$15,181,815 comprising 334,011,764 shares, following the allotment and issue of the Placement Shares.

**Melvin Ang (洪伟才), Group Chairman of mm2 Asia Group, said: "We are pleased to be part of Vividthree's IPO journey. The company's ability to create content and valuable IP gives it an edge over competitors in today's digital technology era. The proceeds from the listing will help Vividthree develop more cutting-edge content and state-of-the-art tour show sets with elements of VR and interactive gaming. With the demand for immersive media and VR content soaring, I'm sure the company is poised for sustained growth."**

The net asset value (NAV) of the Company based on the pre-IPO share capital is 3.82 Singapore cents. After adjusting for the estimated net proceeds from the placement shares and based on the Company's post-placement share capital, the NAV is expected to be 6.58 Singapore cents.

***“With access to the capital markets, we look forward to creating VR content with our highly-driven team for further growth. Last but not least, we would like to thank our shareholders, supporters and staff for their continuous support as we charge forward to become one of the regional market leaders in this fast-developing industry.” Vividthree’s Mr Yeo adds.***

**## END ##**

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This press release has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, Hong Leong Finance Limited (the “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 press release.

This document has not been examined or approved by the SGX-ST. The sponsor and the SGX-ST assume no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release.

The contact person for the Sponsor is Mr Tang Yeng Yuen, Vice President, Head of Corporate Finance who can be contacted at 16 Raffles Quay, #01-05 Hong Leong Building, Singapore 048581, Telephone: 6415 9886

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## **Disclaimer**

The information in this news release is substantially based on information found in the offer document dated 17 September 2018 (“**Offer Document**”) that has been lodged with and registered by the SGX-ST acting as agent on behalf of the Monetary Authority of Singapore.

This news release does not purport to be complete and is qualified in its entirety by, and should be read in conjunction with, the full text of the Offer Document, including but not limited to the “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements” sections of the Offer Document.

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This news release may contain forward-looking statements that involve assumptions, risks and uncertainties, provided with respect to the anticipated financial position, business strategies, future plans and prospects of the Company and its subsidiaries (the “**Group**”). These forward-looking statements are only predictions, and there can be no assurance that such forward-looking statements will be realized. Actual future performance, outcomes, results and achievements may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of the Group. Prospective investors are cautioned not to place undue reliance on these forward-looking statements. No representations or warranties are made as to the accuracy or reasonableness of these forward-looking statements.

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