VIVIDTHREE HOLDINGS LTD.

CREATING THE NEXT LEVEL EXPERIENCE

2024 | ANNUAL REPORT

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This Annual Report has been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this Annual Report.

The contact person of the sponsor is Mr Khong Choun Mun at 36 Robinson Road, #10-06 City House, Singapore 068877, Email: sponsor@rhtgoc.com

CREATING NEW MEDIA ACROSS CHANNELS

CREATING A MULTITUDINAL **ENTERTAINMENT EXPERIENCE**

CORPORATE PROFILE

DIGITAL CONTENT

MICE DIGITAL & LIVE EXPERIENCE

Vividthree Holdings Ltd. ("Vividthree" or together with its subsidiaries, the "Group"), was founded in 2006 as a creative studio that produces content across different mediums and platforms with the principle of entertainment, learning and training. With a culmination of over 15 years of work, together with a regional network and a team of digital specialists, we created contents with storytelling, and leveraged on innovative technologies, including the genres of virtual reality (VR), augmented reality (AR), and mixed reality (MR), to develop bespoke multimedia experiences. Vividthree provides services for brands and trades that require quality content production for a worldwide audience.

CONSUMER ENTERTAINMENT

FY2024

REVENUE
7.09 ($'million)

TOTAL ASSETS
20.92 ($'million)

NET LOSS
(1.56) ($'million)

NET ASSETS
12.28 ($'million)

FINANCIAL **HIGHLIGHTS**

REVENUE ($'million)

FY2022	2.86
FY2023	2.91
FY2024	7.09

GROSS PROFIT/(LOSS) ($'million)

FY2022	(1.87)
FY2023	(0.12)
FY2024	2.67

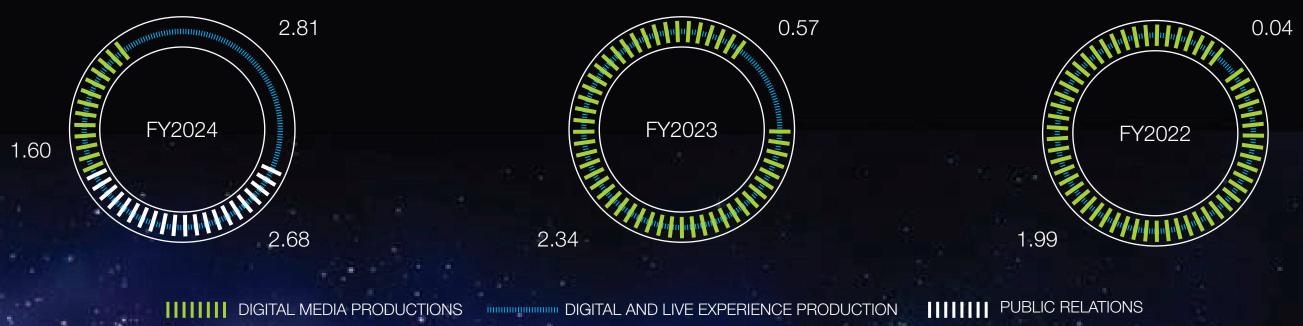
NET PROFIT/(LOSS) ($'million)

FY2022[(1)]	(5.67)
FY2023[(1)]	(3.54)
FY2024	(1.56)

NET ASSETS ($'million)

FY2022[(1)]	16.67
FY2023[(1)]	13.37
FY2024	12.28

REVENUE BREAKDOWN BY BUSINESS SEGMENTS ($'million)



(1) The amounts have been restated. The details of the restatement are disclosed in Note 39 to the financial statements.

OUR **BUSINESS**

BY BLENDING CREATIVITY AND TECHNOLOGICAL EXPERTISE, VIVIDTHREE HAS ESTABLISHED A STRONG REPUTATION FOR PROVIDING HIGH-QUALITY IMMERSIVE CONTENT ACROSS VARIOUS PLATFORMS

MOTION

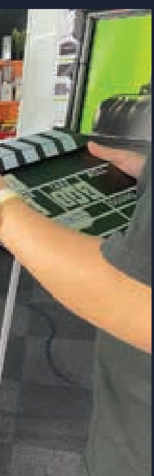
VFX

LIVE ACTION

ANAMORPHIC DISPLAY

POST-PRODUCTION

IMMERSIVE AR



OUR BUSINESS

DIGITAL & LIVE EXPERIENCE

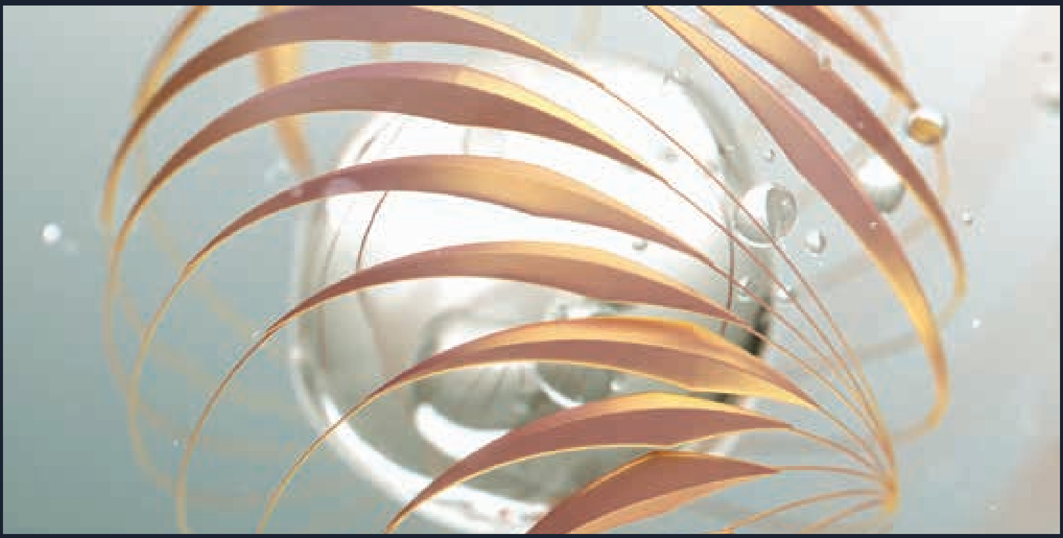
Vividthree specialises in content creation and event management for MICE (Meeting, Incentives, Conferences, and Events) at any scale, from launch events to conferences and national campaigns. Our virtual capabilities, with accessibility to a wide network of IP, enable us to create immersive interactions and unforgettable experiences.

DIGITAL MEDIA

Equipped with advanced post-production facilities and a professional team of specialists, Vividthree provides a variety of Digital Media services, including anamorphic displays, video production services, visual effects, and state-of-the-art motion design.

CONSUMER ENTERTAINMENT

ComicVid is an online Over-The-Top ("OTT") platform that features animated comics created by the best talents from the region under the representation of Vividthree. The platform provides good quality entertainment for consumers, and a nurturing platform for young comic artists. Vividthree's network offers an opportunistic possibility for some of the work to be produced as an entertainment series or a live thematic experience.



FINANCIAL REVIEW

REVIEW OF FINANCIAL PERFORMANCE OF THE GROUP

REVENUE

Group's revenue grew by approximately $4.18 million or 143.6%, compared to the previous financial year, up from $2.91 million in FY2023 to $7.09 million in FY2024. The growth was mainly driven by the improved performance in our Digital Media & Live Experience Production segment. The Group has also acquired a subsidiary, Elliot Communications Pte. Ltd. and its subsidiaries (the "Elliot Group" or "Public Relations segment"), in FY2024, which the new segment contributed $2.68 million to the revenue in the current financial year.

For the Digital Media & Live Experience Production segment:

(i) Revenue in the Digital & Live Experience Production business increased by approximately $2.24 million or 393%, from $0.57 million in FY2023 to $2.81 million in FY2024. The growth was primarily driven by higher demands for new immersive location-based entertainment, as all outdoor and event entertainment activities in FY2024.

(ii) Revenue in the Digital Media Production business decreased by approximately $0.74 million or 31.6%, from $2.34 million to $1.60 million in FY2024, mainly due to fewer projects completed during the financial year.

COST OF SALES

Cost of sales increased by approximately $1.40 million or 46.2%, from $3.03 million in FY2023 to $4.43 million in FY2024. The increase was due to the increase in revenue from respective business segments and the consolidation of Elliot Group in FY2024.

GROSS PROFIT/(LOSS)

As a result of the above, the Group returned from a gross loss of $0.12 million in FY2023 to a gross profit of $2.67 million in FY2024. The higher gross profit was primarily due to better performance results from the Digital & Live Experience Production business.

OTHER INCOME

Other income increased by $0.04 million or 33.3%, from $0.12 million to $0.16 million in FY2024, primarily due to higher government grant income.

OTHER LOSSES – NET

Other losses decreased by $0.48 million or 63.2%, from $0.76 million in FY2023 to $0.28 million in FY2024. The decrease in other losses – net was primarily due to:

(i) Lower loss on unrealised foreign exchange by $0.44 million was arising from the revaluation of intercompany balances in foreign subsidiaries in Malaysia and China;

(ii) Plant and equipment written off of $0.31 million; and

(iii) Absence of prior year's loss on fair value changes in investments in films and entertainment events, FVPL which was amounted $0.19 million

ADMINISTRATIVE EXPENSES

Administrative expenses increased by approximately $1.33 million or 51.2%, from $2.60 million in FY2023 to $3.93 million in FY2024. The increase was primarily due to the higher professional fees arising from the corporate exercises and the consolidation of a newly acquired subsidiary in FY2024.

FINANCE EXPENSES

Finance expenses were comprised of interests from bank borrowings and operating lease liabilities. In the Digital Media & Live Experience segment, its finance expenses was reduced by approximately $0.02 million or 11.8%, from $0.17 million to $0.15 million in FY2024. The reduction in interest was primarily due to the full repayment for one of the loan facilities in the third quarter of FY2024. The remaining finance expenses of $0.02 million attributed to the Public Relations segment. Overall, the finance expenses in FY2024 remained consistent compared to FY2023.

LOSS BEFORE INCOME TAX

For the reasons set out above, the loss before income tax for Digital Media & Live Experience Production segment reduced by $1.67 million or 47.2%, from $3.54 million to $1.87 million in FY2024, and while the Group's Public Relations segment reported a profit before tax of $0.32 million. Overall, the Group loss before tax has reduced by approximately $1.98 million or 55.9%, from $3.54 million in FY2023 to $1.56 million in FY2024.

EARNINGS BEFORE INTEREST, TAX, DEPRECIATION, AMORTISATION, FAIR VALUE CHANGE AND UNREALISED FOREIGN EXCHANGE LOSSES/GAINS ("EBITDA")

For the Group's EBITDA, the losses reduced by $0.86 million or 50.9%, from $1.69 million in FY2023 to 0.83 million in FY2024. The improvement in EBITDA was mainly due to better performance results in Digital & live experience production.

REVIEW OF FINANCIAL POSITION OF THE GROUP

CURRENT ASSETS

Current assets increased by approximately $0.73 million or 9.6% from $7.61 million as at 31 March 2023 to $8.34 million as at 31 March 2024, mainly due to:

(i) Net increase in cash at banks of approximately $0.87 million, from $0.56 million to $1.43 million as at 31 March 2024. The increase was mainly contributed by cash inflows from operating activities and investing activities of $2.30 million and $0.57 million respectively, and offset with cash utilised in financing activities of $1.99 million, which was mainly for the repayment of interests and borrowings; and

FINANCIAL REVIEW

(ii) Net increase in total trade and other receivables of approximately $0.42 million, or 32.3%, from $1.30 million as at 31 March 2023 to $1.72 million as at 31 March 2024. The trade receivables of the Group have reduced by approximately $0.37 million, from $1.04 million to $0.67 million as at 31 March 2024, resulting from an improvement in trade receivable aging turnover days. On the other hand, the Group's other receivables increased by approximately $0.78 million in FY2024, mainly from the Public Relations segment.

partially offset by:

(iii) Net decrease in other current assets of approximately $0.41 million. The decrease was mainly due to higher project costs being charged out to profit or loss upon completion, and partially offset by the costs incurred for ongoing projects. These costs comprised of direct staff costs and subcontractors incurred for ongoing projects, and recognised as cost of sales upon completion.

NON-CURRENT ASSETS

Non-current assets decreased by approximately $0.19 million or 1.5%, from $12.77 million as at 31 March 2023 to $12.58 million as at 31 March 2024, mainly due to:

(i) Net decrease in plant and equipment of $0.06 million due to depreciation charges;
(ii) Net decreases in intangible assets of $0.02 million and in acquired rights of $0.14 million, due to amortisation charges;
(iii) Net decrease in films and entertainment events of $0.53 million due to recognition of fair value loss of these investments;
(iv) Net increase in right-of-use assets of approximately $0.12 million due to additions to right-of-use assets; and
(v) Increase in goodwill due to recognition of goodwill provisional of $0.55 million, arising from the acquisitions of a subsidiary, Elliot Communication Pte. Ltd. in FY2024.

CURRENT LIABILITIES

Current liabilities increased by approximately $2.59 million or 49.4%, from $5.24 million as at 31 March 2023 to $7.83 million as at 31 March 2024, mainly due to:

(i) Net increase in trade and other payables of approximately $2.65 million due to accruals of project costs and administrative expenses, and deposit received;
(ii) Net increase in lease liabilities of approximately $0.09 million from the Public Relations segment; and
(iii) Net decrease in borrowings of $0.12 million mainly due to repayment of bank borrowings and partially offsets by the borrowings from the newly acquired subsidiary.

NON-CURRENT LIABILITIES

Non-current liabilities decreased by approximately $0.96 million or 54.2%, from $1.77 million as at 31 March 2023 to $0.81 million as at 31 March 2024. The decrease was due to a net decrease in long-term bank borrowing of $0.97 million, resulting from the repayment of bank borrowings, and a net increase in lease liabilities of $0.03 million was mainly from the newly acquired subsidiary.

REVIEW OF CASH POSITION OF THE GROUP

As at 31 March 2023, the Group's cash and cash equivalents amounted to $1.43 million compared to $0.56 million in the previous financial year. The increase in the cash at banks was mainly arising from the following:

OPERATING ACTIVITIES

The net cash utilised in operating activities before changes in working capital amounted to approximately $0.78 million in FY2024 (FY2023: $1.74 million). The Group applied the following changes in working capital in FY2024 to the operating activities:

(i) Net decrease in trade and other receivables by $0.60 million;
(ii) Net decrease in other current assets by $0.40 million due to recognition as cost of sales upon project completion;
(iii) Net decrease in deposits and prepayments by $0.19 million due to recognition of expenses from prepayment;
(iv) Net increase in trade and other payables by $2.34 million; and
(v) Net decrease in contract liabilities by $0.39 million due to recognition as revenue upon project completion; and
(vi) Payment of income tax of $0.06 million.

After applying the above working capital, the Group generated a net cash inflow from operating activities of $2.30 million (2023: $1.39 million) in FY2024.

INVESTING ACTIVITIES

Net cash provided by investing activities amounted to approximately $0.57 million in FY2024 compared to net cash inflows of $0.16 million in FY2023. The net cash inflow provided by investing activities in FY2024 was mainly arising from:

(i) Net of cash acquired from the acquisition of a subsidiary of approximately $0.08 million;
(ii) Proceeds disposal of an investment in film of approximately $0.51 million; and

partially offset with the cash utilised for the purchase of new plant and equipment amounted $0.02 million.

FINANCING ACTIVITIES

Net cash utilised in financing activities amounted to approximately $1.99 million in FY2024 compared to net cash outflows of $1.86 million in FY2023. This was mainly due to:

(i) payment of interest on bank borrowings of $0.17 million;
(ii) repayment of bank borrowings of $1.64 million; and
(iii) repayment of operating lease liabilities of $0.18 million.

GROUP STRUCTURE

AS AT 18 JUNE 2024

VIVIDTHREE HOLDINGS LTD.

- **100%** — **VIVIDTHREE CO., LTD.** (SHANGHAI)
- **100%** — **VIVIDTHREE PRODUCTIONS PTE. LTD.** (SINGAPORE)
  - **100%** — **VIVIDTHREE PRODUCTIONS SDN. BHD.** (MALAYSIA)
- **30%** — **ELLIOT COMMUNICATIONS PTE. LTD.**[1] (SINGAPORE)
  - **100%** — **PROSPR COMMUNICATIONS PTE. LTD.**[1] (SINGAPORE)
  - **100%** — **PROSPR CONSULTING SDN. BHD.**[1] (MALAYSIA)
  - **100%** — **PROSPR CONSULTING PTE. LTD.**[1] (SINGAPORE)
  - **100%**[2] — **PT PROSPR CONSULTING INDONESIA**[1] (INDONESIA)
  - **100%** — **ALPHA STORY TECHNOLOGIES PTE. LTD.**[1] (SINGAPORE)
- **100%** — **BEYOND DIGITAL GALAXY PTE. LTD.** (SINGAPORE)
- **55%** — **V&N ENTERTAINMENT PTE. LTD.** (SINGAPORE)

(1) *Subsidiaries acquired in FY2024*
(2) *Elliot Communications Pte. Ltd. indirectly holds 100% in PT Prospr Consulting Indonesia by virtue of Elliot Communications Pte Ltd's shareholding of 20% and its subsidiary's (Prospr Consulting Pte. Ltd.) shareholding of 80% in PT Prospr Consulting Indonesia*

CHAIRMAN AND CEO'S STATEMENTS

DR HO CHOON HOU

INDEPENDENT DIRECTOR AND CHAIRMAN

CHARLES YEO

EXECUTIVE DIRECTOR AND CEO

CHAIRMAN'S STATEMENT

DEAR SHAREHOLDERS,

On behalf of the Board of Directors, I am delighted to present Vividthree Holdings Ltd.'s FY2024 annual report. This year has been transformative. We have actively pursued our Group strategy, expanding into MICE (Meetings, Incentives, Conferences, and Exhibitions) solutions and the digital family entertainment by leveraging our core strength: digital content creation.

We're making a bold shift, transitioning our group from a production service provider to a creator and owner of unique intellectual property (IP). This allows us to develop our own creative content, fostering a future of innovation and storytelling.

STRATEGIC PARTNERSHIPS

In FY2024, Vividthree signed significant MOUs to explore collaborations in digital family entertainment. These deals involve exploring opportunities in China's booming immersive entertainment market and developing family arcade businesses across Singapore and Southeast Asia. Our partners value our established reputation as trusted creative digital content producers and our strong regional network, making us ideal strategic partners.

BUILDING ON OUR STRENGTHS

We take pride in our strong reputation for embracing the evolving media landscape with creativity and agility, consistently delivering high-quality content that resonates deeply with audiences. These strategic partnerships are crucial to our post-pandemic growth and recovery.

Our core strength includes visual storytelling, utilising our expertise in animation, anamorphic projections, motion graphics, visual effects (VFX), virtual reality & augmented reality (VR & AR), and now incorporating Artificial Intelligence (AI). We've expanded our capabilities to create immersive content solutions for MICE events and offer media production services encompassing VFX, computer-generated imagery, and immersive media works.

LOOKING AHEAD WITH OPTIMISM

I am incredibly optimistic about Vividthree's future. We boast a talented team, a clear vision, and the momentum to continue shaping the media and entertainment landscape for years to come.

Thank you for your continued support.

DR. HO CHOON HOU
CHAIRMAN AND INDEPENDENT DIRECTOR

CEO'S STATEMENT

A YEAR OF TRANSFORMATION: FROM CREATIVE SERVICES TO IP CREATION

- Targeting the growing regional MICE sector, embracing and deploying new technology and advancement in the area of AI, VR and Immersive Experiences

- Exploiting the Group's creative DNA to bring digital content and experiences to the family entertainment sector

This year has been a watershed moment for Vividthree. FY2024 marks a significant shift in our business model, with our Digital & Live Experience Production surpassing our traditional Digital Media Production for the first time. This achievement underscores our successful transition from a service-based content creation company into a leader in the high-growth market of immersive experiences.

While Vividthree has built a strong legacy crafting high-quality content for diverse clients, we recognise the evolving landscape. We see immense potential for growth in the realm of digital entertainment, catering directly to the end-consumer market. This shift aligns perfectly with the post-pandemic travel boom, where consumers crave engaging and interactive experiences. The MICE (Meetings, Incentives, Conferences, and Exhibitions) and digital entertainment sectors offer significant opportunities, and we anticipate continued growth in these areas.

In contrast, the traditional service production business presents a different picture as results from the intense in price competition and the emergence of AI-powered substitutes. While the commercial viability of these substitutes might not be immediate, it signifies a clear trend. We view this as a strong impetus to broaden and establish sustainable revenue streams.

This strategic shift is much more than just portfolio diversification. It's about leveraging our core strength – the power of digital storytelling – to create an entirely new realm of immersive experiences. We envision a future where audiences are captivated not just by the content we create, but by the interactive worlds we build around it. Imagine captivating MICE events where attendees are transported to virtual environments or engage with interactive presentations that come to life. Think of digital entertainment experiences that blur the lines between reality and the virtual, allowing users to become part of the story. This is the exciting future we are actively building towards.

We started Vividthree as a creative studio with the principle of creating content and entertainment through constant innovation and the integration of new technologies. This year we will embark on a fundraising exercise for our new business plans. By harnessing our expertise, we are poised to become a frontrunner in the immersive experience revolution. This strategic move empowers us to deliver exceptional value to our shareholders, partners, and audiences alike.

On behalf of the Group, we would like to thank all our stakeholders for your continuous support, your confidence and your trust. Rest assured that our passion for quality digital media will drive the sustainable returns that you rightfully expect from us.

CHARLES YEO
CHIEF EXECUTIVE OFFICER &
EXECUTIVE DIRECTOR

BOARD OF DIRECTORS

DR HO CHOON HOU

Independent Director and Chairman

Dr Ho was appointed to our Board on 23 August 2018. He is currently the Managing Director at Southern Capital Group Private Limited, a private equity firm, where he is responsible for the management of assets as well as the origination and execution of investments for the company's clients. Prior to joining Southern Capital Group Private Limited, from 2004 to 2007, Dr Ho served as a project office head and subsequently deputy director at National Healthcare Group where he was involved in directing special projects and investments and held general management responsibilities.

From 1996 to 2004, Dr Ho was the Registrar, Department of General Surgery, at Tan Tock Seng Hospital where he was responsible for conducting general surgeries. He obtained his Bachelor of Medicine and Bachelor of Surgery from The University of Sheffield in 1996 and his Master of Medicine (Surgery) from the National University of Singapore in 2003. He went on to obtain his Master of Business Administration (Honours) from The University of Chicago (The Graduate School of Business) in 2006.

MR CHARLES YEO

Executive Director and Chief Executive Officer

Mr Yeo was appointed to our Board on 7 April 2018. He is responsible for overall day-to-day management of our Group, including business development and strategy. He is responsible for planning, directing and setting the strategic direction of the creative services program.

Mr Yeo has accumulated over 14 years of experience in the production and post-production industry, with a special focus on visual effects, since 2003 when he first ventured into the industry with the Group, where he worked together with a production company to produce animated films.

Together with Sky Li and Jay Hong, they grew our Group to more than 40 employees. Mr Yeo graduated from the Nanyang Academy of Fine Arts with an Associate Diploma in Multimedia (Distinction) in 2000, and went on to obtain his Masters of Business Administration from Murdoch University in 2017.

Mr. Yeo was re-designated from Chief Creative Officer to Chief Executive Officer on 1 December 2023.

BOARD OF DIRECTORS

MR ROYSON WONG

Independent Director

Mr Wong was appointed to our Board on 23 August 2018. He is currently serving as the managing director of Global Access Logistics Network Pte. Ltd. since 2012. From 2005 to 2011, Mr Wong was the global director (management systems) and subsequently the chief leadership development officer of Agility Public Warehousing Co KSC (headquartered in Kuwait), where his responsibilities included leadership development, implementation of long-range planning and strategy management systems, business excellence and quality management and overseeing the internal audit function. Prior to that, he was the finance director and subsequently the deputy group managing director of Trans-Link Express Pte Ltd (now known as Agility Logistics Holdings (S) Pte. Ltd.), where he was responsible for overseeing the overall business operations, including the finance and corporate matters as well as human resource and information technology.

Mr Wong obtained his Bachelor of Accountancy from the University of Singapore (now known as the National University of Singapore) in 1979, and his Master of Science (Management of Technology) from the National University of Singapore in 2002. He is a Certified Public Accountant with CPA Australia since 2004, and a Chartered Accountant with the Institute of Singapore Chartered Accountants since 2005.

MR CHANG LONG JONG

Non-Executive Director

Mr Chang was appointed to our Board on 23 August 2018. He is the CEO of mm2 Asia Ltd. since April 2017, where he is responsible for overseeing and managing the mm2 Asia's business operations as well as sourcing new business opportunities for the mm2 Asia group. From 2005 to 2011, Mr Chang was the deputy CEO, TV Cluster of the Mediacorp group where he was overseeing its television and production business. From 2011 to 2017, Mr Chang was the deputy CEO, and also became the chief customer officer of the Mediacorp group in 2015, where he was overseeing its media businesses including the television, radio, newspaper, digital and live events segments. Mr Chang is also Chairman of the Board of Thye Hua Kwan Moral Charities and a Board Director and Chairman of the HR Committee of Thye Hua Kwan Nursing Home Ltd. He graduated from the National University of Singapore in 1985 with a Bachelor of Engineering (Civil).

KEY MANAGEMENT

MR SKY LI

Co-founder and Chief Operating Officer

Mr Li is responsible for overseeing our overall operation, sales and project management responsibilities. He has over 16 years of experience in the production and post-production industry, with a special focus on visual effects since 2003 when he first ventured into the industry with the Group, where he worked together with clients to produce motion animated videos and visual effects films.

Together with Charles Yeo and Jay Hong, they grew our Group to more than 40 employees. Mr Li graduated from the Nanyang Academy of Fine Arts with an Associate Diploma in Multimedia (Distinction) in 2000.

He is a member of the Bukit Batok Secondary School Advisory Committee.

MR JAY HONG

Co-founder and Visual Effects Director

Mr Hong is responsible for overseeing our visual effects/3D animation, motion design and other post production departments. He has also accumulated 14 years of experience in the production and post-production industry, with a special focus on visual effects, since 2003 when he first ventured into the industry with the Group, where he worked together with a production company to produce animated films.

Together with Charles Yeo and Sky Li, they grew our Group to more than 40 employees. Mr Hong graduated from the Nanyang Academy of Fine Arts with an Associate Diploma in Multimedia in 2000.

MR JED MOK

Chief Content Officer

Mr Mok is responsible for creation for immersive content for Digital & Live Experience. He has over 20 years of experience in the media industry, with his most recent experience being concurrently appointed as the head of integrated experience of mm2 Asia and the CEO of Dick Lee Asia Pte. Ltd. in March 2018 before joining our Group in May 2018. Prior to that, from 2013 to March 2018, Mr Mok was the general manager for creative and strategy with Pico Art International Pte. Ltd. where he oversaw the development of business strategies and creative solutions for clients.

MR KOK POOI WAI

Financial Controller

Mr Kok is responsible for overseeing the accounting and finance function of our Group. He has over 15 years of accumulated experience in the Big Four audit firm as well as commercial experiences in various industries. Prior to joining the Group, he was a group senior finance manager of a listed property developer company and a city developer company in Malaysia. He is a member of the ACCA and is a Chartered Accountant of the Malaysia Institute of Accountants.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Ho Choon Hou (Independent Director and Chairman)
Yeo Eng Pu, Charles (Executive Director and Chief Executive Officer)
Wong Kim Soon Royson (Independent Director)
Chang Long Jong (Non-Executive Director)

AUDIT COMMITTEE

Wong Kim Soon Royson (Chairman)
Ho Choon Hou
Chang Long Jong

REMUNERATION COMMITTEE

Ho Choon Hou (Chairman)
Wong Kim Soon Royson
Chang Long Jong

NOMINATING COMMITTEE

Wong Kim Soon Royson (Chairman)
Ho Choon Hou
Yeo Eng Pu, Charles

SECRETARY

Lim Siok Ching Catherine (ACS, ACG)

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

1093 Lower Delta Road #05-10
Singapore 169204
Tel: 65 6270 0818
Fax: 65 6270 0838

SHARE REGISTRAR B.A.C.S.

77 Robinson Road #06-03
Robinson 77
Singapore 068896

INDEPENDENT AUDITOR

CLA Global TS Public Accounting Corporation
80 Robinson Road
#25-00 Singapore 068898
Director-in-charge:
Lim Hui Ki
(Appointment with effect from financial year ended 31 March 2023)

CONTINUING SPONSOR

RHT Capital Pte. Ltd.
36 Robinson Road
#10-06 City House
Singapore 068877

PRINCIPAL BANKER

United Overseas Bank Limited
80 Raffles Place
UOB Plaza
Singapore 048624

COMPANY WEBSITE

www.vividthreeholdings.com

STOCK CODE

OMK

CORPORATE GOVERNANCE REPORT

The Board of Directors (the "**Board**") of Vividthree Holdings Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") are firmly committed to set in place corporate governance practices to provide the structure through which the objectives of protection of shareholders' interests and enhancement of long-term sustainability of the Group's business and performance are met.

This report outlines the Group's main corporate governance structures and practices that were in place throughout and/or during the financial year ended 31 March 2024 ("**FY2024**") or which will be implemented and where appropriate, with specific reference made to the Code of Corporate Governance 2018 (the "**Code**"). The Company has provided explanations for any deviations from the Code, if applicable.

BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

The Board's primary role is to protect and enhance long-term shareholder value. It sets the overall strategy for the Group and supervises management ("**Management**"). To fulfil this role, the Board sets the Group's strategic direction, establishes goals for the Management and monitors the achievement of these goals, thereby taking responsibility for the overall corporate governance of the Group.

The principal functions of the Board, apart from its statutory responsibilities, include:

- providing entrepreneurial leadership and setting the overall strategy and direction of the Group, consider sustainability issues, e.g. environmental and social factors as part of its strategic formulation;

- reviewing and overseeing the management of the Group's business affairs, financial controls, performance and resource allocation;

- approving the Group's strategic plans, key business initiatives, acquisition and disposal of assets, significant investments and funding decisions and major corporate policies;

- overseeing the processes of risk management, financial reporting and compliance and evaluating the adequacy of internal controls and safeguarding the shareholders' interests and the Group's assets;

- approving the release of the Group's half-year and full-year financial results, related party transactions of material nature;

- appointing Directors and key management personnel ("**Key Management Personnel**"), including the review of performance and remuneration packages; and

- assuming the responsibilities for corporate governance.

All Directors are obliged to objectively discharge their duties and responsibilities at all times and make objective decisions in the interests of the Company.

CORPORATE GOVERNANCE REPORT

To assist in the execution of its responsibilities, the Board is supported by three Board Committees, namely, the Audit Committee ("**AC**"), the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**") (collectively the "**Board Committees**"). These Board Committees operate within clearly defined terms of reference and they play an important role in ensuring good corporate governance in the Company and within the Group. The terms of reference of the Board Committees are reviewed on a regular basis to ensure their continued relevance.

The Board holds regular scheduled meetings to review the Group's key activities, business strategies, funding decisions, financial performance and to approve the release of the results of the Group. Ad-hoc meetings are convened when circumstances require. The Board also approves transactions through circular resolutions which are circulated to the Board together with all relevant information to the proposed transaction. Meetings via telephone or video conference are permitted by the Company's Constitution.

Directors are provided with board papers and related materials, background or explanatory information relating to matters to be brought before the Board, prior to each Board and Board Committee meetings to enable the Board to make informed decisions. The Board also has separate and independent access to Management, the Company Secretary and external advisors (if necessary). Directors are entitled to request additional information from Management as and when required.

The number of meetings held and the attendance of each member at the Board's meetings and Board Committees' meetings for FY2024 are as follows:

Name of Directors	Board		AC		NC		RC	
	No. of meetings		No. of meetings		No. of meetings		No. of meetings	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Ho Choon Hou	5	5	4	4	1	1	1	1
Yeo Eng Pu Charles ("**Charles Yeo**")	5	5	NA	NA	1	1	NA	NA
Zhang Weiquan, Jonathan ("**Jonathan Zhang**")(1)	5	4	NA	NA	NA	NA	NA	NA
Wong Kim Soon Royson ("**Royson Wong**")	5	5	4	4	1	1	1	1
Chang Long Jong(2)	5	5	4	4	NA	NA	1	1
Er Song Ngueng ("**Freddy Er**")(3)	5	NA	NA	NA	NA	NA	NA	NA

Notes:
NA – Not applicable
(1) Mr Jonathan Zhang resigned as an Executive Director and Chief Executive Officer on 30 November 2023.
(2) Mr Chang Long Jong was appointed as a Member of the AC on 19 May 2023.
(3) Mr Freddy Er passed away on 5 May 2023.

CORPORATE GOVERNANCE REPORT

The Group has adopted a set of internal guidelines setting forth the financial authorisation and approval limits for investments, acquisitions and disposals. Transactions falling outside the ordinary course of business and where the value of a transaction exceeds these limits have to be approved by the Board.

Matters requiring the Board's decision and approval include the following:

(1) Approval of the Group's major investments/divestments and funding decisions;

(2) Approval of the Group's financial updates, half-year and full-year financial result announcements for release via the SGXNet;

(3) Approval of any agreement which is not in the ordinary course of business;

(4) Approval of any major borrowings or corporate guarantees in relation to borrowings;

(5) Entering into any profit-sharing arrangement;

(6) Incorporation or dissolution of any subsidiary;

(7) Issuance of shares or declaration of dividends;

(8) Approval of the annual report and audited financial statements;

(9) Convening of general meetings;

(10) Approval of corporate strategies;

(11) Approval of material acquisitions and disposal of assets; and

(12) Approval of announcements or press releases concerning the Group for release via the SGXNet.

The Directors are also updated regularly with changes to the SGX-ST Catalist Rules, risk management, corporate governance, insider trading and the key changes in the relevant regulatory requirements and financial reporting standards and the relevant laws and regulations to facilitate effective discharge of their fiduciary duties as Board or members of the Board Committees.

New releases issued by the SGX-ST and Accounting and Corporate Regulatory Authority ("**ACRA**") which are relevant to the Directors are circulated to the Board. The Company Secretary informs the Directors of upcoming conferences and seminars relevant to their roles as Directors of the Company. Annually, the independent auditor update the AC and the Board on the new and revised financial reporting standards that are applicable to the Company or the Group.

CORPORATE GOVERNANCE REPORT

The Directors are encouraged to attend seminars and receive training to improve themselves in the discharge of their Directors' duties and responsibilities. Changes to regulations and accounting standards are monitored closely by the Management. To keep pace with such regulatory changes, the Company provides opportunities for ongoing education and training on Board processes and best practices as well as updates on changes in legislation and financial reporting standards, regulations and guidelines from the SGX-ST Catalist Rules that affect the Company and/or the Directors in discharging their duties.

The Company had arranged for training and provided updates to the Directors and its Management during FY2024, which included the following matters:

(1) Senior Manager Accountability (Global);

(2) Market Conduct (Global);

(3) Conflicts of Interest (Global);

(4) Information Security and Cyber Risk Awareness (Global).

All Directors have completed the mandatory sustainability training course organised by SID and the Institute of Singapore Chartered Accountants (ISCA) as required by the enhanced SGX sustainability reporting rules announced in December 2021.

Newly-appointed Directors would receive appropriate training, if required. The Group provides background information about its history, mission and values to its Directors. In addition, the Management regularly updates and familiarises the Directors on the business activities of the Company during Board meetings. Directors would also be given opportunities to visit the Group's operational facilities and meet with the Management so as to gain a better understanding of the Group's business.

Formal letters of appointment were furnished to every newly-appointed Director upon their appointment explaining, among other matters, their roles, obligations, duties and responsibilities as a member of the Board.

Conflict of interest

Every Director of the Company is required to disclose any conflict or potential conflict of interest, whether direct or indirect, in relation to a transaction or proposed transaction with the Group, including any interested persons transactions with the Group, as soon as practicable after the relevant facts have come to his/her knowledge. When there is an actual or potential conflict of interest, the concerned Directors shall, abstain from voting, and recuse themselves from discussion or decision making, on the conflict related matters.

CORPORATE GOVERNANCE REPORT

Board Composition and Guidance

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Currently, the Board comprises of four Directors, of whom one is an Executive Director, one Non-Executive Director and two Independent Directors, as follows:

Name of Directors	Date of first Appointment	Date of Last Re-election	Board	AC	NC	RC
Ho Choon Hou	23 August 2018	27 July 2020	Independent Director and Chairman	Member	Member	Chairman
Charles Yeo[(1)]	7 April 2018	27 July 2020	Executive Director, Chief Executive Officer	–	Member	–
Jonathan Zhang[(2)]	22 August 2022	28 July 2023	Executive Director, Chief Executive Director	–	–	–
Royson Wong	23 August 2018	29 July 2021	Independent Director	Chairman	Chairman	Member
Chang Long Jong[(3)]	23 August 2018	29 July 2021	Non-Executive Director	Member	–	Member
Freddy Er[(4)]	23 August 2018	29 July 2019	Non-Executive Director	Member	–	-

Notes:

1. Mr Charles Yeo was re-designated from Chief Creative Officer to Chief Executive Officer on 1 December 2023.
2. Mr Jonathan Zhang resigned as an Executive Director and Chief Executive Officer on 30 November 2023.
3. Mr Chang Long Jong was appointed as a member of the Audit Committee on 19 May 2023.
4. Mr Freddy Er passed away on 5 May 2023.

As a majority of the Board is made up of Non-Executive Directors, the Company is in compliance with provision 2.3 of the Code. The Chairman is independent and the Independent Directors make up half of the Board. Hence, the Board and the NC are satisfied that the Board has substantial independent elements to exercise objective judgment on corporate affairs independently.

Independent Directors

The NC considers an "independent" Director as one who has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere or be reasonably perceived to interfere, with the exercise of the Director's independent business judgment with a view to the best interests of the Company.

The NC has reviewed the independence of each Independent Director annually and is of the view that these Directors are independent.

CORPORATE GOVERNANCE REPORT

There is no Independent Director who has served on the Board beyond nine years from the date of his first appointment.

The NC has reviewed the size and composition of the Board. The NC is satisfied that the current size and composition of the Board is appropriate and provides it with adequate ability to meet the existing scope of needs and the nature of operations of the Company, which facilitates effective decision-making. From time to time, the NC will review the appropriateness of the current Board size, taking into consideration the changes in the nature and scope of operations as well as the regulatory environment.

The Board is made up of Directors who are qualified and experienced in various fields including business administration, strategic planning, business management, accounting and finance. Accordingly, the current Board comprises persons who as a group, have core competencies necessary to lead and manage the Group's businesses and operations.

The Company embraced all aspects of diversity in the current Board composition and recognise that diversity of the Board is essential to contribute to sustainable development and growth of the Group. A diverse Board will include and leverage on differences between the Directors in terms of skills, experience, background, gender, age, ethnicity and other relevant factors. These differences will be considered in determining the optimum composition of the Board and when possible, should be balanced appropriately. All Board appointments are made based on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires in order to be effective. There are four male Directors appointed to the Board. The Board recognises the importance and value of gender and age diversity; however, the Board collectively is of the view that it should not be considered as a requirement of selection of potential candidate. The right blend of skills, industry knowledge, relevant experiences, suitability, shall remain as priority. Although there is currently no female director appointed to the Board, the Board does not rule out the possibility of appointing a female director if a suitable candidate is nominated for the Board's consideration. The composition of the Board is reviewed annually by the NC to ensure that there is an appropriate mix of expertise and experience to enable the Management to benefit from a diverse perspective to issues that are brought before the Board. The Board will seek diversity on its Board and finalise the plans and achieve the targets within the next four (4) years.

The Non-Executive Directors and Independent Directors exercise no management functions in the Group. Although all the Directors have equal responsibility for the performance of the Group, the role of the Non-Executive Directors and Independent Directors is particularly important in ensuring that the strategies proposed by Management are fully discussed, rigorously examined and take into account the long-term interests of not only the shareholders, but also of the employees, customers, suppliers and the communities in which the Group conducts its business. They also review the performance of Management in meeting agreed goals and objectives and monitor the reporting of their performance. The NC considers its Non-Executive Director and Independent Directors to be of sufficient calibre and size, and their views to be of sufficient weight such that no individual or small group of individuals dominates the Board's decision-making process.

The Company co-ordinates informal meeting sessions for the Non-Executive Directors and Independent Directors to meet as needed without the presence of the Management to discuss matters such as the Group's financial performance, corporate governance initiatives, Board processes, succession planning as well as leadership development and the remuneration of the Executive Directors.

The profile of each Director is set out on pages 15 and 16 of this Annual Report.

CORPORATE GOVERNANCE REPORT

Chairman and Chief Executive Officer

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The Company practices a clear division of responsibilities between the Chairman and Chief Executive Officer ("**CEO**") to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making. The roles of the Chairman and CEO are separate.

Ho Choon Hou is the Chairman of the Chairman of the Board.

Mr Jonathan Zhang was the CEO from 1 November 2022 to 30 November 2023. The current CEO, Mr Charles Yeo was re-designated from Chief Creative Officer to CEO on 1 December 2023. Both CEO and the Chairman are not related.

The Chairman ensures effective and comprehensive Board discussion on matters brought to the Board including strategic issues. The Chairman supervises the overall business operations and management of the Group as well as business planning and provides executive leadership and supervision to the Key Management Personnel of the Company and the Group.

The responsibilities of the Chairman include:

– scheduling of meetings to enable the Board to perform its duties responsibly while not interfering with the flow of the Group's operations;

– ensuring that Directors receive accurate, timely and clear information, and ensuring effective communication with shareholders;

– ensuring the Group's compliance with the Code; and

– acting in the best interest of the Group and of the shareholders.

The Company Secretary may be called to assist the Chairman in any of the above.

The role of the CEO includes overseeing and managing the business operations especially the production division as well as sourcing new business opportunities for the Group. The CEO would report to the Chairman.

All major decisions made by the Board are subject to majority approval of the Board. The Board believes that there are adequate safeguards in place to ensure an appropriate balance of power and authority within the spirit of good corporate governance.

The Board has not appointed any Independent Director to assume the role of a lead independent director as the Chairman is independent and the Independent Directors make up one-third of the Board. Hence, the Board and the NC are satisfied that the Board has substantial independent elements to exercise objective judgment on corporate affairs independently.

CORPORATE GOVERNANCE REPORT

Board Membership

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

The NC currently comprises one Executive Director and two Independent Directors, a majority of whom are independent, including the NC Chairman.

<u>Nominating Committee</u>

Royson Wong (Chairman)
Ho Choon Hou
Charles Yeo

The NC has its terms of reference which sets out their duties and responsibilities. It includes the following:

– to make recommendations to the Board on all board appointments, including re-nominations, having regarded the Director's contribution and performance (for example, attendance, preparedness, participation and candour) including, if applicable, as an Independent Director. All Directors should be required to submit themselves for re-nomination and re-election at regular intervals and at least once every three years;

– to determine annually whether or not a Director is independent;

– in respect of a Director who has multiple board representations on various companies, to decide whether or not such a director is able to and has been adequately carrying out his/her duties as director, with regards to the competing time commitments that are faced when serving on multiple boards;

– to review and approve any new employment of related persons and the proposed terms of their employment; and

– to decide how the Board's performance is to be evaluated and to propose objective performance criteria, subject to the approval of the Board, which addresses how the Board has enhanced long term shareholder value. The Board will also implement a process to be proposed by the NC for assessing the effectiveness of the Board as a whole and for assessing the contribution of each individual Director to the effectiveness of the Board (if applicable).

The NC will review the Board's succession plan for Directors. The NC will identify and recommend new Directors to the Board, after considering the necessary and desirable competencies. In selecting potential new Directors, the NC will seek to identify the competencies required as well as evaluate the profession, knowledge and experience of the candidate to enable the Board to fulfil its responsibilities.

The NC may engage consultants to undertake research on, or assess, candidates applying for new positions on the Board, or to engage other independent experts, as it considers necessary to carry out its duties and responsibilities. Recommendations for new Directors are put to the Board for its consideration and/or approval.

CORPORATE GOVERNANCE REPORT

The NC makes recommendations to the Board on re-appointment of Directors based on, among others, the Director's attendance record at meetings of the Board and Board Committees, participation at meetings and contributions to the Group's business and affairs.

The NC will also review and where appropriate, the Company will arrange and fund regular trainings for all Directors to ensure that Directors are updated on the latest governance and listing rules. Relevant courses include seminars conducted by the Singapore Institute of Directors or other training institutes.

The Board and the NC have endeavoured to ensure that the Directors appointed to the Board possess the relevant experience, knowledge and expertise critical to the Group's business.

Regulation 117 of the Company's Constitution requires one-third of the Board to retire by rotation at every Annual General Meeting ("**AGM**"). Pursuant to Regulation 122 of the Company's Constitution, Directors of the Company who were newly-appointed by the Board since the last AGM will have to retire at the forthcoming AGM. A retiring Director shall be eligible for re-election at the meeting at which he retires. Each of the retiring Directors had abstained from all discussions and recommendations in respect of their own re-election.

At the forthcoming AGM, Royson Wong and Chang Long Jong will be retiring by rotation pursuant to Regulation 117 of the Company's Constitution.

The NC has recommended to the Board that Royson Wong and Chang Long Jong, be nominated for re-election under Regulation 117 at the forthcoming AGM. The Board has accepted the NC's recommendation. Information regarding the Directors nominated for re-election/re-appointment, including the information required under Appendix 7F of the Catalist Rules is given in the "Board of Directors' section, pages 42 to 48 of this Annual Report.

For the financial year under review, the NC is of the view that the Independent Directors of the Company are independent (as defined in the Code) and able to exercise judgment on the corporate affairs of the Group independent of the Management.

Despite some Directors having other Board representations, the NC is satisfied that these Directors are able to and have adequately carried out their duties as Directors of the Company. Currently, the Board has not determined the maximum number of listed Board representations which any Director may hold. The NC and the Board will review the requirement to determine the maximum number of listed Board representations as and when it deems fit.

There are no alternate directors being appointed to the Board.

The key information regarding Directors, such as academic and professional qualifications, Board Committees served, directorships, chairmanships or as a member both present and past held over the preceding three years in other listed companies and other major appointments or its related corporations, whether the appointment is executive or non-executive are set out in pages 40 and 41 of the Annual Report.

CORPORATE GOVERNANCE REPORT

Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

A formal assessment process is in place to assess the effectiveness of the Board as a whole and its board committees and for assessing the contribution by the Chairman and each individual Director to the effectiveness of the Board.

The NC has adopted the performance evaluation forms recommended by the Singapore Institute of Directors. The evaluations are conducted annually. As part of the process, the Directors will complete the evaluation forms which are collated by the Company Secretary, who will then summarise the results of the evaluation and present it to the NC. Recommendations for improvement are then submitted to the Board for discussion and for implementation in areas where the performance and effectiveness could be enhanced. The appointment and removal of the Company Secretary is a decision of the Board as a whole.

The performance criteria for the board evaluation are in respect of board size and composition, board independence, board’s decision making processes, strategic planning, board information and accountability, board performance in relation to discharging its principal functions and financial targets.

The evaluation of the Board is to be performed annually by having all members complete Board and individual Directors’ evaluation questionnaires individually based on the above assessment parameters.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

The RC currently comprises of one Non-Executive Director and two Independent Directors, majority of whom are independent, including the RC Chairman.

<u>Remuneration Committee</u>

Ho Choon Hou (Chairman)
Royson Wong
Chang Long Jong

The RC has its terms of reference, setting out their duties and responsibilities, which include the following:

– to recommend the Board a framework of remuneration for the Directors and Executive Officers, and to determine specific remuneration packages for each Executive Director and any CEO (or executive of equivalent rank) and Key Management Personnel if such CEO and Key Management Personnel is not an Executive Director, such recommendations are to be submitted for endorsement by the entire Board and should cover all aspects of remuneration, including but not limited to Director’s fees, salaries, allowances, bonuses, options and benefits in kind;

– in the case of service contracts (if any) for any Director or Executive Officer, to consider what compensation commitments the Directors' or Executive Officers' contracts of service, if any, would entail in the event of early termination with a view to be fair and avoid rewarding poor performance; and

– in respect of any long-term incentive schemes, including share schemes, as may be implemented, to consider whether any Director should be eligible for benefits under such long-term incentive schemes.

No Director will be involved in determining his own remuneration. The RC has full authority to engage any external professional advice on matters relating to remuneration as and when the need arises. The expense of such services shall be borne by the Company.

The RC recommended, and the Board had approved, the Directors Fees of an aggregate amount of $80,000 for FY2024 for Non-Executive and Independent Directors for the financial year ended 31 March 2024, subject to the approval from shareholders.

There were no remuneration consultants engaged by the Company in FY2024.

In reviewing the service agreements of the Company's Executive Directors and Key Management Personnel, the RC will review the Company's obligations in the event of termination of these service agreements, to ensure that such service agreements contain fair and reasonable termination clauses which are not overly generous. The RC aims to be fair and avoid rewarding poor performance.

Level and Mix of Remuneration

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

The RC will take into account the industry norms, the Group's performance as well as the contribution and performance of each Director when determining remuneration packages.

The remuneration for the Executive Directors and certain Key Management Personnel comprise a fixed and variable component. The variable component is performance related and is linked to the Group's performance as well as the performance of each individual Executive Director and Key Management Personnel.

The Company has adopted the Vividthree Performance Share Plan ("**VV3 PSP**"). The Group's Executive Directors and Non-Executive Directors (including Independent Directors), controlling shareholders or associates of a controlling shareholder are eligible to participate in the VV 3 PSP in accordance with the rules of the VV3 PSP except for Chang Long Jong, who is participating in mm2 Asia Ltd.'s existing performance share plan.

The Independent Directors and Non-Executive Director receive Directors' fees in accordance with their contributions, taking into account factors such as effort and time spent, responsibilities of the Directors and the need to pay competitive fees to attract, retain and motivate the Directors. The Independent Directors and Non-Executive Director shall not be overcompensated to the extent that their independence may be compromised. There are no share-based compensation schemes in place for Independent Directors and Non-Executive Directors.

CORPORATE GOVERNANCE REPORT

The Company does not use contractual provisions to allow the Company to reclaim incentive components of remuneration from Executive Directors and Key Management Personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. The Executive Directors owe a fiduciary duty to the Company and the Company should be able to avail itself to remedies against the Executive Directors in the event of a breach of fiduciary duties.

Disclosure on Remuneration

Principle 8: The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

The details of the level and mix of remuneration of the Directors of the Group for the services rendered during FY2024 are as follows:

Remuneration Band and Name of Directors	Salary (%)	Bonus (%)	Other Benefits[1] (%)	Share Options (%)	Directors' Fees[2] (%)	Total (%)
$200,001 to $400,000						
Charles Yeo	75	4	21	–	–	100
$50,001 to $200,000						
Jonathan Zhang[3]	94	–	6	–	–	100
Below $50,000						
Ho Choon Hou	–	–	–	–	100	100
Royson Wong	–	–	–	–	100	100
Chang Long Jong[4]	–	–	–	–	100	100
Freddy Er[5]	–	–	–	–	100	100

Notes:
(1) Other benefit refers to employer's contribution to the Central Provident Fund and other allowances.
(2) The Directors' fees are subject to approval by the shareholders of the Company at the forthcoming AGM.
(3) Mr Jonathan Zhang resigned as an Executive Director and Chief Executive Director on 30 November 2023.
(4) The proposed director's fee for Mr Chang Long Jong, upon approval by shareholders in the AGM, will be payable to mm2 Asia Ltd.
(5) Mr Freddy Er passed away on 5 May 2023.

In view of confidentiality of remuneration matters, the Board is of the opinion that it is in the best interests of the Group not to disclose the exact details of the remuneration of each Directors and Key Management Personnel in the Annual Report and that the disclosure based on the above remuneration bands is appropriate.

(a) For FY2024, there were no terminations, retirement or post-employment benefits granted to Directors and relevant key management personnel other than the standard contractual notice period termination payment in lieu of service.

(b) There were no employees who are substantial shareholders of the Company, or are immediate family members of a Director, CEO or Substantial Shareholder whose remuneration amounts exceed S$100,000 per annum during the financial year under review.

CORPORATE GOVERNANCE REPORT

The Group has 4 Key Management Personnel (who are not Directors or CEO). The remuneration bands of the Key Management Personnel for FY2024 are as follows:

Remuneration Band and Name of Key Management Personnel	Salary (%)	Bonus (%)	Other Benefits(1) (%)	Share Options (%)	Total (%)
$100,001 - $200,000					
Sky Li	89	–	11	–	100
Hong Wei Chien, Jay	96	–	4	–	100
Mok Wai Yin, Jed	91	–	9	–	100
Below $100,000					
Kok Pooi Wai	100	–	–	–	100

Note:
(1) Other benefit refers to employer's contribution to the Central Provident Fund and other allowances.

The aggregate remuneration of key management personnel (who are not directors or the CEO) amounted to $605,300 for FY2024.

The Company is of the view that disclosure of the remuneration of Key Management Personnel who are not directors, will be detrimental to the Group's interest because of sensitivity of remuneration matters and competitive reasons. The non-disclosure of each of the Key Management Personnel's remuneration does not compromise the ability of the Company to meet the Code on good corporate governance as the RC which has a majority of independent directors review the remuneration packages of such Key Management Personnel to ensure that they are fairly remunerated.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its stakeholders.

The Board acknowledges its responsibility for the governance of risk and ensures that the Management maintains a sound system of internal controls and effective risk management policies to safeguard the shareholders' investment and the Company's assets. However, the Board also acknowledges that no cost-effective internal control system will preclude all errors and irregularities. The system is designed to manage rather than eliminate risks of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss. The internal controls in place will address the financial, operational, compliance and information technology risks and the objectives of these controls are to provide reasonable assurance that there are no material financial misstatements or material loss, there are maintenance of proper accounting records, financial information is reliable, and assets are safeguarded.

CORPORATE GOVERNANCE REPORT

The Management is responsible for designing, implementing and monitoring the risk management and internal control systems within the Group. The Management regularly reviews the Group's business and operational activities to identify areas of significant risks as well as appropriate measures to control and mitigate these risks. Any significant matters are highlighted to the Board and the AC for their deliberation. To further review the adequacy and effectiveness of internal controls, the AC is assisted by various independent professional service providers. The assistance of the internal auditor enabled the AC to carry out assessments of the effectiveness of key internal controls during the year. Material non-compliance or weaknesses in internal controls or recommendations from the internal auditor and independent auditor to further improve the internal controls were reported to the AC, including the Management action plans to be undertaken to address the recommendations.

The AC also follows up on the actions taken by the Management on the recommendations made by the internal auditor and independent auditor arising from their work performed. Based on the reports submitted by the internal and independent auditor received by the AC and the Board, nothing material has come to the attention of the AC and the Board to cause the AC and the Board to believe that the internal controls are not satisfactory, based on the current size and nature of the Company's business.

To further enhance the risk management procedures in place, the Group has engaged its internal auditor, BDO Advisory Pte. Ltd., to establish a structured Enterprise Risk Management ("**ERM**") framework which provides documented guidance on the process for identifying and assessing risks, the adequacy of countermeasures and the manner in which risks are reported to the Board and the AC.

The pilot ERM programme covers the following areas:

(1) ERM policies and procedures

An overall framework for risk management has been documented in a manual to be disseminated to personnel responsible for oversight of risks and operations of risk countermeasures. This ERM manual includes the terms of reference of the Committee and the various personnel responsible for monitoring and managing risks in the Group. The ERM process will also require ongoing identification of key risks to the company and reporting these risks to the Board to better determine whether appropriate measures have been taken to address relevant risks. Risk workshops attended by Key Management Personnel will be conducted to provide a structured approach of identification and assessment of risks.

(2) Risk Appetite of the Group

The risk appetite of the Group in managing risks was discussed during the ERM project. Generally, the Group will rely on management to monitor day to day operations while subjecting key corporate decisions, such as investments or acquisitions of businesses to the approval of the Board. The Group's performance is monitored closely by the Board periodically and any significant matters that might have an impact on the operating results are required to be brought to the immediate attention of the Board.

The Company has also taken a strict stance towards avoiding any risks that might result in breaching relevant laws and regulations and risks that could adversely affect the reputation of the Group. Active efforts are also in place to manage risks within impact such as transferring them to third party insurers or having internal control procedures to better mitigate the likelihood of their occurrence. Internal audits will be regularly conducted to assess the ongoing compliance with the established controls to address key risk areas where applicable.

CORPORATE GOVERNANCE REPORT

(3) Risk assessment and monitoring

Based on the ERM framework, the nature and extent of risks to the company will be assessed regularly and risk reports covering top risks to the Group will be submitted periodically to the Board. A set of risk registers to document risks arising from this ERM exercise has also been established to document key risks and the corresponding countermeasures.

The Directors have received and considered the representation letters from the CEO and Financial Controller ("**FC**") in relation to the financial information for the year. The CEO and the FC have assured the Board that:

a. The financial records have been properly maintained and the financial statements for the FY2024 give a true and fair view in all material aspects, of the Group's operations and finances; and

b. The Group's risk management and internal control systems are operating effectively in all material aspects given its current business environment.

Based on the internal controls and risk management systems established and maintained by the Group, work performed by the internal auditor and independent auditor, reviews performed by the Management and the controls and processes which are currently in place, the Board with the concurrence of the AC, is of the opinion that the Group's internal controls and risk management systems are adequate and effective in addressing the financial, operational, compliance and information technology risks of the Group for FY2024.

Audit Committee

Principle 10: The Board has an Audit Committee ("AC") which discharges its duties objectively

The AC currently comprises of one Non-Executive Director and two Independent Director, majority of whom are independent, including the AC Chairman.

Audit Committee

Royson Wong (Chairman)
Ho Choon Hou
Chang Long Jong

The Board is of the view that the AC members possess experience in finance and business management which are appropriately qualified, having the relevant accounting or related financial management expertise to discharge their responsibilities. None of the AC members are a former partner or director of the Company's existing auditing firm.

The role of the AC is to assist the Board with discharging its responsibility to safeguard the Company's assets, maintain adequate accounting records, and develop and maintain effective systems of internal control. The AC has full access to the co-operation of Management and the full discretion to invite any Director or Executive Officer to attend its meetings, and has reasonable resources to enable it to discharge its functions properly. The independent auditor have unrestricted access to the AC.

CORPORATE GOVERNANCE REPORT

The AC has its terms of reference, setting out their duties and responsibilities, which include the following:

- consider the appointment or re-appointment of the independent auditor, the level of their remuneration and matters relating to resignation or dismissal of the independent auditor, and review the audit plans of the independent auditor, their audit reports, their management letter and our management's response before submission of the results of such review to our Board for approval;

- consider the appointment or re-appointment of the internal auditor, the level of their remuneration and matters relating to resignation or dismissal of the internal auditor, and review with the internal auditor the internal audit plans and their evaluation of the adequacy of our system of internal accounting controls and accounting system before submission of the results of such review to our Board for approval prior to the incorporation of such results in our annual report (where necessary);

- monitor and review the implementation of the auditor' recommendations on internal controls;

- review the system of internal accounting controls and procedures established by management and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the auditor may wish to discuss (in the absence of our management where necessary);

- review the assistance and co-operation given by our Company's officers to the internal and independent auditor;

- review the half-yearly and annual, and quarterly if applicable, financial statements and results announcements before submission to our Board for approval, focusing in particular, on changes in accounting policies and practices, major areas of judgement, significant adjustments resulting from the audit, the going concern statement, compliance with accounting standards as well as compliance with any stock exchange and statutory/regulatory requirements;

- review and discuss with the independent auditor any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on our Group's operating results or financial position, and consider the adequacy of our management's response;

- review the assurance from CEO and FC on the financial records and financial statements;

- review transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules (if any);

- review potential conflicts of interests (if any) and to set out a framework to resolve or mitigate any potential conflicts of interest;

- review the effectiveness and adequacy of the administrative, operating, internal accounting and financial control procedures;

- review our key financial risk areas, with a view to providing an independent oversight on our Group's financial reporting, the outcome of such review to be disclosed in the annual reports or if the findings are material, immediately announced via SGXNet;

- undertake such other reviews and projects as may be requested by our Board and report to our Board its findings from time to time on matters arising and requiring the attention of our Audit Committee;

CORPORATE GOVERNANCE REPORT

– generally to undertake such other functions and duties as may be required by statute or the Catalist Rules, and by such amendments made thereto from time to time;

– review arrangements by which our staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting and to ensure that arrangements are in place for the independent investigations of such matter and for appropriate follow-up; and

– review our Group's compliance with such functions and duties as may be required under the relevant statutes or the Catalist Rules, including such amendments made thereto from time to time.

Apart from the duties listed above, the AC is given the task of commissioning investigations into matters where there is suspected fraud or irregularity, or failure of internal controls or infringement of any law, rule or regulation which has or is likely to have a material impact on the Company's operating results or financial position, and to review its findings.

Independent audit

The AC recommends to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the independent auditor and approving the remuneration of the independent auditor. The AC has recommended to the Board the nomination of Forvis Mazars LLP (formerly known as Mazars LLP) for appointment as independent auditor of the Company at the forthcoming AGM to replace CLA Global TS Public Accounting Corporation ("**CLA Global TS**") who is not seeking re-appointment. The Company confirms that Rule 712, Rule 715 and Rule 716 of the Catalist Rules have been complied with.

Annually, the AC conducts a review of all non-audit services provided by CLA Global TS and is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of CLA Global TS. The AC received an audit memorandum from CLA Global TS setting out the non-audit services provided and the fees charged for FY2024. The aggregate amount payable/paid to CLA Global TS for audit and non-audit services for FY2024 are as follows:

	$'000
Audit fees	116.2
Non-audit fees	17.2
	133.4

No former partner or director of the Company's existing auditing firm or auditing corporation is a member of the AC.

The AC will meet with the independent auditor and internal auditor without the presence of the Management, as and when necessary and at least once annually, to review the adequacy of audit arrangements, with emphasis on the scope and quality of their audit, the independence, objectivity and observations of the independent auditor.

On the basis of the above, the AC is satisfied with the standard and quality of work performed by CLA Global.

For FY2024, the AC agreed with CLA Global TS that consolidation of Elliot Communications Pte. Ltd. and its subsidiaries, valuation of goodwill, expected credit loss on trade receivables, other receivables and deposits, valuation on investments in films and entertainment events and revenue recognition were the key audit matters and is pleased to report that AC is satisfied with audit process undertaken by the independent auditor and their findings therefrom.

CORPORATE GOVERNANCE REPORT

Internal audit

The Company has outsourced its internal audit function to BDO Advisory Pte. Ltd. ("**BDO**"), which is an established international auditing firm. BDO conducts their internal audits based on the BDO Global Internal Audit Methodology which is consistent with the International Professional Practices Framework established by the Institute of Internal auditors. The BDO Engagement Partner has more than 20 years of experience in audit and advisory services and is a Chartered Accountant (Singapore), Certified Internal Auditor and Certified Information System Auditor. Members of the internal audit team also have relevant academic qualifications, professional certifications and internal audit experience.

The AC approves the hiring, removal, evaluation and compensation of the internal audit function. The internal auditor have unfettered access to all the Company's documents, records, properties and personnel, including access to the AC.

The annual internal audit plan is submitted to the AC for approval prior to the commencement of the internal audit work. In accordance with the internal audit plan, the internal auditor conducts internal audit reviews over the effectiveness of internal controls over the key business processes in the Group including those that address applicable financial, operational, compliance and information technology controls risks. Findings and recommendations arising from the internal audits are agreed with the Management and presented to the AC. The internal auditor also assists the AC in overseeing and monitoring the subsequent implementation of recommendations on internal controls weaknesses identified.

The AC reviews the scope and results of the internal audit and ensures that the internal audit function is adequately resourced. The AC is satisfied that the outsourced internal audit function is independent, staffed by suitably qualified and experienced professionals with the relevant experience to perform its function effectively based on the internal audits conducted for FY2024.

The AC would annually review the adequacy and effectiveness of the internal audit function of the Group.

Fraud and whistle blowing policy

The Group has implemented a whistle blowing policy whereby accessible channels are provided for employees to raise concerns about possible improprieties in matters of financial reporting or other matters which they become aware and to ensure that:

– independent investigations are carried out in an appropriate and timely manner;

– appropriate action is taken to correct the weakness in internal controls and policies which allowed the perpetration of fraud and/or misconduct and to prevent a recurrence; and

– administrative, disciplinary, civil and/or criminal actions that are initiated following the completion of investigations are appropriate, balanced and fair, while providing reassurance that employees will be protected from reprisals or victimisation for whistle-blowing in good faith and without malice.

To date, there were no reports received through the whistle blowing mechanism.

The AC is updated annually or from time to time on any changes to the accounting and financial reporting standards by the independent auditor. No former partner or director of the Company's existing auditing firm has acted as a member of the AC.

CORPORATE GOVERNANCE REPORT

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

The Board is accountable to the shareholders and is mindful of its obligation to provide timely and fair disclosure of material information to shareholders, investors and public. The Board treats all shareholders fairly and equitably and seeks to protect and facilitate exercise of shareholder's rights.

The Company announces financial information, major developments and other price sensitive information on the SGXNet in a timely manner to ensure investors are kept abreast of the Group's developments. The annual report, circulars and notices of all shareholders' meetings will be posted on the Company's website and SGXNet.

For the upcoming 2024 Annual General Meeting, shareholders are encouraged to attend the Company's Annual General Meeting to ensure a high level of accountability and to be updated on the Group's strategies and goals. The shareholders may submit their written questions to the Company within 7 calendar days after the publication of the notice of the Annual General Meeting. The Company will respond to the written questions at least 48 hours prior to the closing date and time for the lodgement of the proxy forms by way of an announcement and publish in the Company's corporate website, if available.

The Chairman of the Board and the various Committees are normally present and available to address questions at Annual General Meetings. The independent auditor is present to assist the Board in addressing any relevant queries from our shareholders.

All shareholders are encouraged to attend the Company's general meetings to ensure a high level of accountability and to be updated on the Group's strategies and goals. All shareholders are entitled to participate in and vote at the general meetings. If any shareholder is unable to attend, he/she is allowed to appoint up to two proxies to vote on his/her behalf at the general meeting through a proxy form sent in advance. The Company's Constitution does not include the nominee or custodial services to appoint more than two proxies.

The Company is not implementing absentia voting methods such as voting via mail, email or fax until security, integrity and other pertinent issues are satisfactorily resolved.

Minutes of general meetings of shareholders will be published on the Company's website and announced via SGXNet as soon as practicable. The minutes will record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting and responses from the Directors and Management.

The Company ensures that there are separate resolutions at general meetings on each substantially separate issue. For greater transparency, the Company will put all resolutions to vote by poll and make an announcement of the detailed results of the number of votes cast for and against each resolution and the respective percentages will be presented and announced on the same day.

CORPORATE GOVERNANCE REPORT

The Company does not have a fixed dividend policy. The Board will take into account various factors, including but not limited to, earnings, cash flow requirements, plans for expansion, availability of distributable reserves, in determining the form, frequency and amount of dividends to recommend or declare in each particular year or period.

For the FY2024, no final dividend has been declared or recommended by the Directors as the Group is in loss position.

Engagement with Shareholders

Principle 12: The Company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

The Company firmly believes in high standards of transparent corporate disclosure by disclosing to its stakeholders, including its communication with shareholders as much relevant information as is possible, in a timely, fair and transparent manner as well as to hearing its shareholders' views and addressing their concerns. This includes half-yearly and full-year financial results announcements, public announcements on major developments and price-sensitive information and annual reports made via SGXNet. Some of these documents are also made available on the Company's website at the URL https://www.vividthreeholdings.com.

The Company's business developments and operations, financial reports, announcements, news releases and other information are posted on its corporate website. Both current information and archives of previously released information including presentation slides and announcements can be found under the "**Investor Relations**" section of the Company's website at the URL https://www.vividthreeholdings.com.

The Company has an investor relations personnel who will handle the investor relations matters including facilitating communications with all stakeholders on a regular basis and attend to their queries or concerns as well as to keep the investors public apprised of the Group's corporate developments and financial performance. The Company maintains an investor relations website and the contact details of the investor relations can be found on the Company's website.

Under the Company's investor communication policy, the Company will meet with investors, the media and analysts at appropriate times and participates in investor roadshows, and sector conferences throughout the year. Upon the release of half-year and full-year financial results, the Company will hold media and analysts' briefings, when necessary.

Engagement with Stakeholders

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

The Board regularly engaged the stakeholders through various means and communication channels. The relationships with material stakeholders have an impact on the company's long term sustainability, service and products standards. By considering and balancing the needs and interests of material stakeholders, it would ensure the interests of the company are best served. The material stakeholders of the Company include investors, employees, customers, investors, government and regulators as well as the community.

The Company's website provides a platform to allow communication and engagement with stakeholders.

CORPORATE GOVERNANCE REPORT

OTHER CORPORATE GOVERNANCE MATTERS

Risk Management

The Company is continually reviewing and improving the business and operational activities to take risk management into account. This includes reviewing management and manpower resources, updating work flows, processes and procedures to meet the current and future market conditions. All the significant controls, policies and procedures and all significant matters are highlighted to the AC and the Board. The significant risk management policies are disclosed in the audited financial statements of this Annual Report.

Material Contracts

There were no material contracts of the Company or its subsidiaries involving the interest of the Non-Chairman, or any director or controlling shareholder subsisting at the end of the FY2024.

Interested Person Transactions

The Company has established guidelines and review procedures for the ongoing and future interested person transactions ("**IPTs**"). The IPTs are subject to review by the AC to ensure that they are on normal commercial terms and on an arm's length basis, that is, the transactions are transacted in terms and prices not more favourable to the interested persons than if they were transacted with a third party and are not prejudicial to the interests of the Group or our minority shareholders in any way. Currently, there is no shareholders' mandate for interested person transaction pursuant to Rule 920 of the Listing Manual of SGX-ST.

There were no IPTs of $100,000 and above between the Company and any of its interested persons (namely, Directors, executive officers or controlling shareholders of the Group or the associates of such Directors, executive officers or controlling shareholders) subsisting for FY2024.

Dealings in Securities

The Company has adopted its own internal Code of Best Practices to provide guidance to all officers and employees of the Company and its subsidiaries with regard to dealings in the Company's securities in compliance with Rule 1204 (19) of the Catalist Rules of the SGX-ST. The Company and its officers are prohibited from dealing in the Company's securities during the periods commencing one-month immediately preceding the announcement of the Company's half-year and full-year results and ending on the date of the announcement of such results respectively on the SGXNet.

Directors and executives are also expected to observe insider-trading laws at all times even when dealing with securities within the permitted trading period or while they are in possession of unpublished price-sensitive information of the Group. They are not to deal in the Company's securities on short-term considerations.

Catalist Sponsor

The Company is currently under the SGX -ST Catalist sponsor-supervised regime and the continuing sponsor of the Company is RHT Capital Pte. Ltd. (the "**Sponsor**"). In compliance with Rule 1204(21) of the Catalist Rules, there was no non-sponsor fee paid to the Sponsor for the FY2024.

CORPORATE GOVERNANCE REPORT

PARTICULARS OF DIRECTORS PURSUANT TO THE CODE OF CORPORATE GOVERNANCE 2018

Name of Director	Academic/Professional Qualifications	Board Appointment Executive/ Non-executive	Board Committees as Chairman or Member as at the date of this Annual Report	Directorship Date First Appointed	Date of Last Re-election	Directorships in other listed companies	Past directorships in other listed companies over the preceding 3 years	Other Principal Commitments
Dr. Ho Choon Hou	Bachelor of Medicine and Bachelor of Surgery from The University of Sheffield, Master of Medicine (Surgery) from the National University of Singapore and Masters of Business Administration (Honours) from The University of Chicago (The Graduate School of Business)	Independent Director	Board Chairman, Chairman of RC, Member of NC and AC	23 August 2018	27 July 2020	–	• Advanced Holdings Ltd. • Mclean Technologies Berhad • Cordlife Group Limited	• Managing Director of Southern Capital Group Private Limited • Non-Executive Director of Agricore Global Pte. Ltd. • Non-Executive Director of Catermas Engineering Private Limited • Non-Executive Director of Core Equipment Holdings Pte Ltd • Non-Executive Director of Straits Group Pte. Ltd. • Non-Executive Director of Catermas Investments Limited • Non-Executive Director of Invictus Medical Investments • Non-Executive Director of Maestro Group Holdings Limited • Non-Executive Director of Perfect Grace • Non-Executive Director of Sufficient Grace Pte. Ltd.

CORPORATE GOVERNANCE REPORT

Name of Director	Academic/Professional Qualifications	Board Appointment Executive/ Non-executive	Board Committees as Chairman or Member as at the date of this Annual Report	Directorship Date First Appointed	Date of Last Re-election	Directorships in other listed companies	Past directorships in other listed companies over the preceding 3 years	Other Principal Commitments
Charles Yeo	Associate Diploma in Multimedia (Distinction) from Nanyang Academy of Fine Arts and Masters of Business Administration from Murdoch University	Executive Director	Board Member, Member of NC	7 April 2018	27 July 2020	–	–	• Director of Vividthree Productions Pte. Ltd. • Director of V&N Entertainment Pte. Ltd. • Director and Chairman of Elliot Communications Pte. Ltd.
Royson Wong	Bachelor of Accountancy from the National University of Singapore, Master of Science (Management of Technology) from the National University of Singapore, Certified Public Accountant with CPA Australia and Chartered Accountant with the Institute of Singapore Chartered Accountants	Independent Director	Board Member, Chairman of AC and NC, and Member of RC	23 August 2018	29 July 2019	–	–	• Managing Director of Global Access Logistic Network Pte. Ltd. • Managing Director of Global Access Transportation Pte Ltd • Non-Executive Director of VH Select Pte Ltd
Chang Long Jong	Bachelor of Engineering (Civil) from the National University of Singapore and member of the Advisory Board of the Singapore Media Festival	Non-Executive Director	Board Member and Member of AC and RC	23 August 2018	29 July 2019	–	–	Chief Executive Officer of mm2 Asia Ltd.

CORPORATE GOVERNANCE REPORT

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION

Pursuant to Rule 720(5) of the Listing Manual Section B: Catalist Rules (the "**Catalist Rules**") issued by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), the information as set out in Appendix 7F to the Catalist Rules of the SGX-ST relating to Ho Choon Hou, Charles Yeo and Jonathan Zhang, being the Directors who are retiring in accordance with the Company's Constitution at the forthcoming AGM, is set out below:

Name of Retiring Director	**Wong Kim Soon Royson**	**Chang Long Jong**
Date of first appointment	23 August 2018	23 August 2018
Date of last re-appointment	29 July 2021	29 July 2021
Age	68	63
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board has considered, among others, the recommendation of the NC and assessed the qualifications, experience and suitability of Mr Wong Kim Soon Royson ("Mr Wong") for re-election as Non-Executive Independent Director, Chairman of the Audit Committee and Nominating Committee and Member of the Remuneration Committee of the Company. The Board has reviewed and concluded that Mr Wong possesses the requisite experience, knowledge and capabilities to assume the duties and responsibilities as a Non-Executive Independent Director of the Company.	The Board has considered, among others, the recommendation of the NC and assessed the qualifications, experience and suitability of Mr Chang Long Jong ("Mr Chang") for re-election as Non-Independent Non-Executive Director, member of the Audit Committee and Remuneration Committee of the Company. The Board has reviewed and concluded that Mr Chang possesses the requisite experience, knowledge and capabilities to assume the duties and responsibilities as a Non-Independent Non-Executive Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Independent Director	Non-Executive Director
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	– Chairman of Audit Committee and Nominating Committee – Member of Remuneration Committee	Member of Audit Committee and Remuneration Committee

CORPORATE GOVERNANCE REPORT

Name of Retiring Director	Wong Kim Soon Royson	Chang Long Jong
Professional qualifications	• Bachelor of Accountancy from the National University of Singapore • Master of Science (Management of Technology) from the National University of Singapore • Certified Public Accountant with CPA Australia • Chartered Accountant with the Institute of Singapore Chartered Accountants	Bachelor of Engineering (Civil) from the National University of Singapore
Working experience and occupation(s) during the past 10 years	• 2012 to present – Managing Director of Global Access Logistics Network Pte. Ltd. • 2012 to present – Managing Director of Global Access Transportation Pte. Ltd. • 2018 – present – Non-Executive Director of VH Select Pte. Ltd. • April 2017 – October 2019 Director and Chief Executive Officer of A.S. Shipping Agencies (Singapore) Pte. Ltd.	• April 2017 to present – Chief Executive Officer of mm2 Asia Ltd. • October 2017 to present – Director and Chairman of HR Committee of Thye Hua Kwan Moral Charities • September 2019 to present – Director and Chairman of HR Committee of Thye Hua Kwan Nursing Home Ltd • 2011 to 2017 – Deputy Chief Executive Officer of Mediacorp Group • 2015 to 2017 – Chief Customer Officer of Mediacorp Group
Shareholding interest in the listed issuer and its subsidiaries	No	200,000 ordinary shares in Vividthree Holdings Ltd.
Any relationship (including immediate family relationships with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	Mr Chang Long Jong is the Chief Executive Officer of mm2 Asia Ltd. (a substantial shareholder of the Company).
Conflict of Interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes

CORPORATE GOVERNANCE REPORT

Name of Retiring Director	Wong Kim Soon Royson	Chang Long Jong
Other Principal Commitments* Including Directorships# * "Principal Commitments" has the same meaning as defined in the Code. # These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(9)	Past (for the last 5 years): Directorships: • A.S Shipping Agencies (Singapore) Pte. Ltd. • Duet India Hotels Pte. Ltd. Other Principal Commitment: Nil Present: Directorships: • Managing Director of Global Access Logistics Network Pte. Ltd. • Managing Director of Global Access Transportation Pte. Ltd. • Director of VH Select Pte. Ltd. Other Principal Commitment: Nil	Past (for the last 5 years): Directorships: • Academie of Stars Pte. Ltd. • Cathay Cineplexes Pte. Ltd. Other Principal Commitment: Nil Present: Directorships: • V&N Entertainment Pte. Ltd. • mm2 Entertainment Pte. Ltd. • AsiaOne Online Pte. Ltd. • DD2 Media Pte. Ltd. • mm2 Entertainment Sdn. Bhd. • mm2 Entertainment Hong Kong Limited • Metaviva Pte. Ltd. • mmLive Pte. Ltd. • Thye Hua Kwan Moral Charities • Thye Hua Kwan Nursing Home Ltd. Chief Executive Officer of mm2 Asia Ltd. Other Principal Commitment: Nil
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.		
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No

CORPORATE GOVERNANCE REPORT

Name of Retiring Director	Wong Kim Soon Royson	Chang Long Jong
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No

CORPORATE GOVERNANCE REPORT

Name of Retiring Director	Wong Kim Soon Royson	Chang Long Jong
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No

CORPORATE GOVERNANCE REPORT

Name of Retiring Director	Wong Kim Soon Royson	Chang Long Jong
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or (iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No

CORPORATE GOVERNANCE REPORT

Name of Retiring Director	Wong Kim Soon Royson	Chang Long Jong
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No
Disclosure applicable to the appointment of Director only		
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Not applicable as this is a re-election of a Director of the Company.	Not applicable as this is a re-election of a Director of the Company.

SUSTAINABILITY REPORT SUMMARY

Vividthree views sustainability as a strategic opportunity that allows us to bolster resilience, mitigate risks, foster innovation, and generate shared value for our stakeholders. We are dedicated to ongoing improvement, transparent reporting, and active engagement with partners, employees, customers, and communities to collaboratively address sustainability challenges and strive for a more sustainable and inclusive future. Our sustainability report, prepared with reference to the Global Reporting Initiative ("**GRI**") Standards, will be published separately by the end of July 2024. This report will detail our sustainability efforts across the following key areas:

ECONOMIC PERFORMANCE

The Group has significantly improved the stability and health of our finances compared to FY2023. We are pleased to report a 143.6% increase in revenue primarily due to enhanced performance in our Digital Media & Live Experience Production segment and the consolidation of our newly acquired subsidiary, Elliot Communications Pte. Ltd. and its subsidiaries. Consequently, the Group transitioned from a gross loss of $0.12 million in FY2023 to a gross profit of $2.67 million in FY2024. Additionally, the Group received approximately $83,632 in grants from the Singapore government in FY2024. Moving forward, the Group plans to leverage its capabilities to develop and deliver impactful live and digital experiences for Meetings, Incentives, Conferences, and Exhibitions ("MICE") events and the family entertainment sectors as part of our strategic shift towards MICE events.

ENERGY MANAGEMENT

The Group has implemented energy-saving initiatives across our operations to reduce our carbon footprint. We are pleased to report a significant reduction in our energy intensity by approximately 50% in FY2024 compared to FY2023. We will continue to monitor our energy usage to ensure it remains efficient and sustainable.

EMPLOYMENT

Our employees are vital to the Group, and to ensure a healthy work environment and career growth, our sustainability efforts focus on fair recruitment and the development of our current staff. We are committed to maintaining a fair, diverse, and inclusive workplace, recognising its crucial importance in our business.

CORPORATE GOVERNANCE

The Group places a high priority on good corporate governance and remains firmly committed to its conflict of interest and whistleblowing policies, which are crucial for promoting anti-corruption measures and ethical behaviour within our operations and services.

LEGAL RIGHTS PROTECTION AND COMPLIANCE

We remain steadfast in our adherence to all filming and censoring regulations to foster positive ESG impacts, particularly in the social realm. Additionally, we are committed to protecting our own and respecting others' intellectual property rights. To support this, we have a dedicated corporate business development team that oversees all IP-related matters. This approach allows us to develop more robust and effective business strategies while promoting ethical competition within our industry.

FINANCIAL STATEMENTS

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

The directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 31 March 2024 and the statement of financial position of the Company as at 31 March 2024.

In the opinion of the directors,

(i) the statement of financial position of the Company and the consolidated financial statements of the Group as set out on pages 65 to 123 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 March 2024 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are as follows:

Ho Choon Hou
Yeo Eng Pu, Charles
Wong Kim Soon Royson
Chang Long Jong

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Performance Share Plan" in this statement.

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the other director holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Shareholdings registered in the name of directors		*Shareholdings in which director is deemed to have an interest*	
Company	**At 31.03.2024**	**At 01.04.2023**	**At 31.03.2024**	**At 01.04.2023**
(No. of ordinary shares)				
Yeo Eng Pu, Charles	43,987,840	43,987,840	-	-
Chang Long Jong	200,000	200,000	-	-
Ho Choon Hou (1)	-	-	11,090,400	11,090,400

(1) *By virtue of Section 7 of the Singapore Companies Act 1967, Ho Choon Hou is deemed to have interest in the Company's ordinary shares by virtue of his shareholdings in Lionsgate Ltd.*

The directors' interests in the ordinary shares of the Company as at 21 April 2024 were the same as those as at 31 March 2024.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

Share Options

There were no options granted during the financial year to subscribe for unissued shares of the Company or its subsidiaries.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

There were no unissued shares of the Company or its subsidiaries under option at the end of the financial year.

Performance Share Plan

The Company has implemented a performance share plan known as Vividthree Performance Share Plan ("VV3 PSP") which was approved and adopted by the shareholders on 28 August 2018 which contemplates for the award of fully paid-up ordinary shares in the share capital of the Company free-of-charge, provided that certain prescribed performance targets (if any) are met and upon expiry of the prescribed performance period.

Full-time Group Executives who have attained the age of 18 years as of the award date and hold such rank as may be designated by the Remuneration Committee from time to time are eligible to participate in the VV3 PSP. Group Executive Directors and Group Non-Executive Directors (including Independent Directors) of the Group are eligible to participate in the VV3 PSP, except for Chang Long Jong, who is participating in mm2 Asia Ltd.'s existing performance share plan. The participant must also not be an undischarged bankrupt and must not have entered into a composition with his creditors.

Persons who are controlling shareholders or associates of a controlling shareholder who meet the criteria above are also eligible to participate in the VV3 PSP provided that the participation of and the terms of each grant and the actual number of awards granted under the VV3 PSP to a participant who is a controlling shareholder or an associate of a controlling shareholder shall be approved by the independent shareholders in separate resolutions for each person subject to the following:

(a) the aggregate number of shares comprised in awards granted to controlling shareholders or associates of a controlling shareholder under VV3 PSP shall not exceed 25% of the aggregate number of shares (comprised in awards) which may be granted under VV3 PSP; and

(b) the number of shares available to each controlling shareholder or associate of a controlling shareholder shall not exceed 10% of the shares available under the VV3 PSP.

VV3 PSP is a share incentive scheme which will allow the Company, *inter alia,* to target specific performance objectives and to provide an incentive for participants to achieve these targets. The directors believe that the VV3 PSP will help to achieve the following positive objectives:

(a) foster an ownership culture with the Group which aligns the interests of Group Executives with the interests of shareholders;

(b) motivate participants to achieve key financial and operational goals of the Company and/or their respective business units and encourage greater dedication and loyalty to the Group; and

(c) make total employee remuneration sufficiently competitive to recruit new participants and/or retain existing participants whose contributions are important to the long term growth and profitability of the Group.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

Performance Share Plan (continued)

VV3 PSP is administered by the Remuneration Committee (the "RC") which comprises three (3) directors, namely Ho Choon Hou, Wong Kim Soon Royson and Chang Long Jong.

The Company may deliver shares pursuant to awards granted under the VV3 PSP by way of either:

(i) issuance of new shares;

(ii) delivery of existing shares purchased from the market or shares held in treasury; and/or

(iii) cash in lieu of shares, based on the aggregate market value of such shares.

The total number of new shares which may be issued pursuant to awards granted under the VV3 PSP when added to (i) the number of new shares issued and issuable in respect of all awards granted thereunder; and (ii) all shares issued and issuable in respect of all options granted or awards granted under any other share incentive schemes or share plans adopted by the Company for the time being in force, shall not exceed 15% of the issued share capital of the Company's post-placement as well as on the day preceding the relevant date of award. The aggregate number of shares available under the VV3 PSP shall not exceed 15% of the total issued share capital of the Company post-placement and from time to time.

There are no performance shares awarded pursuant to VV3 PSP as at the end of the financial year.

Audit Committee

The members of the Audit Committee (the "AC") at the end of the financial year were as follows:

Wong Kim Soon Royson (Chairman of AC, Independent director)
Ho Choon Hou (Independent director)
Chang Long Jong (Non-executive director)

The AC performs the functions in accordance with Section 201B(5) of the Singapore Companies Act 1967, (the "Act"), the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual and the Code of Corporate Governance. In performing those functions, the AC:

- consider the appointment or re-appointment of the independent auditor, the level of their remuneration and matters relating to resignation or dismissal of the independent auditor, and review the audit plans of the independent auditor, audit reports, management letter and management's response before submission of the results of such review to our Board for approval;
- consider the appointment or re-appointment of the internal auditors, the level of their remuneration and matters relating to resignation or dismissal of the internal auditors, and review with the internal auditors the internal audit plans and their evaluation of the adequacy of our system of internal accounting controls and accounting system before submission of the results of such review to our Board for approval prior to the incorporation of such results in our annual report (where necessary);
- monitor and review the implementation of the auditors' recommendations on internal controls;
- review the system of internal accounting controls and procedures established by management and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of our management where necessary);
- review the assistance and co-operation given by our Company's officers to the internal and independent auditors;

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

Audit Committee (continued)

The AC performs the functions in accordance with Section 201B(5) of the Singapore Companies Act 1967, (the "Act"), the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual and the Code of Corporate Governance. In performing those functions, the AC: (continued)

- review the half-yearly and annual, and quarterly if applicable, financial statements and results announcements before submission to our Board for approval, focusing in particular, on changes in accounting policies and practices, major areas of judgement, significant adjustments resulting from the audit, the going concern statement, compliance with accounting standards as well as compliance with any stock exchange and statutory/regulatory requirements;

- review and discuss with the independent auditor any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on our Group's operating results or financial position, and consider the adequacy of our management's response;

- review the assurance from CEO and FC on the financial records and financial statements;

- review transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules (if any);

- review potential conflicts of interests (if any) and to set out a framework to resolve or mitigate any potential conflicts of interest;

- review the effectiveness and adequacy of the administrative, operating, internal accounting and financial control procedures;

- review our key financial risk areas, with a view to providing an independent oversight on our Group's financial reporting, the outcome of such review to be disclosed in the annual reports or the findings are material, immediately announced via SGXNet;

- undertake such other reviews and projects as may be requested by our Board and report to our Board its findings from time to time on matters arising and requiring the attention of our Audit Committee;

- generally to undertake such other functions and duties as may be required by statute or the Catalist Rules, and by such amendments made thereto from time to time;

- review arrangements by which our staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting and to ensure that arrangements are in place for the independent investigations of such matter and for appropriate follow-up, if any; and

- review our Group's compliance with such functions and duties as may be required under the relevant statutes or the Catalist Rules, including such amendments made thereto from time to time.

The AC confirmed that they have undertaken a review of all non-audit services provided by the independent auditor to the Group and is satisfied that the nature and extent of such services would not affect the independence of the independent auditor.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

Independent auditor

The independent auditor, CLA Global TS Public Accounting Corporation, will not be seeking re-appointment and Forvis Mazars LLP ("Forvis Mazars") has been nominated to be the auditors of the Company for the ensuring year. The appointment of Forvis Mazars is subject to shareholders' approval at the forthcoming Annual General Meeting.

On behalf of the Board of Directors

…..
Yeo Eng Pu, Charles
Director

…..
Chang Long Jong
Director

10 July 2024

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VIVIDTHREE HOLDINGS LTD.

Report on Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Vividthree Holdings Ltd. (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a material accounting policy information, as set out on pages 65 to 123.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the *Accounting and Corporate Regulatory Authority* ("ACRA") *Code of Professional Conduct and Ethics Applicable to Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 March 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VIVIDTHREE HOLDINGS LTD.

Key Audit Matters (continued)

Consolidation of Elliot Communications Pte. Ltd. and its subsidiaries
(Refer to Note 2.5, 3(a) and 19 to the financial statements)

Area of focus

On 26 March 2023, the Company entered into a Sales and Purchase Agreement ("SPA") with Quin Yeo Chow In (the "Co-Founder") and Foo Jinzhong Jeremy ("Vendor") to acquire a 30% equity interest in Elliot Communications Pte. Ltd. ("Elliot") and its subsidiaries ("Elliot Group"). The SPA included a call option to acquire an additional 21% equity interest in Elliot, with terms and conditions applied. On the same day, the Company also entered into a Shareholders Agreement ("SHA") with the Vendor and Elliot, which detailed the framework to regulate the shareholders' risks and responsibilities, including board matters and decision-making processes related to Elliot Group.

Following this acquisition and the term and conditions outlined in the SHA, management has assessed that the Company has established control over Elliot Group in accordance with SFRS(I) 10 *Consolidated Financial Statements* . The assessment is based on:

- the power and ability to direct the board decision;
- ability to direct the relevant activities by appointing key management personnel; and
- the ability to use power to affect the amount of the investor's return.

Consequently, the Company has accounted for Elliot Group as subsidiary due to the control established through the arrangements detailed in the SHA.

Given the significant judgements involved the control assessment over Elliot Group, we determine this as Key Audit Matter.

How our audit addressed the area of focus

In obtaining sufficient audit evidence, we have performed the following procedures:

- Reviewed the terms and condition in SPA and SHA to understand the shareholders' risks and responsibility;
- Assessed and evaluated management's assessment of control over the Elliot Group in compliance with SFRS(I) 10 and reference to the related agreements;
- Reviewed related accounting treatment on the consolidation of Elliot Communications Pte. Ltd. and its subsidiaries; and
- Reviewed and considered the adequacy of related disclosures made in the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VIVIDTHREE HOLDINGS LTD.

Key Audit Matters (continued)

Valuation on goodwill
(Refer to Note 2.8, 2.13(a), 3(b) and 22 to the financial statements)

Area of focus

As at 31 March 2024, the Group's goodwill amounted to $3,397,056 representing 16% of the Group's total assets. The goodwill of $2,851,917 arising from the acquisition of Vividthree Productions Pte. Ltd. in the previous financial years ("VPPL goodwill") and a provisional goodwill of $545,139 arising from the recent acquisition of Elliot Group in the current financial year ("Elliot provisional goodwill").

In accordance with SFRS(I) 1-36 *Impairment of Assets*, goodwill is assessed for impairment annually and whenever there are indicators of potential impairment arise. Impairment is recognised when the carrying amount of the goodwill exceeds its recoverable amount, determined as the higher of the value-in-use or the fair value less cost to disposal method.

For impairment assessment of VPPL goodwill, the Group applies value-in-use method to determine the recoverable amount of the goodwill. The impairment assessment process involves significant management judgement and assumptions in preparing cash flow projections. Key inputs and assumptions, including discount rate, revenue growth rate, expenses growth rate, terminal growth rate, and considerations of past performance, market conditions and future economic conditions, are considered as part of the valuation process. As at 31 March 2024, management assessed that no impairment loss is required for VPPL goodwill, as the recoverable amount exceeds the carrying amount. As for Elliot provisional goodwill, management assessed that there was no impairment indicator noted as at 31 March 2024.

Given the significant degree of management judgements and assumptions involved in the valuation of goodwill, we determine this as Key Audit Matter.

How our audit addressed the area of focus

In obtaining sufficient audit evidence, we have performed the following procedures:

- Understood the basis of preparation used by management, including the key inputs and assumptions used in their VPPL goodwill impairment assessment and evaluated whether the valuation methodology used to determine the recoverable amount complies with the requirements of SFRS(I) 1-36 *Impairment of Assets*;

- With the assistance of our internal valuation specialist, critically evaluated the reasonableness and appropriateness of the key inputs and assumptions used in the cash flow projections for VPPL goodwill impairment assessment, and compared the cash flow projections against historical information, market and economic conditions and expected future performance of the cash-generating unit and other supporting documents used in the cash flow projections to determine the recoverable amount;

- Performed sensitivity analysis on the recoverable amount, considering the reasonable possible changes in the key assumption used;

- Reviewed impairment indicator assessment on the Elliot provisional goodwill; and

- Reviewed and considered the adequacy of related disclosures made in the consolidated financial statements.

Key Audit Matters (continued)

Expected credit losses ("ECL") on trade receivables, other receivables and deposits
(Refer to Notes 2.14, 3(c), 13, 14 and 35(b) to the financial statements)

Area of focus

As at 31 March 2024, the Group's trade receivables, other receivables and deposits amounted to $641,659, $1,077,867 and $3,561,294, respectively, representing 3%, 5% and 17% of the Group's total assets.

In accordance with SFRS(I) 9 *Financial Instruments*, the Group determines the allowance for expected credit losses ("ECL") on trade receivables by assessing the lifetime ECL. This assessment takes into consideration the Group's historical default probabilities, which are adjusted for forward-looking factors and the specific economic environment relevant to the respective group of the debtors. Other receivables and deposits are generally measured at an amount equal to 12-months ECL. However, if the credit quality deteriorates and the credit risk associated to the other receivables and deposits significantly increases after their initial recognition, the 12 months ECL is replaced by the lifetime ECL. The ECL provided for trade receivables and other receivables as of 31 March 2024 are $30,245 and $83,264 respectively. No ECL is required for deposits.

Given the significant level of management judgement required to estimate the ECL, we determine this as Key Audit Matter.

How our audit addressed the area of focus

In obtaining sufficient audit evidence, we have performed the following procedures:

- Understood the basis and assumptions used by management in their assessment of ECL on trade receivables, other receivables and deposits;

- Evaluated management's assessment and determination of ECL on the Group's trade receivables, other receivables and deposits by reviewing the reasonableness of management estimation of ECL rates. These ECL rates are derived from the historical loss rates for each category of customers and adjusted to reflect both forward-looking factors and the economic environment, taking into consideration the recoverability of outstanding receivables; and

- Reviewed and considered the adequacy of ECL related disclosures made in the consolidated financial statements.

INDEPENDENT
AUDITOR'S REPORT
TO THE MEMBERS OF VIVIDTHREE HOLDINGS LTD.

Key Audit Matters (continued)

Valuation on investments in films and entertainment events
(Refer to Notes 2.15, 3(e) and 18 to the financial statements)

Area of focus

The Group entered into various investment agreements related to the production of movie films and entertainment events. These agreements entitle the Group to certain rights to earn a fixed percentage of income generated within the specific period. These investments are termed as *Investment in Films and Entertainment Events* in the consolidated statement of financial position and are classified as financial assets at fair value through profit or loss, as their contractual cash flows are not solely payments of principal and interest.

As at 31 March 2024, the Group's investments in films and entertainment events amounted to $5,687,995, representing 27% of the Group's total assets. The Group measure these investments at fair value upon initial recognition, and this fair value are remeasured at the end of each reporting period. The changes in fair value are recorded in profit or loss.

The fair values of these investments in films and entertainment events are estimated using the income approach, specifically the discounted cash flow method ("DCF"). This approach requires significant management judgement in making assumptions and estimates. The key assumptions include the discount rate and the net income expected from the films and entertainment events over the estimated time frame. In estimating fair value, the management has applied their best knowledge and experience, considering the historical data, market information for similar films and entertainment events, and obtained assistance from an external valuer.

Given the significant management judgement involved in determining the fair value, as well as the significance of these investments to the Group's financial statements, we determine this as Key Audit Matter.

How our audit addressed the area of focus

In obtaining sufficient audit evidence, we have performed the following procedures:

- Evaluated management's assessment related to the classification and measurement in accordance with SFRS(I) 9 by reviewing the terms and conditions of the investment agreements for investments in films and entertainment events;

- Together with our internal valuation specialists, reviewed and assessed the appropriateness of the valuation methodologies and reasonableness of the key assumptions and estimates used by management in the fair value assessment for these investments. This included evaluating the reasonableness and appropriateness of the estimates used in the DCF, and on a sampling basis, compared the estimated net income against historical data, market information for similar films and entertainment events and other supporting documents; and

- Reviewed and considered the adequacy of related disclosures made in the consolidated financial statements.

Key Audit Matters (continued)

Revenue recognition
(Refer to Notes 2.3 and 4 to the financial statements)

Area of focus
For the financial year ended 31 March 2024, the Group's total revenue amounted to $7,092,933, derived from the following revenue streams:

- digital media production amounted to $1,603,930;
- digital and live experience production amounted to $2,805,628; and
- public relations services amounted to $2,683,375.

Revenue is recognised when the Group satisfied a performance obligation by transferring a promised good or service to the customer, which occurs when the customer obtains control of the good or service. The performance obligation may be satisfied at a point in time or over time and the recognised revenue recognised corresponds to the amount allocated to the satisfied performance obligation.

In accordance with SFRS(I)15 *Revenue from Contracts with Customers* , the management has assessed that the revenue derived from digital media production and digital and live experience production is recognised at point in time. Conversely, revenue from public relations services, which was newly acquired from Elliot group, is recognised over time.

Given that revenue recognition is a key area prone to potential fraud risks, we determine this as Key Audit Matter.

How our audit addressed the area of focus

In obtaining sufficient audit evidence, we have performed the following procedures:

- Evaluated the Group's revenue recognition policy and assessed the key controls over the revenue cycle.
- Reviewed the terms and conditions of the significant agreements to assess the appropriateness of revenue recognition in accordance with SFRS(I) 15;
- For revenue recognised at a point in time, we performed substantive audit procedures including cut-off tests on a sampling basis, to verify the occurrence of the revenue and to assess whether the revenue was recognised in the correct financial year;
- For revenue recognised over time, we performed the following procedures, on a sampling basis:
  - Reviewed revenue agreements;
  - Conducted a review by comparing total actual contract costs incurred for completed projects against the total estimated costs budgeted by management to assess the reasonableness of management's estimates; and
  - Performed substantive testing, including reviewing the stage of completion by referencing the actual time cost incurred up to the end of the reporting period as a proportion of the total estimated costs for each contract.
- Reviewed the adequacy and appropriateness of the related disclosures in the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VIVIDTHREE HOLDINGS LTD.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VIVIDTHREE HOLDINGS LTD.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VIVIDTHREE HOLDINGS LTD.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement director on the audit resulting in this independent auditor's report is Lim Hui Ki.

CLA Global TS Public Accounting Corporation
Public Accountants and Chartered Accountants

Singapore
10 July 2024

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	Group 2024 $	Group 2023 $ (Restated)
Revenue	4	7,092,933	2,913,974
Cost of sales		(4,427,660)	(3,034,607)
Gross profit/(loss)		2,665,273	(120,633)
Other income			
- Interest income	5	48,748	54,460
- Others	5	107,563	60,636
Other losses - net	6	(278,876)	(758,308)
Expenses			
- Administrative		(3,926,563)	(2,601,525)
- Finance	9	(171,397)	(172,095)
Loss before income tax		(1,555,252)	(3,537,465)
Income tax expense	10	(8,864)	(4,266)
Net loss for the financial year		(1,564,116)	(3,541,731)
Other comprehensive loss, net of tax:			
Items that may be reclassified subsequently to profit or loss:			
- Currency translation differences arising from consolidation - gains	32(b)	118,480	243,001
Total comprehensive loss for the financial year		(1,445,636)	(3,298,730)
Net loss attributable to:			
Equity holders of the Company		(1,777,813)	(3,537,560)
Non-controlling interest		213,697	(4,171)
		(1,564,116)	(3,541,731)
Total comprehensive loss attributable to:			
Equity holders of the Company		(1,659,333)	(3,294,559)
Non-controlling interest		213,697	(4,171)
		(1,445,636)	(3,298,730)
Loss per share for loss attributable to equity holders of the Company			
Basic and diluted (cents)	11	(0.48)	(0.95)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2024

	Note	Group 31 March 2024 $	31 March 2023 $ (Restated)	1 April 2022 $ (Restated)
ASSETS				
Current assets				
Cash and cash equivalents	12	1,425,134	560,797	893,525
Trade and other receivables	13	1,719,526	1,302,214	3,484,830
Deposits and prepayments	14	3,652,961	3,796,639	593,629
Inventories	15	800,000	800,000	800,000
Other current assets	16	742,019	1,152,432	1,551,821
		8,339,640	7,612,082	7,323,805
Non-current assets				
Deposits		-	-	3,500,000
Financial assets, at fair value through profit or loss ("FVPL")	17	1,545,922	1,649,029	1,700,755
Investments in films and entertainment events	18	5,687,995	6,215,828	5,882,112
Plant and equipment	20	55,489	118,922	273,093
Right-of-use assets	21	395,713	282,226	164,217
Goodwill arising on consolidation	22	3,397,056	2,851,917	2,851,917
Acquired rights	23	1,288,406	1,427,869	1,517,332
Intangible assets	24	204,862	222,470	729,691
		12,575,443	12,768,261	16,619,117
Total assets		20,915,083	20,380,343	23,942,922
LIABILITIES				
Current liabilities				
Trade and other payables	25	4,527,227	1,883,599	590,836
Contract liabilities	26	569,335	584,360	693,320
Borrowings	27	2,410,528	2,525,728	2,558,245
Lease liabilities	28	184,041	93,774	142,359
Current income tax liabilities		135,017	156,648	172,639
		7,826,148	5,244,109	4,157,399
Non-current liabilities				
Borrowings	27	549,821	1,520,737	3,046,456
Lease liabilities	28	219,308	189,027	16,037
Provisions	29	40,991	57,506	55,337
		810,120	1,767,270	3,117,830
Total liabilities		8,636,268	7,011,379	7,275,229
NET ASSETS		12,278,815	13,368,964	16,667,693
EQUITY				
Equity attributable to equity holders of the Company				
Share capital	31	15,959,231	15,959,231	15,959,231
Reserves	32	3,285,669	3,167,189	2,924,188
Accumulated losses		(7,537,126)	(5,759,313)	(2,221,754)
		11,707,774	13,367,107	16,661,665
Non-controlling interests		571,041	1,857	6,028
Total equity		12,278,815	13,368,964	16,667,693

The accompanying notes form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2024

	Note	Company 2024 $	2023 $
ASSETS			
Current assets			
Cash and cash equivalents	12	133,621	58,143
Trade and other receivables	13	12,426,108	12,905,639
Deposits and prepayments	14	3,750	128,433
		12,563,479	13,092,215
Non-current assets			
Financial assets, at fair value through profit or loss ("FVPL")	17	850,000	900,000
Investments in subsidiaries	19	1,159,390	461,900
		2,009,390	1,361,900
Total assets		14,572,869	14,454,115
LIABILITIES			
Current liabilities			
Trade and other payables	25	1,721,380	939,257
Current income tax liabilities		1,085	1,085
Total liabilities		1,722,465	940,342
NET ASSETS		12,850,404	13,513,773
EQUITY			
Equity attributable to equity holders of the Company			
Share capital	31	15,959,231	15,959,231
Accumulated losses	33	(3,108,827)	(2,445,458)
Total equity		12,850,404	13,513,773

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Attributable to equity holders of the Company					
	Share capital $	Reserves $	Accumulated losses $	Total $	Non-controlling interest $	Total equity $
Group						
2024						
Beginning of financial year, as previously reported	15,959,231	3,176,392	(5,800,938)	13,334,685	1,857	13,336,542
Prior year adjustments (Note 39)	-	(9,203)	41,625	32,422	-	32,422
Beginning of financial year, as restated	15,959,231	3,167,189	(5,759,313)	13,367,107	1,857	13,368,964
Net (loss)/profit for the financial year	-	-	(1,777,813)	(1,777,813)	213,697	(1,564,116)
Other comprehensive income for the financial year	-	118,480	-	118,480	-	118,480
Total comprehensive income/(loss) for the financial year	-	118,480	(1,777,813)	(1,659,333)	213,697	(1,445,636)
Non-controlling interests arising from acquisition of subsidiary (Note 38(iii))	-	-	-	-	355,487	355,487
End of financial year	15,959,231	3,285,669	(7,537,126)	11,707,774	571,041	12,278,815
2023						
Beginning of financial year, as previously reported	15,959,231	2,923,352	(2,388,810)	16,493,773	6,028	16,499,801
Prior year adjustments (Note 39)	-	836	167,057	167,893	-	167,893
Beginning of financial year, as restated	15,959,231	2,924,188	(2,221,753)	16,661,666	6,028	16,667,694
Net loss for the financial year	-	-	(3,537,560)	(3,537,560)	(4,171)	(3,541,731)
Other comprehensive income for the financial year	-	243,001	-	243,001	-	243,001
Total comprehensive income/(loss) for the financial year	-	243,001	(3,537,560)	(3,294,559)	(4,171)	(3,298,730)
End of financial year	15,959,231	3,167,189	(5,759,313)	13,367,107	1,857	13,368,964

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	Group 2024 $	2023 $ (Restated)
Cash flows from operating activities			
Net loss		(1,564,116)	(3,541,731)
Adjustments for:			
- Income tax expense	10	8,864	4,266
- Interest income	5	(48,748)	(54,460)
- Interest expense	9	171,397	172,095
- Loss on fair value changes in financial assets, at FVPL - net	6	62,260	-
- (Gain)/loss on fair value changes in investment in films and entertaitment events, at FVPL - net	6	(65,747)	190,951
- Loss on disposal of plant and equipment	6	-	242
- Plant and equipment written off	6	30,612	52
- Depreciation of plant and equipment	7	61,910	166,990
- Depreciation of right-of-use assets	7	181,596	142,211
- Loss/(gain) arising from derecognition of leases	6	28	(886)
- Amortisation of acquired rights	7	139,463	89,463
- Amortisation of intangible assets	7	92,376	496,403
- Bad debt written off	6	-	4,280
- Unrealised foreign currency exchange loss		145,614	593,415
Operating loss before working capital changes		(784,491)	(1,736,709)
Change in working capital:			
- Trade and other receivables		603,776	1,394,159
- Other current assets		398,097	256,693
- Deposits and prepayments		186,098	277,123
- Trade and other payables		2,340,056	1,313,553
- Contract liabilities		(391,914)	(108,587)
Cash generated from operations		2,351,622	1,396,232
Interest received		2,037	97
Income tax paid		(56,086)	(4,266)
Net cash provided by operating activities		**2,297,573**	**1,392,063**
Cash flows from investing activities			
Acquisition of a subsidiary, net of cash acquired	38(ii)	77,367	-
Proceeds from disposal of plant and equipment		-	130
Proceeds from disposal of investment in films and entertainment events		514,376	-
Income from investment in films and entertainment events		-	43,590
Additions to intangible assets		-	(26,049)
Additions to plant and equipment		(17,681)	(14,071)
Government grants received for development of software (intangible assets)		-	154,936
Net cash provided by investing activities		**574,062**	**158,536**
Cash flows from financing activities			
Interest paid		(171,397)	(169,926)
Repayment of borrowings		(1,643,949)	(1,558,236)
Principal payment of lease liabilities		(177,771)	(134,778)
Net cash used in financing activities		**(1,993,117)**	**(1,862,940)**
Net changes in cash and cash equivalents		**878,518**	**(312,341)**
Cash and cash equivalents			
Beginning of financial year		560,797	893,525
Effects of currency translation on cash and cash equivalents		(14,181)	(20,387)
Cash and cash equivalents at end of financial year	**12**	**1,425,134**	**560,797**

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

Reconciliation of liabilities arising from financing activities

		Cash flows	Non-cash changes					
Group	**Beginning of financial year $**	**Principal and interest payments $**	**Addition during the year $**	**Derecognition of leases $**	**Interest expense $**	**Acquisition of Elliot Group (Note 38) $**	**Currency translation differences $**	**End of financial year $**
2024								
Borrowings								
Bank borrowings	4,046,465	(1,809,471)	-	-	165,522	557,833	-	2,960,349
Lease liabilities	282,801	(183,645)	198,325	(1,675)	5,875	102,322	(654)	403,349
2023								
Borrowings								
Bank borrowings	5,604,701	(1,724,746)	-	-	166,510	-	-	4,046,465
Lease liabilities	158,396	(138,194)	280,821	(20,027)	3,416	-	(1,611)	282,801

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1 GENERAL INFORMATION

The Company

Vividthree Holdings Ltd. (the "Company") is listed on Catalist, the sponsor-supervised listing platform in Singapore Exchange Securities Trading Limited ("SGX-ST") and incorporated and domiciled in Singapore. The address of the Company's registered and principal place of business is located at Block 1093 Lower Delta Road #05-10 Singapore 169204.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are described in Note 19 to the financial statements.

The holding company of the Company is mm2 Asia Ltd.. The holding company is incorporated and domiciled in Singapore and listed on Main Board of Singapore Exchange Securities Trading Limited.

2 MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

These financial statements have been prepared in accordance with the SFRS(I) under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (“$”) except otherwise indicated.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3 to the financial statements.

2.2 Adoption of new and amended standards and interpretations

On 1 April 2023, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) (“INT SFRS(I)”) that are mandatory for application for the financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group’s accounting policies and had no material effect on the amounts reported for the current or prior financial years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.3 Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied data a point in time or over time and the amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Digital and live experience production

(i) Production services

Production services are services rendered to third parties for the development and production of immersive entertainment location-based thematic show. Revenue is recognised at a point in time or over time depending on the variation of respective contract and performance obligation attached.

(ii) Revenue from the exploitation of copyrights*

Revenue is recognised at a point in time when a fixed fee on non-refundable guarantee under a non-cancellable contract has been entered, which permits the customer the rights to use freely and the Group has no remaining obligations to perform.

* Copyrights refer to copyrights and all other rights attached therein.

(iii) Others

Revenue from co-management of events is recognised at a point in time upon completion of the events.

(b) Digital Media production

Digital Media production are services rendered to third parties for a visual effects, computer-generated imagery services and immersive media works. Revenue is recognised at a point in time or over time depending on the variation of respective contract terms and performance obligation attached. Performance obligation are satisfied over time, if services is transferred upon the Group (i) provide all of the benefits received and consumed simultaneously by the customer; (ii) creates or enhances an asset that the customer controls as the Group performs; or (iii) does not create an asset with an alternative use to the Group and the Group has enforceable right to payment for performance completed to date. Services that are transferred over time, revenue are recognised over the period of revenue contract by reference to progress towards completion and satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the relevant services rendered and have been accepted by the customer.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.3 Revenue (continued)

(c) Public relations services

Public relations services refers to the services in management consultancy services and communications and media relations solutions.

Revenue from public relations services is recognised over time as the performance obligation is satisfied over the contract. The percentage of completion is calculated by comparing the actual time costs incurred up to the end of the end of the reporting period as a proportion of the total estimated costs for each contract.

2.4 Other income

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions. Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as “other income”. Government grants relating to assets are deducted against the carrying amount of the assets.

Rental income from provision of equipment is recognised on a straight-line basis over the service period.

Interest income is recognised using the effective interest method.

2.5 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statements of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.5 Group accounting (continued)

(a) Subsidiaries (continued)

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair values of the net identifiable assets acquired net of the fair values of the liabilities and any contingent liabilities assumed, is recorded as goodwill. The subsequent accounting policy on goodwill is disclosed in Note 2.8 to the financial statements.

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained profits if required by a specific SFRS(I).

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

The "Investment in subsidiaries" for the accounting policy on investment in subsidiaries in the separate financial statements of the Company is disclosed in Note 2.9 to the financial statements.

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.6 Plant and equipment

(a) Measurement

(i) Plant and equipment

All items of plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(ii) Components of costs

The cost of an item of plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Depreciation

Depreciation on plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Office equipment and computers	3 - 5 years
Furniture and fittings	10 years
Renovation	5 years
Tools and equipment	3 - 5 years

The residual values, estimated useful lives or annual rates and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated plant and equipment still in use are retained in the financial statements until they are no longer in use.

(c) Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "other losses - net".

2.7 Leases

When the Group is the lessee:

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in SFRS(I) 16. Reassessment is only required when the terms and conditions of the contract are changed.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.7 Leases (continued)

(i) Right-of-use assets

The Group recognises a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

The projected cost of restoration is also recognised as part of the cost of right-of-use assets as the obligation of the restoration will be incurred and arising as a consequence of using the assets.

This right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term as follows:

	Useful lives
Computers	3 years
Office spaces	2 - 4 years

(ii) Lease liabilities

The initial measurement of a lease liability is measured at the present value of the lease payments discounted using the implicit interest rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payments, including in-substance fixed payments, less any lease incentives receivables;
- Variable lease payments that based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee;
- The exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For a contract that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group has elected to not separate lease and non-lease component for property leases and account these as one single lease component.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There is modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.7 Leases (continued)

(iii) Short term and low value leases

The Group has elected not to recognised right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangement. Lease payments relating to these leases are expensed to profit or loss as short-term and low value assets on a straight-line basis over the lease term, if any.

(iv) Variable lease payments

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that triggered those lease payments.

There is no variable lease payment during the financial year.

2.8 Goodwill

Goodwill on acquisitions of subsidiaries and businesses, represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired. Goodwill on subsidiaries is recognised separately as goodwill and carried at cost less accumulated impairment losses.

Gains and losses on the disposal of subsidiaries include the carrying amount of goodwill relating to the entity sold.

2.9 Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between the disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.10 Acquired rights

Acquired rights comprised of intellectual property rights.

Intellectual property rights ("IP rights") are rights acquired by the Group for specific content, conceptual ideas, or film titles. It is initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation on IP rights is calculated on straight-line basis over maximum useful life of ten (10) years, starting from the time the rights are put to use. The amortisation is recognised to profit or loss over its useful life.

For acquired rights that have yet to developed or used will be subject to impairment assessment on annual basis. For acquired rights that have been amortised, an impairment assessment will be conducted whenever there is an indication that it may impaired.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.11 Intangible assets

(a) Content development costs

Content development costs directly attributable to the development of content production projects are capitalised as intangible assets only when technical feasibility of the project is demonstrated, the Group has an intention and ability to complete and use the content and the costs can be measured reliably. Such costs include purchases of materials, services and payroll-related costs of employees directly involved in the project.

(b) Customer relationship

Customer relationship is the identifiable intangible asset recognised on acquisition of subsidiaries which are not recognised as an asset by the subsidiaries because it developed them internally and charged the related costs to profit or loss. Customer relationship is initially recognised at fair value at the acquisition date and subsequently carried at cost less accumulated amortisation and accumulated impairment losses. Customer relationship is amortised over the relationship life of four (4) years. Additional amortisation and/or impairment loss is made if future estimated relationship life is different from the previous estimation.

(c) Licenses

Licenses refer to the acquired licenses by the Group that grant the right to use, display, store and reproduce into electronic format and immersive entertainment from the original content owned by the licensor. Licenses are stated at cost less accumulated amortisation and accumulated impairment losses. Licenses, less estimated residual value and accumulated impairment losses, are amortised on straight line over the license period.

(d) Software under development

Research costs are recognised as an expense when incurred. Costs directly attributable to the development of software are capitalised as intangible assets only when technical feasibility of the project is demonstrated, the Group has an intention and ability to complete and use the software and the costs can be measured reliably. Such costs include purchases of materials and services, and payroll-related costs of employees directly involved in the project.

Software under development will not be amortised and will be transferred to software when it is developed and available for intended use.

(e) Software

Software are stated at cost less accumulated amortisation and accumulated impairment losses. Software, less estimated residual value and accumulated impairment losses, are amortised on straight line method over the estimated useful lives of five (5) years. It will be subject to impairment assessment whenever there is an indication that it may be impaired.

The amortisation period and amortisation method of intangible assets are reviewed at least at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

2.12 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.13 Impairment of non-financial assets

(a) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(b) *Plant and equipment*
Right-of-use assets
Acquired rights
Intangible assets
Investment in subsidiaries

Plant and equipment, right-of-use assets, acquired rights, intangible assets and investment in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

For an asset other than goodwill, management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.14 Financial assets

(a) Classification and measurement

The Group classifies its financial assets in the following measurement categories:
- Amortised cost; and
- Fair value through profit or loss ("FVPL")

The classification depends on the Group’s business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

At subsequent measurement

(i) Debt instruments

Debt instruments of the Group mainly comprise of cash and cash equivalents, trade and other receivables and unlisted debt securities.

The subsequent measurement categories are depending on the Group's business model for managing the asset and the cash flow characteristics of the assets. The Group's subsequent measurement categories are as follows:

- *Amortised cost:*

  Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

- *Fair value through profit or loss:*

  Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or fair value through other comprehensive income ("FVOCI") are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other losses - net".

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.14 Financial assets (continued)

(a) Classification and measurement (continued)

At subsequent measurement (continued)

(ii) Equity investments

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other losses - net".

(b) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 35(b) to the financial statements details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applied the simplified approach permitted by SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For other receivables and deposits, the general 3-stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since recognition of the assets. If there is significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised.

(c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date - the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income ("OCI") relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in OCI relating to that asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.15 Investments in films and entertainment events

Investments in films and entertainment events refer to the Group's participation in the films and entertainment events which entitle the Group to certain rights to earn a fixed percentage of income generated within the specific period in accordance with the terms of the contractual agreement. The Group measure these investments at fair value upon initial recognition, and this fair value are remeasured at the end of each reporting period. Their carrying amounts at the end of the reporting period represent the fair values of the estimated net future cash flows from these investments attributable to the Group. The changes in the fair values are recognised in the profit or loss.

2.16 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.17 Financial guarantees

The Company has issued corporate guarantees to banks for bank borrowings of its subsidiary. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiary fails to make principal or interest payments when due in accordance with the terms of its borrowings.

Financial guarantee contracts are initially measured at fair value plus transaction costs and subsequently measured at the higher of:

(a) premium received on initial recognition less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and

(b) the amount of expected loss computed using the impairment methodology under SFRS(I) 9.

2.18 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.19 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less. Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.20 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost includes all costs of purchase and other costs incurred in developing the concept and content. Net realisable value is the estimated selling price in the ordinary course of business less selling expenses.

2.21 Other current assets

Other current assets, comprise costs incurred in fulfilling a contract with a customer, are recognise only if (i) these costs relate directly to a contract or to an anticipated contract which the Group can specifically identify; (ii) these costs generate or enhance resources of the Group that will be used in satisfying performance obligations in the future; and (iii) the costs are expected to be recovered. Otherwise, such costs are recognised as an expense immediately.

The assets recognised are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. An impairment loss is recognised in profit or loss to the extent that the carrying amount of these other current assets exceeds the expected remaining consideration less any directly related costs not yet recognised as expenses.

2.22 Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received a consideration (or an amount of consideration that is due) from the customer. A contract liability is recognised when the payment is made or when an invoice is issued before the Group transfers goods or services to the customer. Contract liabilities are recognised as revenue when the Group performs under the contract.

2.23 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences, arising on investment in subsidiaries except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.23 Income taxes (continued)

Deferred income tax is measured:

(a) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date; and

(b) based on the tax consequence that will follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income and expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Group accounts for investment tax credits (for example, productivity and innovation credit) similar to accounting for other tax credits where a deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

2.24 Provisions

Provisions for other liabilities and charges are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in profit or loss as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2.25 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund in Singapore and Employee Provident Fund in Malaysia on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision when contractually obliged to pay or when there is a past practice that has created a constructive obligation to pay.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.26 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars ("$"), which is the functional currency of the Company.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of comprehensive income within "finance expense". All other exchange gains and losses impacting profit or loss are presented in the statement of comprehensive income within "other losses - net".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.27 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision-maker ("CODM") whose members are responsible for allocating resources and assessing performance of the operating segments.

2.28 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash at bank, cash on hand and deposits with financial institutions which are subject to an insignificant risk to change in value.

2.29 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.30 Dividends to Company's shareholders

Dividends to the Company's shareholders are recognised in equity in the period in which they are declared.

3 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under circumstances. Details on these areas which involve significant judgement and estimation uncertainty are further disclosed below.

(a) Consolidation of Elliot Communications Pte. Ltd. and its subsidiaries

During the financial year, the Company entered into a Sales and Purchase Agreement ("SPA") to acquire 30% equity interest in Elliot Communications Pte. Ltd. ("Elliot") and its subsidiaries ("Elliot Group"). In addition to the SPA, the management also entered into a Shareholders Agreement ("SHA") which detailed the framework to regulate the shareholders' risks and responsibilities, including board matters and decision-making processes related to Elliot Group.

Judgement is required to determine when the Group establishes control over an investee. In accordance with SFRS(I) 10 *Consolidated Financial Statements*, the Group has made an assessment of the relevant activities of the investee and whether the decisions in relation to those activities require unanimous consent and controls in an investee under a contractual arrangement if the investor has (i) power over the investee; (ii) exposure, or rights, to variable returns from involvement with the investee; and (iii) the ability to use its power over the investee to affect the amount of the investor's returns.

3 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

(a) Consolidation of Elliot Communications Pte. Ltd. and its subsidiaries (continued)

Considered the arrangement in SHA, the management has assessed that the Company has established control over Elliot Group, based on:

- the power and ability to direct the board decision;
- ability to direct the relevant activities by appointing key management personnel; and
- the ability to use power to affect the amount of the investor's return.

Accordingly, the Company has accounted Elliot Group as their subsidiaries. Details of the Company's investments in subsidiaries and carrying amount are disclosed in Note 19 to the financial statements. The details of the business combination are described in Note 38 to the financial statements.

(b) Impairment of goodwill

Goodwill is tested for impairment annually and whenever there is indication that the goodwill may be impaired. This requires an estimation of the recoverable amount of the CGU to which the goodwill are allocated, through the valuation method of fair value less cost to disposal or value-in-use. The method and assumptions used in this estimation of recoverable amount and the carrying amount of goodwill are disclosed in Note 22 to the financial statements.

(c) Expected credit losses of trade receivables, other receivables and deposits

Expected credit losses ("ECL") on trade receivables, other receivables and deposits are probability-weighted estimates of credit losses which are determined by evaluating a range of possible outcomes and taking into account past events, current conditions and assessment of future economic conditions.

In accordance with SFRS(I) 9 *Financial Instruments*, the Group determines the allowance for expected credit losses ("ECL") on trade receivables by assessing the lifetime ECL. This assessment takes into consideration the Group's historical default probabilities, which are adjusted for forward-looking factors and the specific economic environment relevant to the respective group of the debtors. Other receivables and deposits are generally measured at an amount equal to 12-months ECL. However, if the credit quality deteriorates and the credit risk associated to the other receivables and deposits significantly increases after their initial recognition, the 12-months ECL is replaced by the lifetime ECL.

The carrying amount of the trade receivables, other receivables and deposits at the reporting date are disclosed in Notes 13 and 14 to the financial statements.

(d) Valuation of financial assets, at FVPL

The Group recognised its unquoted securities and unquoted convertible loans as financial assets at fair value through profit or loss. The changes in FVPL are recognised in profit or loss. Where available, fair value measurements are derived from prices quoted in active markets for identical assets. In the absence of such information, other observable inputs are used to estimate fair value. Inputs derived from external sources are corroborated or otherwise verified, as appropriate.

The carrying amount of financial assets, at FVPL at the reporting date are disclosed in Note 17 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

3 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

(e) Valuation of investments in films and entertainment events

The Group entered into various investment agreements related to the production of movie films and entertainment events which entitle the Group to certain rights to earn a fixed percentage of income generated within the specific period. These investments are classified as financial assets at fair value through profit or loss, as their contractual cash flows are not solely payment of principal and interest.

As at 31 March 2024, the fair values of these investments in films and entertainment events are estimated using the income approach, specifically the discounted cash flow method ("DCF"), which requires significant management judgements in making assumptions and estimates. The key assumptions include the discount rate and the net income expected from the films and entertainment events over the estimated time frame.

The discount rate applied in this DCF ranged between 13.65% to 14.03% (2023: 13.81% to 14.07%). The estimated fair value would increase/(decrease) by $9,026 (2023: $12,030) if the discount rate were lower/(higher) by 1%. In estimating fair value, the management has applied to their best knowledge, considering the historical data, market information of comparable films and entertainment events, and with the consultation from an external valuer.

The details of investments in films and entertainment events are disclosed at Note 18 to the financial statements.

(f) Valuation of acquired rights

The costs of acquired rights will be amortised over the economic benefits period (over maximum of 10 years' useful life or its contractual period). The amortisation period and method for these acquired rights will be reviewed annually and it will be subject to impairment assessment whenever there is an indication that it may be impaired. Additional amortisation and/or impairment are made if estimated projected cash flows are materially different from the previous estimation.

As at 31 March 2024, the Group assessed the existence of impairment indicators due to external factors and performed an impairment assessment to determine the recoverable amount of these assets. The determination of the recoverable amount was estimated based on the expected income from the exploitation of these rights throughout the remaining useful lives. Based on the impairment assessment, no impairment is required as the recoverable amounts exceeds the carrying amounts.

(g) Valuation of other current assets

Other current assets of the Group represents the assets recognised for costs incurred to fulfil a contract, which is the future events relating to digital media and digital and live experience production services. The Group shall recognise an impairment loss in profit or loss to the extent that the carrying amount of the asset exceeds the remaining amount of consideration that the entity expects to receive in exchange for the services to which the asset relates less the costs that relate directly to providing those services and that have not been recognised as expenses.

In assessing the impairment of other current assets, judgements are used to estimate the remaining amount of consideration that the Group is expected to receive and the costs that relate directly to providing the services.

Management has assessed that the remaining amount of consideration less cost to complete is expected to be higher than the carrying amount of other current assets, accordingly, no impairment is required.

The carrying amounts of other current assets are disclosed in Note 16 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

4 REVENUE

	Group	
	2024	**2023**
	$	**$**
At a point in time		
Digital media production	1,603,930	2,340,284
Digital and live experience production	2,805,628	573,690
	4,409,558	2,913,974
At over time		
Public relations services	2,683,375	-
	7,092,933	2,913,974
Geographical regions based on location of customers		
Singapore	5,603,187	2,405,728
Malaysia	900,556	103,062
China	355,000	-
Japan	146,287	332,656
Others	87,903	72,528
	7,092,933	2,913,974

The contract balances with customers and the related disclosures have been included in trade and other receivables (Note 13) and contract liabilities (Note 26) respectively.

5 OTHER INCOME

	Group	
	2024	**2023**
	$	**$**
		(restated)
Government grants	83,632	33,679
Equipment rental income	14,400	23,297
Others	9,531	3,660
	107,563	60,636
Interest income		
- Banks	2,037	97
- Financial assets, FVPL - unquoted convertible loans	46,711	54,363
	48,748	54,460
	156,311	115,096

Government grants include wages credit scheme, temporary employment credit, special government credit and government-paid maternity/paternity leave.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

6 OTHER LOSSES - NET

	Group	
	2024	**2023**
	$	**$**
		(restated)
Foreign currency exchange losses - net	(251,723)	(577,555)
Plant and equipment written off	(30,612)	(52)
Loss on fair value changes in financial assets, at FVPL - net (Note 17)	(62,260)	-
Gain/(loss) on fair value changes in investments in films and entertainment events - net (Note 18)	65,747	(190,951)
(Loss)/gain arising from derecognition of leases	(28)	886
Loss on disposal of plant and equipment	-	(242)
Loss on disposal of intangible assets	-	(938)
Bad debts written off	-	(4,280)
Others	-	14,824
	(278,876)	(758,308)

7 EXPENSES BY NATURE

The Group's loss before tax is arrived at after charging the following:

	Group	
	2024	**2023**
	$	**$**
		(restated)
Employees compensation (Note 8)	3,591,451	3,069,373
Directors' fees	83,333	100,000
Depreciation of plant and equipment (Note 20)	61,910	166,990
Depreciation of right-of-use assets (Note 21)	181,596	142,211
Amortisation of acquired rights (Note 23)	139,463	89,463
Amortisation of intangible assets (Note 24)	92,376	496,403
Purchases of direct production-related expenses	2,917,324	894,843
IT and software related expenses	133,974	150,524
Professional fees	632,532	296,074

8 EMPLOYEES COMPENSATION

	Group	
	2024	**2023**
	$	**$**
Wages and salaries	2,808,627	2,608,352
Employer's contribution to defined contribution plans	345,901	247,531
Other short-term benefits	436,923	213,490
	3,591,451	3,069,373

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

9 FINANCE EXPENSES

	Group 2024 $	Group 2023 $
Interest expense on:		
- Bank borrowings	165,522	166,510
- Lease liabilities	5,875	3,416
	171,397	169,926
Unwinding of discount on provisions for restoration costs (Note 29)	-	2,169
	171,397	172,095

10 INCOME TAX EXPENSE

	Group 2024 $	Group 2023 $
Tax expense attributable to loss is made up of:		
Under provision in prior financial years:		
- Current income tax - Singapore	8,864	4,266

The tax on the Group's loss before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	Group 2024 $	Group 2023 $
Loss before tax	(1,555,252)	(3,537,465)
Tax calculated at tax rate of 17% (2023: 17%)	(264,393)	(601,369)
Effects of:		
- Differential of tax rates in foreign countries	(9,113)	(24,416)
- Income not subject to tax	(11,285)	(10,856)
- Expenses not deductible for tax purposes	199,142	130,069
- Deferred tax assets not recognised	85,649	506,572
- Under provision of income tax in prior financial years	8,864	4,266
Tax expense	8,864	4,266

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

11 LOSS PER SHARE

The calculation of the basic loss per share is based on the net loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2024	**2023** *(restated)*
Net loss attributable to equity holders of the Company ($)	(1,777,813)	(3,537,560)
Weighted average number of ordinary shares outstanding for basic and diluted loss per share	371,511,764	371,511,764
Basic and diluted loss per share (cents)	(0.48)	(0.95)

There were no diluted loss per share for the financial years ended 31 March 2024 and 2023 as there were no dilutive potential ordinary shares outstanding.

12 CASH AND CASH EQUIVALENTS

	2024 $	2023 $
Group		
Cash at banks	1,425,134	560,797
Company		
Cash at banks	133,621	58,143

13 TRADE AND OTHER RECEIVABLES

	2024 $	2023 $
Group		
Trade receivables		
- Non-related parties	530,778	572,120
- Related parties	5,962	343,723
- Unbilled receivables	135,164	120,444
	671,904	1,036,287
Less: Expected credit loss allowance		
- Non-related parties (Note 35(b))	(30,245)	(30,245)
Trade receivables - net	641,659	1,006,042
Other receivables		
- Non-related parties	1,107,136	356,566
- Related parties	53,995	22,870
	1,161,131	379,436
Less: Expected credit loss allowance		
- Non-related parties (Note 35(b))	(83,264)	(83,264)
Other receivables - net	1,077,867	296,172
	1,719,526	1,302,214

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

13 TRADE AND OTHER RECEIVABLES (CONTINUED)

	2024 $	2023 $
Company		
Trade receivables		
- Unbilled receivables	26,300	-
Other receivables		
- Non-related parties	70,193	45,693
- Subsidiaries	12,344,615	12,874,946
	12,414,808	12,920,639
Less: Expected credit loss allowance		
- Non-related parties (Note 35(b))	(15,000)	(15,000)
	12,399,808	12,905,639
	12,426,108	12,905,639

As at 1 April 2022, the Group's trade receivables from contracts with customers amounted to $2,764,581 (net of loss allowance of $103,262). The Company had no trade receivables from contracts with customers as at 1 April 2022.

Unbilled receivables relate to services that the Group and the Company has satisfied its performance obligation of revenue contracts but has yet to bill the customers as at the financial year end.

The non-trade amounts due from subsidiaries and related parties are unsecured, interest-free and are repayable on demand.

Related parties are entities controlled and be able to exercise significant influence by the holding company.

14 DEPOSITS AND PREPAYMENTS

	2024 $	2023 $
Group		
Current		
Deposits (Note 14(a))	3,561,294	3,539,961
Prepayments	91,667	256,678
	3,652,961	3,796,639
Company		
Prepayments	3,750	128,433

(a) Included in the deposit (current) of the Group, the deposit of $3,500,000 (2023: $3,500,000) was made to secure a potential investment. The deposit is expected to be fully recovered in the next 12 months.

15 INVENTORIES

	Group	
	2024 $	2023 $
Inventories		
Developed concept with immersive content	800,000	800,000

The developed concept with immersive content includes in-game structure, script and creative concept.

NOTES TO
THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

16 OTHER CURRENT ASSETS

	Group 2024	Group 2023
	$	$
Other current assets		
Assets recognised from costs incurred to fulfill revenue contracts	742,019	1,152,432

Costs incurred to fulfill revenue contracts related to direct costs incurred for revenue contracts in progress as at 31 March 2024 and 31 March 2023. The Group expects the capitalised costs to be fully recovered, hence no impairment loss has been recognised.

17 FINANCIAL ASSETS, AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVPL")

The Group's financial assets, at FVPL, comprised of unquoted securities and unquoted convertible loans (Note 17); and investments in films and entertainment events (Note 18).

	2024	2023
	$	$
Group		
Financial assets designated at FVPL:		
Unquoted securities		
- Singapore	140,000	190,000
- United States	10,000	10,000
	150,000	200,000
Unquoted convertible loans		
- Singapore	700,000	700,000
- Malaysia	695,922	749,029
	1,395,922	1,449,029
	1,545,922	1,649,029
Company		
Financial assets designated at FVPL:		
Unquoted securities		
- Singapore	140,000	190,000
- United States	10,000	10,000
	150,000	200,000
Unquoted convertible loans		
- Singapore	700,000	700,000
	850,000	900,000

The movement of the financial assets, FVPL is as follows:

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
Beginning of financial year	1,649,029	1,700,755	900,000	900,000
Loss on fair value changes - net (Note 6)	(62,260)	-	(50,000)	-
Currency translation differences	(40,847)	(51,726)	-	-
End of financial year	1,545,922	1,649,029	850,000	900,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

17 FINANCIAL ASSETS, AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVPL") (CONTINUED)

(a) Unquoted securities

Unquoted securities investments comprise of equity instruments. These investments are measured at FVPL, as they represent an identified portfolio of investments which the Group manages together with an intention to realise the investments when the opportunity arises.

The fair value of unquoted securities investments are determined based on recent price quoted from active/most advantageous market for the investee company's equity and incorporated internal and/or external changes in the business and market environment that the investee operates in (if any).

In the absence of publicly available market data and information where the range of reasonable fair value estimates is significant and the probabilities of the various estimates cannot be reasonable assessed, these unquoted securities have been measured at costs.

(b) Unquoted convertible loans

As at 31 March 2024, unquoted convertible loans comprise of two (2023: two) debt instruments with interest rate of 3% to 3.5% (2023: 3% to 3.5%) per annum and maturity date of 3 to 4 years (2023: 3 years) from the subscription date. Including the maturity date where one of the unquoted convertible loans has extended for an additional 1 year after the 3 years maturity date at interest rate of 4% (2023: 4%) per annum.

The fair value of unquoted convertible loans is determined based on discounted cash flow method, using a discount rate of 5.25% (2023: 5.25%). The estimated fair value would increase/(decrease) by $14,463 (2023: $17,306) if the discount rate were lower/(higher) by 0.1%.

The fair value of unquoted securities and convertible loans are classified in Level 3 of the fair value hierarchy.

18 INVESTMENTS IN FILMS AND ENTERTAINMENT EVENTS

Investments in films and entertainment events refer to the Group’s participation in the films and entertainment events with an entitlement to share a certain percentage of income generated from the investment in accordance with the terms of the contractual agreement.

The Group's investment in films and entertainment events as at 31 March 2024 and 31 March 2023 are classified as financial assets at fair value through profit or loss (FVPL) as their contractual cash flows are not solely payments of principal and interest.

The Group measure these investments at fair value upon initial recognition, and this fair value are remeasured at the end of each reporting period. The changes in fair value are recorded in profit or loss. The fair values of these investments in films and entertainment events are estimated using the income approach, specifically the discounted cash flow method ("DCF"). The fair value of investment in films and entertainment events are classified in Level 3 of the fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

18 INVESTMENTS IN FILMS AND ENTERTAINMENT EVENTS (CONTINUED)

The movement of investment in films and entertainment events are as follows:

	Group	
	2024	2023
	$	$
At the beginning of financial year		
- As previously reported	-	-
- Prior year adjustment (Note 39)	6,215,828	5,882,112
At the beginning of the financial year, restated	6,215,828	5,882,112
Additions	-	2,036,840
Disposal	(514,376)	(1,251,000)
Gain/(loss) on fair value changes - net (Note 6)	65,747	(190,951)
Income from the investment	-	(43,590)
Currency translation differences	(79,204)	(217,583)
End of financial year	5,687,995	6,215,828

19 INVESTMENTS IN SUBSIDIARIES

	Company	
	2024	2023
	$	$
Equity investments at cost		
Beginning of financial year	461,900	451,900
Additions	697,490	10,000
End of financial year	1,159,390	461,900

(a) On 16 March 2023, the Company had incorporated a wholly-owned subsidiary, Beyond Digital Galaxy Pte. Ltd. with an initial issued and paid-up share capital totalling $10,000.

(b) During the financial year ended 31 March 2024, the Company entered into a Sales and Purchase Agreement (“SPA”) to acquire 30% equity interest in Elliot Communications Pte. Ltd. (“Elliot”) and its subsidiaries (“Elliot Group”) at a total final consideration of $697,490. In addition to the SPA, the management also entered into a Shareholders Agreement (“SHA”) which detailed the framework to regulate the shareholders’ risks and responsibilities, including board matters and decision-making processes related to Elliot Group.

As described under Note 3 to the financial statements, the management assessed that the Group has power and control over Elliot in accordance with the criteria outlined in SFRS(I) 10 *Consolidated Financial Statements*. Consequently, the Company has accounted for Elliot Group as subsidiary due to the control established through the arrangements detailed in the SHA.

The detail of the business combination are disclosed in Note 38 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

19 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

The Group has the following subsidiaries:

Name of	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by the immediate parent company		Proportion of ordinary shares held by the Group		Proportion of ordinary shares held by non-controlling interests	
			2024 %	2023 %	2024 %	2023 %	2024 %	2023 %
Held by the Company:								
Vividthree Productions Pte. Ltd. [(a)]	Motion picture, video and television programme post-production and content production activities	Singapore	100	100	100	100	-	-
Vividthree Co., Ltd. (蔚视丰隆文化发展(上海)有限公司) [(b)(e)]	Motion picture, video and television programme post-production activities	China	100	100	100	100	-	-
Beyond Digital Galaxy Pte. Ltd. [(a)]	Motion picture, video and television programme post-production for e-commerce activities	Singapore	100	100	100	100	-	-
V&N Entertainment Pte. Ltd. [(a)]	Providing event management services	Singapore	55	55	55	55	45	45
Elliot Communications Pte. Ltd. [(a)]	Management Consultancy services	Singapore	30	-	30	-	70	-
Held by Vividthree Productions Pte. Ltd.:								
Vividthree Productions Sdn. Bhd. [(b)(c)(d)]	Motion picture, video and television programme post-production activities	Malaysia	100	100	100	100	-	-
Held by Elliot Communications Pte. Ltd.:								
Prospr Communications Pte. Ltd. [(a)]	Provision of communications and media relations solutions and services	Singapore	100	-	30	-	70	-
Prospr Consulting Sdn. Bhd. [(b)(d)(f)]	Provision of communications and media relations solutions and services	Malaysia	100	-	30	-	70	-
Prospr Consulting Pte. Ltd. [(a)]	Provision of communications and media relations solutions and services	Singapore	100	-	30	-	70	-

NOTES TO THE FINANCIAL STATEMENTS

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19 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

The Group has the following subsidiaries: (continued)

Name of	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by the immediate parent company		Proportion of ordinary shares held by the Group		Proportion of ordinary shares held by non-controlling interests	
			2024 %	2023 %	2024 %	2023 %	2024 %	2023 %
Held by Elliot Communications Pte. Ltd.: (continued)								
Alpha Story Technology Pte. Ltd. [(a)]	Other information technology and computer services activities	Singapore	100	-	30	-	70	-
PT Prospr Consulting Indonesia. [(b)(e)]	Provision of advice, guidance and business operational assistance and other organisational and management	Indonesia	20	-	30	-	70	-
Held by Prospr Consulting Pte. Ltd								
PT Prospr Consulting Indonesia. [(b)(e)]	Provision of advice, guidance and business operational assistance and other organisational and management	Indonesia	80	-	30	-	70	-

(a) *Audited by CLA Global TS Public Accounting Corporation.*

(b) *Reviewed by CLA Global TS Public Accounting Corporation for the purpose of preparing the consolidated financial statements.*

(c) *Audited by C. C. Lee & Associates, Chartered Accountants, Malaysia for local statutory purposes.*

(d) *In accordance to Rule 716 of the SGX-ST Listing Rules, the Audit Committee and Board of Directors of the Company are of the opinion that the appointment of different auditors for its subsidiaries would not compromise the standard and effectiveness of the audit of the Group and of the Company.*

(e) *The financial statements of the subsidiary is not subject to audit under local law of country.*

(f) *Audited by Messrs. ST & Partners PLT, Malaysia for local statutory purposes.*

(c) Carrying value of non-controlling interests

	Group 2024 $	Group 2023 $
Elliot Group	570,223	-
Other subsidiaries with immaterial non-controlling interests	818	1,857
	571,041	1,857

NOTES TO THE FINANCIAL STATEMENTS

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19 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(d) Summarised financial information of subsidiaries with material non-controlling interests

Set out below are the summarised financial information for Elliot Group that has non-controlling interests that are material to the Group. These are presented before inter-company eliminations.

	Elliot Group 2024 $
Summarised statements of financial position	
Current	
Assets	1,528,674
Liabilities	(601,842)
Total current net assets	926,832
Non-current	
Assets	224,919
Liabilities	(413,650)
Total non-current net liabilities	(188,731)
Net assets	738,101
Summarised statements of comprehensive income	
Revenue	2,683,375
Profit before income tax	315,628
Income tax expense	(8,864)
Net profit for the financial year	306,764
Other comprehensive income, net of tax:	
Items that may be reclassified subsequently to profit or loss:	
- Currency translation differences arising from consolidation - losses	(2,080)
Total comprehensive income for the financial year	304,684
Total comprehensive income allocated to non-controlling interest	214,735
Summarised statements of cash flows	
Net cash provided by operating activities	145,608
Net cash used in investing activities	(9,247)
Net cash used in financing activities	(226,118)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

20 PLANT AND EQUIPMENT

Group	Office equipment and computers $	Furniture and fittings $	Renovation $	Tools and equipment $	Total $
2024					
Cost					
Beginning of financial year	1,124,707	69,326	306,421	844,571	2,345,025
Additions	17,681	-	-	-	17,681
Acquisition of susbidiary (Note 38)	25,514	2,734	4,870	-	33,118
Write-off	(214,687)	(40,160)	(32,650)	(815,148)	(1,102,645)
Currency translation differences	(2,119)	(126)	-	-	(2,245)
End of financial year	951,096	31,774	278,641	29,423	1,290,934
Accumulated depreciation					
Beginning of financial year	1,086,926	34,954	259,652	844,571	2,226,103
Depreciation charge for the year (Note 7)	24,327	5,255	32,328	-	61,910
Acquisition of susbidiary (Note 38)	17,919	2,051	1,488	-	21,458
Write-off	(212,556)	(19,297)	(25,032)	(815,148)	(1,072,033)
Currency translation differences	(1,925)	(68)	-	-	(1,993)
End of financial year	914,691	22,895	268,436	29,423	1,235,445
Carrying amount					
End of financial year	36,405	8,879	10,205	-	55,489
2023					
Cost					
Beginning of financial year	1,124,091	70,410	295,591	844,571	2,334,663
Additions	3,241	-	10,830	-	14,071
Disposals	-	(720)	-	-	(720)
Write-off	-	(108)	-	-	(108)
Currency translation differences	(2,625)	(256)	-	-	(2,881)
End of financial year	1,124,707	69,326	306,421	844,571	2,345,025
Accumulated depreciation					
Beginning of financial year	1,047,242	28,008	209,522	776,798	2,061,570
Depreciation charge for the year (Note 7)	41,628	7,459	50,130	67,773	166,990
Disposals	-	(348)	-	-	(348)
Write-off	-	(56)	-	-	(56)
Currency translation differences	(1,944)	(109)	-	-	(2,053)
End of financial year	1,086,926	34,954	259,652	844,571	2,226,103
Carrying amount					
End of financial year	37,781	34,372	46,769	-	118,922

The depreciation charge for the financial year included in cost of sales and administrative expenses amounting to $Nil (2023: $67,773) and $61,910 (2023: $99,217) respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

21 RIGHT-OF-USE ASSETS

The Group lease computers, various office premises for fixed lease term with extension options.

Set out below are carrying amounts of right-of-use assets recognised and the movement during the financial year:

Group	Computers $	Office premises $	Total $
2024			
Cost			
Beginning of financial year	72,264	761,976	834,240
Additions	-	198,325	198,325
Acquisition of subsidiary (Note 38)	-	208,481	208,481
Write-off	-	(3,270)	(3,270)
Currency translation differences	-	(2,266)	(2,266)
End of financial year	72,264	1,163,246	1,235,510
Accumulated depreciation			
Beginning of financial year	2,007	550,007	552,014
Depreciation charge for the year (Note 7)	24,088	157,508	181,596
Acquisition of subsidiary (Note 38)	-	108,407	108,407
Write-off	-	(1,635)	(1,635)
Currency translation differences	-	(585)	(585)
End of financial year	26,095	813,702	839,797
Carrying amount			
End of financial year	46,169	349,544	395,713
2023			
Cost			
Beginning of financial year	-	591,115	591,115
Additions	72,264	208,557	280,821
Write-off	-	(35,260)	(35,260)
Currency translation differences	-	(2,436)	(2,436)
End of financial year	72,264	761,976	834,240
Accumulated depreciation			
Beginning of financial year	-	426,898	426,898
Depreciation charge for the year (Note 7)	2,007	140,204	142,211
Write-off	-	(16,099)	(16,099)
Currency translation differences	-	(996)	(996)
End of financial year	2,007	550,007	552,014
Carrying amount			
End of financial year	70,257	211,969	282,226

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

21 RIGHT-OF-USE ASSETS (CONTINUED)

	Group 2024 $	Group 2023 $
Amounts recognised in profit or loss:		
Depreciation of right-of-use assets (Note 7)	181,596	142,211
Interest expense on lease liabilities (Note 9)	5,875	3,416
Total cash outflow for all the leases recognised in consolidated statement of cash flows	183,645	138,194

22 GOODWILL ARISING ON CONSOLIDATION

	Group 2024 $	Group 2023 $
Cost and carrying amount		
Beginning of financial year	2,851,917	2,851,917
Addition (Note 38)	545,139	-
End of financial year	3,397,056	2,851,917

The Group's goodwill amounted to $3,397,056, comprising $2,851,917 arising from acquisition of Vividthree Productions Pte. Ltd. in previous financial years and a provisional goodwill of $545,139 from the recent acquisition of Elliot Group in the current financial year (Note 38).

Provisional Goodwill - Elliot Group
As referred to Note 38 to the financial statements, the Group completed the acquisition of Elliot Group as of 27 May 2023, and a provisional goodwill of $545,139 was recognised.

The goodwill from the acquisition of Elliot Group was provisionally determined, as the purchase price allocation exercise for this acquisition is currently being assessed. Therefore, the goodwill has not been allocated to the relevant cash-generating unit ("CGU"). As at 31 March 2024, no impairment assessment was performed as the initial allocation of goodwill was not completed. However, management has assessed that there are no internal or external triggering events that warrant an impairment assessment, as the Elliot Group is generating revenue and profits.

Goodwill - Vividthree Productions Pte. Ltd.
The Group applies value-in-use method ("VIU") to determine the recoverable amount of the goodwill. The impairment assessment process involves significant management judgement and estimation in preparing cash flow projections. Key inputs and assumptions, including discount rate, revenue growth rate, expenses growth rate, terminal growth rate, and considerations of past performance, market conditions and future economic conditions, are considered as part of the valuation process. As at 31 March 2024, management assessed that no impairment loss is required for the goodwill, as the recoverable amount exceeds the carrying amount.

The VIU is determined based on financial budgets covering a five-year period and beyond five-year period were extrapolated using terminal growth rate as disclosed in the table below. These cash flows were discounted using a pre-tax discount rate that reflected current market assessment of the time value of money and the risks specific to the CGU.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

22 GOODWILL ARISING ON CONSOLIDATION (CONTINUED)

Goodwill - Vividthree Productions Pte. Ltd. (continued)

Key assumptions used for VIU calculations:

	2024	2023
Expenses growth rate [a]	3.0%	4.0%
Terminal growth rate [b]	2.5%	2.0%
Discount rate [c]	10.0%	10.0%
Revenue growth rate [d]	8.0%	10.0%

(a) *Weighted expenses growth rates used to project operating expenses for the five-year period*
(b) *Terminal growth rates used to extrapolate cash flows beyond the five-year period*
(c) *Pre-tax discount rates applied to the pre-tax cash flow projections*
(d) *Revenue growth rates used to project revenue for the five-year period*

Sensitivity to changes in assumptions
The Group believes that any reasonably possible change in the above key assumptions are not likely to cause the recoverable amount of the CGU to be materially lower than the related carrying amount.

23 ACQUIRED RIGHTS

	Group	
	2024	**2023**
	$	**$**
		(restated)
Cost		
At the beginning of financial year		
- As previously reported	11,840,540	11,590,042
- Prior year adjustment (Note 39)	(10,166,647)	(9,916,149)
At the beginning of the financial year, restated	1,673,893	1,673,893
Accumulated amortisation		
At the beginning of financial year		
- As previously reported	4,229,265	4,358,490
- Prior year adjustment (Note 39)	(3,983,241)	(4,201,929)
At the beginning of the financial year, restated	246,024	156,561
Amortisation charge for the year (Note 7)	139,463	89,463
End of financial year	385,487	246,024
Carrying amount		
End of financial year	1,288,406	1,427,869

The amortisation charge for the year included in cost of sales amounting to $139,463 (2023: $89,463).

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FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

24 INTANGIBLE ASSETS

	Content development $	Customer relationship $	Licenses $	Software $	Others $	Total $
Group						
2024						
Cost						
Beginning of financial year	736,796	163,000	42,804	562,450	-	1,505,050
Additions	347	-	-	-	-	347
Acquisition of subsidiary (Note 38)	-	74,421	-	-	-	74,421
Currency translation differences	-	-	-	(14,194)	-	(14,194)
End of financial year	737,143	237,421	42,804	548,256	-	1,565,624
Accumulated amortisation						
Beginning of financial year	663,441	163,000	42,804	413,335	-	1,282,580
Amortisation charge for the year (Note 7)	34,901	-	-	57,475	-	92,376
Currency translation differences	-	-	-	(14,194)	-	(14,194)
End of financial year	698,342	163,000	42,804	456,616	-	1,360,762
Carrying amount						
End of financial year	38,801	74,421	-	91,640	-	204,862
2023						
Cost						
Beginning of financial year	736,796	163,000	42,804	582,426	938	1,525,964
Additions	-	-	-	154,007	-	154,007
Disposals	-	-	-	-	(938)	(938)
Government grants received	-	-	-	(154,936)	-	(154,936)
Currency translation differences	-	-	-	(19,047)	-	(19,047)
End of financial year	736,796	163,000	42,804	562,450	-	1,505,050
Accumulated amortisation						
Beginning of financial year	435,377	163,000	31,892	166,004	-	796,273
Amortisation charge for the year (Note 7)	228,064	-	10,912	257,427	-	496,403
Currency translation differences	-	-	-	(10,096)	-	(10,096)
End of financial year	663,441	163,000	42,804	413,335	-	1,282,580
Carrying amount						
End of financial year	73,355	-	-	149,115	-	222,470

The amortisation charge for the year included in cost of sales and administrative expenses amounting to $92,376 (2023: $485,491) and $Nil (2023 $10,912) respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

25 TRADE AND OTHER PAYABLES

	2024 $	2023 $
Group		
Trade payables		
- Non-related parties	2,350,660	524,801
- Related parties	4,537	4,783
	2,355,197	529,584
Other payables		
- Non-related parties	272,000	211,598
- Holding company	26,015	6,008
- Related parties	1,391	7,612
	299,406	225,218
Accruals	1,089,564	741,597
Deposit received	783,060	387,200
	4,527,227	1,883,599

	2024 $	2023 $
Company		
Other payables		
- Non-related parties	162,710	122,461
- Holding company	26,008	6,008
- Subsidiaries	379,192	392,593
- Related parties	229	229
	568,139	521,291
Accruals	653,241	417,966
Deposit received	500,000	-
	1,721,380	939,257

Related parties are entities controlled and be able to exercise significant influence by the holding company.

The non-trade amounts due to holding company, subsidiaries and related parties are unsecured, interest-free and repayable on demand.

26 CONTRACT LIABILITIES

	Group		
	31 March 2024 $	31 March 2023 $	1 April 2022 $
Contract liabilities	569,335	584,360	693,320

Contract liabilities related to billings in advance to customers for contract services to be fulfilled. The related amounts are recognised as revenue when the Group fulfils its performance obligation under the contract with the customers which generally does not exceed one year.

Revenue recognised in the financial year ended 31 March 2024 and 31 March 2023 amounting to $547,427 and $684,626 respectively were included in contract liabilities at the beginning of the respective financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

27 BORROWINGS

	Group 2024 $	Group 2023 $
Bank borrowings:		
- Current	2,410,528	2,525,728
- Non-current	549,821	1,520,737
	2,960,349	4,046,465

The exposure of the bank borrowings of the Group to interest rate changes and the contractual repricing dates at the reporting date are as follows:

	Group 2024 $	Group 2023 $
Less than 12 months	1,000,000	1,000,000

(a) The Group's bank borrowings were secured by:

(i) Bank borrowings amounted to $2,520,736 is secured by corporate guarantees from the Company and fixed charge over proceeds account of a subsidiary; and

(ii) Bank borrowings amounted to $439,613 is secured by personal guarantee from a non-controlling interest.

(b) The fair values of non-current fixed rate instruments are $468,464 (2023: $1,499,897) and are determined from the cash flow analyses, discounted at market borrowing rates of an equivalent instrument at the reporting date which the directors expect to be available to the Group as follows:

	Group 2024 %	Group 2023 %
Bank borrowings	3.42	4.88

28 LEASE LIABILITIES

	Group 2024 $	Group 2023 $
Undiscounted lease payments due:		
- Not later than one year	200,998	107,841
- Between one and five years	228,139	200,488
	429,137	308,329
Less: Future interest costs	(25,788)	(25,528)
Lease liabilities	403,349	282,801
Lease liabilities are presented in the consolidated statement of financial position as follows:		
- Current	184,041	93,774
- Non-current	219,308	189,027
	403,349	282,801

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

29 PROVISIONS

Provisions was provided based on the estimated cost to reinstate the Group's leased premises recognised as rights-of-use assets to the original condition upon termination/maturity of the leases:

	Group	
	2024	2023
	$	$
Beginning of financial year	57,506	55,337
Unwinding of discount (Note 9)	-	2,169
Reversal	(16,515)	-
End of financial year	40,991	57,506

30 DEFERRED INCOME TAXES

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. As at reporting date, the Group did not recognise any deferred income taxes as the realisation of related tax benefits through future taxable profit is not probable.

As at reporting date, the Group did not recognised any deferred income taxes for unutilised tax losses of $8,434,918 (2023: $7,931,100) which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by the subsidiaries with unrecognised tax losses in their country of incorporation. The unutilised tax losses does not have expiry date under current tax legislation except for the unutilised losses of $145,932 (2023: $261,096) arising from the subsidiary in Malaysia which is available for carry up to 6 years from the year of loss and will expire in 2028.

31 SHARE CAPITAL

	Group and Company	
	No. of ordinary shares	Amount $
2024		
Beginning and end of financial year	371,511,764	15,959,231
2023		
Beginning and end of financial year	371,511,764	15,959,231

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

NOTES TO
THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

32 RESERVES

	Group 2024 $	Group 2023 $ *(restated)*
Composition:		
Merger reserve (Note 32(a))	2,921,000	2,921,000
Currency translation reserve (Note 32(b))	364,669	246,189
	3,285,669	3,167,189

Reserves are non-distributable.

The movement of reserves are as follows:

(a) Merger reserve

	Group 2024 $	Group 2023 $
Beginning and end of financial year	2,921,000	2,921,000

The merger reserve represents the difference between the consideration paid and the share capital of the subsidiaries acquired under common control.

(b) Currency translation reserve

	Group 2024 $	Group 2023 $ *(restated)*
At the beginning of financial year		
- As previously reported	255,392	2,352
- Prior year adjustment (Note 39)	(9,203)	836
At the beginning of the financial year, restated	246,189	3,188
Net currency translation differences of financial statements of foreign subsidiaries	118,480	243,001
End of financial year	364,669	246,189

33 ACCUMULATED LOSSES

Movement in accumulated losses of the Company is as follows:

	Company 2024 $	Company 2023 $
Beginning of financial year	(2,445,458)	(2,071,307)
Net loss during the year	(663,369)	(374,151)
End of financial year	(3,108,827)	(2,445,458)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

34 CONTINGENT LIABILITIES

Corporate guarantees

The Company issued corporate guarantees amounted to $7,000,000 to banks for borrowings of its subsidiary. These bank borrowings of the subsidiary amounted to $2,520,736 (2023: $4,046,465) as at the reporting date.

The Company has evaluated the fair values of the corporate guarantees and the consequential liabilities derived from its guarantees to the bank with regards to the subsidiary are minimal. The subsidiary has no history of defaulting in the payment of borrowings and credit facilities.

35 FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group’s activities expose it to market risk (including currency risk, price risk, and cash flow and fair value interest rate risk), credit risk, liquidity risk and capital risk. The Group’s overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group’s financial performance. The Group do not use financial instruments such as currency forwards, interest rate swaps and foreign currency borrowings to hedge certain financial risk exposure.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. This includes establishing detailed policies such as authority levels, oversight responsibilities, risk identification and measurement, and exposure limits in accordance with the objectives and underlying principles approved by the Board of Directors.

Financial risk management is carried out by the finance department in accordance with the policies set by the Board of Directors. The finance personnel identifies, evaluates and monitors financial risks in close co-operation with the Group’s operating units. The finance personnel measures actual exposures against the limits set and prepares periodic reports for review by the Board of Directors. Regular reports are also submitted to the Board of Directors.

(a) Market risk

(i) Currency risk

The Group operates in Asia with dominant operations in Singapore, Malaysia and China. Entities in the Group regularly transact in currencies other than their respective functional currencies (“foreign currencies”).

Currency risk arises within entities in the Group when transactions are mainly denominated in foreign currencies such as the Renminbi ("RMB"), Malaysian Ringgit ("MYR") and Japanese Yen (“JPY”).

The Group is not exposed to significant currency risk as most of its financial assets and liabilities as at 31 March 2024 and 2023 are denominated in the functional currency of the Group, except for intra-group balances in foreign currencies which are eliminated when preparing the consolidated financial statements. Accordingly, the currency risk exposure has been determined by the management as not material to the Group's net profit for the financial year ended 31 March 2024 and 2023.

The Company is not exposed to significant currency risk as most of its financial assets and liabilities as at 31 March 2024 and 2023 are denominated in SGD. The currency risk exposure has been determined by the management as not material to the Company's net profit for the financial years ended 31 March 2024 and 2023.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(ii) Price risk

The Group is exposed to equity securities price risk arising from the unquoted equity securities from Singapore and Malaysia classified as financial assets, at FVPL as disclosed in Note 17 to the financial statements. As at reporting date, there is no significant exposure to equity price risk.

(iii) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As the Group does not have any significant interest-bearing assets, the Group's income is substantially independent of changes in market interest rates. The Group's interest rate risk mainly arises from borrowings at floating interest rate. The Group manages its interest rate risk by keeping bank loans to the minimum required to sustain the operations of the Group.

The interest rate risk exposure for borrowings has been determined by the management as not material to the Group's profit for the financial years ended 31 March 2024 and 31 March 2023.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and the Company are cash and cash equivalents, trade and other receivables, deposits and financial assets, at FVPL (including, investments in films and entertainment events). The Group's and the Company's exposure to credit risk arises primary from trade and other receivables and deposits.

(i) Risk management

The Group adopts the following policy to mitigate the credit risk.

For banks and financial institutions, the Group mitigates its credit risks by transacting only with counterparties with good ratings.

For customers, the Group performs credit reviews on new customers before acceptance and an annual review for existing customers. Credit reviews take into account customers' financial strength, the Group's past experiences with the customers and other relevant factors. For other financial assets, the Group and the Company minimise credit risk by dealing only with reputable and/or good credit quality counterparties.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position.

The trade receivables of the Group comprise 3 debtors (2023: 2 debtors), which represented 9% - 13% (2023: 17% - 37%) of the trade receivables.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

(i) Risk management (continued)

The credit risk for trade receivables based on the information provided to key management are as follows:

	2024 $	2023 $
Group		
By geographical areas		
Singapore	503,583	967,024
Malaysia	103,099	20,602
China	41,828	43,328
Japan	-	5,333
Others	23,394	-
	671,904	1,036,287
Less: Expected credit losses allowance	(30,245)	(30,245)
	641,659	1,006,042
By types of customers		
Non-related parties	665,942	692,564
Related parties	5,962	343,723
	671,904	1,036,287
Less: Expected credit losses allowance	(30,245)	(30,245)
	641,659	1,006,042
Company		
By geographical areas		
Singapore	26,300	-
By types of customers		
Related parties	26,300	-

Non-trade amounts due from subsidiaries and related parties

The Company held non-trade receivables from its subsidiaries of $12,344,615 (2023: $12,874,946). These balances are amounts funded to subsidiaries as working capital. The Company used general approach for assessment of ECLs for these receivables. Based on an assessment of qualitative and quantitative factors that are indicative of the risk of default (including but not limited to external ratings, financial information and cash flow projections, and available press information, if available, and applying experienced credit judgement), these exposures are considered to have low credit risk. Therefore impairment on these balances has been measured on the 12 months expected credit loss basis and the amount of the allowance is insignificant.

The Group and the Company have applied the simplified approach by using the provision matrix to measure the lifetime expected credit losses for all trade receivables and the general approach for other financial assets at amortised cost, i.e., other receivables and deposits.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

(i) Risk management (continued)

To measure the ECL, these receivables have been grouped based on individual characteristics of its customers and days past due. In calculating the expected credit loss rates, the Group and the Company considered historical loss rates for each category of customers.

Receivables are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group considers a receivable for write-off when a debtor fails to make contractual payment greater than 365 days past due based on historical loss rates for each category of customers and adjust to reflect current and forward-looking information. Where receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

The Group has recognised a loss allowance of $113,509 (2023: $113,509) against trade and other receivables over 365 days past due, because historical experience and forward looking information has indicated that these group of receivables generally has a greater potential risk on the recoverability. No other loss allowance are recognised as the management believes that the amounts that are past due are collectible, based on historical payment behaviour and credit-worthiness of the customers.

For deposits, the general 3-stage approach is applied. ECL allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since recognition of the deposits. If there is significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised. As at the reporting date, no ECL has been provided for deposits as the management believes that the deposits remain low risk and no recoverability issue.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The movement of ECL on trade and other receivables are as follows:

	2024	**2023**
	$	**$**
Group		
Beginning of financial year	113,509	118,262
Currency translation differences	-	(4,753)
End of financial year	113,509	113,509
Company		
Beginning and end of financial year	15,000	15,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At the reporting date, assets held by the Group and the Company for managing liquidity risk included cash and cash equivalents as disclosed in Note 12 to the financial statements.

Management monitors rolling forecasts of the liquidity reserve (comprises all the bank facility) and cash and cash equivalents of the Group and the Company on the basis of expected cash flow. This is generally carried out in accordance with the practice and limits set by the directors. These limits vary by location to take into account the liquidity of the market in which the entity operates.

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Less than 1 year $	Between 1 and 2 years $	Between 2 and 5 years $
Group			
At 31 March 2024			
Trade and other payables	4,527,227	-	-
Borrowings	2,410,528	501,766	56,274
Lease liabilities	184,041	210,595	-
	7,121,796	712,361	56,274
At 31 March 2023			
Trade and other payables	1,883,599	-	-
Borrowings	2,525,728	1,328,100	221,482
Lease liabilities	93,774	90,311	88,689
	4,503,101	1,418,411	310,171
Company			
At 31 March 2024			
Trade and other payables	1,721,380	-	-
Financial guarantee contracts	2,960,349	-	-
	4,681,729	-	-
At 31 March 2023			
Trade and other payables	939,257	-	-
Financial guarantee contracts	4,046,465	-	-
	4,985,722	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue to operate as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on the gearing ratio which the Board of Directors monitors on a periodic basis. The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings less cash and cash equivalents. Total capital is calculated as total equity plus net debt.

	2024 $	2023 $
Group		
Borrowings	2,960,349	4,046,465
Less: cash and cash equivalents	(1,425,134)	(560,797)
Net debt	1,535,215	3,485,668
Total equity	12,278,815	13,368,964
Total capital	13,814,030	16,854,632
Gearing ratio (times)	0.11	0.21
Company		
Borrowings	-	-
Less: cash and cash equivalents	(133,621)	(58,143)
Net cash	(133,621)	(58,143)
Total equity	12,850,404	13,513,773
Total capital	12,716,783	13,455,630
Gearing ratio (times)	*	*

** Not meaningful*

The Group and the Company were in compliance with all externally imposed capital requirements for the financial years ended 31 March 2024 and 2023.

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Fair value measurements

The following table presents assets and liabilities measured and carried at fair value and classified by level of the following fair value measurement hierarchy:

(i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(ii) inputs other than quoted prices included within level 1 that are observable or the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

(iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. Where a valuation technique for these instruments is based on significant unobservable inputs, such instruments are classified as Level 3.

There were no transfers between Level 1, 2 and 3 during the financial year.

The carrying amount of financial assets and financial liabilities recorded in the consolidated financial statements approximates their fair values, except for financial assets, at FVPL and investments in films and entertainment events, at FVPL. The fair value measurement disclosure, can be found in Notes 17 and 18 to the financial statements respectively.

(f) Financial instruments by category

The carrying amount of the different categories of financial instruments is as disclosed on the face of the statements of financial position, except for the following:

	Group	
	2024	**2023**
	$	**$**
Group		
Financial assets at amortised cost	6,705,954	5,402,972
Financial assets, at FVPL	7,233,917	7,864,857
Financial liabilities at amortised cost	7,890,925	6,212,865
Company		
Financial assets at amortised cost	12,559,729	12,963,782
Financial assets, at FVPL	850,000	900,000
Financial liabilities at amortised cost	1,721,380	939,257

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

36 RELATED PARTY TRANSACTIONS

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

(a) Sales and purchases of services

	Group	
	2024	2023
	$	$
Holding company		
Purchase of services	20,000	20,000
Related parties		
Sales of services	191,950	92,561
Purchase of services	-	20,700
Lease expenses	1,865	4,965

Outstanding balances as at 31 March 2024 and 2023 arising from sales/purchase of services, are unsecured and receivable/payable within 12 months from reporting date and are disclosed in Notes 13 and 25 to the financial statements respectively.

(b) Key management personnel compensation

Key management personnel compensation is as follows:

	Group	
	2024	2023
	$	$
Directors		
Wages and salaries	286,000	389,600
Bonus	11,000	20,000
Directors' fees	-	100,000
Employer's contribution to defined contribution plans	19,536	19,380
Other benefits	36,317	79,000
	352,853	607,980
Key management personnel (excluding directors)		
Wages and salaries	563,600	604,000
Employer's contribution to defined contribution plans	25,500	24,480
Other benefits	16,200	14,600
	605,300	643,080
Total key management personnel compensation	958,153	1,251,060

37 SEGMENTAL INFORMATION

The Group's CODM comprises the Chief Executive Officer, Chief Operating Officer and Financial Controller. Management has determined the operating segments based on the reports reviewed by the CODM that are used to make strategic decisions, allocate resources, and assess performance.

The Group was organised into 2 operating segments, which is relating to digital media and live experience production and public relations services. This is based on the Group's internal organisation and management structure and the primary way in which the CODM is provided with the financial information.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

37 SEGMENTAL INFORMATION (CONTINUED)

The two operating segments are mainly:

(a) Digital Media & Live Experience Production

(i) Digital and live experience production

Digital and live experience production refers to the production of immersive experiential content for location-based entertainment by developing the Group's digital intellectual property assets ("IP") or acquired IP from third parties, and license the IP to third parties such as venue owners and show promoters to use these for commercial, marketing and/or promotion purposes.

(ii) Digital media production

Digital media production refers to the services in visual effects, computer-generated imagery services and immersive media works for feature films, commercials, projection mapping and other post-production services. The services are mainly related to motion picture, video and television programme post-production services.

(b) Public relations

Public relations services refers to the services in management consultancy services and communications and media relations solutions.

The segment information provided to the CODM for the reportable segments are as follows:

	Digital Media & Live Experience Production	**Public Relations**	**Total**
	$	**$**	**$**
2024			
Revenue			
- External parties	4,217,608	2,683,375	6,900,983
- Related parties	191,950	-	191,950
Total revenue	4,409,558	2,683,375	7,092,933
(Loss)/profit before interest, tax, depreciation unrealised foreign exchange, fair value changes and amortisation	**(1,257,269)**	**428,626**	**(828,643)**
Unrealised foreign exchange (losses)/gains	(145,629)	15	(145,614)
Fair value change for investment in films and entertainment events	65,747	-	65,747
Depreciation of plant and equipment	(55,419)	(6,491)	(61,910)
Depreciation of right-of-use assets	(98,936)	(82,660)	(181,596)
Amortisation of acquired rights	(139,463)	-	(139,463)
Amortisation of intangible assets	(92,376)	-	(92,376)
Interest expense	(147,536)	(23,861)	(171,397)
(Loss)/profit before income tax	**(1,870,881)**	**315,629**	**(1,555,252)**
Income tax expense	-	(8,864)	(8,864)
Net (loss)/profit for the financial year	**(1,870,881)**	**306,765**	**(1,564,116)**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

37 SEGMENTAL INFORMATION (CONTINUED)

The segment information provided to the CODM for the reportable segments are as follows: (continued)

	Digital Media & Live Experience Production
	$
2023	
Revenue	
- External parties	2,821,413
- Related parties	92,561
	2,913,974
Total revenue	
Loss before interest, tax, depreciation unrealised foreign exchange, fair value changes and amortisation	**(1,685,937)**
Unrealised foreign exchange losses	(593,415)
Fair value changes for investment in films and entertainment events	(190,951)
Depreciation of plant and equipment	(166,990)
Depreciation of right-of-use assets	(142,211)
Amortisation of acquired rights	(89,463)
Amortisation of intangible assets	(496,403)
Interest expense	(172,095)
Loss before income tax	**(3,537,465)**
Income tax expense	(4,266)
Net loss for the financial year	**(3,541,731)**

No comparable financial information presented for Public Relations segment as Elliot Communications Pte. Ltd. and its subsidiaries are acquired during the financial year ended 31 March 2024 (Note 38).

There are no revenue transactions between the inter-segment. Disclosure on the measures of total assets and total liabilities for each reportable segments was not presented as the CODM is of the opinion that it is not meaningful and impracticable as they do not use them for decision-making on allocation of resources and performance assessment.

Segmental revenue by geographical is disclosed in Note 4 to the financial statements.

Information of major customers

Revenue of approximately $3,599,217 (2023: $1,762,915) is derived from 7 (2023: 9) external customers for the financial year ended 31 March 2024.

38 BUSINESS COMBINATIONS

On 26 March 2023, the Company entered into a Sales and Purchase Agreement (“SPA”) with Quin Yeo Chow In (the “Co-Founder”) and Foo Jinzhong Jeremy (“Vendor”) to acquire a 30% equity interest in Elliot Communications Pte. Ltd. (“Elliot”) and its subsidiaries (“Elliot Group”) for a consideration of $775,393 ("Initial Purchase Consideration"). The SPA included a call option to acquire an additional 21% equity interest in Elliot, with terms and conditions applied.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

38 BUSINESS COMBINATIONS (CONTINUED)

Additionally, on the same day, the Company entered into a Shareholders Agreement ("SHA") with the Vendor and Elliot, outlining the framework to regulate the shareholders' risks and responsibilities, including board matters and decision-making processes related to Elliot Group.

Subsequent to the SPA and SHA, the Company and the Vendor entered into a supplementary arrangement on 22 December 2023 to exclude a startup business from Elliot Group. Accordingly, the initial purchase consideration was revised to $697,490.

Following the control assessment described under Note 3 to the financial statements, the management has assessed that the Company has established control over Elliot Group in accordance with SFRS(I) 10 *Consolidated Financial Statements*. Consequently, the Company has accounted for Elliot Group as subsidiary.

Details of the consideration paid and the assets acquired and liabilities assumed, and the non-controlling interests recognised and the effects on the cash flow on the Group, at the acquisition date, are as follows:

(i) Purchase Consideration:

	$
Cash paid to Vendor	308,000
Cash paid to Elliot Communication's for subscription of new shares	389,490
Total purchase consideration	697,490

(ii) Effect on cash flows of the Group

	$
Cash paid to Vendor	(308,000)
Less: Cash and cash equivalents acquired	385,367
Cash inflow on acquisition	77,367

(iii) Identifiable assets acquired and liabilities assumed

	At fair value $
Cash and bank balances	385,367
Trade and other receivables	1,273,919
Deposits and prepayments	42,930
Plant and equipment (Note 20)	11,660
Right-of-use assets (Note 21)	100,074
Intangible assets (Note 24)	74,421
Total assets	1,888,371
Trade and other payables	(313,359)
Contract liabilities	(378,680)
Current income tax liabilities	(28,339)
Lease liabilities	(102,322)
Borrowing	(557,833)
Total liabilities	(1,380,533)
Total identifiable net assets	507,838
Less: Non-controlling interests proportion of the fair value of identifiable net assets	(355,487)
Add: Provisional goodwill (Note 22)	545,139
Total purchase consideration	697,490

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

39 COMPARATIVE FIGURES

Throughout these financial years, the Group had entered into various contracts to invest in films and entertainment events. These investments enabled the Group's participation in the films and entertainment events with an entitlement to a certain percentage of net income generated from the investment as outlined in the agreements.

There are contractual cash flows from these investments, however, their returns are dependent on the invested films and entertainments event's profitability. Consequently, these investments are classified as financial assets at fair value through profit or loss ("FVPL") that measured at fair value upon initial recognition, and this fair value are remeasured at the end of each reporting period, as these investments do not meet the criteria for "solely payment of principal and interest" in SFRS(I) 9 *Financial Instruments*. In the prior reporting periods, these investments were measured at cost less accumulated amortisation and accumulated impairment and classified under *Acquired Rights* in the consolidated statements of financial position.

Following the reassessment of the above investments, certain comparative figures for the financial year ended 31 March 2023 have been restated and adjusted to improve the clarity of the nature of the underlying assets and conform to the current year's presentation.

The effect of the abovementioned adjustments to the consolidated statement of financial position as at 31 March 2023 and 1 April 2022, consolidated statement of comprehensive income and consolidated statements of cash flows for the financial year ended 31 March 2023 as follows:

	As previously reported	Adjustment	As restated
	$	$	$
Group			
1 April 2022			
Consolidated statement of financial position			
Non current assets			
Investments in films and entertainment events (Note 18)	-	5,882,112	5,882,112
Acquired rights (Note 23)	7,231,552	(5,714,220)	1,517,332
Equity			
Reserves	2,923,352	836	2,924,188
Accumulated losses	(2,388,810)	167,057	(2,221,753)
31 March 2023			
Consolidated statement of financial position			
Non current assets			
Investments in films and entertainment events (Note 18)	-	6,215,828	6,215,828
Acquired rights (Note 23)	7,611,275	(6,183,406)	1,427,869
Equity			
Reserves	3,176,392	(9,203)	3,167,189
Accumulated losses	(5,800,938)	41,625	(5,759,313)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

39 COMPARATIVE FIGURES (CONTINUED)

The effect of the abovementioned adjustments to the consolidated statement of financial position as at 31 March 2023 and 1 April 2022, consolidated statement of comprehensive income and consolidated statements of cash flows for the financial year ended 31 March 2023 as follows: (continued):

	As previously reported $	Adjustment $	As restated $
Group			
31 March 2023			
<u>Consolidated statement of comprehensive income</u>			
Other income			
- Others	104,226	(43,590)	60,636
Other losses - net	(567,357)	(190,951)	(758,308)
Administrative	2,710,634	(109,109)	2,601,525
Loss before income tax	(3,412,033)	(125,432)	(3,537,465)
Loss for the financial year	(3,416,299)	(125,432)	(3,541,731)
<u>Consolidated statement of cash flows</u>			
Cash flows from operating activities			
Net loss for the financial year	(3,416,299)	(125,432)	(3,541,731)
Fair value loss on investments in films and entertainment events	-	190,951	190,951
Amortisation of acquired rights	198,572	(109,109)	89,463
Cash flows from investing activities			
Income from investments in films and entertainment events	-	43,590	43,590

The loss per share for the financial year ended 31 March 2023 attributable to equity holders of the Company is restated accordingly as 0.95 cents (previously reported as earnings per share 0.92 cents).

40 NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 April 2024 and which the Group has not early adopted.

Amendments to SFRS(I) 1-1 *Presentation of Financial Statements:* Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 January 2024) and Non-current Liabilities with Covenants (effective for annual periods beginning on or after 1 January 2024)

The narrow-scope amendments to SFRS(I) 1-1 *Presentation of Financial Statements* clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting date. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant).

NOTES TO THE FINANCIAL STATEMENTS

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40 NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS (CONTINUED)

Amendments to SFRS(I) 1-1 *Presentation of Financial Statements* : (continued)

Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either before or at the reporting date, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting date.

The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date. The disclosures include:

- the carrying amount of the liability;
- information about the covenants; an
- facts and circumstances, if any, that indicate that the entity may have difficulty complying with the covenants.

The amendments also clarify what SFRS(I) 1-1 means when it refers to the 'settlement' of a liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instrument can only be ignored for the purpose of classifying the liability as current or non-current if the entity classifies the option as an equity instrument. However, conversion options that are classified as a liability must be considered when determining the current/non-current classification of a convertible note.

The Group does not expect any significant impact arising from applying these amendments.

Amendments to SFRS(I) 1-7 *Statement of Cash Flows* and SFRS(I) 7 *Financial Instruments: Disclosure:* Supplier finance arrangements (effective for annual periods beginning on or after 1 January 2024).

The amendments clarify the characteristics of supplier finance arrangements ("SFA") and introduce new disclosures of such arrangements. The objective of the new disclosures is to provide information about supplier finance arrangements that enables investors to assess the effects on an entity's liabilities, cash flows and the exposure to liquidity risk.

There is a transitional relief of not requiring comparative information in the first year, and also not requiring disclosure of specified opening balances.

The amendments will be effective for annual periods beginning on or after 1 January 2024. Early adoption is permitted.

The Group does not expect any significant impact arising from applying these amendments.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

40 NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS (CONTINUED)

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 April 2024 and which the Group has not early adopted. (continued)

Amendments to SFRS(I) 16 *Leases*: Lease liability in a Sale and Leaseback (effective for annual periods beginning on or after 1 January 2024).

The narrow-scope amendments to SFRS(I) 16 explain how an entity accounts for a sale and leaseback after the date of the transaction.

The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.

The Group does not expect any significant impact arising from applying these amendments.

41 AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Vividthree Holdings Ltd. on 10 July 2024.

STATISTICS OF SHAREHOLDINGS

AS AT 18 JUNE 2024

Class of Shares	:	Ordinary shares
Number of shares (excluding treasury shares)	:	371,511,764
Voting Rights	:	One vote per share
No. of treasury shares and percentage	:	Nil
No. of subsidiary holdings held and percentage	:	Nil

SHAREHOLDINGS HELD IN THE HANDS OF PUBLIC

Based on the information available to the Company as at 18 June 2024, approximately 37.49% of the issued ordinary shares of the Company is held by the public and therefore, Rule 723 of the Listing Manual issued by SGX-ST is complied with.

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS

Size of shareholdings	No. of shareholders	%	No. of Shares	%
1 – 99	2	0.39	50	0.00
100 – 1,000	30	5.87	17,900	0.01
1,001 – 10,000	89	17.42	569,754	0.15
10,001 – 1,000,000	356	69.67	53,913,300	14.51
1,000,001 and above	34	6.65	317,010,760	85.33
Total	511	100.00	371,511,764	100.00

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of shares	%
1	UOB KAY HIAN PTE. LTD.	142,912,800	38.47
2	YEO ENG PU CHARLES (YANG YINGFU)	43,987,840	11.84
3	HONG WEI CHIEN	28,082,400	7.56
4	CITIBANK NOMINEES SINGAPORE PTE. LTD.	16,330,400	4.40
5	CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	11,271,300	3.03
6	LEE HOON HWEE (LI YUNFEI)	9,731,320	2.62
7	LIM LENA (LIN LENA)	6,700,000	1.80
8	PHILLIP SECURITIES PTE. LTD.	6,006,100	1.62
9	YEO KHEE SENG BENNY	4,838,300	1.30
10	OCBC SECURITIES PRIVATE LTD.	4,736,000	1.27
11	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	3,354,500	0.90
12	RAFFLES NOMINEES (PTE) LIMITED	3,251,700	0.88
13	DBS NOMINEES PTE. LTD.	2,774,600	0.75
14	SIM TECK HUAT	2,736,100	0.74
15	TIGER BROKERS (SINGAPORE) PTE. LTD.	2,712,900	0.73
16	LIM & TAN SECURITIES PTE. LTD.	2,277,600	0.61
17	LIM AH KAW @ LIM LAN CHING	2,257,700	0.61
18	YEO KHEE YEOW ANTHONY	2,000,000	0.54
19	SEBASTIAN YEO BOON KIAT	1,985,900	0.53
20	MAYBANK SECURITIES PTE. LTD.	1,662,900	0.45
	Total:	**299,610,360**	**80.65**

STATISTICS OF SHAREHOLDINGS

AS AT 18 JUNE 2024

SUBSTANTIAL SHAREHOLDERS

as recorded in the Register of Substantial Shareholders

No	Name of shareholder	Direct interest	%	Indirect/Deemed interest	%
1	Yeo Eng Pu, Charles	43,987,840	11.84	–	–
2	Hong Wei Chien	28,082,400	7.56	–	–
3	mm2 Asia Ltd.[1]	138,720,000	37.34	–	–
4	Melvin Ang[2]	–	0.00	138,720,000	37.34

Notes:

[1] mm2 Asia Ltd. holds 138,720,000 ordinary shares of the Company through a nominee account with UOB Kay Hian Pte. Ltd..

[2] Mr Melvin Ang currently holds 22.03% of the shares in mm2 Asia Ltd.; and is deemed interested in the 138,720,000 ordinary shares in the Company held by mm2 Asia Ltd..

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of the Company will be held at 8 Wilkie Road #03-01 Wilkie Edge Singapore 228095 on 30 July 2024 at 11 a.m. to transact the following business:–

ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 31 March 2024 together with the Independent Auditor's Report thereon. **Resolution 1**

2. To re-elect Mr Chang Long Jong, who is retiring in accordance with Regulation 117 of the Company's Constitution, as a Director of the Company. **Resolution 2**

   Mr Chang Long Jong shall, upon re-election as a Director of the Company, remain as a member of the Audit Committee and a member of Remuneration Committee.

3. To re-elect Mr Wong Kim Soon Royson, who is retiring in accordance with Regulation 117 of the Company's Constitution, as a Director of the Company. **Resolution 3**

   Mr Wong Kim Soon Royson shall, upon re-election as a Director of the Company, remain as Chairman of the Audit and Nominating Committee and a member of the Remuneration Committee. Mr Wong Kim Soon Royson shall be considered independent for the purpose of Rule 704(7) of the Catalist Rules.

4. To approve the payment of Directors' fees of $80,000 for the financial year ended 31 March 2024. **Resolution 4**

5. To appoint Messrs Forvis Mazars LLP ("Forvis Mazars") as the Company's Independent Auditors to hold office until the conclusion of the next annual general meeting of the Company in place of the retiring Independent Auditors, Messrs CLA Global TS Public Accounting Corporation ("CLA Global TS"), and to authorise the Directors to fix their remuneration. **Resolution 5**

   [See Explanatory Note (i)]

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without amendments:

6. **Authority to allot and issue shares** **Resolution 6**

That pursuant to Section 161 of the Companies Act 1967 ("**Companies Act**") and the Catalist Rules, authority be and is hereby given to the Directors of the Company to allot and issue shares and convertible securities in the capital of the Company (whether by way of rights, bonus or otherwise) at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit provided that:–

(i) the aggregate number of Shares and convertible securities to be issued pursuant to this Resolution does not exceed 100 per cent (100%) of the total number of issued Shares (excluding treasury Shares and subsidiary holdings) of the Company (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of Shares and convertible securities to be issued other than on a pro rata basis to existing shareholders of the Company does not exceed fifty per cent (50%) of the total number of issued shares (excluding treasury Shares and subsidiary holdings) of the Company (as calculated in accordance with sub-paragraph (ii) below);

(ii) (subject to such manner of calculations as may be prescribed by the SGX-ST), for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (i) above, the percentage of the total number of issued Shares shall be based on the total number of issued Shares (excluding treasury Shares and subsidiary holdings) of the Company at the time this Resolution is passed after adjusting for:–

(a) new Shares arising from the conversion or exercise of any convertible securities;

(b) new Shares arising from exercising Share Options (the "**Options**") or vesting of Share Awards outstanding or subsisting at the time of the passing of the resolution approving the mandate, provided the Options or Awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(c) any subsequent bonus issue, consolidation or sub-division of Shares

(iii) unless revoked or varied by the Company in general meeting, the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

[See Explanatory Note (ii)]

NOTICE OF
ANNUAL GENERAL MEETING

7. **Authority to grant Awards and to allot and issue Shares under the Vividthree Performance Share Plan** **Resolution 7**

That pursuant to Section 161 of the Companies Act and the Catalist Rules, approval be and is hereby given to the Directors of the Company to:

(a) grant Awards in accordance with the provisions of the Vividthree Performance Share Plan (the "**Vividthree PSP**"); and

(b) allot and issue from time to time such number of fully paid-up shares as may be required to be allotted and issued pursuant to the release of Awards under the Vividthree PSP provided that the aggregate number of Shares to be allotted and issued pursuant to the Vividthree PSP shall not exceed fifteen per cent (15%) of the total number of issued Shares (excluding Shares held by the Company as treasury shares) from time to time.

[See Explanatory Note (iii)]

8. **Renewal of Share Buyback Mandate** **Resolution 8**

All capitalised terms in this resolution which are not defined herein shall have the same meanings ascribed to them in the Addendum to Shareholders dated 11 July 2024.

That:

(a) for the purposes of Sections 76C and 76E of the Companies Act, the exercise by the directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company ("**Shares**") not exceeding in aggregate the number of issued Shares representing 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any, as at that date) (the "**Maximum Percentage**"), at such price or prices as may be determined by the directors of the Company from time to time up to the Maximum Price, whether by way of:

   (i) on-market purchases, transacted on the Singapore Exchange Securities Trading Limited through the ready market, and which may be transacted through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or

   (ii) off-market purchases, otherwise than on an approved exchange as defined in the Companies Act, in accordance with an equal access scheme(s) as may be determined or formulated by the directors of the Company as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Catalist Rules,

on the terms set out in the Addendum, be and is hereby authorised and approved generally and unconditionally (the "**Share Buyback Mandate**");

NOTICE OF ANNUAL GENERAL MEETING

(b) unless varied or revoked by the Company in general meeting, the authority conferred on the directors of the Company pursuant to the Share Buyback Mandate may be exercised by the directors of the Company at any time and from time to time during the period commencing from the date of the passing of this resolution and expiring on the earliest of:

(i) the date on which the next annual general meeting is held or required by law to be held; or

(ii) the date on which the authority conferred by the Share Buyback Mandate is revoked or varied by the Company in general meeting; or

(iii) the date on which purchases or acquisitions of Shares pursuant to the Share Buyback Mandate are carried out to the full extent mandated; and

(c) the directors of the Company and each of them be and is hereby authorised to do such acts and things (including without limitation, to execute all such documents as may be required, to approve any amendments, alterations or modifications to any documents, and to sign, file and/or submit any notices, forms and documents with or to the relevant authorities) as they and/or he may consider necessary, desirable or expedient to give effect to the transactions contemplated and/or authorised by this resolution.

[See Explanatory Note (iv)]

9. To transact any other business which may be properly transacted at an Annual General Meeting.

Explanatory Notes:

(i) An Addendum is attached to this notice to provide shareholders with information and the rationale relating to the proposed change of Auditors to be tabled at the AGM.

The Ordinary Resolution proposed in item 5, if passed, will approve the appointment of Forvis Mazars as Independent Auditors of the Company in place of the retiring Independent Auditors, CLA Global TS, and authorise the Directors to fix their remuneration.

CLA Global TS, the retiring Independent Auditors, has served as the Independent Auditors of the Company since 23 August 2018. The Directors are of the view that it would be timely to effect a change in Independent Auditors with effect from the financial year ending 31 March 2025.

The Board has concurred with the Audit Committee for the appointment of the Independent Auditors at the upcoming AGM. CLA Global TS will be retiring and will not be seeking for re-appointment as Independent Auditors for the financial year ending 31 March 2025. Further details of the proposed change of auditors are set out in the Addendum dated 15 July 2024 in relation to Resolution 5.

In accordance with the requirements of Rule 712(3) of the Catalist Rules:

(a) the outgoing Auditors, CLA Global TS has confirmed that they are not aware of any professional reasons why the new Auditors, Forvis Mazars should not accept appointment as Auditors of the Company;

(b) the Directors confirm that there were no disagreements with the outgoing Auditors, CLA Global TS, on accounting treatment during the financial year ended 31 March 2024;

NOTICE OF ANNUAL GENERAL MEETING

(c) the Directors confirm that, other than as set out above, it is not aware of any circumstances connected with the proposed change of the Auditors that should be brought to the attention of shareholders;

(d) the specific reasons for the proposed change of Auditors are disclosed in the Addendum; and

(e) the Directors confirm that Rule 712 and Rule 715 of the Catalist Rules are complied with in relation to the appointment of Forvis Mazars.

(ii) The Ordinary Resolution proposed in item 6, if passed, will empower the Directors from the date of this Annual General Meeting until the date of the next Annual General Meeting, to allot and issue Shares and convertible securities in the Company. The number of Shares and convertible securities, which the Directors may allot and issue under this Resolution shall not exceed hundred (100%) of the total number of issued Shares (excluding treasury Shares and subsidiary holdings) at the time of passing this Resolution. For allotment and issue of Shares and convertible securities other than on a pro-rata basis to all shareholders of the Company, the aggregate number of Shares and convertible securities to be allotted and issued shall not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury Shares and subsidiary holdings). This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting, or by the date by which the next Annual General Meeting is required by law to be held, whichever is earlier.

(iii) The Ordinary Resolution proposed in item 7, if passed, will empower the Directors to grant Awards and to issue and allot Shares pursuant to the Vividthree PSP. The grant of Awards under the Vividthree PSP will be made in accordance with the provisions of the Vividthree PSP. The aggregate number of Shares which may be issued pursuant to the Vividthree PSP shall not exceed fifteen per cent (15%) of the total number of issued Shares (excluding Shares held by the Company as treasury shares) from time to time.

(iv) The Ordinary Resolution proposed in item 8, if passed, will empower the Directors of the Company, effective period commencing from the date on which the ordinary resolution in relation to the proposed renewal of the Share Buyback Mandate is passed in a general meeting and expiring on the earliest of the date on which the next Annual General Meeting is held or is required by law to be held, the date the said mandate is revoked or varied by the Company in a general meeting, or the date on which the purchases of shares pursuant to the Share Buyback Mandate are carried out to the full extent mandated, to repurchase ordinary shares of the Company by way of on-market purchases or off-market purchases of up to ten per cent (10%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company at the Maximum Price. The rationale for, the authority and limitation on, the sources of funds to be used for the purchase or acquisition including the amount of financing and the financial effects of the purchase or acquisition of ordinary shares by the Company pursuant to the Share Buyback Mandate on the audited consolidated financial statements of the Group for the financial year ended 31 March 2024 are set out in greater detail in the Addendum to Shareholders dated 15 July 2024.

BY ORDER OF THE BOARD

Lim Siok Ching Catherine
Company Secretary

Date: 15 July 2024

Notes:

1. A member of the Company (not being a relevant intermediary) is invited to attend physically, speak and vote at the Annual General Meeting ("**AGM or Meeting**"). **There will be no option for shareholders to participate virtually.** Printed copies of this notice of AGM ("**Notice**") and the proxy form will be sent to Shareholders. The documents including the FY2024 Annual Report will also be made available to Shareholders via publication on the Company's website at the URL https://www.vividthreeholdings.com and on SGX website at the URL https://www.sgx.com/securities/company-announcements.

2. **Arrangements for participation in the AGM physically:**

   Members (including CPF Investment Scheme ("**CPFIS**") and Supplementary Retirement Scheme ("**SRS**") investors) may participate in the AGM by:

   (a) attending the AGM in person;

   (b) submitting questions to the Chairman of the AGM in advance of, or at, the AGM; and/or

NOTICE OF
ANNUAL GENERAL MEETING

(c) voting at the AGM

(i) themselves personally; or

(ii) through their duly appointed proxy(ies).

CPFIS and SRS investors who wish to appoint the Chairman of the AGM (and not third party proxy(ies)) as proxy to approach their respective CPF Agent Banks or SRS Operators to submit their votes. *Please see item 6 below for details.*

In the event members encountered Covid-19 like symptoms prior to the AGM, members are strongly encouraged to exercise social responsibility to rest at home and consider appoint a proxy(ies) to attend the AGM. We encourage members to mask up when attending the AGM.

3. **Submission of Instrument Appointing a Proxy ("Proxy Form") to Vote:**

(a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote in his/her stead at the AGM. Where a member of the Company appoints more than one proxy, he/she shall specify the proportion of his/her shares to be represented by each such proxy, failing which, the nomination shall be deemed to be alternative.

(b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member.

Pursuant to Section 181 of the Companies Act 1967 of Singapore, a relevant intermediary is either:

(i) a banking corporation licensed under the Banking Act 1970 or its wholly-owned subsidiary which provides nominee services and holds shares in that capacity;

(ii) a capital market services license holder which provides custodial services for securities under the Securities and Futures Act 2001 and holds in that capacity; or

(iii) the Central Provident Fund ("**CPF**") Board established by the Central Provident Fund Act 1953, in respect of shares purchased on behalf of CPF investors.

4. A proxy need not be a member of the Company.

5. A member can appoint the Chairman of the AGM as his/her/its proxy but this is not mandatory.

If a member wishes to appoint the Chairman of the Meeting as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the Meeting as proxy. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the Chairman of the Meeting will vote or abstain from voting at his discretion.

6. CPFIS/SRS investors who hold SGX shares through CPF Agent Banks/SRS Operators:

(a) may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks/SRS Operators, and should contact their respective CPF Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies; or

(b) may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case they should approach their CPF Agent Banks/SRS Operators to submit their votes at least (7) working days prior to the date of AGM (i.e. by 11.00 a.m. on 19 July 2024) in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the AGM to vote on their behalf by the cut-off date.

7. The Proxy Form, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must be submitted to the Company in the following manner:

(a) if by post, to the Share Registrar of the Company, B.A.C.S. Private Limited, at 77 Robinson Road #06-03 Robinson 77 Singapore 068896; or

(b) emailed to the Company's Share Registrar at main@zicoholdings.com

in either case, not less than 72 hours before the time for holding the AGM by 11.00 a.m. on 27 July 2024 and at any adjournment thereof.

NOTICE OF
ANNUAL GENERAL MEETING

8. A Shareholder who wishes to submit an instrument of proxy by (a) and (b) must first download the proxy form, which is available on SGX website at the URL https://www.sgx.com/securities/company-announcements, complete and sign the proxy form, before submitting it by post to the addresses provided above, or scanning and sending it by email to the email address provided above.

9. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies (such as in the case where the appointor submits more than one instrument of proxy) and received after the cut-off at 11.00 a.m on 27 July 2024. In the case of shares entered in the Depository Register, a Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time fixed for holding the AGM in order for the Depositor to be entitled to appoint the proxy or proxies.

10. If the member is a corporation, the instrument appointing the proxy must be under seal or the hand of an officer or attorney duly authorised.

11. Completion and return of the Proxy Form by a member will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the member attends the AGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the AGM.

12. **Submission of questions by members in advance of the AGM**

    (i) by email to the Company at ir@vividthree.com

    (ii) in hard copy by sending personally or by post and lodging the same at the office of the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road #06-03 Robinson 77 Singapore 068896; or

    The Company will endeavor to address the substantial queries from members prior to, or at the AGM and upload the Company's responses on the SGX website. The minutes of the AGM, which include responses to substantial queries from the members which are addressed during the AGM, will be posted on the SGX website and the Company's website within one month from the date of the AGM.

    All questions must be submitted by 11.00 a.m. on 22 July 2024 to the Company.

13. Important reminder. Any changes to the manner of conducting the AGM will be announced by the Company on SGXNet. Members are advised to check SGXNet regularly for any further updates.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representatives to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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

ANNUAL GENERAL MEETING
PROXY FORM

IMPORTANT
1. The Annual General Meeting (the "Meeting") will be held physically at 8 Wilkie Road #03-01 Wilkie Edge Singapore 228095. **There will be no option for shareholders to participate virtually.** The Notice of Meeting has been published on 15 July 2024 on the SGX website and the Company's website at https://www.vividthreeholdings.com
2. For investors who have used their CPF monies and/or SRS monies to buy the Company's shares, this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF and/or SRS investors who wish to vote should contact their CPF and/or SRS Approved Nominees to submit their voting instructions by 11.00 a.m. on 19 July 2024.
4. By submitting this proxy form, the member accepts and agrees to the personal data privacy terms as set out in the Proxy Form and Notice of Annual General Meeting dated 15 July 2024.

I/We ______________________ NRIC/Passport No./Registration No. ______________________

of ____

being a member(s) of Vividthree Holdings Ltd (the "Company"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

and/or*

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

or failing *him/her, the Chairman of the 2024 Annual General Meeting of the Company ("Annual General Meeting") as *my/our *proxy/proxies to vote for *me/us on *my/our behalf at the Annual General Meeting to be held at 8 Wilkie Road #03-01 Wilkie Edge Singapore 228095 on 30 July 2024 at 11 a.m. and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against, or abstain from voting the Ordinary Resolutions to be proposed at the Annual General Meeting as indicated hereunder. If no specified directions as to voting is given, the *proxy/proxies will vote or abstain from voting at *his/her/their discretion, as *he/she/they will on any other matter arising at the Annual General Meeting and at any adjournment thereof.

No.	Resolutions	For	Against	Abstain
ORDINARY BUSINESS				
1.	To receive and adopt the Directors' Statement, Audited Financial Statements and Independent Auditor's Report			
2.	To re-elect Mr Chang Long Jong as Director			
3.	To re-elect Mr Wong Kim Soon Royson as Director			
4.	To approve the Directors' fees payable by the Company for the financial year ended 31 March 2024			
5.	To appoint Messrs Forvis Mazars LLP in place of retiring CLA Global TS Public Accounting Corporation as Independent Auditors			
SPECIAL BUSINESS				
6.	To authorise the Directors to allot and issue new shares			
7.	To authorise the Directors to grant awards and allot and issue Shares under the Vividthree Performance Share Plan			
8.	To authorise the Directors to exercise for the Renewal of Share Buyback Mandate			

Dated this __________ day of __________________ 2024

Total number of Shares held

____
Signature(s) of member(s) or common seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

NOTES:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act 1967), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.

2. A member of the Company who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote on his/her behalf at the Annual General Meeting. Where a member of the Company appoints more than one proxy, he/she shall specify the proportion of his/her shares to be represented by each such proxy, failing which, the nomination shall be deemed to be alternative.

3. A member who is a relevant intermediary entitled to vote at the AGM must appoint the Chairman of the Meeting to attend, speak and vote at the Meeting instead of the member.

   "**Relevant intermediary**" means:

   (a) a banking corporation licensed under the Banking Act 1970, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

   (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001, and who holds shares in that capacity; or

   (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

4. The Chairman of the Meeting, as proxy, need not be a member of the Company.

5. The instrument appointing the proxy or proxies, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must:

   (a) if by post, to the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road #06-03 Robinson 77 Singapore 068896; or

   (b) or if submitted electronically, be submitted via emailed to the Company's Share Registrar at main@zicoholdings.com,

   in either case, by 11.00 a.m. on 27 July 2024 or not less than **72 hours** before the time for holding the AGM or at adjournment thereof.

   A member who wishes to submit an instrument of proxy by (a) and (b) must first download the proxy form, which is available on SGX website at the URL https://www.sgx.com/securities/company-announcements, complete and sign the proxy form, before submitting it by post to the address provided above, or scanning and sending it by email to the email address provided above.

6. The instrument appointing a proxy or proxies must be under the hand of the appointor or his/her attorney duly authorised in writing. Where the instrument appointing the proxy is executed by a corporation, it must be executed under its common seal or signed on its behalf by an attorney duly authorised in writing or by an authorised officer of the corporation, failing which the instrument of proxy may be treated as invalid.

7. Where an instrument appointing a proxy or proxies is signed on behalf of the appointer by an attorney, the letter or power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

8. The Company shall be entitled to reject the instrument appointing the Chairman of the Company as proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the proxy or proxies. In addition, in the case of members whose Shares are entered against their names in the Depository Register, the Company may reject any instrument appointing the Chairman as proxy lodged if such members are not shown to have shares entered against their names in the Depository Register at least seventy-two (72) hours before the time appointed for holding the Meeting as certified by The Central Depository (Pte) Limited to the Company.

9. For investors who have used their CPF monies ("**CPF Investor**") and/or SRS monies ("**SRS Investor**") (as may be applicable) to buy Shares, this proxy form is not valid for their use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF Investors and/or SRS Investors who wish to appoint the Chairman of the Meeting to act as their proxy should approach their respective CPF Agent Banks and/or SRS Operators to submit their votes at least seven (7) working days before the AGM (i.e. by 11.00 a.m. on 19 July 2024).

10. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the proxy or proxies. In addition, in the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register at least **72 hours** before the time appointed for holding the Annual General Meeting as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 15 July 2024.

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