VIVIDTHREE HOLDINGS LTD.
(Incorporated in Singapore)
(Company Registration No. 201811828R)

DISCLAIMER OF OPINION BY INDEPENDENT AUDITOR ON AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

Pursuant to Rule 704(4) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"), the Board of Directors (the "**Board**") of Vividthree Holdings Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Company's Independent Auditor, Forvis Mazars LLP (the "**Auditor**"), has issued a disclaimer of opinion (the "**Disclaimer of Opinion**") in their independent auditor's report dated 14 July 2025 (the "**Independent Auditor's Report**") on the audited consolidated financial statements of the Company and Group for the financial year ended 31 March 2025 (the "**FY2025 Audited Financial Statements**").

The Disclaimer of Opinion is in relation to the use of going concern assumption in the preparation and presentation of the FY2025 Audited Financial Statements. The relevant extracts of the Independent Auditor's Report and Note 2.1 to the FY2025 Audited Financial Statements are attached to this announcement.

A significant portion of the Group's losses for FY2025 were mainly due to one-time exceptional items as a result of recognition of losses from the fair value changes in assets and liabilities, the provision for impairment losses, amortisation charges, inventory write down and the expected credit losses. Such exceptional items and the Group's operating losses were a result of the change of Group's strategy to focus on intellectual property creation in the digital creative sector in FY2025. The Company remains in constant communication with its various suppliers and creditors to maintain their continual support to the Group.

Concurrently, the Group is continuing to look for opportunities in the consumer out-of-home entertainment, education and edutainment sectors across the region including investments into profitable and cash generating businesses in these and other sectors.

Notwithstanding the Auditor's Disclaimer of Opinion, the Directors are of the opinion that the Company will be able to operate as a going concern and the use of going concern assumption in their preparation and presentation of FY2025 Audited Financial Statements is appropriate based on the cash flow forecast prepared by management on the following basis and assumptions:

(i) Subsequent to the financial year end, on 7 May 2025, the Company has obtained an unsecured loan from a shareholder amounting of $400,000 for general working capital bears interest rate of 8.0% per annum and repayable within 12 months;

(ii) the Group has initiated significant cost-cutting measures in the current financial year, including scaling down office premises and optimising operational costs; and

(iii) The Group is currently in negotiation with various parties for financing and/or fundraising for such investments and to also strengthen the Group's working capital.

The Board is of the view that sufficient information has been disclosed for trading of the Company's securities to continue in an orderly manner and confirms that all material information in relation to the Group has been provided for trading of the Company's shares to continue.

Shareholders and potential investors of the Company are advised to read this announcement in conjunction with the Independent Auditor's Report and the FY2025 Audited Financial Statements which are included in the Company's Annual Report for FY2025 in their entirety, and are reminded to exercise caution when dealing or trading in the securities of the Company. If they are in doubt about the actions that they should take, they and should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers

By Order of the Board

Yeo Eng Pu, Charles
Chief Executive Officer
14 July 2025

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*This announcement has been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "**Sponsor**").*

*This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

The contact person for the Sponsor is Mr. Lance Tan, Senior Vice President, at 83 Clemenceau Avenue, #10-01 UE Square, Singapore 239920, telephone (65) 6590 6881.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF VIVIDTHREE HOLDINGS LTD.

Report on Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of Vividthree Holdings Ltd. (the "Company") and its subsidiaries (the "Group") which comprise the statements of financial position of the Group and of the Company as at 31 March 2025, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of material accounting policies.

We do not express an opinion on the accompanying financial statements of the Group and the statement of financial position of the Company. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

Use of the going concern assumption

As of 31 March 2025, the Group and Company were in a net assets and capital deficiency position of $3,352,638 and $903,519, respectively, and in a net current liability position of $4,078,701 and $971,544, respectively. The Group reported a net loss and total comprehensive loss of $11,553,406 and $11,599,705, respectively, along with net operating cash outflow of $2,755,634 for the financial year then ended. These factors indicate the existence of a material uncertainty which may cast significant doubt on the Group's and Company's ability to continue as going concerns. Notwithstanding these conditions, the Group and Company have prepared the financial statements on a going concern basis on the premises as disclosed in Note 2.1 to the financial statements.

In our evaluation of the management's assessment of the abilities of the Group and Company to continue as going concerns, we have been unable to obtain sufficient appropriate audit evidence to satisfy ourselves on the Group's and the Company's abilities to successfully raise the finances as described in Note 2.1. In consideration of the extent of reliance placed on these funds to support the going concerns, and as we have been unable to obtain sufficient appropriate audit evidence to satisfy ourselves on the viability of alternative plans to raise finances, which includes the Group's ability to dispose its investments in films and entertainment events, we are unable to ascertain the appropriateness of the management's use of the going concern assumption in their preparation of the financial statements.

Should the going concern assumption be inappropriate, non-current assets and non-current liabilities will need to be reclassified to current assets and liabilities, and adjustments may have to be made to the financial statements to reflect the situation that assets may need to be realised at the amounts other than that are currently recorded in the statement of financial position as at 31 March 2025. In addition, the carrying amount of liabilities may be materially different from the amounts currently recorded in the statement of financial position and provision may need to be made for any additional future expenses to be incurred subsequent to the reporting date. Any gains or losses resulting from the adjustments to the assets and liabilities will be recognised in profit or loss.

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 Companies Act 1967 and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide 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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the financial statements in accordance with Singapore Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for 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.

Report on Other Legal and Regulatory Requirements

In view of the significance of the matters referred to in the Basis for Disclaimer of Opinion section of our report, we do not express an opinion on whether the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Mr Chin Chee Choon.

FORVIS MAZARS LLP
Public Accountants and
Chartered Accountants

Singapore
14 July 2025

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 1002 Jalan Bukit Merah, #07-13, Singapore 159456.

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

In the previous financial year, the holding company of the Company was mm2 Asia Ltd.. mm2 Asia Ltd. is incorporated and domiciled in Singapore and listed on Main Board of Singapore Exchange Securities Trading Limited. With effective 1 November 2024, mm2 Asia Ltd. has determined that Vividthree Holdings Ltd. is an associated company as mm2 Asia Ltd. did not have de facto control over the Company.

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.

Going concern

As of 31 March 2025, the Group and Company were in a net assets and capital deficiency position of $3,352,638 and $903,519, respectively, and in a net current liability position of $4,078,701 and $971,544, respectively. The Group reported a net loss and total comprehensive loss of $11,553,406 and $11,599,705, respectively, along with net operating cash outflow of $2,755,634 for the financial year then ended. These factors indicate the existence of a material uncertainty which may cast significant doubt on the Group’s and Company’s ability to continue as going concerns.

The Group's net loss for the financial year ended 31 March 2025 was partially attributed to the recognition of losses from the fair value changes in financial assets and liabilities, the impairment losses, inventory write down, plant and equipment written off and the expected credit losses (together referred as "Exceptional Items") which approximately $9,019,137 (2024: net gains on fair value changes of $3,487). Excluding these Exceptional Items, the Group's net loss would be $2,534,269 (2024: $1,567,603).

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

In assessing the appropriateness of the going concern assumptions of the Group, the management is of the view that the use of going concern assumption to prepare the financial statements for the financial year ended 31 March 2025 is appropriate based on the following factors:

(i) Subsequent to the financial year end, on 7 May 2025, the Company has obtained an unsecured loan from a shareholder amounting of $400,000 for general working capital bears interest rate of 8.0% per annum and repayable within 12 months;

(ii) The Group has initiated significant cost-cutting measures in current financial year, including downsizing office premises and optimising operational cost. Management will continue to implement such measures in the coming financial years; and

(iii) The Group is currently in negotiation with various parties for financing and/or fundraising to also strengthen the Group's working capital.

After considering the abovementioned measures and mitigating actions, management is confident that the Group and the Company will be able to generate sufficient cash flows and have the necessary funds to meet the operating requirements of the Group's operations and to settle its liabilities as and when they fall due for at least another twelve months from the date of the financial statements are authorised for issuance and that the continuing use of the going concern assumption in the preparation of the financial statements is appropriate.

If the Group and Company are unable to continue in operational existence for the foreseeable future, the Group and Company may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statements of financial position. In addition, the Group may have to reclassify non-current assets and liabilities as current assets and liabilities respectively, and the Company may have to reclassify non-current assets as current assets. No such adjustments have been made to these financial statements.

2.2 Adoption of new and amended standards and interpretations

In the current financial year, the Group has adopted all the new and revised SFRS(I)s and SFRS(I) INTs that are relevant to its operations and effective for annual periods beginning on or after 1 January 2024. The adoption of these new or revised SFRS(I)s and SFRS(I) INTs did not result in changes to the Group's and Company's accounting policies, and has no material effect on the current or prior year's financial statement and is not expected to have a material effect on future periods.