

Immediate Release

Vividthree Holdings Announces Half Year Results

- **Post-production continues to be the bread-and-butter business, as the Group prepares for the rollout of Train to Busan VR tour, which will contribute to FY2019**
- **Train to Busan VR tour show to premiere in Beijing, China Hopson One Mall (朝阳合生汇) on 1st Dec 2018 for three months**

Singapore, 14 November 2018 - Vividthree Holdings Ltd. (SGX: OMK), a virtual reality (“VR”), visual effects and computer-generated imagery production studio (“Vividthree”, the “Company” or the “Group”) today announced their financial results for their half year ended 30 September 2018 (“1H2019”).

1H FY2019 Performance

S\$' million	1H2019	1H2018	yoy change
Revenue	2.5	3.1	-19.5%
Gross profit	1.7	2.1	-21.0%
Gross profit margin (%)	67.7%	69.0%	
Net profit	0.6	1.2	-54.9%
Net profit margin (%)	22.5%	40.2%	

The Group’s 1H2019 revenue and gross profit decreased by 19.5% and 21.0% to S\$2.5 million and S\$1.7 million respectively, as a result of lower contribution from the Group’s post-production services. Other income increased by S\$0.33 million from S\$0.03 million in 1H2018 to S\$0.36

million in 1H2019, due to a waiver of the founders' entitlement to the net proceeds of S\$0.29 million from the disposal of the subsidiary's property.

Administrative expenses increased from S\$0.7 million in 1H2018 to S\$1.4 million in 1H2019 mainly due to a one-off listing expenses, increased staff count and rental of premise in Kuala Lumpur, Malaysia.

Up Next in FY2019

The Group entered into a Memorandum of Understanding (“MOU”) with award-winning British video game company, Slightly Mad Studios, to strategize several new initiatives including the development of a VR game for use in location-based entertainment.

In conjunction with upcoming festivities, Vividthree's first-ever Train to Busan VR Tour set is completed and will launch on 1st December 2018 for a period of three months, at Hopson One shopping mall in Beijing, China. The Train to Busan VR Tour in Beijing will coincide with Christmas, New Year and Lunar New Year, and is expected to captivate all crowd.



In October 2018, Vividthree also signed a Letter of Intent (“LOI”) with Bosssdom Digilnnovation Co. Ltd (“Bosssdom”), a Taiwan Stock Exchange listed company, for the territorial rights to open

Train to Busan VR Tour set in Taiwan, Hong Kong and Macau. This LOI will mark Vividthree's second Train to Busan VR Tour set, which is currently underway and is expected to be delivered by 31st March 2019.

Managing Director of Vividthree, Mr Charles Yeo said: "We're not slowing down, we are expanding our projects pipeline. We are looking forward to the premiere launch of Train to Busan VR Tour in Beijing, China. This is an important milestone for us, as this will mark our maiden immersive interactive experience touring set. We are positive of our business in Content Production, the team remains focused in acquiring and developing our own intellectual properties, and more exhibit sets across different genres."

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About Vividthree Holdings Ltd.

Established in 2006, Vividthree is a virtual reality (VR), visual effects (VFX) and computer-generated imagery studio that develops and creates digital intellectual property assets that primarily consists of storylines with accompanying characters and visual elements. Vividthree develops and/or acquires digital intellectual property assets to produce virtual reality products such as thematic tour shows, such as the recently announced Train to Busan.

Vividthree has a network presence in Singapore and Malaysia, focusing primarily on two business segments, namely, Post-Production and Content Production.

In 2015, Vividthree Productions Pte. Ltd., which is now a subsidiary of the Company, was acquired by mm2 Asia Ltd., a Singapore based, SGX Mainboard-listed producer of films, TV and online content.

<https://www.vividthreeholdings.com/>

This press release has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Hong Leong Finance Limited (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor has not independently verified the contents of this press release.

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