

VIVIDTHREE HOLDINGS LTD.

Registration No. 201811828R

(Incorporated in the Republic of Singapore)

**UPDATES: ACQUISITION OF ALL INTELLECTUAL PROPERTY RIGHTS OF SILENT
HORROR IN DARKBOX STUDIOS PTE. LTD.**

Capitalised terms used herein, but not otherwise defined, shall have the meanings ascribed to them in the announcement dated 26 December 2019 and 11 February 2020 (the "Announcements").

1. INTRODUCTION

The Board of Directors (the "**Board**") of Vividthree Holdings Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Announcements in relation to the acquisition of the following:-

(i) all intellectual property ("**IP**") rights and all published and unpublished works for the "Silent Horror" owned by DBSPL and both Mr Goh Chun Hoong and Mr Goh Chun Keong (collectively, the "**Vendors**" and each a "**Vendor**"); and

(ii) all rights and goodwill to the business name "Darkbox" and "Darkbox Studio"

(the "**Acquisition**") from the Vendors.

The Board is pleased to announce that the Company has completed the Acquisition on 26 June 2020.

2. PURCHASE CONSIDERATION

2.1 In accordance with the binding term sheet, the purchase price for the Acquisition is SGD1.50 million (the "**Purchase Consideration**").

The Purchase Consideration shall be satisfied as follow:-

(i) SGD0.5 million in cash; and

(ii) SGD1.0 million in shares of the Company ("the **Consideration Shares**").

2.2 In relation to the Consideration Shares, the Vendors has requested that the Consideration Shares to be satisfied by cash amounting to SGD394,632.95 which the Company has agreed to.

2.3 In view of the above, the Purchase Consideration in aggregate has been revised to SGD894,632.95 in cash (the "**Revised Purchase Consideration**").

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- 2.4 The Revised Purchase Consideration was arrived at on a willing-buyer, willing-seller basis after taking into consideration the following factors:
- (i) Silent Horror's more than 92 million views online;
 - (ii) capabilities and synergies between the Company and DBSPL (recently collaborated to launch the OTT video platform);
 - (iii) the potential of the comic video business; and
 - (iv) the discounted factor of cash payment in lieu of the Consideration Shares.
- 2.5 The Board of Directors is of the view that the Revised Purchase Consideration is in the best interests for the Company and its shareholders for the following reasons:-
- (i) The Revised Purchase Consideration will not cause dilution of the shareholdings for current shareholders;
 - (ii) The Revised Purchased Consideration will be funded by the Group's internal resources and the working capital available to the Group is sufficient to meet its present and projected requirements, after paying the Revised Purchase Consideration; and
 - (iii) The Vendors have also agreed to provide an undertaking that they will work exclusively with the Group on future IPs, both directly and/or indirectly undertaken by the Vendors.

3. NON-DISCLOSEABLE TRANSACTION

The Acquisition is a non-discloseable transaction pursuant to Chapter 10 of the Listing Manual as the relative figures computed on the applicable bases under Rule 1006 do not exceed 5%. The Acquisition is also not expected to have any material impact on the earnings per share and net tangible assets of the Company and the Group for the current financial year.

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4. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed in this announcement, to the best of the Directors' knowledge, none of the Directors or substantial shareholders of the Company have any interest, direct or indirect, in the Acquisition (other than through their direct or indirect shareholdings in the Company).

By Order of the Board

Yeo Eng Pu, Charles
Executive Director
30 June 2020

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Hong Leong Finance Limited.

It has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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