



Vividthree Holdings Ltd.

(Incorporated in the Republic of Singapore)

(Company Registration No. 201811828R)

**FINANCIAL STATEMENTS ANNOUNCEMENT
FOR THE FIRST QUARTER ENDED 30 JUNE 2019**

This announcement 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 SGX-ST.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST 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.

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

PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEARLY AND FULL YEAR ANNOUNCEMENTS

- 1 (a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group together with a comparative statement for the corresponding period/year of the immediately preceding financial period.

	Group		Change %
	Three months period ended		
	30 Jun 2019 1Q FY2020 (Unaudited) \$	30 Jun 2018 1Q FY2019 ⁽¹⁾ (Unaudited) \$	
Revenue	1,624,826	1,831,650	-11.3%
Cost of sales	(552,716)	(471,688)	17.2%
Gross profit	1,072,110	1,359,962	-21.2%
Other income	8,074	318,033	-97.5%
Other (losses)/gains - net	(3,366)	2,074	-262.3%
Administrative expenses	(695,333)	(490,382)	41.8%
Finance expenses	(30)	(67)	-55.2%
Profit before income tax	381,455	1,189,620	-67.9%
Income tax expense	(66,462)	(169,000)	-60.7%
Net profit for the financial period	314,993	1,020,620	-69.1%
Other comprehensive loss, net of tax:			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation - loss	(18,717)	(3,502)	434.5%
Total comprehensive income	296,276	1,017,118	-70.9%

⁽¹⁾ The combined statement of comprehensive income for the financial period ended 30 June 2018 have been prepared based on the pooling-of-interest method as if the current group structure had been in existence prior to the restructuring exercise.

1 (a)(ii) Notes to Consolidated Statement of Comprehensive Income.

Profit before tax is arrived at after (crediting)/charging :

	Group		Change %
	Three months period ended		
	30 Jun 2019 1Q FY2020 (Unaudited) \$	30 Jun 2018 1Q FY2019 ⁽¹⁾ (Unaudited) \$	
Amortisation of intangible assets	28,691	10,787	166.0%
Depreciation of plant and equipment	100,592	60,313	66.8%
Depreciation of right-of-use assets	49,502	-	NM
Employees compensation	804,663	630,644	27.6%
Other income			
- Waiver of the founders' entitlement to the gain from disposal of an investment property of subsidiary	-	(287,817)	-100.0%
- Interest income	(1,253)	-	NM
- Others	(6,821)	(30,216)	-77.4%
Other losses/(gains) - net			
- Foreign exchange loss/(gain), net	3,366	(2,401)	-240.2%
- Plant and equipment written off	-	327	-100.0%
Finance expenses			
- Borrowings	-	67	-100.0%
- Accretion of interest on lease liabilities	30	-	NM

NM - not meaningful

⁽¹⁾ The combined statement of comprehensive income for the financial period ended 30 June 2018 have been prepared based on the pooling-of-interest method as if the current group structure had been in existence prior to the restructuring exercise.

1 (b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	As at 30 Jun 2019 (Unaudited) \$	As at 31 Mar 2019 (Audited) \$	As at 30 Jun 2019 (Unaudited) \$	As at 31 Mar 2019 (Audited) \$
ASSETS				
Current assets				
Cash and cash equivalents	4,675,371	4,380,750	2,258,387	3,046,029
Trade and other receivables	8,608,585	7,846,374	10,888,521	10,424,991
Deposits and prepayments	3,455,095	6,068,111	10,500	-
Other current assets	2,656,906	2,274,013	-	-
	<u>19,395,957</u>	<u>20,569,248</u>	<u>13,157,408</u>	<u>13,471,020</u>
Non-current assets				
Plant and equipment	934,302	1,000,239	-	-
Right-of-use assets	246,800	-	-	-
Investment in subsidiaries	-	-	446,400	446,400
Goodwill arising from consolidation	2,851,917	2,851,917	-	-
Deposits	4,000,000	3,500,000	500,000	-
Intangible assets	2,473,099	544,446	-	-
Deferred income tax assets	39,512	-	31,000	-
	<u>10,545,630</u>	<u>7,896,602</u>	<u>977,400</u>	<u>446,400</u>
Total assets	<u>29,941,587</u>	<u>28,465,850</u>	<u>14,134,808</u>	<u>13,917,420</u>
LIABILITIES				
Current liabilities				
Trade and other payables	1,926,464	689,912	1,014,372	644,729
Contract liabilities	1,087,361	1,493,248	-	-
Operating lease liabilities	163,467	-	-	-
Current income tax liabilities	919,982	818,000	-	-
	<u>4,097,274</u>	<u>3,001,160</u>	<u>1,014,372</u>	<u>644,729</u>
Non-current liabilities				
Operating lease liabilities	83,347	-	-	-
Deferred income tax liabilities	51,626	51,626	-	-
	<u>134,973</u>	<u>51,626</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>4,232,247</u>	<u>3,052,786</u>	<u>1,014,372</u>	<u>644,729</u>
NET ASSETS	<u>25,709,340</u>	<u>25,413,064</u>	<u>13,120,436</u>	<u>13,272,691</u>
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	13,772,231	13,772,231	13,772,231	13,772,231
Merger reserve	2,921,000	2,921,000	-	-
Translation reserve	(10,587)	8,130	-	-
Retained profits/(accumulated losses)	9,026,696	8,711,703	(651,795)	(499,540)
Total equity	<u>25,709,340</u>	<u>25,413,064</u>	<u>13,120,436</u>	<u>13,272,691</u>

1 (c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period/year of the immediately preceding financial period/year.

Consolidated Statement of Cash Flows

	Group	
	Three months period ended	
	30 Jun 2019 1Q FY2020 (Unaudited) \$	30 Jun 2018 1Q FY2019 ⁽¹⁾ (Unaudited) \$
Cash flows from operating activities		
Net profit for the financial period	314,993	1,020,620
Adjustments for:		
- Income tax expense	66,462	169,000
- Depreciation of plant and equipment	100,592	60,313
- Depreciation of right-of-use assets	49,502	-
- Interest income	(1,253)	-
- Interest expenses	30	67
- Amortisation of intangible assets	28,691	10,787
- Plant and equipment written off	-	327
Operating cash flows before working capital changes	<u>559,017</u>	<u>1,261,114</u>
Change in working capital,		
- Trade and other receivables	(762,211)	(3,473,647)
- Deposits and prepayments	2,613,016	-
- Other current assets	(382,893)	(324,162)
- Trade and other payables	(208,512)	(432,659)
- Contract liabilities	(405,887)	16,881
Net cash generated from/(used in) operating activities	<u>1,412,530</u>	<u>(2,952,473)</u>
Cash flows from investing activities		
Additions to plant and equipment	(34,722)	(124,954)
Additions to intangible assets	(512,280)	-
Deposit paid for subscription of convertible notes	(500,000)	-
Interest received	1,253	-
Net cash used in investing activities	<u>(1,045,749)</u>	<u>(124,954)</u>
Cash flows from financing activities		
Interest paid	(30)	(67)
Proceeds from issuance of pre-IPO convertible loans	-	2,000,000
Repayments of operating lease liabilities	(49,470)	-
Repayment of borrowings	-	(33,242)
Net cash (used in)/generated from financing activities	<u>(49,500)</u>	<u>1,966,691</u>
Net changes in cash and cash equivalents	317,281	(1,110,736)
Cash and cash equivalents		
Beginning of financial period	4,380,750	2,353,739
Effects of currency translation on cash and cash equivalents	(22,660)	(3,498)
End of financial period	<u>4,675,371</u>	<u>1,239,505</u>
Cash and cash equivalents comprise:		
Cash and bank balances	3,175,371	1,239,505
Fixed deposits	1,500,000	-
	<u>4,675,371</u>	<u>1,239,505</u>

⁽¹⁾ The combined statement of cash flows for the financial period/year ended 30 June 2018 have been prepared based on the pooling-of-interest method as if the current group structure had been in existence prior to the restructuring exercise.

- 1 (d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year ended.

Consolidated Statement of Changes in Equity

	← Attributable to equity holders of the Company →				Total
	Share capital	Merger Reserve	Translation Reserve	Retained profits	
Group (Unaudited)	\$	\$	\$	\$	\$
As at 1 April 2019	13,772,231	2,921,000	8,130	8,711,703	25,413,064
Net profit for the financial period	-	-	-	314,993	314,993
Other comprehensive loss for the financial period	-	-	(18,717)	-	(18,717)
Total comprehensive (loss)/ income for the financial period	-	-	(18,717)	314,993	296,276
As at 30 June 2019	13,772,231	2,921,000	(10,587)	9,026,696	25,709,340
As at 1 April 2018	50,000	2,921,000	(447)	5,443,977	8,414,530
Net profit for the financial period	-	-	-	1,020,620	1,020,620
Other comprehensive loss for the financial period	-	-	(3,502)	-	(3,502)
Total comprehensive (loss)/ income for the financial period	-	-	(3,502)	1,020,620	1,017,118
Incorporation of the Company	300	-	-	-	300
As at 30 June 2018	50,300	2,921,000	(3,949)	6,464,597	9,431,948

	← Attributable to equity holders of the Company →		
	Share capital	Retained profits	Total
Company (Unaudited)	\$	\$	\$
As at 1 April 2019	13,772,231	(499,540)	13,272,691
Net loss for the financial period	-	(152,255)	(152,255)
As at 30 June 2019	13,772,231	(651,795)	13,120,436
As at 7 April 2018 (Date of incorporation)	300	-	300
Net loss for the financial period	-	(70)	(70)
As at 30 June 2018	300	(70)	230

- 1 (d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period/year reported on. State also the number of shares that may be issue on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period/year reported on and as at the end of the corresponding period/year of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period/year reported on and as at the end of the corresponding period/year of the immediately preceding financial year.

Shares Capital - Ordinary Shares

	Number of shares	Issued and paid-up share capital (\$)
Ordinary shares of the Company		
As at 30 June 2019	334,011,764	13,772,231
As at 31 March 2019	334,011,764	13,772,231

The Company did not have any outstanding options, convertibles or treasury shares as at 30 June 2019.

- 1 (d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period/year and as at the end of the immediately preceding year.

	<u>30 Jun 2019</u>	<u>31 Mar 2019</u>
Total number of shares issued	<u>334,011,764</u>	<u>334,011,764</u>

The Company did not have any treasury shares as at 30 June 2019 and 31 March 2019.

- 1 (d)(iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period/year reported on.

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

- 1 (d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period/year reported on.

During the financial period, there were no transactions pertaining to subsidiary holdings.

- 2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the auditors of the Company.

- 3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

- 4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as disclosed in paragraph 5, the accounting policies and methods of computation have been consistently applied by the Group and the Company and are consistent with the financial statements for the financial period ended 30 June 2019.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted all the applicable new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)") and SFRS(I) Interpretations ("SFRS(I) INT") which became effective for the accounting periods beginning on or after 1 April 2019. Except for the adoption of SFRS(I)16 *Leases*, the adoption of the other new and revised SFRS(I) and SFRS(I) INT are currently assessed to have no material financial impact on the Group's financial statements for the current financial period reported on.

Adoption of SFRS(I)16 *Leases*

SFRS(I)16 *Leases* introduces a single, on-balance sheet lease accounting model for lessees where the distinction between operating and finance leases is removed. It requires a lessee to recognise a right-of-use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The accounting for lessors has not changed significantly.

The Group adopted SFRS(I)16 on 1 April 2019, using the modified retrospective approach, where comparative figures for the financial year/period prior to first adoption will not be restated.

The Group applied the practical expedient to recognise amounts of ROU assets equal to its lease liabilities on 1 April 2019 and recognition exemptions for short-term leases and leases of low value items in accordance with SFRS(I)16. Subsequent to initial recognition, ROU assets are carried at cost less accumulated depreciation and any accumulated impairment losses while the carrying amount of lease liabilities will take into account interest on the lease liabilities, lease payments made and any reassessment or lease modifications.

The adoption of SFRS(I)16 resulted in the Group recognising ROU assets and lease liabilities of \$297,104 respectively for its leases previously classified as operating leases as of 1 April 2019.

6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group	
	Three months period ended	
Earnings per share ("EPS")	30 Jun 2019 1Q FY2020	30 Jun 2018 1Q FY2019
Profit attributable to equity holders of the Company (\$)	314,993	1,020,620
Weighted average number of ordinary share issued ⁽¹⁾	334,011,764	334,011,764
Basic and fully diluted basis EPS (cents) ^{(2) (3)}	0.09	0.31

NM - Not meaningful

Notes:

- ⁽¹⁾ For illustrative purposes, the weighted average number of ordinary share issued of the Group for the financial period ended 30 June 2018 was calculated based on the post-IPO placement number of ordinary shares as the Company was only incorporated on 7 April 2018 with 300 ordinary share issued.
- ⁽²⁾ The basic EPS of the Group for the respective financial periods was calculated based on the weighted average number of ordinary shares in issue for the respective periods.
- ⁽³⁾ The fully diluted basis EPS of the Group for the respective financial periods was calculated based on the weighted average number of ordinary shares in issue plus number of shares that may be issued on conversion of outstanding convertibles and share allotment for the respective financial periods. No outstanding convertibles and share allotment as at 30 June 2019.

- 7 **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**
(a) Current financial period reported on; and
(b) Immediately preceding financial year.

	Group		Company	
	30 Jun 2019	31 Mar 2019	30 Jun 2019	31 Mar 2019
Net asset value attributable to equity holders of the Company (\$)	25,709,340	25,413,064	13,120,436	13,272,691
Number of ordinary shares issued	334,011,764	334,011,764	334,011,764	334,011,764
Net asset value per ordinary share (cents)	7.70	7.61	3.93	3.97

- 8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss:**
(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period/year reported on.

REVIEW OF FINANCIAL PERFORMANCE (CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME)

1Q FY2020 vs 1Q FY2019

Revenue

The Group recorded lower revenue of \$0.2 million or 11.3%, from \$1.8 million in 1Q FY2019 to \$1.6 million in 1Q FY2020. This is mainly due to the decrease of \$0.8 million in Content Production segment revenue, offset with the increase of \$0.6 million in Post-production segment in 1Q FY2020. The increase in Post-production segment is largely attributed to completed projects deferred from immediate preceding quarter.

Cost of sales

Cost of sales increased by \$0.1 million or 17.2%, from \$0.5 million in 1Q FY2019 to \$0.6 million in 1Q FY2020, which is mainly due to the increase of depreciation and amortisation.

Gross profit

Gross profit margin decreased from 74.2% in 1Q FY2019 to 66.0% in 1Q FY2020. The lower gross profit margin in 1Q FY2020 is due to the recognition of depreciation and amortisation charges for Content Production segment commencing 3Q FY2019.

Other income

Other income decreased by \$309,959 or 97.5%, from \$318,033 in 1Q FY2019 to \$8,074 in 1Q FY2020, mainly due to one-off income derived from the waiver of the founders' entitlement to the gain from disposal of an investment property of a subsidiary of approximately \$0.3 million in 1Q FY2019.

Other (losses)/gains - net

Other (losses)/gains - net, from net gains of \$2,074 in 1Q FY2019, to net losses of \$3,366 in 1Q FY2020, mainly due to foreign exchange losses incurred in 1Q FY2020.

Administrative expenses

Administrative expenses increased by \$0.2 million or 41.8%, from \$0.5 million in 1Q FY2019 to \$0.7 million in 1Q FY2020. This is mainly due to an increase in staff costs as the Group continues to the expand its business/operations, increase in professional fees of approximately \$60,000 and depreciation charges of \$27,000, offset with the decrease in software renewal costs.

Finance expenses

Finance expenses decreased marginally by \$37 or 55.2% in 1Q FY2020 as compared to 1Q FY2019. The finance expenses is in respect of accretion of interest on lease liabilities.

Profit before income tax

As a result of the analysis above, the Group achieved a profit before tax of \$0.4 million in 1Q FY2020, as compared to \$1.2 million in 1Q FY2019.

- 8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss:**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period/year reported on. (continued)**

REVIEW OF FINANCIAL POSITION (CONSOLIDATED STATEMENT OF FINANCIAL POSITION)

30 June 2019 vs 31 March 2019

Current assets

Current assets decreased by \$1.2 million or 5.7% to \$19.4 million as at 30 June 2019, from \$20.6 million as at 31 March 2019, mainly due to the decrease in deposits and prepayments of \$2.6 million, due to the refund of deposits paid for Content Production related projects, offset with the increase in cash and cash equivalents of \$0.3 million cash inflows generated from operating activities, trade and other receivables of \$0.7 million, and other current assets (comprised assets recognised from costs incurred to fulfill revenue contracts and project-in-progress) of \$0.4 million.

Non-current assets

Non-current assets increased by approximately \$2.6 million or 33.5% to \$10.5 million as at 30 June 2019, from \$7.9 million as at 31 March 2019 mainly due to the increase in intangible assets of \$1.9 million for an investment in a Content Production project, right-of-use of assets of \$0.3 million due to the new adoption of SFRS(I)16, and deposit paid for subscription of convertible notes of \$0.5 million, offset with the decrease of plant and equipment by \$0.1 million due to

Current liabilities

Current liabilities increased by approximately \$1.1 million or 36.5% to \$4.1 million as at 30 June 2019, from \$3.0 million as at 31 March 2019 primarily due to the increase in corporate tax provision of \$0.1 million for profit before tax in 1Q FY2020, trade and other payables of \$1.2 million and operating lease liabilities of \$0.2 million due to the new adoption of SFRS(I)16, offset with the decrease in contract liabilities (comprised of the Group's obligation to transfer goods or services to customers for which the Group has received consideration from customers) of \$0.4 million as at 30 June 2019.

Non-current liabilities

Non-current liabilities increased by approximately \$83,347 or 161.4% from \$51,626 as at 31 March 2019 to \$134,973, mainly due to the recognition of operating lease liabilities of \$83,347 as a result of the new adoption of SFRS(I)16.

REVIEW OF CASH POSITION (CONSOLIDATED STATEMENT OF CASH FLOW)

The Group recorded net cash inflows from operating activities of approximately \$1.4 million in 1Q FY2020, compared to net cash outflows of approximately \$3.0 million in 1Q FY2019, mainly due to an increase in trade and other receivables and other current assets, and decrease in deposits and prepayments resulting from the refund of deposits paid for Content Production related projects, trade and other payables and contract liabilities.

Net cash outflows from investing activities of approximately \$1.0 million in 1Q FY2020, compared to net cash outflows of \$0.1 million in 1Q FY2019, is mainly attributed to deposit paid for subscription of convertible notes of \$0.5 million and investment in a Content Production project of approximately \$0.5 million in 1Q FY2020.

Net cash outflows from financing activities amounted to \$49,500 in 1Q FY2020, compared to net cash inflows of \$2.0 million in 1Q FY2019, arising mainly from the repayment of operating lease liabilities of \$49,470. Net cash inflow of approximately \$2.0 million in 1Q FY2019 was due to the proceeds from issuance of pre-IPO convertible loans of \$2.0 million and repayment of borrowings of \$33,242.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Following the completion of the Group's flagship Train to Busan ("TTB") Virtual Reality ("VR") tour in Beijing during FY2019, the TTB VR tour has travelled to Xiamen and successfully launched in late July 2019. The TTB VR tour will be hosting in Xiamen for a year, as the Group has granted the local promoter for a 1-year exclusive territorial rights to host in Xiamen. The Group will also be tapping along the worldwide success of the Korean blockbuster movie, TTB, which will soon have a sequel slated for release in 2020.

With our experience and track record gained from the TTB VR tour, the Group has entered into a Memorandum of Understanding with Animation International Ltd., to develop an immersive experience for the Japanese Manga/Anime series, "Doraemon". The Group plans to present the "Doraemon Experience" show in Singapore and across Asia by integrating the elements of VR and Augmented Reality ("AR") technology.

11 If a decision regarding dividend has been made:

(a) Whether an interim (final) dividend has been declared (recommended); and

None.

(b) Amount per share in cents

Not applicable

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable

(d) The date the dividend is payable

Not applicable

(e) The date on which Registrable Transfers received by the company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not applicable

12 If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

There was no dividend declared or recommended for the current reporting period as the Group intends to conserve cash for expansion and other business opportunities.

13 If the group has obtained a general mandate from shareholders for interested person transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have any general mandate from shareholders for interested person transactions pursuant to Rule 920.

There were no IPT of \$100,000 and above in the current financial period under review.

14 Update on use of IPO proceeds.

The Company refers to the gross proceeds amounting to \$12.95 million raised from the IPO on the Catalist Board of the SGX-ST on 25 September 2018.

As at the date of this announcement, the status of the use of proceeds is as follows:

Use of IPO proceeds

	Amount allocated	Amount utilised	Amount unutilised
	\$'000	\$'000	\$'000
General working capital purposes, including production of virtual reality content and immersive media	7,825	(7,300)	525
Expansion through development and/or acquisition of intellectual property and acquisition, joint ventures and/or strategic alliances	3,354	(500)	2,854
IPO expenditure	1,771	(1,596)	175
Total	12,950	(9,396)	3,554

15 Confirmation by Directors pursuant to Rule 705(5) of the SGX-ST Listing Manual.

The Board of Directors of the Company confirms that, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial results of the Group and the Company for the first quarter and 3 months ended 30 June 2019, to be false or misleading, in any material aspect.

16 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720 (1).

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720 (1).

BY ORDER OF THE BOARD

Charles Yeo Eng Pu
Managing Director

13 August 2019