



**Vividthree Holdings Ltd.**

(Incorporated in the Republic of Singapore)

(Company Registration No. 201811828R)

---

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 31 MARCH 2022**

---

This Announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. ("**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**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 correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Lay Shi Wei - Registered Professional, 6 Raffles Quay, #24-02, Singapore 048580, [sponsor@rhtgoc.com](mailto:sponsor@rhtgoc.com)

**Vividthree Holdings Ltd. and its Subsidiaries**  
*(Incorporated in Singapore)*

**Unaudited Condensed Interim Financial Statements**  
For The Six Months And Full Financial Year Ended 31 March 2022

<b>Table of Contents</b>	<b>Page</b>
A. Condensed interim consolidated statement of profit or loss and other comprehensive income	1
B. Condensed interim statements of financial position	2
C. Condensed interim statements of changes in equity	3
D. Condensed interim consolidated statement of cash flows	4 - 5
E. Notes to the condensed interim consolidated financial statements	6 - 16
F. Other information required by Listing Rule Appendix 7C	17 - 22

# VIVIDTHREE HOLDINGS LTD AND ITS SUBSIDIARIES

## A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Group			Group		
		Six months period ended			For the financial year ended		
		31 Mar 2022 ("2H FY2022") (Unaudited) \$	31 Mar 2021 ("2H FY2021") (Unaudited) \$	Change %	31 Mar 2022 ("FY2022") (Unaudited) \$	31 Mar 2021 ("FY2021") (Audited) \$	Change %
Revenue	4	1,669,312	1,727,397	-3.4%	2,861,015	2,027,213	41.1%
Cost of sales		(2,965,898)	(2,748,879)	7.9%	(4,731,812)	(3,657,155)	29.4%
<b>Gross loss</b>		<b>(1,296,586)</b>	<b>(1,021,482)</b>	<b>26.9%</b>	<b>(1,870,797)</b>	<b>(1,629,942)</b>	<b>14.8%</b>
<i>Other income</i>							
- Interest income		13,008	19,328	-32.7%	25,662	31,225	-17.8%
- Others		376,865	587,180	-35.8%	464,555	915,976	-49.3%
<i>Other (losses)/gains - net</i>							
- Expected credit loss on financial assets, net		29,564	(1,304,718)	NM	29,564	(1,304,718)	NM
- Others		(773,944)	752	NM	(605,020)	12,678	NM
Administrative expenses		(2,322,934)	(1,221,511)	90.2%	(3,750,789)	(2,390,913)	56.9%
Finance expenses		(104,171)	(108,939)	-4.4%	(223,317)	(185,520)	20.4%
Loss before income tax		(4,078,198)	(3,049,390)	33.7%	(5,930,142)	(4,551,214)	30.3%
Income tax credit	7	51,145	46,508	10.0%	97,017	45,423	113.6%
<b>Net loss for the financial period/year</b>		<b>(4,027,053)</b>	<b>(3,002,882)</b>	<b>34.1%</b>	<b>(5,833,125)</b>	<b>(4,505,791)</b>	<b>29.5%</b>
<b>Other comprehensive loss, net of tax:</b>							
Items that may be reclassified subsequently to profit or loss:							
Currency translation differences arising from consolidation - (losses)/gains		(17,204)	15,144	-213.6%	(17,551)	13,927	-226.0%
<b>Total comprehensive loss, net of tax</b>		<b>(4,044,257)</b>	<b>(2,987,738)</b>	<b>35.4%</b>	<b>(5,850,676)</b>	<b>(4,491,864)</b>	<b>30.3%</b>
<b>Loss attributable to:</b>							
Equity holders of the Company		(4,029,219)	(2,999,520)	34.3%	(5,838,015)	(4,502,429)	29.7%
Non-controlling interest		2,166	(3,362)	-164.4%	4,890	(3,362)	-245.4%
		<b>(4,027,053)</b>	<b>(3,002,882)</b>	<b>34.1%</b>	<b>(5,833,125)</b>	<b>(4,505,791)</b>	<b>29.5%</b>
<b>Total comprehensive loss attributable to:</b>							
Equity holders of the Company		(4,046,423)	(2,984,376)	35.6%	(5,855,566)	(4,488,502)	30.5%
Non-controlling interest		2,166	(3,362)	-164.4%	4,890	(3,362)	-245.4%
		<b>(4,044,257)</b>	<b>(2,987,738)</b>	<b>35.4%</b>	<b>(5,850,676)</b>	<b>(4,491,864)</b>	<b>30.3%</b>
<b>Loss per share for loss attributable to equity holders of the Company</b>							
Basic and diluted (cents)	8	(1.17)	(0.90)	NM	(1.69)	(1.35)	NM

NM - not meaningful

# VIVIDTHREE HOLDINGS LTD AND ITS SUBSIDIARIES

## B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		As at 31 Mar 2022 (Unaudited) \$	As at 31 Mar 2021 (Audited) \$	As at 31 Mar 2022 (Unaudited) \$	As at 31 Mar 2021 (Audited) \$
<b>ASSETS</b>					
<b>Current assets</b>					
Cash at banks		893,525	1,367,394	404,150	204,760
Trade and other receivables	9	3,484,830	3,731,001	12,846,188	9,677,388
Deposits and prepayments		593,629	2,616,067	25,932	478,750
Inventories		800,000	1,600,000	-	-
Other current assets		1,551,821	2,232,913	-	-
		<u>7,323,805</u>	<u>11,547,375</u>	<u>13,276,270</u>	<u>10,360,898</u>
<b>Non-current assets</b>					
Deposits		3,500,000	3,500,000	-	-
Plant and equipment	10	273,093	533,676	-	-
Right-of-use assets		164,217	409,656	-	-
Financial assets, at FVPL	11	1,700,755	2,863,292	900,000	2,095,596
Investment in subsidiaries		-	-	451,900	451,900
Acquired rights	12	7,231,552	7,584,795	-	-
Intangible assets	13	729,691	623,594	-	-
Goodwill arising from consolidation		2,851,917	2,851,917	-	-
		<u>16,451,225</u>	<u>18,366,930</u>	<u>1,351,900</u>	<u>2,547,496</u>
<b>Total assets</b>		<u>23,775,030</u>	<u>29,914,305</u>	<u>14,628,170</u>	<u>12,908,394</u>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables	14	590,836	1,266,041	739,161	692,938
Contract liabilities		693,320	850,248	-	-
Borrowings	15	2,558,245	2,375,000	-	-
Lease liabilities		142,359	200,705	-	-
Current income tax liabilities		172,639	166,865	1,085	-
		<u>4,157,399</u>	<u>4,858,859</u>	<u>740,246</u>	<u>692,938</u>
<b>Non-current liabilities</b>					
Borrowings	15	3,046,456	4,555,556	-	-
Lease liabilities		16,037	191,599	-	-
Provisions		55,337	53,071	-	-
Deferred income tax liabilities		-	91,743	-	-
		<u>3,117,830</u>	<u>4,891,969</u>	<u>-</u>	<u>-</u>
<b>Total liabilities</b>		<u>7,275,229</u>	<u>9,750,828</u>	<u>740,246</u>	<u>692,938</u>
<b>NET ASSETS</b>		<u>16,499,801</u>	<u>20,163,477</u>	<u>13,887,924</u>	<u>12,215,456</u>
<b>EQUITY</b>					
<b>Capital and reserves attributable to equity holders of the Company</b>					
Share capital	16	15,959,231	13,772,231	15,959,231	13,772,231
Merger reserve		2,921,000	2,921,000	-	-
Translation reserve		2,352	19,903	-	-
(Accumulated losses)/Retained profits		(2,388,810)	3,449,205	(2,071,307)	(1,556,775)
		<u>16,493,773</u>	<u>20,162,339</u>	<u>13,887,924</u>	<u>12,215,456</u>
Non-controlling interest		6,028	1,138	-	-
<b>Total equity</b>		<u>16,499,801</u>	<u>20,163,477</u>	<u>13,887,924</u>	<u>12,215,456</u>

VIVIDTHREE HOLDINGS LTD AND ITS SUBSIDIARIES

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of the Company				Total	Non-controlling interest	Total equity
	Share capital	Merger reserve	Translation reserve	Accumulated (losses)/profits			
<u>Group (Unaudited)</u>	\$	\$	\$	\$	\$	\$	\$
<b>At 1 April 2021</b>	<b>13,772,231</b>	<b>2,921,000</b>	<b>19,903</b>	<b>3,449,205</b>	<b>20,162,339</b>	<b>1,138</b>	<b>20,163,477</b>
Net loss for the financial year	-	-	-	(5,838,015)	(5,838,015)	4,890	(5,833,125)
Other comprehensive loss for the financial year	-	-	(17,551)	-	(17,551)	-	(17,551)
<b>Total comprehensive loss for the financial year</b>	<b>-</b>	<b>-</b>	<b>(17,551)</b>	<b>(5,838,015)</b>	<b>(5,855,566)</b>	<b>4,890</b>	<b>(5,850,676)</b>
Issuance of new shares pursuant to the private placement	2,187,000	-	-	-	2,187,000	-	2,187,000
<b>At 31 March 2022</b>	<b>15,959,231</b>	<b>2,921,000</b>	<b>2,352</b>	<b>(2,388,810)</b>	<b>16,493,773</b>	<b>6,028</b>	<b>16,499,801</b>
<b>At 1 April 2020</b>	<b>13,772,231</b>	<b>2,921,000</b>	<b>5,976</b>	<b>7,951,634</b>	<b>24,650,841</b>	<b>-</b>	<b>24,650,841</b>
Net loss for the financial year	-	-	-	(4,502,429)	(4,502,429)	(3,362)	(4,505,791)
Other comprehensive income for the financial year	-	-	13,927	-	13,927	-	13,927
<b>Total comprehensive income/(loss) for the financial year</b>	<b>-</b>	<b>-</b>	<b>13,927</b>	<b>(4,502,429)</b>	<b>(4,488,502)</b>	<b>(3,362)</b>	<b>(4,491,864)</b>
Non-controlling interests arising from incorporation of a subsidiary	-	-	-	-	-	4,500	4,500
<b>At 31 March 2021</b>	<b>13,772,231</b>	<b>2,921,000</b>	<b>19,903</b>	<b>3,449,205</b>	<b>20,162,339</b>	<b>1,138</b>	<b>20,163,477</b>

	Attributable to equity holders of the Company		
	Share capital	Accumulated losses	Total equity
<u>Company (Unaudited)</u>	\$	\$	\$
<b>At 1 April 2021</b>	<b>13,772,231</b>	<b>(1,556,775)</b>	<b>12,215,456</b>
Total comprehensive loss for the financial year	-	(514,532)	(514,532)
Issuance of new shares pursuant to the private placement	2,187,000	-	2,187,000
<b>At 31 March 2022</b>	<b>15,959,231</b>	<b>(2,071,307)</b>	<b>13,887,924</b>
<b>At 1 April 2020</b>	<b>13,772,231</b>	<b>(977,585)</b>	<b>12,794,646</b>
Total comprehensive loss for the financial year	-	(579,190)	(579,190)
<b>At 31 March 2021</b>	<b>13,772,231</b>	<b>(1,556,775)</b>	<b>12,215,456</b>

## VIVIDTHREE HOLDINGS LTD AND ITS SUBSIDIARIES

### D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Group	
	For the financial year ended	
	31 Mar 2022	31 Mar 2021
	FY2022	FY2021
	(Unaudited)	(Audited)
	\$	\$
<b>Cash flows from operating activities</b>		
Net loss for the financial year	(5,833,125)	(4,505,791)
Adjustments for:		
- Income tax credits	(97,017)	(45,423)
- COVID-19 related rental concession income	-	(25,576)
- Amortisation of intangible assets	321,037	171,925
- Amortisation of acquired rights	3,150,996	943,972
- Depreciation of plant and equipment	277,274	403,937
- Depreciation of right-of-use assets	201,828	219,734
- Interest income	(25,662)	(31,225)
- Finance expenses	223,317	185,520
- Expected credit losses on financial assets, net	(29,564)	1,304,718
- Fair value loss on financial assets at FVPL	1,341	80,550
- Inventory written-down	800,000	-
- Plant and equipment written-off	1,518	-
- Gain on disposal of financial assets at FVPL	(18,685)	-
- Loss on disposal of plant and equipment	26	437
- Loss on derecognition of leases	1,503	-
- Unrealised foreign currency exchange gains	(172,718)	(92,368)
<b>Operating cash flows before working capital changes</b>	<u>(1,197,931)</u>	<u>(1,389,590)</u>
<b>Change in working capital:</b>		
- Trade and other receivables	104,779	1,744,130
- Deposits and prepayments	552,801	(886,316)
- Other current assets	27,512	(56,283)
- Trade and other payables	(632,982)	(93,049)
- Contract liabilities	(156,893)	542,123
Cash used in operations	<u>(1,302,714)</u>	<u>(138,985)</u>
Interest received	833	6,111
Income tax refund	4,378	39,424
<b>Net cash used in operating activities</b>	<u>(1,297,503)</u>	<u>(93,450)</u>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of plant and equipment	3,092	397
Proceeds from disposal of financial assets, at FVPL	1,874,280	-
Additions to plant and equipment	(21,494)	(56,470)
Additions to intangible assets	(163,578)	(5,459,768)
Additions to acquired rights	(697,760)	-
Subscription of convertible notes	(700,000)	-
Government grants received for development of software (intangible assets)	75,087	-
<b>Net cash generated from/(used in) investing activities</b>	<u>369,627</u>	<u>(5,515,841)</u>

VIVIDTHREE HOLDINGS LTD AND ITS SUBSIDIARIES

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Group	
	For the financial year ended	
	31 Mar 2022	31 Mar 2021
	FY2022	FY2021
	(Unaudited)	(Audited)
	\$	\$
<b>Cash flows from financing activities</b>		
Interest paid	(221,051)	(183,151)
Proceeds from borrowings	-	6,000,000
Proceeds from issuance of new shares pursuant to the private placement	2,187,000	-
Repayment of borrowings	(1,325,855)	(769,444)
Repayment of lease liabilities	(187,361)	(179,089)
<b>Net cash provided by financing activities</b>	<u>452,733</u>	<u>4,868,316</u>
<b>Net changes in cash at banks</b>	<b>(475,143)</b>	<b>(740,975)</b>
At beginning of financial year	1,367,394	2,122,618
Effects of currency translation on cash at banks	1,274	(14,249)
<b>End of financial year</b>	<u><u>893,525</u></u>	<u><u>1,367,394</u></u>

## VIVIDTHREE HOLDINGS LTD. AND ITS SUBSIDIARIES

### E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

#### 1 Corporate information

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:

- (a) Motion picture, video and television programme post-production and content production activities; and
- (b) Providing event management services

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 Basis of preparation

The condensed interim financial statements for the financial year ended 31 March 2022 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the financial year 31 March 2021. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements for the year ended 31 March 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with Singapore Financial Reporting Standards ("SFRS(I)s"), except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

##### 2.1 New and amended standards adopted by the Group

The Group has adopted the new and revised SFRS(I)s and SFRS(I) INTs which are relevant to the Group's operations and become effective for annual periods beginning on or after 1 April 2021. The adoption of these new and revised SFRS(I)s and SFRS(I) INTs does not result in changes to the accounting policies of the Group and the Company and has no material effect on the amounts reported for the current and/or prior financial year.

##### 2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 31 March 2022.

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.

Given the pervasiveness of COVID-19, management has considered and estimated the impact of COVID-19 in the Group's assessment on impairment of goodwill, expected credit losses of trade and other receivables and deposits and valuation of financial assets, at FVPL based on their best estimates, market conditions and information available at the end of the reporting period. Details on these areas which involve significant judgement and estimation uncertainty are further disclosed below.



## VIVIDTHREE HOLDINGS LTD. AND ITS SUBSIDIARIES

### E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

#### 2.2 Use of judgements and estimates (continued)

(a) 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, taking the higher of fair value less cost of disposal or value-in-use. There is no indication of impairment as at financial year ended 31 March 2022.

(b) Expected credit losses of trade and other receivables and deposits

Expected credit losses ("ECL") on trade and other receivables 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.

With reference to SFRS(I) 9 Financial Instruments, the Group applies simplified approach (lifetime ECL allowance) for its trade receivables and general approach (12-month ECL) for its other receivables and deposits.

In determining the ECL, the Group has considered the historical observed default rates, customer ability to repay, and adjusted with available forward-looking information. Additionally, given the on-going and evolving COVID-19 pandemic and uncertainty over its economic impact, the management had also considered the negative economic outlook and factored the probability of cash flow difficulties that could be experienced by certain customers on the impairment assessment. There is no additional ECL provided as at financial year ended 31 March 2022.

(c) Valuation of financial assets, at FVPL

The Group carries its financial assets at fair value, with changes in fair value being 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.

### 3 Seasonal operations

The Group's businesses were not affected significantly by seasonal or cyclical factors during the financial year.

### 4 Segment and revenue information

The Group's Chief Operating Decision-maker ("CODM") comprises the Managing Director, Chief Executive Officer, Financial Controller, and the heads of each business within the operating segment. 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 is organised into 2 operating segments, namely post-production and content production. 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.

The two operating segments are mainly:

(a) Post-production

Post-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) Content Production

Content 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 licensing the IP to third parties such as venue owners and show promoters to use these for commercial, marketing and/or promotion purposes.

## VIVIDTHREE HOLDINGS LTD AND ITS SUBSIDIARIES

### E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

#### 4.1 Reportable segment

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

	<b>Group</b>					
	<b>Six months period ended</b>					
	<b>Content Production</b>		<b>Post-production</b>		<b>Total</b>	
	<b>2H FY2022</b>	<b>2H FY2021</b>	<b>2H FY2022</b>	<b>2H FY2021</b>	<b>2H FY2022</b>	<b>2H FY2021</b>
	\$	\$	\$	\$	\$	\$
<b>Revenue</b>						
- External parties	-	15,508	1,669,312	1,711,889	1,669,312	1,727,397
<b>Other material expenses</b>						
<b>non-cash expenses</b>						
- Expected credit losses on financial assets, net	-	(1,169,500)	29,564	(135,218)	29,564	(1,304,718)
<i>Unallocated expenses</i>						
- Loss on fair value changes in financial assets, at FVPL - net					(20,341)	(80,550)
<b>Loss before interest, tax, depreciation and amortisation ("LBITHA")</b>					<b>(969,459)</b>	<b>(1,774,620)</b>
Amortisation of intangible assets					(235,075)	(115,334)
Amortisation of acquired rights					(2,582,772)	(739,844)
Depreciation of plant and equipment					(95,154)	(201,402)
Depreciation of right-of-use assets					(91,567)	(109,251)
Interest expense					(104,171)	(108,939)
<b>Loss before income tax</b>					<b>(4,078,198)</b>	<b>(3,049,390)</b>
Income tax credit					51,145	46,508
<b>Net loss for the financial year</b>					<b>(4,027,053)</b>	<b>(3,002,882)</b>

## VIVIDTHREE HOLDINGS LTD AND ITS SUBSIDIARIES

### E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

#### 4.1 Reportable segment (continued)

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

	<b>Group</b>					
	<b>For the financial year ended</b>					
	<b>Content Production</b>		<b>Post-production</b>		<b>Total</b>	
	<b>FY2022</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2021</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Revenue</b>						
- External parties	-	41,640	2,861,015	1,985,573	2,861,015	2,027,213
<b>Other material non-cash expenses</b>						
- Expected credit losses on financial assets net	-	(1,169,500)	29,564	(135,218)	29,564	(1,304,718)
<i>Unallocated expenses/loss</i>						
- Loss on fair value changes in financial assets, at FVPL - net					(1,341)	(80,550)
<b>Loss before interest, tax, depreciation and amortisation ("LBITHA")</b>					<b>(1,755,690)</b>	<b>(2,626,126)</b>
Amortisation of intangible assets					(321,037)	(171,925)
Amortisation of acquired rights					(3,150,996)	(943,972)
Depreciation of plant and equipment					(277,274)	(403,937)
Depreciation of right-of-use assets					(201,828)	(219,734)
Interest expense					(223,317)	(185,520)
<b>Loss before income tax</b>					<b>(5,930,142)</b>	<b>(4,551,214)</b>
Income tax credit					97,017	45,423
<b>Net loss for the financial year</b>					<b>(5,833,125)</b>	<b>(4,505,791)</b>

#### 4.2 Disaggregation of Revenue

The Group derives revenue from the transfer of services at a point in time in the following types of services and geographical regions.

	<b>Group</b>		<b>Group</b>	
	<b>Six months period ended</b>		<b>For the financial year ended</b>	
	<b>2H FY2022</b>	<b>2H FY2021</b>	<b>FY2022</b>	<b>FY2021</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<u>At a point in time</u>				
Post-production services	1,669,312	1,711,889	2,861,015	1,985,573
Content production services	-	15,508	-	41,640
	<u>1,669,312</u>	<u>1,727,397</u>	<u>2,861,015</u>	<u>2,027,213</u>
<b><u>Geographical regions based on location of customers</u></b>				
Singapore	1,294,661	1,524,158	2,368,317	1,706,469
Malaysia	90,584	35,542	138,631	48,916
China	-	8,697	-	34,828
Japan	284,067	159,000	354,067	227,000
Others	-	-	-	10,000
	<u>1,669,312</u>	<u>1,727,397</u>	<u>2,861,015</u>	<u>2,027,213</u>

## VIVIDTHREE HOLDINGS LTD AND ITS SUBSIDIARIES

### E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

#### 5 Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 March 2022 and 31 March 2021:

	Group		Company	
	As at 31 Mar 2022 \$	As at 31 Mar 2021 \$	As at 31 Mar 2022 \$	As at 31 Mar 2021 \$
Financial assets at amortised cost	8,230,756	10,686,341	13,250,338	9,882,148
Financial assets, at FVPL	1,700,755	2,863,292	900,000	2,095,596
Financial liabilities at amortised cost	6,353,932	8,588,901	739,161	692,938

#### 6 Loss before taxation

##### 6.1 Significant items

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

	Group		Group	
	Six months period ended 2H FY2022 \$	2H FY2021 \$	For the financial year ended FY2022 \$	FY2021 \$
Amortisation of intangible assets	235,075	115,334	321,037	171,925
Amortisation of acquired rights	2,582,772	739,844	3,150,996	943,972
Depreciation of plant and equipment	95,154	201,402	277,274	403,937
Depreciation of right-of-use assets	91,567	109,251	201,828	219,734
Employee compensation	1,669,507	1,497,159	3,197,725	2,557,942
Inventory written-down	800,000	-	800,000	-
Plant and equipment written-off	1,518	-	1,518	-
Finance expenses	104,171	108,939	223,317	185,520
Expected credit losses on financial assets, net	(29,564)	1,304,718	(29,564)	1,304,718
Fair value loss on financial assets at FVPL	20,341	80,550	1,341	80,550
Interest income	(13,008)	(19,328)	(25,662)	(31,225)
Government grants income	(57,100)	(525,459)	(117,298)	(848,086)
Loss on disposal of plant and equipment	116	11	26	437
Loss on derecognition of right-of-use assets	1,503	-	1,503	-
Gain on disposal of financial assets at FVPL	-	-	(18,685)	-
Foreign currency exchange gains, net	(49,534)	(81,313)	(180,683)	(93,665)

## VIVIDTHREE HOLDINGS LTD AND ITS SUBSIDIARIES

### E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

#### 6.2 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:

	Group Six months period ended		Group For the financial year ended	
	2H FY2022	2H FY2021	FY2022	FY2021
	\$	\$	\$	\$
<u>Holding company</u>				
Purchase of services	-	-	-	20,000
<u>Related parties</u>				
Sales of services	32,000	2,300	63,602	9,200
Purchase of services	6,900	32,529	18,547	268,026
Rental expenses paid	7,264	17,408	15,014	34,815

#### 7 Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed consolidated statement of profit or loss are:

	Group Six months period ended		Group For the financial year ended	
	2H FY2022	2H FY2021	FY2022	FY2021
	\$	\$	\$	\$
Tax credit attributable to loss is made up of:				
Loss for the financial year:				
- Current income tax	-	-	-	-
- Deferred income tax	-	-	-	-
Over provision in prior financial years:				
- Current income tax	(5,274)	(46,508)	(5,274)	(45,423)
- Deferred income tax	(45,871)	-	(91,743)	-
	<u>(51,145)</u>	<u>(46,508)</u>	<u>(97,017)</u>	<u>(45,423)</u>
Income tax credit	<u>(51,145)</u>	<u>(46,508)</u>	<u>(97,017)</u>	<u>(45,423)</u>

#### 8 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 Six months period ended		Group For the financial year ended	
	2H FY2022	2H FY2021	FY2022	FY2021
	\$	\$	\$	\$
Net loss attributable to equity holders of the Company (\$)	<u>(4,029,219)</u>	<u>(2,999,520)</u>	<u>(5,838,015)</u>	<u>(4,502,429)</u>
Weighted average number of ordinary shares outstanding for basic and diluted loss per share	<u>345,004,915</u>	<u>334,011,764</u>	<u>345,004,915</u>	<u>334,011,764</u>
Basic and diluted loss per share (cents)	<u>(1.17)</u>	<u>(0.90)</u>	<u>(1.69)</u>	<u>(1.35)</u>

Diluted loss per share is the same as basic loss per share, as there were no dilutive potential ordinary shares existing in the relevant financial year.

## VIVIDTHREE HOLDINGS LTD AND ITS SUBSIDIARIES

### E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

#### 9 Trade and other receivables

	Group		Company	
	As at 31 Mar 2022 \$	As at 31 Mar 2021 \$	As at 31 Mar 2022 \$	As at 31 Mar 2021 \$
Trade receivables				
- Non-related parties	2,338,037	4,355,189	-	-
- Related parties	102,297	262,791	-	-
- Unbilled receivables	427,509	-	-	-
	<u>2,867,843</u>	<u>4,617,980</u>	<u>-</u>	<u>-</u>
Less: Expected credit loss allowance				
- Non-related parties	(103,262)	(1,385,502)	-	-
Trade receivables - net	<u>2,764,581</u>	<u>3,232,478</u>	<u>-</u>	<u>-</u>
Other receivables				
- Non-related parties	483,828	261,945	19,280	19,280
- Subsidiaries	-	-	12,841,908	9,673,108
- Related parties	251,421	251,578	-	-
	<u>735,249</u>	<u>513,523</u>	<u>12,861,188</u>	<u>9,692,388</u>
Less: Expected credit loss allowance				
- Non-related parties	(15,000)	(15,000)	(15,000)	(15,000)
	<u>720,249</u>	<u>498,523</u>	<u>12,846,188</u>	<u>9,677,388</u>
	<u><u>3,484,830</u></u>	<u><u>3,731,001</u></u>	<u><u>12,846,188</u></u>	<u><u>9,677,388</u></u>

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

#### 10 Plant and equipment

Group	\$
<b>At 31 Mar 2022</b>	
Opening net book amount	533,676
Additions	21,494
Disposals	(3,124)
Write off	(1,518)
Depreciation	(277,274)
Currency translation differences	(161)
Net book amount	<u><u>273,093</u></u>
<b>At 31 Mar 2021</b>	
Cost	2,326,007
Accumulated depreciation	<u>(1,792,331)</u>
Net book amount	<u><u>533,676</u></u>

The depreciation charge for the year is included in cost of sales and administrative expenses amounting to \$154,717 (2021: \$235,491 ) and \$122,557 (2021: \$168,446 ) respectively.

## VIVIDTHREE HOLDINGS LTD AND ITS SUBSIDIARIES

### E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

#### 11 Financial assets, at fair value through profit or loss ("FVPL")

	Group		Company	
	As at 31 Mar 2022 \$	As at 31 Mar 2021 \$	As at 31 Mar 2022 \$	As at 31 Mar 2021 \$
Financial assets designated at FVPL:				
<u>Unquoted securities</u>				
- Singapore	190,000	2,085,596	890,000	2,085,596
- United States	10,000	10,000	10,000	10,000
	200,000	2,095,596	900,000	2,095,596
<u>Unquoted convertible loans</u>				
- Singapore	700,000	-	-	-
- Malaysia	800,755	767,696	-	-
	1,500,755	767,696	-	-
	<u>1,700,755</u>	<u>2,863,292</u>	<u>900,000</u>	<u>2,095,596</u>

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

	Group		Company	
	As at 31 Mar 2022 \$	As at 31 Mar 2021 \$	As at 31 Mar 2022 \$	As at 31 Mar 2021 \$
Beginning of financial year	2,863,292	2,982,572	2,095,596	2,201,146
Additions	700,000	50,000	700,000	50,000
Changes arising from variation of terms	-	(75,000)	-	(75,000)
Disposals	(1,855,596)	-	(1,855,596)	-
Losses on fair value changes - net	(1,341)	(80,550)	(40,000)	(80,550)
Currency translation differences	(5,600)	(13,730)	-	-
End of financial year	<u>1,700,755</u>	<u>2,863,292</u>	<u>900,000</u>	<u>2,095,596</u>

#### 12 Acquired rights

##### Group

##### At 31 Mar 2022

##### Cost

Beginning of financial year	8,722,025
Additions	2,618,960
Reclassifications	33,750
Currency translation differences	215,307
End of financial year	<u>11,590,042</u>

##### Accumulated amortisation

Beginning of financial year	1,137,230
Amortisation charge for the year	3,150,996
Currency translation differences	70,264
End of financial year	<u>4,358,490</u>

##### Carrying amount

End of financial year	<u>7,231,552</u>
-----------------------	------------------

## VIVIDTHREE HOLDINGS LTD AND ITS SUBSIDIARIES

### E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

#### 12 Acquired rights (continued)

<b>At 31 Mar 2021</b>	<b>\$</b>
<b>Cost</b>	
Beginning of financial year	2,092,530
Additions	6,586,052
Currency translation differences	43,443
End of financial year	<u>8,722,025</u>
<b>Accumulated amortisation</b>	
Beginning of financial year	176,455
Amortisation charge for the year	943,972
Currency translation differences	16,803
End of financial year	<u>1,137,230</u>
<b>Carrying amount</b>	
End of financial year	<u><u>7,584,795</u></u>

Acquired rights consist of intellectual property rights, film and merchandise rights and participation rights. The film and merchandise rights and participation rights entitle the Group to share certain percentage of income generated from these rights based on the Group's purchase agreement over the definitive period. Acquired rights are stated at cost less accumulated amortisation and accumulated impairment losses. Acquired rights, less estimated residual value and accumulated impairment losses, are amortised over the useful lives.

The amortisation charge for the year is included in cost of sales and administrative expenses amounting to \$2,025,956 (2021: \$917,047) and \$1,125,040 (2021: \$26,925) respectively.

#### 13 Intangible assets

##### Group

<b>At 31 Mar 2022</b>	<b>\$</b>
<b>Cost</b>	
Beginning of financial year	1,099,177
Additions	535,624
Government grants received for development of software	(75,087)
Reclassifications	(33,750)
End of financial year	<u>1,525,964</u>
<b>Accumulated amortisation</b>	
Beginning of financial year	475,583
Amortisation charge for the year	321,037
Currency translation differences	(347)
End of financial year	<u>796,273</u>
<b>Carrying amount</b>	
End of financial year	<u><u>729,691</u></u>



## VIVIDTHREE HOLDINGS LTD AND ITS SUBSIDIARIES

### E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

#### 13 Intangible assets (continued)

##### At 31 Mar 2021

##### Cost

Beginning of financial year	925,461
Additions	173,716
End of financial year	<u>1,099,177</u>

##### Accumulated amortisation

Beginning of financial year	303,658
Amortisation charge for the year	171,925
End of financial year	<u>475,583</u>

##### Carrying amount

End of financial year	<u><u>623,594</u></u>
-----------------------	-----------------------

Intangible assets consist of self-developed immersive content, softwares and licenses.

The amortisation charge for the year is included in cost of sales and administrative expenses amounting to \$289,145 (2021: \$171,925) and \$31,892 (2021: nil) respectively.

#### 14 Trade and other payables

	<u>Group</u>		<u>Company</u>	
	As at 31 Mar 2022 \$	As at 31 Mar 2021 \$	As at 31 Mar 2022 \$	As at 31 Mar 2021 \$
Trade payables				
- Non-related parties	22,042	589,456	-	-
- Related parties	5,114	5,189	-	-
	<u>27,156</u>	<u>594,645</u>	<u>-</u>	<u>-</u>
Other payables				
- Non-related parties	161,575	185,010	72,057	72,350
- Holding company	33,275	116,321	33,275	33,275
- Subsidiaries	-	-	427,000	410,400
- Related parties	41,550	43,070	229	1,288
	<u>236,400</u>	<u>344,401</u>	<u>532,561</u>	<u>517,313</u>
Accruals	<u>327,280</u>	<u>326,995</u>	<u>206,600</u>	<u>175,625</u>
	<u><u>590,836</u></u>	<u><u>1,266,041</u></u>	<u><u>739,161</u></u>	<u><u>692,938</u></u>

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

## VIVIDTHREE HOLDINGS LTD AND ITS SUBSIDIARIES

### E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

#### 15 Borrowings

	Group	
	As at 31 Mar 2022 \$	As at 31 Mar 2021 \$
Amount repayable within one year <i>Secured</i>	2,558,245	2,375,000
Amount repayable after one year <i>Secured</i>	3,046,456	4,555,556
Total borrowings	<u>5,604,701</u>	<u>6,930,556</u>

The Group's bank borrowings are secured by corporate guarantees from the Company.

#### 16 Share capital

	Group and Company			
	As at 31 March 2022		As at 31 March 2021	
	No. of shares \$	Amount \$	No. of shares \$	Amount \$
Beginning of financial year	334,011,764	13,772,231	334,011,764	13,772,231
Issuance of new shares pursuant to the private placement	<u>37,500,000</u>	<u>2,187,000</u>	-	-
End of financial year	<u>371,511,764</u>	<u>15,959,231</u>	<u>334,011,764</u>	<u>13,772,231</u>

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

On 19 November 2021, the Company had entered into placement agreements with subscribers to subscribe for an aggregate of 37,500,000 ordinary shares in the capital of the Company at a placement price of \$0.05832 for each placement share for total consideration of \$2,187,000. The placement was completed on 15 December 2021.

#### 16 Net asset value

	Group		Company	
	As at 31 Mar 2022 \$	As at 31 Mar 2021 \$	As at 31 Mar 2022 \$	As at 31 Mar 2021 \$
Net asset value attributable to equity holders of the Company (\$)	<u>16,493,773</u>	<u>20,162,339</u>	<u>13,887,924</u>	<u>12,215,456</u>
Number of ordinary shares issued	<u>371,511,764</u>	<u>334,011,764</u>	<u>371,511,764</u>	<u>334,011,764</u>
Net asset value per ordinary share (cents)	<u>4.44</u>	<u>6.04</u>	<u>3.74</u>	<u>3.66</u>

#### 17 Subsequent events

There are no known subsequent events which have led to adjustments to this set of condensed interim financial statements.

## VIVIDTHREE HOLDINGS LTD. AND ITS SUBSIDIARIES

### F. Other information required by Listing Rule Appendix 7C

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

The condensed interim statements of financial position of Vividthree Holdings Ltd. and its subsidiaries for the financial year ended 31 March 2022 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows for the financial year then ended and certain explanatory notes have not been audited or reviewed by the auditors of the Company.

#### 1A Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion, the financial statements have been adequately disclosed.

- (a) Updates on the efforts taken to resolve each outstanding audit issue.
- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable.

#### 2 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)

#### FY2022 vs FY2021

##### Revenue

Group's revenue increased by \$0.83 million or 41.1%, from \$2.03 million in FY2021 to \$2.86 million in FY2022. The Group's business is on track for recovery in FY2022 from the impact of COVID-19 pandemic over the last 2 financial years. However, Content Production segment remains affected by governments' restrictions on outdoor entertainment in the countries which the Group operates in Singapore, Malaysia and China.

- (i) Revenue from Post-production segment achieved \$2.86 million in FY2022 from \$1.99 million in FY2021, an increase of \$0.88 million or 44.2%. With the COVID-19 restrictions loosen in Singapore and Malaysia in FY2022, the production teams secured and completed more projects with higher value, therefore, the higher revenue from Post-production segment as compared to FY2021.
- (ii) Content Production segment did not record revenue in FY2022 as compared to \$0.04 million in FY2021. 2 years ago, the continuity of travel restrictions and safe distancing measures across the countries which the Group operates in, have been postponed and several customers have been taking 'wait-and-see' approach to COVID-19. Hence, no revenue has been recorded in this segment.

##### Cost of sales

Cost of sales increased by approximately \$1.07 million or 29.4%, from \$3.66 million in FY2021 to \$4.73 million in FY2022. The increase in cost of sales is mainly contributed by the increase in amortisation in reference to estimated future cashflow and the COVID-19 impact on acquired rights in FY2022.

##### Gross loss

As a result of the above, gross loss in FY2022 has increased by approximately \$0.24 million or 14.8%, from \$1.63 million in FY2021 to \$1.87 million in FY2022. Post-production segment generated higher revenue, leads to a higher gross profit in the segment in FY2022. Content production segment remains at gross loss in FY2022 is mainly arising from the amortisation expenses.

## VIVIDTHREE HOLDINGS LTD. AND ITS SUBSIDIARIES

### F. Other information required by Listing Rule Appendix 7C (continued)

2 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 PERFORMANCE (CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME) (continued)

#### FY2022 vs FY2021

##### Other income

Other income significantly decreased by approximately \$0.46 million, from \$0.95 million in FY2021 to \$0.49 million in FY2022 is mainly due to the lower grants received by approximately \$0.73 million in FY2022 in relation to the COVID-19 support funds from Singapore government such as Jobs Support Scheme ("JSS"). The decrease is partially offset by income arising from acquired rights of approximately \$0.30 million.

##### Other losses - net

Other losses, recorded net loss of \$0.58 million in FY2022, a drop of \$0.72 million as compared to net loss of \$1.29 million in FY2021, mainly arising from the following factors:

- (i) reduction as there is a reversal of expected credit losses on trade and other receivables of \$0.03 million as compared to provision for allowance of trade and other receivables of \$1.30 million in last financial year.;
- (ii) inventory written-down of \$0.80 million due to consideration of COVID-19 impact.

##### Administrative expenses

Administrative expenses increased by \$1.36 million or 56.9%, from approximately \$2.39 million in FY2021 to \$3.75 million in FY2022 mainly attributable to:

- (i) higher staff cost by \$0.18 million due to restoration of staff salary following the group-wide salary reduction occurred in the last financial year; and
- (ii) rise in amortisation of \$1.13 million due to (a) in reference to estimated future cashflow and the COVID-19 impact on acquired rights, and (b) the related projects have launched and released commercially during FY2022.

Other administrative expenses remain consistent with the last corresponding year.

##### Finance expenses

Finance expenses remains fairly consistent with a slight increased by \$0.04 million or 20.4%, from \$0.19 million in FY2021 to \$0.22 million in FY2022 mainly attributable to interest paid for the bank borrowings drawdown in the previous financial year.

##### Loss before income tax

For the reasons set out above, the Group recorded a loss before tax of approximately \$5.93 million in FY2022 as compared to a loss before tax of \$4.55 million in FY2021.

## VIVIDTHREE HOLDINGS LTD. AND ITS SUBSIDIARIES

### F. Other information required by Listing Rule Appendix 7C (continued)

#### 2 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)

#### 31 March 2022 vs 31 March 2021

##### Current assets

Current assets decreased by approximately \$4.22 million or 36.6%, from \$11.55 million as at 31 March 2021 to \$7.32 million as at 31 March 2022 mainly due to:

- (i) net reduction in trade and other receivables of approximately \$0.25 million, from \$3.73 million as at 31 March 2021 to \$3.48 million as at 31 March 2022, included in the reductions of trade receivables were long outstanding debtors of approximately \$1.52 million;
- (ii) net reduction in project deposits of approximately \$2.02 million mainly attributable to total deposits paid of \$1.48 million in prior period, where potential investments and services that were secured, have been reclassified to acquired rights and other current assets as acquisition were completed in FY2022;
- (iii) net reduction in other current assets of \$0.68 million (i.e. comprised direct staff cost and subcontractors cost incurred for ongoing projects and such costs are recognised as Cost of Sales upon completion) mainly due to projects costs charged out to profit or loss upon completion, partially offset by the project costs incurred for ongoing projects;
- (iv) net reduction in inventories of \$0.80 million due to inventory write-down in FY2022;
- (v) net cash outflows from operating activities of approximately \$1.30 million, partially offset with net cash inflows from investing activities of approximately \$0.37 million following the sales of unquoted investments in financial assets and net cash inflows in financing activities of approximately \$0.45 million from the proceeds from issuance of new shares pursuant to the private placement (Kindly refer commentary section of "Review of Cash Position").

##### Non-current assets

Non-current assets decreased by approximately \$1.92 million or 10.4%, from \$18.37 million as at 31 March 2021 to \$16.45 million as at 31 March 2022 mainly due to:

- (i) depreciation charges on plant and equipment of \$0.28 million and right-of-use of assets of \$0.20 million;
- (ii) amortisation charges on intangible assets of \$0.32 million and acquired rights of \$3.15 million;
- (iii) reduction in investment in financial assets due to completion of disposal of financial assets/unquoted investments of \$1.87 million as mentioned above;

partially offset by:

- (iv) additions to intangible assets of \$0.16 million for development costs for upgrading on Comicvid apps as well as updating comic content for Comicvid apps;
- (v) additions to acquired rights of \$0.70 million which entitles the Group to rights to project's profits and allows the Group for further expansion of its business opportunities and revenue streams as well as in view of spinning off these projects.;
- (vi) subscription of convertible notes of \$0.70 million in Gammar Pte Ltd.

##### Current liabilities

Current liabilities decreased by approximately \$0.70 million or 14.4%, from \$4.86 million as at 31 March 2021 to \$4.16 million as at 31 March 2022 mainly due to decrease in:

- (i) trade and other payables of \$0.67 million payments due to creditors in the ordinary course of business;
- (ii) contract liabilities of \$0.16 million for progress billing for ongoing projects which will be recognised as revenue when the Group fulfilled its performance obligation.

## VIVIDTHREE HOLDINGS LTD. AND ITS SUBSIDIARIES

### F. Other information required by Listing Rule Appendix 7C (continued)

#### 2 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) (continued)

31 March 2022 vs 31 March 2021

#### Non-current liabilities

Non-current liabilities decreased by approximately \$1.77 million or 36.3%, from \$4.89 million as at 31 March 2021 to \$3.12 million as at 31 March 2022. The decrease was mainly due to decreases in:

- (i) net long-term bank borrowing of \$1.33 million due to repayment of bank borrowings and \$0.18 million was reclassified to borrowings in current liabilities;
- (ii) net lease liabilities of \$0.18 million due to repayment of lease liabilities; and

### REVIEW OF CASH POSITION (CONSOLIDATED STATEMENT OF CASH FLOW)

#### Operating activities

Net cash outflows from operating activities before changes in working capital amounted to approximately \$1.20 million in FY2022 (FY2021: net cash outflows of \$1.39 million). The changes in working capital in FY2022 amounted to outflows of approximately \$0.10 million comprising:

- reduction in trade and other receivables by \$0.10 million;
- reduction in deposits and prepayments by \$0.55 million;
- reduction in other current assets by \$0.03 million;

partially offset by:

- reduction in trade and other payables by \$0.63 million;
- increase in contract liabilities by \$0.16 million.

In FY2022, the Group's net cash outflows used in operating activities amounted to \$1.30 million as compared to net cash outflow of S\$0.9 million in corresponding year.

#### Investing activities

Net cash inflows generated from investing activities amounted to approximately \$0.37 million in FY2022 as compared to net cash outflows of \$5.52 million in FY2021. The net cash inflow generated from investing activities in FY2022 was mainly arising from:

- (i) proceeds from disposal of financial assets/unquoted investments of \$1.87 million;
- (ii) government grants received for development of software (intangible assets) of \$0.08 million;

partially offset with the cash outflows from:

- (iii) additions of plant and equipment of \$0.02 million;
- (iv) additions of intangible assets of \$0.17 million;
- (v) additions of acquired rights of \$0.70 million;
- (vi) subscription of convertible note of \$0.70 million

#### Financing activities

Net cash inflows generated from financing activities amounted to approximately \$0.45 million in FY2022 as compared to net cash inflows of \$4.87 million in FY2021. This was mainly due to:

- (i) proceeds from issuance of new shares pursuant to the private placement of \$2.19 million;

partially offset with the cash outflows from:

- (ii) payment of interests on bank borrowings of \$0.22 million;
- (iii) repayment of bank borrowings principal of \$1.33 million;
- (iv) repayment of operating lease liabilities of \$0.19 million.

## VIVIDTHREE HOLDINGS LTD. AND ITS SUBSIDIARIES

### F. Other information required by Listing Rule Appendix 7C (continued)

#### 3 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.

#### 4 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.

The Group is cautiously optimistic about its recovery; The Group expects Post-production to continue to be a key revenue contributor to the Group.

As part of the Group's long-term strategy to beef up the library of intellectual properties ("IPs"), as well as exploring opportunities within the digital assets and metaverse space to increase revenue streams. The Company's recent convertible notes subscription in GammaR Pte. Ltd. and partnership agreement with JVS Management Holdings Pte. Ltd. are the first of a series of partnerships in the blockchain industry. The Group is confident that it will sharpen the Group's focus as it plans for a post-pandemic future.

Blockchain games have seen a surge in popularity, partly due to the ongoing COVID-19 pandemic. According to data compiled by Blockchain Game Alliance (BGA), NFT games generated US\$2.32 billion in revenue in the third quarter, accounting for about 22% of all NFT trading volumes industry-wide during the period, as blockchain games gathered steam.

The Group's infrastructure and expertise in content production, IP management, and ability to scale concepts into reality through MICE (Meetings, Incentive, Conference and Exhibitions) activities are key drivers that enable it to leverage on accelerating growth in the global gaming industry.

The Management team has been working on the group's roadmap to recovery from the COVID-19 impact and take prudent steps to strengthen the Company and position it to continue to scale, innovate, and grow after the COVID-19 pandemic.

### 5 Dividend information

#### (a) Current Financial Period Reported On Any dividend recommended for the current financial period reported on?

No.

#### (b) Corresponding Period of the Immediate Preceding Financial Year Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

#### (c) Date Payable

Not applicable

#### (d) Books Closure Date 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

### 6 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 is in loss position.

## VIVIDTHREE HOLDINGS LTD. AND ITS SUBSIDIARIES

### F. Other information required by Listing Rule Appendix 7C (continued)

#### 7 Interested person transactions

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 period under review.

#### 8 Update on use of proceeds from issuance and allotment of new shares pursuant to the private placement

The Company refers to the gross proceeds amounting to \$2.19 million raised from the issuance and allotment of new shares pursuant to the private placement on 15 December 2021.

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

**Use of proceeds from issuance and allotment of new shares pursuant to the private placement**

	<b>Amount allocated</b>	<b>Reallocation</b>	<b>Amount utilised</b>	<b>Amount unutilised</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Finance acquisition	1,080	(367)	(713)	-
Funding new projects	1,080	375	(1,455)	-
Issuance and allotment of new shares pursuant to private placement expenditure	27	(8)	(19)	-
Total	2,187	-	(2,187)	-

#### 9 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

#### 10 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10). If there are no such persons, the issuer must make an appropriate negative statement.

There is no person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer.

BY ORDER OF THE BOARD

Charles Yeo Eng Pu  
Managing Director

29 May 2022