



(Incorporated in the Republic of Singapore)

(Company Registration No. 201424372N)

**FULL YEAR FINANCIAL STATEMENTS ANNOUNCEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

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

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 of the immediately preceding financial period.

	Group		Change %
	For the financial year ended		
	31 Mar 2020 (Unaudited) \$'000	31 Mar 2019 (Audited) \$'000	
Revenue	235,774	266,187	-11.4%
Cost of sales	(146,365)	(141,988)	3.1%
Gross profit	89,409	124,199	-28.0%
Other income			
- Interest income	103	233	-55.8%
- Others	472	4,270	-88.9%
Other (losses)/gains - net			
- Expected credit loss on financial assets	(1,035)	(2,101)	-50.7%
- Others	8,460	971	771.3%
Administrative expenses	(67,919)	(69,893)	-2.8%
Finance expenses	(19,432)	(17,876)	8.7%
Share of (losses)/profits of associated companies and joint venture	(34)	22	-254.5%
Profit before income tax expenses	10,024	39,825	-74.8%
Income tax expenses	(3,406)	(11,109)	-69.3%
Net profit for the financial year	6,618	28,716	-77.0%
Other comprehensive (loss)/income, net of tax:			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation			
- losses	(51)	(141)	-63.8%
Total comprehensive income for the financial year	6,567	28,575	-77.0%
Net Profit attributable to:			
Equity holders of the Company	3,536	19,138	-81.5%
Non-controlling interests	3,082	9,578	-67.8%
	6,618	28,716	-77.0%
Total comprehensive income attributable to:			
Equity holders of the Company	3,471	18,986	-81.7%
Non-controlling interests	3,096	9,589	-67.7%
	6,567	28,575	-77.0%

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

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

	Group		Change %
	For the financial year ended		
	31 Mar 2020 (Unaudited) \$'000	31 Mar 2019 (Audited) \$'000	
Amortisation of film rights	22,158	6,968	218.0%
Amortisation of film intangibles and film inventories	3,584	3,013	19.0%
Amortisation of intangible assets	1,300	1,055	23.2%
Depreciation of property, plant and equipment	8,687	9,805	-11.4%
Depreciation of right-of-use assets	22,457	-	N.M.
Employees compensation	23,449	30,100	-22.1%
Expected credit loss on financial assets	1,035	2,101	-50.7%
Interest expenses	14,926	17,876	-16.5%
Accretion of interest on lease liabilities	4,506	-	N.M.
Impairment loss on goodwill	10,698	-	N.M.
Loss on fair value changes in financial assets	62	-	N.M.
Gain on fair value changes in derivative financial instruments	(6,080)	(969)	527.5%
Gain on disposal of property, plant and equipment	(20)	(19)	5.3%
(Gain)/Loss on foreign exchange, net	(2,428)	23	-10656.5%
Interest income	(103)	(233)	-55.8%

N.M. - Not meaningful

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 31 March 2020 (Unaudited) \$'000	As at 31 March 2019 (Audited) \$'000	As at 31 March 2020 (Unaudited) \$'000	As at 31 March 2019 (Audited) \$'000
ASSETS				
Current assets				
Cash and cash equivalents	29,383	18,566	308	600
Trade and other receivables	140,679	180,656	283,981	288,372
Inventories	412	363	-	-
Other current assets	84,498	66,156	-	-
Film products and films under production	2,825	21,882	-	-
Income tax recoverable	277	-	-	-
	<u>258,074</u>	<u>287,623</u>	<u>284,289</u>	<u>288,972</u>
Non-current assets				
Trade and other receivables	21,603	3,500	-	-
Financial assets, at fair value through profit or loss	3,693	710	-	-
Investments in subsidiaries	-	-	70,225	69,459
Investments in associated companies	2,622	2,658	2,524	2,525
Investment in a joint venture	100	99	-	-
Property, plant and equipment	33,581	36,437	-	-
Right-of-use assets	79,258	-	89	-
Intangible assets and goodwill ⁽¹⁾	278,745	289,652	-	-
Film rights	41,635	29,234	-	-
Film intangibles and film inventories	16,442	14,434	-	-
Deferred income tax assets	1,721	1,377	-	-
	<u>479,400</u>	<u>378,101</u>	<u>72,838</u>	<u>71,984</u>
TOTAL ASSETS	<u>737,474</u>	<u>665,724</u>	<u>357,127</u>	<u>360,956</u>
LIABILITIES				
Current liabilities				
Trade and other payables	91,830	131,356	70,786	57,995
Contract liabilities	11,662	17,053	-	-
Borrowings	127,081	36,820	43,713	29,746
Lease liabilities	23,047	-	67	-
Current income tax liabilities	6,037	10,329	-	-
	<u>259,657</u>	<u>195,558</u>	<u>114,566</u>	<u>87,741</u>
Non-current liabilities				
Borrowings	130,756	186,172	103,631	125,750
Lease liabilities	61,726	-	23	-
Provisions for restoration cost	5,009	4,841	-	-
Derivative financial instruments	-	5,905	-	-
Deferred income tax liabilities	6,395	6,619	-	-
	<u>203,886</u>	<u>203,537</u>	<u>103,654</u>	<u>125,750</u>
TOTAL LIABILITIES	<u>463,543</u>	<u>399,095</u>	<u>218,220</u>	<u>213,491</u>
NET ASSETS	<u>273,931</u>	<u>266,629</u>	<u>138,907</u>	<u>147,465</u>
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	152,870	152,870	152,870	152,870
Reserves	(14,443)	(14,455)	-	-
Retained profits/(accumulated losses)	79,284	75,748	(13,963)	(5,405)
	<u>217,711</u>	<u>214,163</u>	<u>138,907</u>	<u>147,465</u>
Non-controlling interests	56,220	52,466	-	-
TOTAL EQUITY	<u>273,931</u>	<u>266,629</u>	<u>138,907</u>	<u>147,465</u>

⁽¹⁾ Included in this amount is goodwill arising from consolidation amounted to \$248,974,000 (31 March 2019: \$259,915,000).

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less or on demand

As at As at 31 (Unaudited)		As at As at 31 (Audited)	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
120,094	6,987	36,820	-

Amount repayable after one year

As at As at 31 (Unaudited)		As at As at 31 (Audited)	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
130,756	-	186,172	-

Details of any collateral

The Group's secured portion of borrowings are secured by corporate guarantees from the Company and its subsidiaries, certain subsidiaries' ordinary shares and a subsidiary's leasehold property.

1(b)(iii) Additional information.

(A) Trade and other receivables - Current

	Group	
	As at 31 March 2020 (Unaudited) \$'000	As at 31 March 2019 (Audited) \$'000
Trade receivables	87,802	114,876
Accrued revenue	2,245	26,957
Other receivables and deposits	50,632	38,823
	<u>140,679</u>	<u>180,656</u>

Trade receivables analysed by ageing

Below 3 months	47,996	54,972
3 - 6 months	4,343	20,734
Above 6 months	38,663	41,431
	<u>91,002</u>	<u>117,137</u>
Expected credit loss ("ECL")	(3,200)	(2,261)
	<u>87,802</u>	<u>114,876</u>

(B) Trade and other payables - Current

	Group	
	As at 31 March 2020 (Unaudited) \$'000	As at 31 March 2019 (Audited) \$'000
Trade payables	45,007	73,799
Other payables and accruals	46,823	57,557
	<u>91,830</u>	<u>131,356</u>

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

Consolidated Statement of Cash Flows

	Group	
	For the financial year ended 31 Mar 2020 (Unaudited) \$'000	31 Mar 2019 (Audited) \$'000
Cash flows from operating activities		
Net profit for the financial year	6,618	28,716
Adjustments for:		
- Income tax expense	3,406	11,109
- Interest income	(103)	(233)
- Finance expenses	19,432	17,876
- Amortisation of film rights	22,158	6,968
- Amortisation of film intangibles and film inventories	3,584	3,013
- Amortisation of intangible assets	1,300	1,055
- Depreciation of property, plant and equipment	8,687	9,805
- Depreciation of right-of-use assets	22,457	-
- Gain on fair value changes in derivative financial instruments	(6,080)	(969)
- Share of losses/(profits) of associated companies and joint venture	34	(22)
- Property, plant and equipment written off	-	40
- Gain on disposal of property, plant and equipment	(20)	(19)
- Impairment loss on goodwill	10,698	-
- Expected credit loss on financial assets	1,035	2,101
- Loss on fair value changes in financial assets	62	-
- Loss on disposal of an intangible assets	608	-
- Unrealised foreign exchange loss	948	868
- Issuance of subsidiary's shares to its employees prior to initial public offering ("IPO") of the subsidiary	-	200
- Gain on fair value changes in deferred consideration for business combination	-	(3,559)
Operating cash flows before working capital changes	94,824	76,949
Changes in working capital:		
- Trade and other receivables	19,808	(64,571)
- Inventories	(47)	54
- Other current assets	(17,749)	(51,699)
- Film products and films under production	874	(3,259)
- Film intangible and film inventories	(3,955)	(9,464)
- Trade and other payables	(45,328)	62,922
- Contract liabilities	(5,391)	13,297
Cash generated from operations	43,036	24,229
Income tax paid	(8,542)	(9,775)
Net cash generated from operating activities	34,494	14,454
Cash flows from investing activities		
Acquisition of an associated company	-	(114)
Additions to intangible assets	(3,030)	(763)
Additions to film rights	(16,982)	(29,777)
Additions to property, plant and equipment	(5,949)	(4,576)
Deposit paid for acquisition of intangible asset	-	(13,848)
Additions to investment in financial assets	(3,032)	-
Acquisition of subsidiary's shares from non-controlling interests	*	(422)

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

Consolidated Statement of Cash Flows (continued)

	Group	
	For the financial year ended	For the financial year ended
	31 Mar 2020	31 Mar 2019
	(Unaudited)	(Unaudited)
	\$'000	\$'000
Cash flows from investing activities (continued)		
Interest received	71	233
Proceeds from disposal of property, plant and equipment	120	133
Proceeds from disposal of partial investment in a subsidiary ⁽¹⁾	-	25,800
Repayment of deferred purchase consideration	-	(215,000)
	(28,802)	(238,334)
Cash flows from financing activities		
Release of fixed deposit pledged	-	1,000
Interest paid	(16,022)	(8,752)
Dividend paid by a subsidiary to non-controlling interest	-	(10,000)
Proceeds from issuance of shares of a subsidiary, net of IPO expense ⁽²⁾	-	11,522
Proceeds from issuance of shares of subsidiary to non-controlling interests	660	-
Proceeds from issuance of subsidiary's shares pursuant to conversion of pre-IPO convertible loans	-	2,000
Proceeds from issuance of convertible bonds and notes	5,000	-
Proceeds from issuance of medium term note programme	-	50,000
Proceeds from issuance of loan note	-	5,000
Additions from lease liabilities	4,108	-
Proceeds from bank loans	52,005	233,410
Repayment of borrowings	(25,018)	(133,825)
Repayment of lease liabilities (FY2019: Repayment of finance lease liabilities)	(16,954)	(54)
	3,779	150,301
Net cash generated from financing activities	3,779	150,301
Net changes in cash and cash equivalents	9,471	(73,579)
Cash and cash equivalents at beginning of financial year	18,566	92,180
Effects of currency translation on cash and cash equivalents	51	(35)
Cash and cash equivalents at end of financial year	28,088	18,566
Cash and cash equivalent comprise:		
Cash and bank balances	24,515	17,566
Fixed deposits	4,868	1,000
Bank overdraft	(1,295)	-
Cash and cash equivalents as per consolidated statement of cash flows	28,088	18,566

(1) The disposal of partial investment in an indirect subsidiary, UnUsUaL Limited, does not result loss in control over the subsidiary.

(2) Funds raised by the Group's subsidiary, Vividthree Holdings Ltd upon listing on Catalist SGX in September 2018. Amounts are stated at net of listing expenses.

* Amount less than \$1,000

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 period.

Consolidated Statement of Changes in Equity

Group (Unaudited)	<----- Attributable to equity holders -----> of the Company					
	Share capital \$'000	Reserves \$'000	Retained profits \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
As at 1 April 2019	152,870	(14,455)	75,748	214,163	52,466	266,629
Net profit for the year	-	-	3,536	3,536	3,082	6,618
Other comprehensive (loss)/income for the year	-	(65)	-	(65)	14	(51)
Total comprehensive (loss)/income for the year	-	(65)	3,536	3,471	3,096	6,567
Acquisition of non-controlling interest	-	77	-	77	(77)	-
Increased of subsidiary's share capital arising from non-controlling interests	-	-	-	-	735	735
As at 31 March 2020	152,870	(14,443)	79,284	217,711	56,220	273,931

Group (Audited)	<----- Attributable to equity holders ----->					
	Share capital S\$'000	Reserves S\$'000	Retained profits S\$'000	Total S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
As at 1 April 2018	152,870	(30,907)	56,610	178,573	29,891	208,464
Net profit for the year	-	-	19,138	19,138	9,578	28,716
Other comprehensive (loss)/income for the year	-	(152)	-	(152)	11	(141)
Total comprehensive (loss)/income for the year	-	(152)	19,138	18,986	9,589	28,575
Disposal of partial investment in a subsidiary without loss on control ⁽¹⁾	-	11,727	-	11,727	14,073	25,800
Dilution of interest in subsidiaries without loss on control ⁽¹⁾⁽²⁾	-	4,877	-	4,877	8,845	13,722
Non-controlling interests arising from incorporation of a subsidiary	-	-	-	-	490	490
Acquisition of subsidiary's shares from non-controlling interest	-	-	-	-	(422)	(422)
Dividend paid by a subsidiary to non-controlling interests	-	-	-	-	(10,000)	(10,000)
As at 31 March 2019	152,870	(14,455)	75,748	214,163	52,466	266,629

(1) The disposal of partial investment in an indirect subsidiary, UnUsUaL Limited, does not result loss in control over the subsidiary.

(2) The dilution of interest in a subsidiary, Vividthree Holdings Ltd, upon listing on Catalist SGX in September 2018 does not result loss in control over the subsidiary.

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 period (continued).

Statement of Changes in Equity

	Share capital \$'000	Accumulated losses \$'000	Total equity \$'000
Company (Unaudited)			
As at 1 April 2019	152,870	(5,405)	147,465
Net loss for the financial year	-	(8,558)	(8,558)
As at 31 March 2020	<u>152,870</u>	<u>(13,963)</u>	<u>138,907</u>
Company (Audited)			
As at 1 April 2018	152,870	(3,645)	149,225
Net loss for the financial year	-	(1,760)	(1,760)
As at 31 March 2019	<u>152,870</u>	<u>(5,405)</u>	<u>147,465</u>

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 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 reported on and as at the end of the corresponding period 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 reported on and as at the end of the corresponding period of the immediately preceding financial year.

<u>Shares Capital - Ordinary Shares</u>	Number of shares	Issued and paid-up share capital \$
Ordinary shares of the Company		
As at 31 March 2020	<u>1,162,804,610</u>	<u>152,869,417</u>
As at 31 March 2019	<u>1,162,804,610</u>	<u>152,869,417</u>

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

	As at 31	As at 31
Total number of issued shares	<u>1,162,804,610</u>	<u>1,162,804,610</u>

The Company did not have any treasury shares as at 31 March 2020 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 reported on.

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

During the current financial year, 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 31 March 2020.

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 significant financial impact on the Group's financial statements for the current financial year 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 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 subsequent adoption of SFRS(I)16 have the following impact on the unaudited statement of comprehensive income and statement of financial position for the financial year ended 31 March 2020.

	Without the effect of SFRS(I) 16 (Unaudited) \$'000	Net effect from SFRS(I) 16 (Unaudited) \$'000	With the effect of SFRS(I) 16 (Unaudited) \$'000
Group			
31 March 2020			
<u>Statement of comprehensive income</u>			
Revenue	235,774	-	235,774
Cost of sales	(146,365)	-	(146,365)
Gross profit	89,409	-	89,409
Other income			
- Interest	103	-	103
- Others	472	-	472
Other (losses)/gains - net			
- Expected credit loss on financial assets	(1,035)	-	(1,035)
- Others	8,460	-	8,460
Administrative expenses	(69,307)	1,388	(67,919)
Finance expenses	(14,926)	(4,506)	(19,432)
Share of losses of associated companies and joint venture	(34)	-	(34)
Profit before income tax	13,142	(3,118)	10,024
Income tax expense	(3,406)	-	(3,406)
Net profit for the financial year	9,736	(3,118)	6,618
Adjusted earnings before impairment loss on goodwill, interest, tax, depreciation and amortisation ("EBITDA")	74,495	23,845	98,340
<u>Statement of financial position</u>			
Non-current assets			
Right-of-use assets	-	79,258	79,258
Current liabilities			
Lease liabilities	-	23,047	23,047
Non-current liabilities			
Lease liabilities	-	61,726	61,726

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

	Group	
	31 Mar 2020	31 Mar 2019
Earnings per share ("EPS")		
Profit attributable to equity holders of the Company (\$'000) ⁽¹⁾	3,536	19,138
Weighted average number of ordinary share issued	1,162,804,610	1,162,804,610
Basic and fully diluted basis EPS (cents) ⁽²⁾⁽³⁾⁽⁴⁾	0.30	1.65

(1) *The basic EPS of the Group for the respective periods/years was calculated based on the weighted average number of ordinary shares in issue for the respective periods.*

(2) *The basic EPS of the Group for the respective 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 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 periods.*

(4) *The Group's outstanding convertible bonds/notes were issued by the Company's wholly-owned subsidiary, mm Connect Pte. Ltd. which is convertible to mm Connect Pte. Ltd.'s shares. Accordingly, the Group's outstanding convertible bonds/notes do not have impact to the Company's ordinary shares.*

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	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Net asset value attributable to equity holders of the Company (\$'000)	217,711	214,163	138,907	147,465
Number of ordinary shares issued	1,162,804,610	1,162,804,610	1,162,804,610	1,162,804,610
Net asset value per ordinary share (\$)	0.19	0.18	0.12	0.13

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 reported on.**

REVIEW OF FINANCIAL PERFORMANCE (CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME)

FY2019 vs FY2020

Revenue

The Group has posted a revenue of \$235.8 million for the financial year ended 31 March 2020 ("FY2020"), representing a decrease of \$30.4 million or 11.4%, from \$266.2 million for the financial year ended 31 March 2019 ("FY2019"). Revenue from Concert & Events ("Events") segment has seen an increase by approximately \$5.6 million and it was mainly due to higher revenue in its Promotion revenue, offset by lower revenue contribution from Core business, Cinema segment and Post-production segment by approximately \$21.3 million, \$12.9 million and \$3.5 million respectively. Since the outbreak of COVID-19 pandemic, the Group's sales revenue and operations have been greatly affected in 4QFY2020.

The operations of Core business and Post-production segment in North Asia and Southeast Asia have been disrupted during 4QFY2020 by the enforcement of social distancing and travel restrictions to contain the COVID-19, as a result, the release of several project titles and tour shows have been rescheduled by the clients.

Similarly, Cinema segment sales have been affected during 4QFY2020 by COVID-19 due to a slowdown in economic activities in Malaysia and Singapore from end of January 2020. Several global release of lunar new year movies were cancelled and our cinema operations in Malaysia and Singapore were temporarily ceased operation to comply with Malaysia and Singapore government directives on 18 March 2020 and 26 March 2020 respectively, in efforts to curb the spread of COVID-19 in both countries.

Cost of sales

Cost of sales increased by \$4.4 million or 3.1%, from \$142.0 million in FY2019 to \$146.4 million in FY2020. The increase is mainly contributed by (i) Events segment's cost of sales increased by approximately \$12.8 million which is in tandem with increase in its revenue; and (ii) post-production segment's cost of sales increased by \$1.3 million due to higher amortisation and depreciation charges, partially offset by lower cost of sales in Core business and Cinema operations for a total decrease of \$13.3 million as the businesses/operations were disrupted by COVID-19 outbreak.

Gross Profit

As revenue of the Group has significantly dipped in the most of the Group's business segments while its fixed direct cost and amortisation charges were incurred continuously during period under review, gross profit has decreased by \$34.8 million or 28.0%, from \$124.2 million in FY2019 to \$89.4 million in FY2020. Accordingly, gross profit margin decreased from 46.7% in FY2019 to 37.9% in FY2020.

Other income

Other income decreased by approximately \$3.9 million by 86.7%, from \$4.5 million in FY2019 to \$0.6 million in FY2020. The decrease was mainly due to the absence of one-off gain \$3.6 million on fair value changes in deferred consideration for business combination as reported in FY2019 and lower interest income by \$0.1 million in FY2020.

Other gains/(losses), net

In FY2020, Group recorded net other gains approximately of \$7.5 million compared to net other losses of \$1.1 million in FY2019. The net other gains in FY2020 comprising:

- (i) gain on fair value changes in derivatives financial instrument of \$6.1 million;
- (ii) gain on foreign currency exchange of \$2.4 million; and
- (iii) loss in provision of expected credit losses on trade and other receivables of \$1.0 million and
- (iv) loss on fair value changes in financial assets of \$0.1 million.

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 reported on.**

Administrative expenses

Administrative expenses stood at \$67.9 million, a decreased by \$2.0 million or 2.9%, from \$69.9 million in FY2019. The decrease was mainly contributed by:

- (i) decrease in staff cost by approximately \$6.1 million was mainly due to lower provision for directors' incentive;
- (ii) decrease in professional fee by approximately \$1.6 million was mainly arising from prior year's refinancing expenses,
- (iii) net reduction in rental expense by approximately \$1.5 million due to the impact of adoption of SFRS(I)16 *Leases*;
- (iv) savings in utilities expenses by \$0.6 million;
- (v) lower depreciation charges by \$2.0 million due to reclassification from administrative expenses to cost of sales; and
- (vi) recognition of impairment loss on goodwill of Cinema operations amounted to \$10.7 million

Finance expenses

Finance expenses comprising:

- (a) interest expense of \$14.9 million (FY2019: \$17.9 million) arising from borrowing. Interest expenses decreased by \$3.0 million or 16.8% as compared to FY2019, was mainly due to:
 - lower interest expense on convertible bonds and notes ("CBCN") by \$1.2 million and
 - an absence of one-off unwinding of discount on deferred consideration for business combinations amounted \$1.6 million which had recorded in FY2019; and
- (b) Following the adoption of SFRS(I)16 *Leases* at beginning of FY2020, the Group recognised \$4.5 million (FY2019: Nil) of interest expense on lease liabilities.

Overall, the Group's total finance expenses increased by \$1.5 million or 8.4% from \$17.9 million in FY2019 to \$19.4 million in FY2020.

Profit before tax

As results of the aforementioned, the Group recorded a lower net profit before tax of approximately \$10.0 million, compared to \$39.8 million in FY2019, a decrease of \$29.8 million or 74.9% as compared to FY2019.

31 March 2020 vs 31 March 2019

Current assets

Current assets decreased by \$29.5 million or 10.3%, from \$287.6 million as at 31 March 2019 to \$258.1 million as at 31 March 2020. The decrease was mainly due to:

- (i) net reduction of Trade and other receivables by approximately \$40.0 million or 22.1%, from \$180.7 million as at 31 March 2019 to \$140.7 million as at 31 March 2020, comprising:
 - total reduction in trade debts and unbilled receivables by \$51.8 million, including additional of provision for expected credit losses of \$1.0 million; and
 - increase in other receivables and deposit by \$11.8 million mainly contributed by Core segment for projects;
- (ii) Film products and film under production decreased by approximately \$19.1 million or 87.1%, from \$21.9 million as at 31 March 2019 to \$2.8 million as at 31 March 2020, was mainly due to the transfer of film products to film rights upon films released.

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 reported on.

(iii) increase in cash and cash equivalents by approximately \$10.8 million or 58.3%, comprising:

- cash inflows from both operating and financing activities of \$38.3 million; and
- cash utilisation in investing activities of \$28.8 million

(refer to Review of Cash Position for details);

(iv) increase in other current assets (i.e. costs incurred by the Group in fulfilling a contract with its customers (third party commissioned projects)) by approximately \$18.3 million or 27.7% as compared to last financial year, was mainly due to more projects with higher value in progress and also its handover dates have been postponed due to COVID-19.

Non-current assets

Non-current assets increased by \$101.3 million or 26.8%, from \$378.1 million as at 31 March 2019 to \$479.4 million as at 31 March 2020 was contributed by:

- (i) long term other receivables increased by \$18.1 million was mainly contributed by Events Segment;
- (ii) recognition of right-of-use assets ("ROU") of \$79.3 million following the adoption of SFRS(I)16 at beginning of FY2020.
- (iii) film rights increased by \$12.4 million or 42.5% was mainly due to the completion of film production and acquisition of film rights, net of amortisation charges, during the period under review;
- (iv) additional of film intangibles and film inventories increased by \$2.0 million or 13.9%;
- (v) investment in financial assets increased by approximately of \$3.0 million mainly contributed by Post-production segment amounted to \$2.9 million.

The above increases offset by the recognition of impairment loss on Cinema segment's goodwill of approximately \$10.7 million.

In FY2020, the Group recorded impairment of goodwill of Cinema operations' in respective cash generating units for a total \$10.7 million (FY2019: Nil) as summarised below.

Cinema operations by country	Malaysia	Singapore	Total
Impairment loss recognised in FY2020	\$3.7 million	\$7.0 million	\$10.7 million

The COVID-19 pandemic created substantial adverse impact globally, including Malaysia and Singapore business, where the operations have been temporarily ceased due to compliance of Malaysia and Singapore governments' order on 18 March 2020 and 26 March 2020 respectively. Consequently, management of the Group had reassessed the future cash flows of the Cinema operations and is of the view that impairment of Cinema operations goodwill is necessary as at 31 March 2020.

- 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 reported on.**

Current liabilities

Current liabilities increased by \$64.1 million or 32.8%, from \$195.6 million as at 31 March 2019 to \$259.7 million as at 31 March 2020, was mainly due to:

- (i) increase in short-term borrowings by approximately \$90.3 million or 245.4%, from \$36.8 million as at 31 March 2019 to \$127.1 million as at 31 March 2020, comprising:
 - reclassification CBCN amounted \$47.4 million from non-current liabilities to current liabilities in accordance with the terms and conditions of the subscription agreement.;
 - net increase of \$42.8 million contributed from Core, Cinema, Events and Post-production segments, for working capital purposes.

Prior to 31 March 2020, management submitted a request to the financial institutions for a repayment deferment for total amount of \$15.5 million ("Deferment Amount") due to the Group's businesses affected by the COVID-19 in 4QFY2020. Subsequent to 31 March 2020, the financial institutions have granted the approval in principal and subject to finalising of loan document of which will be completed by July 2020. Accordingly, the Deferment Amount will be reclassified as non-current liabilities in the next reporting period.
- (ii) following the adoption of SFRS(I)16 on 1 April 2019, the Group recognised operating lease liabilities of \$23.0 million as at 31 March 2020.
- (iii) decrease in trade and other payables by \$39.6 million or 30.1%, from \$131.4 million as at 31 March 2019 to \$91.8 million as at 31 March 2020, was mainly due to repayment of creditors during the period under review; and
- (iv) decrease in contract liabilities (advance billing but services yet to be delivered) by \$5.4 million or 31.6%, from \$17.1 million as at 31 March 2019 to \$11.7 million as at 31 March 2020, comprising:
 - decrease in Core and Post-production segments amounted \$4.8 million and \$1.2 million respectively due to delivery of projects; and
 - increase in Events segment of \$0.8 million for ticket sales, sponsorship and etc for concerts/events which yet complete delivered services during the period.

Non-current liabilities

Non-current liabilities increased by approximately \$0.4 million or 0.2%, from \$203.5 million as at 31 March 2019 to \$203.9 million as at 31 March 2020. The increase was mainly due to:

- (i) recognition of lease liabilities of \$61.7 million following the adoption of SFRS(I)16;
- (ii) issuance of CBCN \$5.0 million by cinema segment in FY2020;
- (iii) reduction in derivatives financial instruments of \$5.9 million due to recognition of fair value gain;
- (iv) net repayment of loan of \$14.7 million from Core and Events segments; and
- (v) reclassification of CBCN \$47.4 million from non-current liabilities to current liabilities as mentioned above;

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 reported on.

REVIEW OF CASH POSITION (GROUP)

31 March 2020 vs 31 March 2019

As at 31 March 2020, our cash and cash equivalents amounted to approximately \$28.1 million, as compared to \$18.6 million as at 31 March 2019. The increase in cash and cash equivalents is mainly arising from:

(a) Net cash inflows from operating activities

In FY2020, the Group generated \$94.8 million (FY2019: \$76.9 million) net cash from operating activities before net working capital changes. After applying net working capital changes, it generated \$34.5 million (FY2019: \$14.5 million) net cash inflows from operating activities, contributed by net decrease in trade and other receivables of \$19.8 million, and offset by the outflows from:

- (i) Cost incurred in other current assets for \$17.7 million was mainly due to more projects with higher projects value on-going;
- (ii) additions to film intangibles and film inventories for \$4.0 million;
- (iii) trade and other creditors for \$45.3 million mainly due to net repayment of creditors;
- (iv) contract liabilities for \$5.4 million due to recognition of revenue upon completion of services; and
- (v) tax payments made for \$8.5 million during the FY2020.

(b) Net cash outflows from investing activities

In FY2020, net cash used in investing activities amounted to approximately \$28.8 million as compared to prior year of \$238.3 million, was mainly contributed by:

- (i) acquisition of film rights for \$17.0 million as Core segment continues to expand its films library;
- (ii) additions to property, plant and equipment for \$5.9 million;
- (iii) increase in investment in financial assets by Post-production segment for \$3.0 million; and
- (iv) Increase in intangible assets by Post-production segment for \$3.0 million (FY2019: Nil) which arose from project investment and capitalised development cost of an OTT platform.

(c) Net cash outflows from financing activities

In FY2020, net cash outflows from financing activities amounted to approximately \$3.8 million (FY2019: \$150.3 million), mainly contributed by:

- (i) proceeds, net of principal repayment, from loan drawn down for \$27.0 million for the working capital for respective segment;
- (ii) proceeds from issuance of convertible bonds of S\$5.0 million by cinema segment.
- (iii) additions from lease liabilities of \$4.1 million;
- (iv) repayment of lease liabilities for \$17.0 million; and
- (v) interest payment of \$16.0 million (comprising interest on bank borrowing of \$11.5 million and interest on lease liabilities of \$4.5 million).

As aforesaid mentioned, the Group recorded a net cash increase of approximately \$9.5 million in FY2020, as compared to a net cash decrease of approximately \$73.6 million in FY2019.

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.

The COVID-19 pandemic has impacted billions of people globally and many businesses have been adversely affected. Likewise, the Group will also face its challenges. Two of the Group's main businesses – Cinema and Concert and Events – have been clearly affected by COVID-19 with the mandated business closures. However, these two businesses have performed well during the first three quarters of FY2020 and they remain profitable. In addition, the impact has been mitigated by the various financial support measures from industry regulators and also from partnerships with landlords.

Core Business Continues to be a Key Driver

The Group's core business in content development will continue to be a key driver, and its diversified businesses and multi-market presence will help mitigate the impact on other group businesses that have been more adversely affected by COVID-19.

Recognising the increasing demand for Asian content, the Group's strategy remains focused on North Asia. With strong presence and proven track records, the Group will continue to produce more projects in these markets.

In addition, the increasing number of platform providers has resulted in an increase in demand for quality content. The Group will continue to strengthen its content creation capabilities to cater to these platform players, both broadcast networks and streaming service providers (OTT), based on a B2B business model.

Concert & Events Business: Pent-up Demand for Live Entertainment Post-COVID-19

The Group foresees a pent-up demand for out-of-home and live entertainment after COVID-19 lockdowns ease. This coincides with its original pipeline with most shows planned for the second half of the financial year.

Cinema Business: Mitigate Impact of COVID-19 and Eventsual Recovery

The Group is committed to ensure the initial reopening of cinemas will come with necessary safety measures to provide a safe environment for all customers. Since the beginning of COVID-19, a strong pipeline of Hollywood and Asian movies has accumulated to be released. The magic and draw of the movie-going experience is unparalleled and the Group remains optimistic about the cinema business over the longer term.

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 year under review.

14 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 financial year ended 31 March 2020, to be false or misleading, in any material aspect.

15 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).

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

16 Segmented revenue and results for operating segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

	Core business⁽¹⁾ S\$'000	Post & content production⁽²⁾ S\$'000	Cinema operation⁽³⁾ S\$'000	Concert and event⁽⁴⁾ S\$'000	Others⁽⁵⁾ S\$'000	Segment elimination S\$'000	Total S\$'000
31 March 2020 (Unaudited)							
Total segment sales	78,731	6,136	88,179	61,943	3,631	(2,846)	235,774
Inter-segment sales	(1,801)	(360)	(326)	(185)	(174)	2,846	-
Sales to external parties	76,930	5,776	87,853	61,758	3,457	-	235,774
Adjusted earnings before interest, tax, depreciation, amortisation impairment loss on goodwill ("EBITDA")	49,279	55	39,274	10,212	(480)	-	98,340
Impairment loss on goodwill	-	-	(10,698)	-	-	-	(10,698)
Depreciation	(683)	(663)	(27,719)	(1,632)	(447)	-	(31,144)
Amortisation	(25,699)	(196)	(6)	(832)	(309)	-	(27,042)
Interest expense	(10,190)	(23)	(7,967)	(1,231)	(21)	-	(19,432)
Profit/(loss) before income tax	12,707	(827)	(7,116)	6,517	(1,257)	-	10,024
Income tax expense	(1,120)	(2)	(1,159)	(1,135)	10	-	(3,406)
Net profit/(loss)	11,587	(829)	(8,275)	5,382	(1,247)	-	6,618
For the comparison purposes, the following presentation of EBITDA is without the effect of SFRS(I) 16:							
EBITDA	48,869	(44)	16,224	10,212	(766)	-	74,495
31 March 2019 (Audited)							
Total segment sales	99,522	9,285	101,081	56,932	1,905	(2,538)	266,187
Inter-segment sales	(1,321)	(27)	(335)	(725)	(130)	2,538	-
Sales to external parties	98,201	9,258	100,746	56,207	1,775	-	266,187
Adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA")	49,660	4,455	17,575	17,605	(350)	(10,403)	78,542
Depreciation	(218)	(292)	(7,558)	(1,603)	(134)	-	(9,805)
Amortisation	(9,984)	(71)	-	(831)	(150)	-	(11,036)
Interest expense	(10,193)	(3)	(7,607)	(70)	(3)	-	(17,876)
Profit/(loss) before income tax	29,265	4,089	2,410	15,101	(637)	(10,403)	39,825
Income tax expense	(6,937)	(821)	(492)	(2,842)	(17)	-	(11,109)
Net profit/(loss)	22,328	3,268	1,918	12,259	(654)	(10,403)	28,716

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

16 Segmented revenue and results for operating segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Revenue segmental by geographical location (After intragroup elimination)

	Core business ⁽¹⁾ S\$'000	Post & content production ⁽²⁾ S\$'000	Cinema operation ⁽³⁾ S\$'000	Concert and event ⁽⁴⁾ S\$'000	Others ⁽⁵⁾ S\$'000	Total S\$'000
31 March 2020 (Unaudited)						
Singapore	20,971	2,304	62,732	40,324	3,340	129,671
Malaysia	5,312	2,199	25,121	6,163	85	38,880
China	18,158	1,019	-	650	-	19,827
Taiwan	22,839	212	-	4,445	-	27,496
Hong Kong	2,747	-	-	3,173	16	5,936
Others	6,903	42	-	7,003	16	13,964
	76,930	5,776	87,853	61,758	3,457	235,774
31 March 2019 (Audited)						
Singapore	16,429	3,595	72,473	27,045	1,761	121,303
Malaysia	7,510	1,686	28,273	8,146	-	45,615
China	29,114	3,977	-	1,636	-	34,727
Taiwan	30,697	-	-	1,933	-	32,630
Hong Kong	9,913	-	-	8,888	10	18,811
Others	4,538	-	-	8,559	4	13,101
	98,201	9,258	100,746	56,207	1,775	266,187

(1) Core segment refers to the Group's core business, which is relating to distribution and production of motion picture, video and television programme.

(2) Post-production segment refers to provision of VFX/CGI post-production services and content production of thematic tour show with element of virtual reality.

(3) Cinema operations segment refers to the cinema business in Malaysia and Singapore. The Group has total 214 screens in 28 locations across both countries.

(4) Concert and events segment refers to provision of production and promotion of event and/or concert.

(5) Others consist of revenue from café operations, media advertising activities and development of software for interactive digital media.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (continued)

17 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

Revenue generated from Group's Core, Post production, and Cinema Operation segment decreased by S\$37.6 million or 18.1%, from S\$208.2 million in FY2019 to S\$170.6 million in FY2020. This is mainly due to the activities have been greatly affected since the beginning of 4QFY2020 largely due to the adverse impact by the COVID-19 pandemic in People's Republic of China and Southeast Asia which saw travel restrictions and social distancing measures across the region.

Revenue generated from Concert and event has increased by S\$5.6 million or 9.9%, from \$56.2 million in FY2019 to S\$61.8 million in FY2020. This is mainly due to the popularity of the artistes that UnUsUaL Limited brought in which translated to higher ticket sales.

Revenue for generated from others segment increase by S\$1.7 million or 94.4%, from \$1.8 million in FY2019 to S\$3.5 million in FY2020. This is mainly due to revenue generated from the newly incorporation subsidiary, AsiaOne Online Pte. Ltd. on 3 May 2018 which act as news agency activities and development of software for interactive digital media (except games) and DD2 Media Pte Ltd been newly incorporated on 29 August 2019 which its principal activities as digital advertising and brand consultancy services.

18 A breakdown of sales as follows:

	Group		
	For the financial year ended		
	As at 31 March 2020 \$'000	As at 31 March 2019 \$'000	Change %
Revenue reported for first half year	117,431	113,913	3.1%
Profit after tax before non-controlling interests reported for first half year	12,786	14,583	-12.3%
Revenue reported for second half year	118,343	152,274	-22.3%
(Loss)/Profit after tax before non-controlling interests reported for second half year	(6,168)	14,133	-143.6%

19 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

- (a) **Ordinary**
Not applicable.
- (b) **Preference**
Not applicable.
- (c) **Total**
Not applicable.

20 Disclosure of person occupying a managerial position in the issuer of 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(13) of the Listing Manual, we confirm that there are no persons occupying a managerial position in the Company of any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Melvin Ang Wee Chye
Executive Chairman

30 May 2020