VIVIDTHREE HOLDINGS LTD.

VISUALISING SUCCESS
UNVEILING OUR JOURNEY

ANNUAL REPORT 2023

TABLE OF CONTENTS

CREATING NEW MEDIA ACROSS CHANNELS

OUR UNIQUE MODEL GIVES US ACCESS TO THE BEST TALENT THAT BRINGS THE HIGHEST QUALITY DIGITAL EXPERIENCE BEYOND THE ORDINARY.

WE CONNECT, DELIVER AND EXPLORE NEW MEDIA ACROSS CHANNELS TO CREATE THE NEXT GENERATION OF DIGITAL ENTERTAINMENT.

CREATING A MULTITUDINAL ENTERTAINMENT EXPERIENCE

AS THE WORLD ADJUSTS TO A NEW DIGITAL NORMAL, DIGITAL SOLUTIONS SUCH AS ONLINE STREAMING, AUGMENTED AND VIRTUAL REALITY TECHNOLOGIES WILL BE USED TO DELIVER COMPELLING, ON-DEMAND CONTENT TO A WIDER AUDIENCE IN A COST-EFFICIENT MANNER.

CORPORATE PROFILE

DIGITAL CONTENT

MICE DIGITAL & LIVE EXPERIENCE

Vividthree Holdings Ltd. (“Vividthree” or together with its subsidiaries, the “Group”), was founded in 2006 as a creative studio that produces content across different medium and platforms with the principle for entertainment, learn and train. With a culmination of 14 years of work, together with a regional network and a team of digital specialists, we created contents with storytelling, and leveraged on innovative technologies, including the genres of virtual reality, augmented reality, and mixed reality, to develop bespoke multi-media experiences. Vividthree provides services for brands and trades that require quality content production for a worldwide audience.

CONSUMER ENTERTAINMENT

FY2023

TOTAL ASSETS
20.35
($'million)

REVENUE
2.91
($'million)

NET LOSS
3.42
($'million)

NET ASSETS
13.34
($'million)

FINANCIAL HIGHLIGHTS

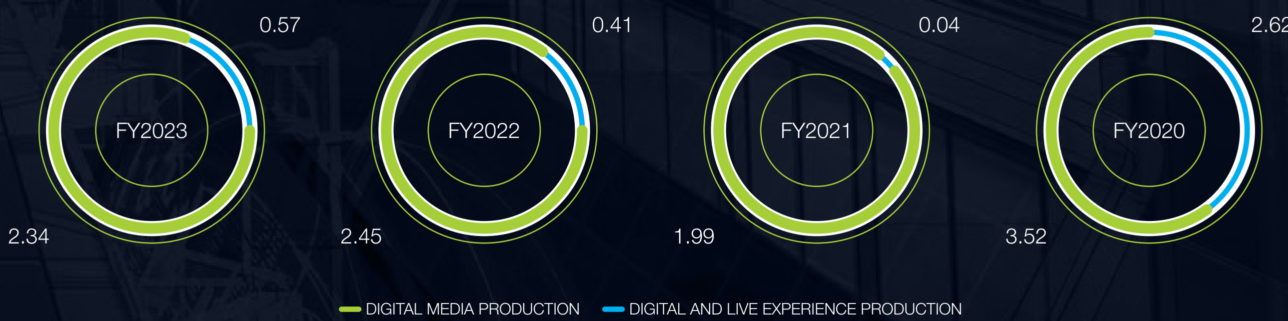
REVENUE ($'million)

GROSS PROFIT/(LOSS) ($'million)

NET PROFIT/(LOSS) ($'million)

NET ASSETS ($'million)

REVENUE BREAKDOWN BY SEGMENTS ($'million)



OUR BUSINESS

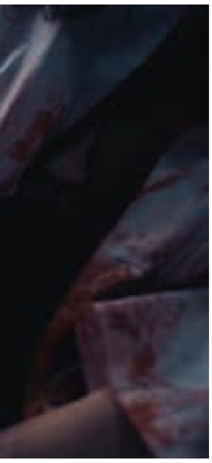
AS A REGIONAL FORERUNNER OF CONTENT CREATION IN IMMERSIVE MEDIA, VIVIDTHREE SEEKS TO CREATE THE BEST INVIGORATING EXPERIENCE THROUGH ITS CONSTANT INNOVATION AND INTEGRATION OF NEW TECHNOLOGY

MOTION

VFX

LIVE ACTION

ANAMORPHIC DISPLAY



POST-PRODUCTION

IMMERSIVE AR

OUR BUSINESS

CONTENT PRODUCTION

Vividthree produces stimulating and engaging content production in diverse formats in both the digital and physical spaces. As a forerunner in content production, Vividthree has invested considerable effort in creating an ecosystem of contents that exists both online and offline in live experiences.

ONLINE DIGITAL PLATFORM

ComicVid is an online Over-The-Top ("OTT") platform that features an animated comic created by some of the best talents from the region under the representation of Vividthree. The platform provides good quality entertainment for consumers, and a nurturing platform for the young comic artists. Vividthree's network offers an opportunistic possibility for some of the work to be produced as an entertainment series or a live thematic experience.

LIVE THEMATIC EXPERIENCE

With the accessibility to a wide network of IP, Vividthree creates a live thematic experience that is flavoured with impressive multimedia treatment. The Train to Busan Virtual Reality Thematic Experience, Escape Room and Horror House have kick-started Vividthree's venture into this expanse of content origination. Vividthree is working on developing a mix of familiar IP, and original IP in this space, and has tapped on the same expertise to help agencies to relate brand stories commercially.

DIGITAL MEDIA PRODUCTION

Equipped with state-of-the-art postproduction facilities and a professional team of specialists, Vividthree offers a professional environment for directors and producers to realise their creative visual vision.

DIGITAL ASSETS/ INFRASTRUCTURE

With the rise of blockchain technology, NFT and the Metaverse, Vividthree will explore protocols and projects that will be relevant in the future. As part of its long-term strategy to beef up its library of intellectual properties ("IPs"), Vividthree has been exploring opportunities in the fast-growing gaming sector to boost revenue streams. The Group has deepened its push into the NFT gaming sector by investing in GammaR Pte. Ltd. ("GammaR"). GammaR intends to provide game developers with the platform and resources to develop and monetise their ideas and innovations in the market.

With decentralised storage expecting to see exponential growth in the coming years, Vividthree has formed an exclusive, two-year joint development partnership with JVS Management Holdings Pte Ltd for Filecoin mining, a peer-to-peer blockchain network which allows large amount of data to be stored at hypercompetitive prices.

FINANCIAL REVIEW

REVIEW OF FINANCIAL PERFORMANCE

REVENUE

The Group's revenue grew by $0.05 million or 1.7% from $2.86 million in FY2022 to $2.91 million in FY2023. This increase was mainly due to the completion of more projects in FY2023 and the resumption of full business activities in the region after the easing of COVID-19 pandemic-related restrictions in FY2023.

Revenue from the Digital Media Production segment decreased slightly from $2.45 million in FY2022 to $2.34 million in FY2023, a decline of $0.11 million or 4.5%. This was because some project completion dates were postponed to the next financial year. However, the Digital & Live Experience Production segment reported an increase of $0.16 million or 39.0%, from $0.41 million in FY2022 to $0.57 million in FY2023. This increase was mainly due to higher project value.

COST OF SALES

The cost of sales decreased by approximately $1.70 million or 35.9%, from $4.73 million in FY2022 to $3.03 million in FY2023. The decrease in the cost of sales is mainly attributed by:

(i) Decrease in amortisation expense by approximately $1.74 million or 75.2% due to these projects in the acquired rights are still in progress in FY2023; offsets with
(ii) higher production cost by $0.13 million which is in tandem with higher revenue in FY2023.

GROSS LOSS

As a result of the above, the Group's gross loss has narrowed significantly by $1.75 million or 93.6%, from $1.87 million in FY2022 to $0.12 million in FY2023.

OTHER INCOME

Other income decreased by approximately $0.33 million, from $0.49 million in FY2022 to $0.16 million in FY2023, is mainly attributable to the lower income generated from acquired rights from $0.32 million in FY2022 to $0.045 million in FY2023, and the lower grants received in FY2023 by $0.08 million.

OTHER LOSSES – NET

Other losses-net, recorded a net loss of $0.57 million in FY2023 which is fairly consistent with the net loss of $0.58 million recorded in FY2022. The other losses for FY2023 is mainly contributed from the losses on unrealised foreign exchange amounted to $0.59 million arising from the year end revaluation of outstanding balances in foreign currency between intercompany within the Group.

ADMINISTRATIVE EXPENSES

Administrative expenses decreased by $1.04 million or 27.7%, from approximately $3.75 million in FY2022 to $2.71 million in FY2023, mainly due to savings in (i) amortisation expense by $1.04 million, (ii) depreciation expense by $0.08 million and (iii) professional fees by $0.05 million; these savings in expenses are offset with higher expense in staff cost by $0.12 million.

FINANCE EXPENSES

Finance expenses decreased by $0.05 million or 22.7%, from $0.22 million in FY2022 to $0.17 million in FY2023, mainly due to lower bank borrowings during FY2023.

LOSS BEFORE INCOME TAX

The Group loss before tax has been improved by $2.52 million or 42.5%, from $5.93 million in FY2022 to $3.41 million in FY2023.

EARNINGS BEFORE INTEREST, TAX, DEPRECIATION, AMORTISATION AND UNREALISED FOREIGN EXCHANGE LOSSES/GAINS ("ADJUSTED EBITDA")

The Group's loss in Adjusted EBITDA has improved by $0.29 million or 15.0%, from a loss in Adjusted EBITDA of $1.93 million in FY2022 to a loss in Adjusted EBITDA of $1.64 million in FY2023.

REVIEW OF FINANCIAL POSITION

CURRENT ASSETS

Current assets increased by approximately $0.29 million or 4.0%, from $7.32 million as at 31 March 2022 to $7.61 million as at 31 March 2023 mainly due to:

(i) net increase in deposits and prepayments of approximately $3.21 million, from $0.59 million as at 31 March 2022 to $3.80 million as at 31 March 2023, was contributed by (a) a reclassification from non-current deposit amounting to $3.50 million to current deposit; and (b) repayment from non-trade receivables for approximately S$0.30 million;
(ii) net reduction in trade and other receivables of $2.18 million, from $3.48 million as at 31 March 2022 to $1.30 million as at 31 March 2023.
(iii) net reduction in other current assets of $0.40 million (i.e. comprised direct staff cost and subcontractors cost incurred for ongoing projects and such costs will be recognised as cost of sales upon completion) mainly due to higher projects costs charged out to profit or loss upon completion, partially offset by the project costs incurred for ongoing projects;

FINANCIAL REVIEW

(iv) net reduction in cash at banks by approximately $0.33 million or 37.1% is mainly attributable to cash used in (a) financing activities of approximately $1.86 million mainly for the repayment of borrowings and lease liabilities, (b) cash flow provided by operating activities and investing activities of approximately $1.44 million and $0.11 million respectively.

NON-CURRENT ASSETS

Non-current assets decreased by approximately $3.71 million or 22.5%, from $16.45 million as at 31 March 2022 to $12.74 million as at 31 March 2023 mainly due to:

(i) reclassification of non-current asset deposit to current asset deposit amounting to $3.5 million as the deposit is expected to be utilised within next 12 months;
(ii) depreciation charges on plant and equipment and right-of-use of $0.17 million and $0.14 million respectively;
(iii) amortisation charges on acquired rights and intangible assets of $0.20 million and $0.50 million respectively.

partially offset by:

(iv) additions to right-of-use assets of approximately $0.28 million;
(v) addition to intangible assets of $0.03 million for the Group's ComicVid app and its contents;
(vi) addition of $0.79 million for acquired rights which attributable to the participate right in project revenue.

CURRENT LIABILITIES

Current liabilities increased by approximately $1.08 million or 26.0%, from $4.16 million as at 31 March 2022 to $5.24 million as at 31 March 2023 are contributed from (i) increase in trade and other payables by $1.29 million, (ii) reduction in contract liabilities of $0.11 million mainly due to the more projects being completed and recognised as revenue compared to new progress billing raised for ongoing projects in FY2023; and (iii) reduction in lease liabilities of $0.05 million mainly due to repayment of lease liabilities.

NON-CURRENT LIABILITIES

Non-current liabilities decreased by approximately $1.35 million or 43.3%, from $3.12 million as at 31 March 2022 to $1.77 million as at 31 March 2023. The decrease was mainly due to repayment of bank borrowings amounted to $1.56 million in FY2023.

REVIEW OF CASH POSITION

OPERATING ACTIVITIES

Net cash flow used in operating activities before changes in working capital amounted to approximately $1.70 million in FY2023 (FY2022: net cash outflows of $1.20 million). The changes in working capital in FY2023 amounted to inflows of approximately $3.17 million comprising:

(i) reduction in trade and other receivables by $1.39 million;
(ii) reduction in deposits and prepayments by $0.28 million;
(iii) increase in trade and other payables by $1.31 million;
(iv) decrease in contract liabilities by $0.11 million;
(v) decrease in other current assets of $0.26 million.

In FY2023, the Group's net cash flow provided by operating activities amounted to $1.44 million compared to net cash used in operating activities $1.30 million in FY2022.

INVESTING ACTIVITIES

Net cash inflows provided by investing activities amounted to approximately $0.11 million in FY2023 as compared to net cash inflows of $0.37 million in FY2022. The net cash inflow provided by investing activities in FY2023 was mainly arising from government grants received for the development of software (intangible assets) of $0.15 million.

FINANCING ACTIVITIES

Net cash outflows used in financing activities amounted to approximately $1.86 million in FY2023 as compared to net cash inflow of $0.45 million in FY2022. This was mainly due to in FY2023:

(i) payment of interests on bank borrowings of $0.17 million;
(ii) repayment of bank borrowings principal of $1.56 million;
(iii) repayment of operating lease liabilities of $0.13 million.

GROUP STRUCTURE

AS AT 27 JUNE 2023

VIVIDTHREE HOLDINGS LTD.

100%
VIVIDTHREE PRODUCTIONS PTE. LTD.
(SINGAPORE)

- **100%**
  VIVIDTHREE PRODUCTIONS SDN. BHD.
  (MALAYSIA)

100%
VIVIDTHREE CO., LTD.
(蔚视丰隆文化发展(上海)有限公司)
(SHANGHAI)

55%
V&N ENTERTAINMENT PTE. LTD.
(SINGAPORE)

100%
BEYOND DIGITAL GALAXY PTE. LTD.
(SINGAPORE)

30%
ELLIOT COMMUNICATIONS PTE. LTD.[(1)]
(SINGAPORE)

(1) 30% shareholdings in Elliot Communications Pte. Ltd. is effective from 27 May 2023

POSITIONED TO DELIVER EVERY EXTRAORDINARY EXPERIENCE

TRANSFORMING THE ENTERTAINMENT INDUSTRY WITH DIGITAL TECHNOLOGY. WE LEVERAGE OUR STRENGTHS IN DIGITAL MEDIA PRODUCTION SERVICES TO ENABLE THE DIGITAL TRANSFORMATION INTEGRATING VISUAL EFFECTS, COMPUTER-GENERATED IMAGERY SERVICES AS WELL AS VIRTUAL REALITY ("VR") AND AUGMENTED REALITY ("AR"), WE OFFER OUR CLIENTS THE CREATIVE INPUTS AND TECHNOLOGICAL EXPERTISE NEEDED TO CREATE THE FUTURE OF DIGITAL ENTERTAINMENT.

CHAIRMAN AND CEO'S STATEMENTS

DR HO CHOON HOU

INDEPENDENT DIRECTOR AND CHAIRMAN

JONATHAN ZHANG

EXECUTIVE DIRECTOR AND CEO

CHAIRMAN'S STATEMENT

DEAR SHAREHOLDERS,

Our decision to prioritise financial prudence has paid off by securing Vividthree's financial footing amid challenges and uncertainties arising from the Covid-19 lockdowns. It has also positioned us well to capitalise on the reopening and recovery. We are highly optimistic about our future and see a long-term path to growth and profitability emerging from this crisis.

Thanks to careful financial management, the Group has effectively reduced the debt burden caused by the Covid-19 crisis. We are pleased to announce a remarkable 93.6% year-on-year improvement in our gross loss, with it decreasing from $1.87 million to just $0.12 million. Additionally, our operating cash flows have turned positive, amounting to $1.44 million compared to last year's negative operating cash flows of $1.30 million. These results have greatly boosted our morale and confidence, and have firmly positioned us back on solid ground.

Our revenue has experienced a 1.9% increase due to the resumption of business activities following the easing of social distancing measures. The significant 40.3% surge in revenue from our Digital & Live Experience Production segment (previously known as "Content-production") has played a vital role in strengthening our overall business performance for the year.

Recently, there has been an increased demand for high-quality visual content fuelled by the rising popularity of streaming giants like Amazon Prime Video, Netflix, and Disney+ has led to a surge in demand for high-quality visual content. This trend has positively impacted the field of visual effects (VFX) and our business, aligning perfectly with our expertise in creating immersive VFX experiences that enhance visual storytelling.

Simultaneously, the advent of augmented reality (AR) is rapidly reshaping the world of VFX. At Vividthree, we have honed our expertise in forging innovative solutions in AR, while also providing services in 360° Content, virtual reality, and visual effects. Our extensive range of capabilities includes creating immersive content for Meetings, Incentives, Conferences, Exhibitions (MICE) events, as well as offering post-production services for visual effects, computer-generated imagery, and immersive media works.

In response to these dynamic times, we have continuously reevaluated our strategic direction and bolstered our executive team. On 1 November 2022, Jonathan Zhang was appointed the role of Group CEO. Collaborating closely with senior management, he is dedicated to enhancing our strategic direction, driving profitability, and delivering value to shareholders. Simultaneously, Charles Yeo, now Group Chief Creative Officer, spearheads the conceptualisation and execution of all creative objectives. With his expertise and vision, he leads our innovative endeavours.

With Jonathan at the helm, we are undertaking expansion plans that identify synergistic acquisitions, fresh revenue streams, and engage new investors. Additionally, he will oversee the management of the Group's proprietary digital assets, unlocking avenues for further growth opportunities.

As we celebrate these achievements, I would like to extend my heartfelt gratitude to the entire Vividthree team. Their unwavering dedication and hard work have played a pivotal role in revitalising our company. With renewed vigour, we will ride this wave of positivity and courageously pave the way for a brighter future.

Looking ahead, our focus remains on upholding the highest quality standards across all facets of our operations. Although we have already solidified our presence in Singapore, we acknowledge the importance of expanding our horizons. To achieve this, we will forge strategic partnerships that will augment our standing within the industry. Ultimately, we will strengthen our foundations and drive Vividthree towards sustainable growth and profitability.

DR HO CHOON HOU
INDEPENDENT DIRECTOR AND CHAIRMAN

CEO'S STATEMENT

DEAR SHAREHOLDERS,

FY2023 was a year marked by a strong focus on delivering enhanced value to our customers. Through embarking on a journey of merger & acquisitions (M&A) and strategic partnerships, we have attained remarkable strides, showcasing our resolute commitment to technological progress. Moreover, these ventures have served as catalysts, igniting our passion to explore new frontiers and embark on unprecedented ventures.

As we look back on the past year, we take great pride in highlighting the remarkable progress made to strengthen our business. On 27 March 2023, we signed a sales and purchase agreement, acquiring a 30% stake in Elliot Communications Pte. Ltd. (Elliot & Co). This strategic addition aligns with our core business of focusing on digital content production and post-production. The synergies derived from this collaboration will enable us to develop more comprehensive and impactful marketing and communication strategies.

Most importantly, this partnership will empower us to provide a more comprehensive suite of services, attracting new clients while retaining our existing ones, and thereby solidifying our presence in the public relations industry. With their well-established presence in Southeast Asia, including offices in Singapore, Malaysia, and Indonesia, Elliot & Co brings a wealth of experience, having served over 1,000 companies. By leveraging their extensive client network and expertise in public relations, we are well-equipped to capitalise on emerging opportunities in the Southeast Asian market. This strategic move aligns perfectly with our vision to expand the Group's footprint across multiple industries that complement our core business.

Over the past year, Vividthree has also had the privilege of collaborating on numerous remarkable projects, both within our local community and the broader regional landscape. In Singapore, we played an instrumental role in the production of major cinematic releases such as *The King of Musang King, Geylang, Ah Girls Go Army, and Reunion Dinner*. On the global stage, we had the distinct honour of showcasing Disney+ 3D Anamorphic in Philippines, and projecting "This Is Tommy" at KL Tower, Malaysia. The collective success of these projects signifies our immense potential and sets the stage for even greater accomplishments.

As Vividthree emerges stronger from the three gruelling years of pandemic-induced restrictions, I want to extend my heartfelt appreciation to our dedicated management team and staff. Your unwavering resilience, infectious enthusiasm, and inspiring work ethic have been the cornerstone of our continued growth. Together, we have successfully navigated the digital transformation of our services and positioned ourselves adeptly for the evolving business landscape of the future.

As we forge ahead, our unwavering vision for the future shines brightly. Our foremost objective is to extend our impact throughout the region, all the while honing our skills and striving to perfection. Our dedicated efforts will streamline our workforce, with a particular emphasis on optimizing our Kuala Lumpur office in Malaysia. By strategically allocating resources, we aim to achieve greater profitability and stability. Furthermore, we shall tenaciously pursue fundraising endeavours, both at the group and project levels, to propel our ambitions even further.

Our outlook for Vividthree's future trajectory brims with boundless optimism. Through strategic investments and an unwavering dedication to innovation and excellence, we are steadfastly committed to creating enduring value for each and every one of our esteemed shareholders.

Thank you for your continued support and trust in our work. Your faith in us fuels our determination to reach even greater heights in FY2024 and beyond!

MR JONATHAN ZHANG
EXECUTIVE DIRECTOR AND CEO

BOARD OF DIRECTORS

DR HO CHOON HOU Independent Director and Chairman

Dr Ho was appointed to our Board on 23 August 2018. He is currently the Managing Director at Southern Capital Group Private Limited, a private equity firm, where he is responsible for the management of assets as well as the origination and execution of investments for the company's clients. Dr Ho is also currently serving as an independent director of Advanced Holdings Ltd., vice-chairman and non-executive director of Cordlife Group Limited. Both Advanced Holdings Ltd. and Cordlife Group Limited are listed on the SGX-ST. He is also serving as an independent and non-executive director of Mclean Technologies Berhad, which is listed on Bursa Malaysia, and Stemlife Berhad, which used to be listed on Bursa Malaysia. Prior to joining Southern Capital Group Private Limited, from 2004 to 2007, Dr Ho served as a project office head and subsequently deputy director at National Healthcare Group where he was involved in directing special projects and investments and held general management responsibilities.

From 1996 to 2004, Dr Ho was the Registrar, Department of General Surgery, at Tan Tock Seng Hospital where he was responsible for conducting general surgeries. He obtained his Bachelor of Medicine and Bachelor of Surgery from The University of Sheffield in 1996 and his Master of Medicine (Surgery) from the National University of Singapore in 2003. He went on to obtain his Master of Business Administration (Honours) from The University of Chicago (The Graduate School of Business) in 2006.

MR JONATHAN ZHANG Executive Director and Chief Executive Officer

Mr Zhang was appointed to our Board on 22 August 2022. He is responsible for the overall day-to-day management of our Group including business development and raising investments for projects. He also oversees the strategic direction and operational goals of the company.

His 15 years of professional experience was spread across two international banks, three listed companies (SGX, ASX and NASDAQ) and private companies across industries in management roles with regional responsibilities.

Prior to joining the group, he founded GammaR Pte. Ltd. ("GammaR"), a digital assets investment company that connects up-and-coming game developers with the finances and resources they need to turn their ideas into full-fledged businesses.

Mr Zhang obtained double degrees in Bachelor of Commerce (Finance) and Bachelor of Arts (Communications) from Monash University (Clayton, Australia) in 2008.

BOARD OF DIRECTORS

MR CHARLES YEO Executive Director and Chief Creative Officer

Mr Yeo was appointed to our Board on 7 April 2018. He is responsible for planning, directing and setting the strategic direction of the creative services program. He also manage the overall direction that best aligns with business objectives.

Mr Yeo has accumulated 14 years of experience in the production and postproduction industry, with a special focus on visual effects, since 2003 when he first ventured into the industry with the Group, where he worked together with a production company to produce animated films.

Together with Sky Li and Jay Hong, they grew our Group to more than 40 employees. Mr Yeo graduated from the Nanyang Academy of Fine Arts with an Associate Diploma in Multimedia (Distinction) in 2000, and went on to obtain his Masters of Business Administration from Murdoch University in 2017.

MR ROYSON WONG Independent Director

Mr Wong was appointed to our Board on 23 August 2018. He is currently serving as the managing director of Global Access Logistics Network Pte. Ltd. since 2012. From 2005 to 2011, Mr Wong was the global director (management systems) and subsequently the chief leadership development officer of Agility Public Warehousing Co KSC (headquartered in Kuwait), where his responsibilities included leadership development, implementation of long-range planning and strategy management systems, business excellence and quality management and overseeing the internal audit function. Prior to that, he was the finance director and subsequently the deputy group managing director of Trans-Link Express Pte Ltd (now known as Agility Logistics Holdings (S) Pte. Ltd.), where he was responsible for overseeing the overall business operations, including the finance and corporate matters as well as human resource and information technology.

Mr Wong obtained his Bachelor of Accountancy from the University of Singapore (now known as the National University of Singapore) in 1979, and his Master of Science (Management of Technology) from the National University of Singapore in 2002. He is a Certified Public Accountant with CPA Australia since 2004, and a Chartered Accountant with the Institute of Singapore Chartered Accountants since 2005.

MR CHANG LONG JONG Non-Executive Director

Mr Chang was appointed to our Board on 23 August 2018. He is the CEO of mm2 Asia since April 2017, where he is responsible for overseeing and managing the group's business operations as well as sourcing new business opportunities for the mm2 Asia group. From 2005 to 2011, Mr Chang was the deputy CEO, TV Cluster of the Mediacorp group where he was overseeing its television and production business. From 2011 to 2017, Mr Chang was the deputy CEO, and also became the chief customer officer of the Mediacorp group in 2015, where he was overseeing its media businesses including the television, radio, newspaper, digital and live events segments. Mr Chang is also Chairman of the Board of Thye Hua Kwan Moral Charities and a Board Director and Chairman of the HR Committee of Thye Hua Kwan Nursing Home Ltd. He graduated from the National University of Singapore in 1985 with a Bachelor of Engineering (Civil).

KEY MANAGEMENT

MR SKY LI Co-founder and Chief Operating Officer

Mr Li is responsible for overseeing our overall operation, sales and project management responsibilities. He has over 16 years of experience in the production and post-production industry, with a special focus on visual effects since 2003 when he first ventured into the industry with the Group, where he worked together with Charles Yeo and Jay Hong, they grew our Group to more than 40 employees. He is also a committee member of the Curriculum Development Advisory Committee of Nanyang Academy of Fine Arts' School of Art and Design – Design and Media Programme and as well as a member of the Bukit Batok Secondary School Advisory Committee.

MR JAY HONG Co-founder and Visual Effects Director

Mr Hong is responsible for overseeing our visual effects/3D animation, motion design and other post production departments. He has also accumulated 14 years of experience in the production and post-production industry, with a special focus on visual effects, since 2003 when he first ventured into the industry with the Group, where he worked together with a production company to produce animated films.

Together with Charles Yeo and Sky Li, they grew our Group to more than 40 employees. Mr Hong graduated from the Nanyang Academy of Fine Arts with an Associate Diploma in Multimedia in 2000.

MR JED MOK Chief Content Officer

Mr Mok is responsible for overall day-to-day management of our Group. He has over 20 years of experience in the media industry, with his most recent experience being concurrently appointed as the head of integrated experience of mm2 Asia and the CEO of Dick Lee Asia Pte. Ltd. in March 2018 before joining our Group in May 2018. Prior to that, from 2013 to March 2018, Mr Mok was the general manager for creative and strategy with Pico Art International Pte. Ltd. where he oversaw the development of business strategies and creative solutions for clients.

Mr Mok was re-designated to Chief Content Officer on 1 June 2022.

MR KOK POOI WAI Financial Controller

Mr Kok is responsible for overseeing the accounting and finance function of our Group. He has over 12 years of accumulated experience in the Big Four audit firm as well as commercial experiences in various industries. Prior to joining the Group, he was a group senior finance manager of a listed property developer company and a city developer company in Malaysia. He is a member of the ACCA and is a Chartered Accountant of the Malaysia Institute of Accountants.

EXPLORING TECHNOLOGY THAT CHANGES THE WAY PEOPLE EXPERIENCE ENTERTAINMENT

TRANSFORMING THE ENTERTAINMENT INDUSTRY WITH DIGITAL TECHNOLOGY. WE LEVERAGE OUR STRENGTHS IN DIGITAL MEDIA PRODUCTION SERVICES TO ENABLE THE DIGITAL TRANSFORMATION INTEGRATING VISUAL EFFECTS, COMPUTER-GENERATED IMAGERY SERVICES AS WELL AS VIRTUAL REALITY ("VR") AND AUGMENTED REALITY ("AR"), WE OFFER OUR CLIENTS THE CREATIVE INPUTS AND TECHNOLOGICAL EXPERTISE NEEDED TO CREATE THE FUTURE OF DIGITAL ENTERTAINMENT.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Ho Choon Hou
(Independent Director and Chairman)

Zhang Weiquan, Jonathan
(Executive Director and CEO)

Yeo Eng Pu, Charles
(Executive Director and Chief Creative Officer)

Wong Kim Soon Royson
(Independent Director)

Chang Long Jong
(Non-Executive Director)

AUDIT COMMITTEE

Wong Kim Soon Royson (Chairman)
Ho Choon Hou
Chang Long Jong

REMUNERATION COMMITTEE

Ho Choon Hou (Chairman)
Wong Kim Soon Royson
Chang Long Jong

NOMINATING COMMITTEE

Wong Kim Soon Royson (Chairman)
Ho Choon Hou
Yeo Eng Pu, Charles

SECRETARY

Lim Siok Ching Catherine (ACS, ACG)

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

1093 Lower Delta Road #05-10
Singapore 169204
Tel: 65 6270 0818
Fax: 65 6270 0838

SHARE REGISTRAR B.A.C.S.

77 Robinson Road #06-03
Robinson 77
Singapore 068896

INDEPENDENT AUDITOR

CLA Global TS Public Accounting Corporation
(Formerly Nexia TS Public Accounting Corporation)
80 Robinson Road
#25-00 Singapore 068898
Director-in-charge:
Lim Hui Ki
(Appointment with effect from financial year ended 31 March 2023)

CONTINUING SPONSOR

RHT Capital Pte. Ltd.
36 Robinson Road
#10-06 City House
Singapore 068877

PRINCIPAL BANKERS

United Overseas Bank Limited
80 Raffles Place
UOB Plaza
Singapore 048624

The HongKong and Shanghai Banking
Corporation Limited
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Marina Bay Financial Centre Tower 2
Singapore 018983

INVESTOR RELATIONS

Gem Comm Pte. Ltd.
1 Temasek Avenue, Level 30
Singapore 039192
www.gem-comm.com

COMPANY WEBSITE

www.vividthreeholdings.com

STOCK CODE

OMK

CORPORATE GOVERNANCE REPORT

The Board of Directors (the "**Board**") of Vividthree Holdings Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") are firmly committed to set in place corporate governance practices to provide the structure through which the objectives of protection of shareholders' interests and enhancement of long-term sustainability of the Group's business and performance are met.

This report outlines the Group's main corporate governance structures and practices that were in place throughout and/or during the financial year ended 31 March 2023 ("**FY2023**") or which will be implemented and where appropriate, with specific reference made to the Code of Corporate Governance 2018 (the "**Code**"). The Company has provided explanations for any deviations from the Code, if applicable.

BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

The Board's primary role is to protect and enhance long-term shareholder value. It sets the overall strategy for the Group and supervises management ("**Management**"). To fulfil this role, the Board sets the Group's strategic direction, establishes goals for the Management and monitors the achievement of these goals, thereby taking responsibility for the overall corporate governance of the Group.

The principal functions of the Board, apart from its statutory responsibilities, include:

– providing entrepreneurial leadership and setting the overall strategy and direction of the Group, consider sustainability issues, e.g. environmental and social factors as part of its strategic formulation;

– reviewing and overseeing the management of the Group's business affairs, financial controls, performance and resource allocation;

– approving the Group's strategic plans, key business initiatives, acquisition and disposal of assets, significant investments and funding decisions and major corporate policies;

– overseeing the processes of risk management, financial reporting and compliance and evaluating the adequacy of internal controls and safeguarding the shareholders' interests and the Group's assets;

– approving the release of the Group's half-year and full-year financial results, related party transactions of material nature;

– appointing Directors and key management personnel ("**Key Management Personnel**"), including the review of performance and remuneration packages; and

– assuming the responsibilities for corporate governance.

All Directors are obliged to objectively discharge their duties and responsibilities at all times and make objective decisions in the interests of the Company.

CORPORATE GOVERNANCE REPORT

To assist in the execution of its responsibilities, the Board is supported by three Board Committees, namely, the Audit Committee ("**AC**"), the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**") (collectively the "**Board Committees**"). These Board Committees operate within clearly defined terms of reference and they play an important role in ensuring good corporate governance in the Company and within the Group. The terms of reference of the Board Committees are reviewed on a regular basis to ensure their continued relevance.

The Board holds regular scheduled meetings to review the Group's key activities, business strategies, funding decisions, financial performance and to approve the release of the results of the Group. Ad-hoc meetings are convened when circumstances require. The Board also approves transactions through circular resolutions which are circulated to the Board together with all relevant information to the proposed transaction. Meetings via telephone or video conference are permitted by the Company's Constitution.

Directors are provided with board papers and related materials, background or explanatory information relating to matters to be brought before the Board, prior to each Board and Board Committee meetings to enable the Board to make informed decisions. The Board also has separate and independent access to Management, the Company Secretary and external advisors (if necessary). Directors are entitled to request additional information from Management as and when required.

The number of meetings held and the attendance of each member at the Board's meetings and Board Committees' meetings for FY2023 are as follows:

Name of Directors	Board		AC		NC		RC	
	No. of meetings		No. of meetings		No. of meetings		No. of meetings	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Ho Choon Hou	5	5	4	4	1	1	1	1
Yeo Eng Pu Charles ("**Charles Yeo**")	5	4	NA	NA	1	1	NA	NA
Zhang Weiquan, Jonathan ("**Jonathan Zhang**")(1)	5	3	NA	NA	NA	NA	NA	NA
Wong Kim Soon Royson ("**Royson Wong**")	5	4	4	4	1	1	1	1
Chang Long Jong	5	5	NA	NA	NA	NA	1	1
Er Song Ngueng ("**Freddy Er**")(2)	5	4	4	4	NA	NA	NA	NA
Hong Wei Chien(3)	5	1	NA	NA	NA	NA	NA	NA

Notes:

NA – Not applicable

(1) Mr Jonathan Zhang was appointed as an Executive Director and Chief Executive Officer on 22 August 2022 and 1 November 2022 respectively.

(2) Mr Freddy Er passed away on 5 May 2023.

(3) Mr Hong Wei Chien retired as a Director at the Annual General Meeting held on 28 July 2022.

The Group has adopted a set of internal guidelines setting forth the financial authorisation and approval limits for investments, acquisitions and disposals. Transactions falling outside the ordinary course of business and where the value of a transaction exceeds these limits have to be approved by the Board.

CORPORATE GOVERNANCE REPORT

Matters requiring the Board's decision and approval include the following:

(1) Approval of the Group's major investments/divestments and funding decisions;

(2) Approval of the Group's financial updates, half-year and full-year financial result announcements for release via the SGXNet;

(3) Approval of any agreement which is not in the ordinary course of business;

(4) Approval of any major borrowings or corporate guarantees in relation to borrowings;

(5) Entering into any profit-sharing arrangement;

(6) Incorporation or dissolution of any subsidiary;

(7) Issuance of shares or declaration of dividends;

(8) Approval of the annual report and audited financial statements;

(9) Convening of general meetings;

(10) Approval of corporate strategies;

(11) Approval of material acquisitions and disposal of assets; and

(12) Approval of announcements or press releases concerning the Group for release via the SGXNet.

The Directors are also updated regularly with changes to the SGX-ST Catalist Rules, risk management, corporate governance, insider trading and the key changes in the relevant regulatory requirements and financial reporting standards and the relevant laws and regulations to facilitate effective discharge of their fiduciary duties as Board or members of the Board Committees.

New releases issued by the SGX-ST and Accounting and Corporate Regulatory Authority ("**ACRA**") which are relevant to the Directors are circulated to the Board. The Company Secretary informs the Directors of upcoming conferences and seminars relevant to their roles as Directors of the Company. Annually, the independent auditor update the AC and the Board on the new and revised financial reporting standards that are applicable to the Company or the Group.

The Directors are encouraged to attend seminars and receive training to improve themselves in the discharge of their Directors' duties and responsibilities. Changes to regulations and accounting standards are monitored closely by the Management. To keep pace with such regulatory changes, the Company provides opportunities for ongoing education and training on Board processes and best practices as well as updates on changes in legislation and financial reporting standards, regulations and guidelines from the SGX-ST Catalist Rules that affect the Company and/or the Directors in discharging their duties.

CORPORATE GOVERNANCE REPORT

The Company had arranged for training and provided updates to the Directors and its Management during FY2023, which included the following matters:

(1) Senior Manager Accountability (Global);

(2) Market Conduct (Global);

(3) Conflicts of Interest (Global);

(4) Information Security and Cyber Risk Awareness (Global).

All Directors have completed the mandatory sustainability training course organised by Singapore Institute of Directors ("**SID**") and the Institute of Singapore Chartered Accountants (ISCA) as required by the enhanced SGX sustainability reporting rules announced in December 2021.

Newly-appointed Directors would receive appropriate training, if required. The Group provides background information about its history, mission and values to its Directors. In addition, the Management regularly updates and familiarises the Directors on the business activities of the Company during Board meetings. Directors would also be given opportunities to visit the Group's operational facilities and meet with the Management so as to gain a better understanding of the Group's business.

Formal letters of appointment were furnished to every newly-appointed Director upon their appointment explaining, among other matters, their roles, obligations, duties and responsibilities as a member of the Board.

Conflict of interest

Every Director of the Company is required to disclose any conflict or potential conflict of interest, whether direct or indirect, in relation to a transaction or proposed transaction with the Group, including any interested persons transactions with the Group, as soon as practicable after the relevant facts have come to his/her knowledge. When there is an actual or potential conflict of interest, the concerned Directors shall, abstain from voting, and recuse themselves from discussion or decision making, on the conflict related matters.

CORPORATE GOVERNANCE REPORT

Board Composition and Guidance

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Currently, the Board comprises of five Directors, of whom two are Executive Directors, one Non-Executive Director and two Independent Directors, as follows:

Name of Directors	Date of first Appointment	Date of Last Re-election	Board	AC	NC	RC
Ho Choon Hou	23 August 2018	27 July 2020	Independent Director and Chairman	Member	Member	Chairman
Charles Yeo	7 April 2018	27 July 2020	Executive Director, Chief Creative Officer	–	Member	–
Zhang Weiquan, Jonathan	22 August 2022	NA	Executive Director, Chief Executive Officer	–	–	–
Royson Wong	23 August 2018	29 July 2021	Independent Director	Chairman	Chairman	Member
Chang Long Jong(1)	23 August 2018	29 July 2021	Non-Executive Director	Member	–	Member
Freddy Er(2)	23 August 2018	29 July 2019	Non-Executive Director	Member	–	–

Notes:
(1) Mr Chang Long Jong was appointed as a member of the Audit Committee on 19 May 2023.
(2) Mr Freddy Er passed away on 5 May 2023.

As a majority of the Board is made up of Non-Executive Directors, the Company is in compliance with provision 2.3 of the Code. The Chairman is independent and the Independent Directors make up one-third of the Board. Hence, the Board and the NC are satisfied that the Board has substantial independent elements to exercise objective judgment on corporate affairs independently.

Independent Directors

The NC considers an "independent" Director as one who has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere or be reasonably perceived to interfere, with the exercise of the Director's independent business judgment with a view to the best interests of the Company.

The NC has reviewed the independence of each Independent Director annually and is of the view that these Directors are independent.

There is no Independent Director who has served on the Board beyond nine years from the date of his first appointment.

CORPORATE GOVERNANCE REPORT

The NC has reviewed the size and composition of the Board. The NC is satisfied that the current size and composition of the Board is appropriate and provides it with adequate ability to meet the existing scope of needs and the nature of operations of the Company, which facilitates effective decision-making. From time to time, the NC will review the appropriateness of the current Board size, taking into consideration the changes in the nature and scope of operations as well as the regulatory environment.

The Board is made up of Directors who are qualified and experienced in various fields including business administration, strategic planning, business management, accounting and finance. Accordingly, the current Board comprises persons who as a group, have core competencies necessary to lead and manage the Group's businesses and operations.

The Company embraced all aspects of diversity in the current Board composition and recognize that diversity of the Board is essential to contribute to sustainable development and growth of the Group. A diverse Board will include and leverage on differences between the Directors in terms of skills, experience, background, gender, age, ethnicity and other relevant factors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. All Board appointments are made based on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires in order to be effective. There are five male Directors appointed to the Board. The Board recognises the importance and value of gender and age diversity; however, the Board collectively is of the view that it should not be considered as a requirement of selection of potential candidate. The right blend of skills, industry knowledge, relevant experiences, suitability, shall remain as priority. Although there is currently no female director appointed to the Board, the Board does not rule out the possibility of appointing a female director if a suitable candidate is nominated for the Board's consideration. The composition of the Board is reviewed annually by the NC to ensure that there is an appropriate mix of expertise and experience to enable the Management to benefit from a diverse perspective to issues that are brought before the Board. The Board will seek to achieve diversity on its Board and finalise the plans and achieve the targets within the next 5 years.

The Non-Executive Directors and Independent Directors exercise no management functions in the Group. Although all the Directors have equal responsibility for the performance of the Group, the role of the Non-Executive Directors and Independent Directors is particularly important in ensuring that the strategies proposed by Management are fully discussed, rigorously examined and take into account the long-term interests of not only the shareholders, but also of the employees, customers, suppliers and the communities in which the Group conducts its business. They also review the performance of Management in meeting agreed goals and objectives and monitor the reporting of their performance. The NC considers its Non-Executive Director and Independent Directors to be of sufficient calibre and size, and their views to be of sufficient weight such that no individual or small group of individuals dominates the Board's decision-making process.

The Company co-ordinates informal meeting sessions for the Non-Executive Directors and Independent Directors to meet as needed without the presence of the Management to discuss matters such as the Group's financial performance, corporate governance initiatives, Board processes, succession planning as well as leadership development and the remuneration of the Executive Directors.

The profile of each Director is set out on pages 16 to 17 of this Annual Report.

CORPORATE GOVERNANCE REPORT

Chairman and Chief Executive Officer

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The Company practices a clear division of responsibilities between the Chairman and Chief Executive Officer ("**CEO**") to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making. The roles of the Chairman and CEO are separate.

Ho Choon Hou is the Chairman of the Chairman of the Board.

The CEO of the Company for the period from 1 April 2022 to 1 June 2022 was Mr Mok Wai Yin, Jed. He stepped down as CEO on 1 June 2022.

The CEO of the Company for the period from 1 June 2022 to 1 November 2022 was Mr Charles Yeo, who was subsequently re-designated as Chief Creative Officer on 1 November 2022.

The current CEO, Mr Jonathan Zhang was appointed as Deputy CEO on 22 August 2022 who was subsequently promoted as CEO on 1 November 2022. Both CEO and the Chairman are not related.

The Chairman ensures effective and comprehensive Board discussion on matters brought to the Board including strategic issues. The Chairman supervises the overall business operations and management of the Group as well as business planning and provides executive leadership and supervision to the Key Management Personnel of the Company and the Group.

The responsibilities of the Chairman include:

– scheduling of meetings to enable the Board to perform its duties responsibly while not interfering with the flow of the Group's operations;

– ensuring that Directors receive accurate, timely and clear information, and ensuring effective communication with shareholders;

– ensuring the Group's compliance with the Code; and

– acting in the best interest of the Group and of the shareholders.

The Company Secretary may be called to assist the Chairman in any of the above.

The role of the CEO includes overseeing and managing the business operations especially the production division as well as sourcing new business opportunities for the Group. The CEO would report to the Chairman.

All major decisions made by the Board are subject to majority approval of the Board. The Board believes that there are adequate safeguards in place to ensure an appropriate balance of power and authority within the spirit of good corporate governance.

The Board has not appointed any Independent Director to assume the role of a lead independent director as the Chairman is independent and the Independent Directors make up one-third of the Board. Hence, the Board and the NC are satisfied that the Board has substantial independent elements to exercise objective judgment on corporate affairs independently.

CORPORATE GOVERNANCE REPORT

Board Membership

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

The NC currently comprises one Executive Director and two Independent Directors, a majority of whom are independent, including the NC Chairman.

Nominating Committee

Royson Wong (Chairman)
Ho Choon Hou
Charles Yeo

The NC has its terms of reference which sets out their duties and responsibilities. It includes the following:

– to make recommendations to the Board on all board appointments, including re-nominations, having regarded the Director's contribution and performance (for example, attendance, preparedness, participation and candour) including, if applicable, as an Independent Director. All Directors should be required to submit themselves for re-nomination and re-election at regular intervals and at least once every three years;

– to determine annually whether or not a Director is independent;

– in respect of a Director who has multiple board representations on various companies, to decide whether or not such a director is able to and has been adequately carrying out his/her duties as director, with regards to the competing time commitments that are faced when serving on multiple boards;

– to review and approve any new employment of related persons and the proposed terms of their employment; and

– to decide how the Board's performance is to be evaluated and to propose objective performance criteria, subject to the approval of the Board, which addresses how the Board has enhanced long term shareholder value. The Board will also implement a process to be proposed by the NC for assessing the effectiveness of the Board as a whole and for assessing the contribution of each individual Director to the effectiveness of the Board (if applicable).

The NC will review the Board's succession plan for Directors. The NC will identify and recommend new Directors to the Board, after considering the necessary and desirable competencies. In selecting potential new Directors, the NC will seek to identify the competencies required as well as evaluate the profession, knowledge and experience of the candidate to enable the Board to fulfil its responsibilities.

The NC may engage consultants to undertake research on, or assess, candidates applying for new positions on the Board, or to engage other independent experts, as it considers necessary to carry out its duties and responsibilities. Recommendations for new Directors are put to the Board for its consideration and/or approval.

The NC makes recommendations to the Board on re-appointment of Directors based on, among others, the Director's attendance record at meetings of the Board and Board Committees, participation at meetings and contributions to the Group's business and affairs.

CORPORATE GOVERNANCE REPORT

The NC will also review and where appropriate, the Company will arrange and fund regular trainings for all Directors to ensure that Directors are updated on the latest governance and listing rules. Relevant courses include seminars conducted by the SID or other training institutes.

The Board and the NC have endeavoured to ensure that the Directors appointed to the Board possess the relevant experience, knowledge and expertise critical to the Group's business.

Regulation 117 of the Company's Constitution requires one-third of the Board to retire by rotation at every Annual General Meeting ("**AGM**"). Pursuant to Regulation 122 of the Company's Constitution, Directors of the Company who were newly-appointed by the Board since the last AGM will have to retire at the forthcoming AGM. A retiring Director shall be eligible for re-election at the meeting at which he retires. Each of the retiring Directors had abstained from all discussions and recommendations in respect of their own re-election.

At the forthcoming AGM, Ho Choon Hou and Charles Yeo will be retiring by rotation pursuant to Regulation 117 of the Company's Constitution and Jonathan Zhang will be retiring pursuant to Regulation 122 of the Company's Constitution.

The NC has recommended to the Board that Ho Choon Hou and Charles Yeo, be nominated for re-election under Regulation 117 and Jonathan Zhang be nominated for re-election under Regulation 122 at the forthcoming AGM. The Board has accepted the NC's recommendation. Information regarding the Directors nominated for re-election/re-appointment, including the information required under Appendix 7F of the Catalist Rules is given in the "Board of Directors' section, pages 44 to 50 of this Annual Report.

For the financial year under review, the NC is of the view that the Independent Directors of the Company are independent (as defined in the Code) and able to exercise judgment on the corporate affairs of the Group independent of the Management.

Despite some Directors having other Board representations, the NC is satisfied that these Directors are able to and have adequately carried out their duties as Directors of the Company. Currently, the Board has not determined the maximum number of listed Board representations which any Director may hold. The NC and the Board will review the requirement to determine the maximum number of listed Board representations as and when it deems fit.

There are no alternate directors being appointed to the Board.

The key information regarding Directors, such as academic and professional qualifications, Board Committees served, directorships, chairmanships or as a member both present and past held over the preceding three years in other listed companies and other major appointments or its related corporations, whether the appointment is executive or non-executive are set out in pages 42 to 43 of the Annual Report.

Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

A formal assessment process is in place to assess the effectiveness of the Board as a whole and its board committees and for assessing the contribution by the Chairman and each individual Director to the effectiveness of the Board.

CORPORATE GOVERNANCE REPORT

The NC has adopted the performance evaluation forms recommended by the SID. The evaluations are conducted annually. As part of the process, the Directors will complete the evaluation forms which are collated by the Company Secretary, who will then summarise the results of the evaluation and present it to the NC. Recommendations for improvement are then submitted to the Board for discussion and for implementation in areas where the performance and effectiveness could be enhanced. The appointment and removal of the Company Secretary is a decision of the Board as a whole.

The performance criteria for the board evaluation are in respect of board size and composition, board independence, board's decision making processes, strategic planning, board information and accountability, board performance in relation to discharging its principal functions and financial targets.

The evaluation of the Board is to be performed annually by having all members complete Board and individual Directors' evaluation questionnaires individually based on the above assessment parameters.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

The RC currently comprises of one Non-Executive Director and two Independent Directors, majority of whom are independent, including the RC Chairman.

Remuneration Committee

Ho Choon Hou (Chairman)
Royson Wong
Chang Long Jong

The RC has its terms of reference, setting out their duties and responsibilities, which include the following:

– to recommend the Board a framework of remuneration for the Directors and Executive Officers, and to determine specific remuneration packages for each Executive Director and any CEO (or executive of equivalent rank) and Key Management Personnel if such CEO and Key Management Personnel is not an Executive Director, such recommendations are to be submitted for endorsement by the entire Board and should cover all aspects of remuneration, including but not limited to Director's fees, salaries, allowances, bonuses, options and benefits in kind;

– in the case of service contracts (if any) for any Director or Executive Officer, to consider what compensation commitments the Directors' or Executive Officers' contracts of service, if any, would entail in the event of early termination with a view to be fair and avoid rewarding poor performance; and

– in respect of any long-term incentive schemes, including share schemes, as may be implemented, to consider whether any Director should be eligible for benefits under such long-term incentive schemes.

CORPORATE GOVERNANCE REPORT

No Director will be involved in determining his own remuneration. The RC has full authority to engage any external professional advice on matters relating to remuneration as and when the need arises. The expense of such services shall be borne by the Company.

The RC recommended, and the Board had approved, the Directors Fees of an aggregate amount of $100,000 for FY2023 for Non-Executive and Independent Directors and Director fee of $3,333 to the late Mr Freddy Er for the financial year ending 31 March 2024, subject to the approval from shareholders.

There were no remuneration consultants engaged by the Company in FY2023.

In reviewing the service agreements of the Company's Executive Directors and Key Management Personnel, the RC will review the Company's obligations in the event of termination of these service agreements, to ensure that such service agreements contain fair and reasonable termination clauses which are not overly generous. The RC aims to be fair and avoid rewarding poor performance.

Level and Mix of Remuneration

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

The RC will take into account the industry norms, the Group's performance as well as the contribution and performance of each Director when determining remuneration packages.

The remuneration for the Executive Directors and certain Key Management Personnel comprise a fixed and variable component. The variable component is performance related and is linked to the Group's performance as well as the performance of each individual Executive Director and Key Management Personnel.

The Company has adopted the Vividthree Performance Share Plan ("**VV3 PSP**"). The Group's Executive Directors and Non-Executive Directors (including Independent Directors), controlling shareholders or associates of a controlling shareholder are eligible to participate in the VV3 PSP in accordance with the rules of the VV3 PSP except for Mr. Chang Long Jong, who is participating in mm2 Asia Ltd.'s existing performance share plan.

The Independent Directors and Non-Executive Director receive Directors' fees in accordance with their contributions, taking into account factors such as effort and time spent, responsibilities of the Directors and the need to pay competitive fees to attract, retain and motivate the Directors. The Independent Directors and Non-Executive Director shall not be overcompensated to the extent that their independence may be compromised. There are no share-based compensation schemes in place for Independent Directors and Non-Executive Directors.

The Company does not use contractual provisions to allow the Company to reclaim incentive components of remuneration from Executive Directors and Key Management Personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. The Executive Directors owe a fiduciary duty to the Company and the Company should be able to avail itself to remedies against the Executive Directors in the event of a breach of fiduciary duties.

Disclosure on Remuneration

Principle 8: The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

The details of the level and mix of remuneration of the Directors of the Group for the services rendered during FY2023 are as follows:

Remuneration Band and Name of Directors	Salary (%)	Bonus (%)	Other Benefits[1] (%)	Share Options (%)	Directors' Fees[2] (%)	Total (%)
$150,001 to $350,000						
Charles Yeo	71	2	27	–	–	100
$50,001 to $150,000						
Jonathan Zhang	87	8	5	–	–	100
Below $50,000						
Hong Wei Chien[3]	97	–	3	–	–	100
Ho Choon Hou	–	–	–	–	100	100
Royson Wong	–	–	–	–	100	100
Chang Long Jong	–	–	–	–	100	100
Freddy Er	–	–	–	–	100	100

Notes:

(1) Other benefit refers to employer's contribution to the Central Provident Fund and other allowances.

(2) The Directors' fees are subject to approval by the shareholders of the Company at the forthcoming AGM.

(3) Mr Hong Wei Chien retired as a Director at the Annual General Meeting held on 28 July 2022.

A proposed director's fee amounting to $3,333 in cash to be paid to the former Non-Executive Director of the Company, the late Mr Freddy Er, has been recommended by the RC and accepted by the Board, and will be tabled for approval by Shareholders at the forthcoming AGM of the Company. This proposed director's fee is in recognition of Mr Freddy Er's service to the Company during his tenure as a Director for the period from 1 April 2023 to 5 May 2023, and will be paid in full if approved by Shareholders at the forthcoming AGM of the Company.

In view of confidentiality of remuneration matters, the Board is of the opinion that it is in the best interests of the Group not to disclose the exact details of the remuneration of each Directors and Key Management Personnel in the Annual Report and that the disclosure based on the above remuneration bands is appropriate.

(a) For FY2023, there were no terminations, retirement or post-employment benefits granted to Directors and relevant key management personnel other than the standard contractual notice period termination payment in lieu of service.

(b) There were no employees who are substantial shareholders of the Company, or are immediate family members of a Director, CEO or Substantial Shareholder whose remuneration amounts exceed $100,000 per annum during the financial year under review.

CORPORATE GOVERNANCE REPORT

The Group has 4 Key Management Personnel (who are not Directors or CEO). The remuneration bands of the Key Management Personnel for FY2023 are as follows:

Remuneration Band and Name of Key Management Personnel	Salary (%)	Bonus (%)	Other Benefits[1] (%)	Share Options (%)	Total (%)
$150,001 – $250,000					
Sky Li	91	–	9	–	100
Hong Wei Chien[2]	97	–	3	–	100
Mok Wai Yin, Jed	92	–	8	–	100
Below $150,000					
Kok Pooi Wai	100	–	–	–	100

Notes:

(1) Other benefit refers to employer's contribution to the Central Provident Fund and other allowances.

(2) Mr Hong Wei Chien retired as a Director at the Annual General Meeting held on 28 July 2022.

The aggregate remuneration of key management personnel (who are not directors or the CEO) amounted to $643,080 for FY2023.

The Company is of the view that disclosure of the remuneration of Key Management Personnel who are not directors, will be detrimental to the Group's interest because of sensitivity of remuneration matters and competitive reasons. The non-disclosure of each of the Key Management Personnel's remuneration does not compromise the ability of the Company to meet the Code on good corporate governance as the RC which has a majority of independent directors review the remuneration packages of such Key Management Personnel to ensure that they are fairly remunerated.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its stakeholders.

The Board acknowledges its responsibility for the governance of risk and ensures that the Management maintains a sound system of internal controls and effective risk management policies to safeguard the shareholders' investment and the Company's assets. However, the Board also acknowledges that no cost-effective internal control system will preclude all errors and irregularities. The system is designed to manage rather than eliminate risks of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss. The internal controls in place will address the financial, operational, compliance and information technology risks and the objectives of these controls are to provide reasonable assurance that there are no material financial misstatements or material loss, there are maintenance of proper accounting records, financial information is reliable, and assets are safeguarded.

CORPORATE GOVERNANCE REPORT

The Management is responsible for designing, implementing and monitoring the risk management and internal control systems within the Group. The Management regularly reviews the Group's business and operational activities to identify areas of significant risks as well as appropriate measures to control and mitigate these risks. Any significant matters are highlighted to the Board and the AC for their deliberation. To further review the adequacy and effectiveness of internal controls, the AC is assisted by various independent professional service providers. The assistance of the internal auditor enabled the AC to carry out assessments of the effectiveness of key internal controls during the year. Material non-compliance or weaknesses in internal controls or recommendations from the internal auditor and independent auditor to further improve the internal controls were reported to the AC, including the Management action plans to be undertaken to address the recommendations.

The AC also follows up on the actions taken by the Management on the recommendations made by the internal auditor and independent auditor arising from their work performed. Based on the reports submitted by the internal and independent auditor received by the AC and the Board, nothing material has come to the attention of the AC and the Board to cause the AC and the Board to believe that the internal controls are not satisfactory, based on the current size and nature of the Company's business.

To further enhance the risk management procedures in place, the Group has engaged its internal auditor, BDO LLP, to establish a structured Enterprise Risk Management ("**ERM**") framework which provides documented guidance on the process for identifying and assessing risks, the adequacy of countermeasures and the manner in which risks are reported to the Board and the AC.

The ERM programme covers the following areas:

(1) ERM policies and procedures

An overall framework for risk management has been documented in a manual to be disseminated to personnel responsible for oversight of risks and operations of risk countermeasures. This ERM manual includes the terms of reference of the Committee and the various personnel responsible for monitoring and managing risks in the Group. The ERM process will also require ongoing identification of key risks to the company and reporting these risks to the Board to better determine whether appropriate measures have been taken to address relevant risks. Risk workshops attended by Key Management Personnel will be conducted to provide a structured approach of identification and assessment of risks.

(2) Risk Appetite of the Group

The risk appetite of the Group in managing risks was discussed during the ERM project. Generally, the Group will rely on management to monitor day to day operations while subjecting key corporate decisions, such as investments or acquisitions of businesses to the approval of the Board. The Group's performance is monitored closely by the Board periodically and any significant matters that might have an impact on the operating results are required to be brought to the immediate attention of the Board.

The Company has also taken a strict stance towards avoiding any risks that might result in breaching relevant laws and regulations and risks that could adversely affect the reputation of the Group. Active efforts are also in place to manage risks within impact such as transferring them to third party insurers or having internal control procedures to better mitigate the likelihood of their occurrence. Internal audits will be regularly conducted to assess the ongoing compliance with the established controls to address key risk areas where applicable.

CORPORATE GOVERNANCE REPORT

(3) Risk assessment and monitoring

Based on the ERM framework, the nature and extent of risks to the company will be assessed regularly and risk reports covering top risks to the Group will be submitted periodically to the Board. A set of risk registers to document risks arising from this ERM exercise has also been established to document key risks and the corresponding countermeasures.

The Directors have received and considered the representation letters from the CEO and Financial Controller ("**FC**") in relation to the financial information for the year. The CEO and the FC have assured the Board that:

a. The financial records have been properly maintained and the financial statements for the FY2023 give a true and fair view in all material aspects, of the Group's operations and finances; and

b. The Group's risk management and internal control systems are operating effectively in all material aspects given its current business environment.

Based on the internal controls and risk management systems established and maintained by the Group, work performed by the internal auditor and independent auditor, reviews performed by the Management and the controls and processes which are currently in place, the Board with the concurrence of the AC, is of the opinion that the Group's internal controls and risk management systems are adequate and effective in addressing the financial, operational, compliance and information technology risks of the Group for FY2023.

Audit Committee

*Principle 10: The Board has an Audit Committee ("**AC**") which discharges its duties objectively*

The AC currently comprises of one Non-Executive Director and two Independent Director, majority of whom are independent, including the AC Chairman.

Audit Committee

Royson Wong (Chairman)
Ho Choon Hou
Chang Long Jong

The Board is of the view that the AC members possess experience in finance and business management which are appropriately qualified, having the relevant accounting or related financial management expertise to discharge their responsibilities. None of the AC members are a former partner or director of the Company's existing auditing firm.

The role of the AC is to assist the Board with discharging its responsibility to safeguard the Company's assets, maintain adequate accounting records, and develop and maintain effective systems of internal control. The AC has full access to the co-operation of Management and the full discretion to invite any Director or Executive Officer to attend its meetings, and has reasonable resources to enable it to discharge its functions properly. The independent auditor have unrestricted access to the AC.

CORPORATE GOVERNANCE REPORT

The AC has its terms of reference, setting out their duties and responsibilities, which include the following:

– consider the appointment or re-appointment of the independent auditor, the level of their remuneration and matters relating to resignation or dismissal of the independent auditor, and review the audit plans of the independent auditor, their audit reports, their management letter and our management's response before submission of the results of such review to our Board for approval;

– consider the appointment or re-appointment of the internal auditor, the level of their remuneration and matters relating to resignation or dismissal of the internal auditor, and review with the internal auditor the internal audit plans and their evaluation of the adequacy of our system of internal accounting controls and accounting system before submission of the results of such review to our Board for approval prior to the incorporation of such results in our annual report (where necessary);

– monitor and review the implementation of the auditor' recommendations on internal controls;

– review the system of internal accounting controls and procedures established by management and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the auditor may wish to discuss (in the absence of our management where necessary);

– review the assistance and co-operation given by our Company's officers to the internal and independent auditor;

– review the half-yearly and annual, and quarterly if applicable, financial statements and results announcements before submission to our Board for approval, focusing in particular, on changes in accounting policies and practices, major areas of judgement, significant adjustments resulting from the audit, the going concern statement, compliance with accounting standards as well as compliance with any stock exchange and statutory/regulatory requirements;

– review and discuss with the independent auditor any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on our Group's operating results or financial position, and consider the adequacy of our management's response;

– review the assurance from CEO and FC on the financial records and financial statements;

– review transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules (if any);

– review potential conflicts of interests (if any) and to set out a framework to resolve or mitigate any potential conflicts of interest;

– review the effectiveness and adequacy of the administrative, operating, internal accounting and financial control procedures;

– review our key financial risk areas, with a view to providing an independent oversight on our Group's financial reporting, the outcome of such review to be disclosed in the annual reports or if the findings are material, immediately announced via SGXNet;

– undertake such other reviews and projects as may be requested by our Board and report to our Board its findings from time to time on matters arising and requiring the attention of our Audit Committee;

CORPORATE GOVERNANCE REPORT

– generally to undertake such other functions and duties as may be required by statute or the Catalist Rules, and by such amendments made thereto from time to time;

– review arrangements by which our staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting and to ensure that arrangements are in place for the independent investigations of such matter and for appropriate follow-up; and

– review our Group's compliance with such functions and duties as may be required under the relevant statutes or the Catalist Rules, including such amendments made thereto from time to time.

Apart from the duties listed above, the AC is given the task of commissioning investigations into matters where there is suspected fraud or irregularity, or failure of internal controls or infringement of any law, rule or regulation which has or is likely to have a material impact on the Company's operating results or financial position, and to review its findings.

Independent audit

The AC recommends to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the independent auditor and approving the remuneration of the independent auditor. The AC has recommended to the Board the nomination of CLA Global TS Public Accounting Corporation for re-appointment as independent auditor of the Company at the forthcoming AGM. The Company confirms that Rule 712, Rule 715 and Rule 716 of the Catalist Rules have been complied with.

Annually, the AC conducts a review of all non-audit services provided by the independent auditor and is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the independent auditor. The AC received an audit report from the independent auditor setting out the non-audit services provided and the fees charged for FY2023. The aggregate amount paid to the independent auditor for audit and non-audit services for FY2023 are as follows:

	$'000
Audit fees	79
Non-audit fees	14
	93

No former partner or director of the Company's existing auditing firm or auditing corporation is a member of the AC.

The AC will meet with the independent auditor and internal auditor without the presence of the Management, as and when necessary and at least once annually, to review the adequacy of audit arrangements, with emphasis on the scope and quality of their audit, the independence, objectivity and observations of the independent auditor.

On the basis of the above, the AC is satisfied with the standard and quality of work performed by CLA Global TS Public Accounting Corporation.

For FY2023, the AC agreed with independent auditor that expected credit losses on trade and other receivables and deposits, valuation on acquired rights, and valuation on goodwill were the key audit matters and is pleased to report that AC is satisfied with audit process undertaken by the independent auditor and their findings therefrom.

CORPORATE GOVERNANCE REPORT

Internal audit

The Company has outsourced its internal audit function to BDO LLP ("**BDO**"), which is an established international auditing firm. BDO conducts their internal audits based on the BDO Global Internal Audit Methodology which is consistent with the International Professional Practices Framework established by the Institute of Internal auditors. The BDO LLP Engagement Partner has more than 20 years of experience in audit and advisory services and is a Chartered Accountant (Singapore), Certified Internal Auditor and Certified Information System Auditor. Members of the internal audit team also have relevant academic qualifications, professional certifications and internal audit experience.

The AC approves the hiring, removal, evaluation and compensation of the internal audit function. The internal auditor have unfettered access to all the Company's documents, records, properties and personnel, including access to the AC.

The annual internal audit plan is submitted to the AC for approval prior to the commencement of the internal audit work. In accordance with the internal audit plan, the internal auditor conducts internal audit reviews over the effectiveness of internal controls over the key business processes in the Group including those that address applicable financial, operational, compliance and information technology controls risks. Findings and recommendations arising from the internal audits are agreed with the Management and presented to the AC. The internal auditor also assists the AC in overseeing and monitoring the subsequent implementation of recommendations on internal controls weaknesses identified.

The AC reviews the scope and results of the internal audit and ensures that the internal audit function is adequately resourced. The AC is satisfied that the outsourced internal audit function is independent, staffed by suitably qualified and experienced professionals with the relevant experience to perform its function effectively based on the internal audits conducted for FY2023.

The AC would annually review the adequacy and effectiveness of the internal audit function of the Group.

Fraud and whistle blowing policy

The Group has implemented a whistle blowing policy whereby accessible channels are provided for employees to raise concerns about possible improprieties in matters of financial reporting or other matters which they become aware and to ensure that:

– independent investigations are carried out in an appropriate and timely manner;

– appropriate action is taken to correct the weakness in internal controls and policies which allowed the perpetration of fraud and/or misconduct and to prevent a recurrence; and

– administrative, disciplinary, civil and/or criminal actions that are initiated following the completion of investigations are appropriate, balanced and fair, while providing reassurance that employees will be protected from reprisals or victimisation for whistle-blowing in good faith and without malice.

To date, there were no reports received through the whistle blowing mechanism.

The AC is updated annually or from time to time on any changes to the accounting and financial reporting standards by the independent auditor. No former partner or director of the Company's existing auditing firm has acted as a member of the AC.

CORPORATE GOVERNANCE REPORT

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

The Board is accountable to the shareholders and is mindful of its obligation to provide timely and fair disclosure of material information to shareholders, investors and public. The Board treats all shareholders fairly and equitably and seeks to protect and facilitate exercise of shareholder's rights.

The Company announces financial information, major developments and other price sensitive information on the SGXNet in a timely manner to ensure investors are kept abreast of the Group's developments. The annual report, circulars and notices of all shareholders' meetings will be posted on the Company's website and SGXNet.

For the upcoming 2023 Annual General Meeting, shareholders are encouraged to attend the Company's Annual General Meeting to ensure a high level of accountability and to be updated on the Group's strategies and goals. The shareholders may submit their written questions to the Company within 7 calendar days after the publication of the notice of the Annual General Meeting. The Company will respond to the written questions at least 48 hours prior to the closing date and time for the lodgement of the proxy forms by way of an announcement and publish in the Company's corporate website, if available.

The Chairman of the Board and the various Committees are normally present and available to address questions at Annual General Meetings. The independent auditor is present to assist the Board in addressing any relevant queries from our shareholders.

All shareholders are encouraged to attend the Company's general meetings to ensure a high level of accountability and to be updated on the Group's strategies and goals. All shareholders are entitled to participate in and vote at the general meetings. If any shareholder is unable to attend, he/she is allowed to appoint up to two proxies to vote on his/her behalf at the general meeting through a proxy form sent in advance. The Company's Constitution does not include the nominee or custodial services to appoint more than two proxies.

The Company is not implementing absentia voting methods such as voting via mail, email or fax until security, integrity and other pertinent issues are satisfactorily resolved.

Minutes of general meetings of shareholders will be published on the Company's website and announced via SGXNet as soon as practicable. The minutes will record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting and responses from the Directors and Management.

The Company ensures that there are separate resolutions at general meetings on each substantially separate issue. For greater transparency, the Company will put all resolutions to vote by poll and make an announcement of the detailed results of the number of votes cast for and against each resolution and the respective percentages will be presented and announced on the same day.

The Company does not have a fixed dividend policy. The Board will take into account various factors, including but not limited to, earnings, cash flow requirements, plans for expansion, availability of distributable reserves, in determining the form, frequency and amount of dividends to recommend or declare in each particular year or period.

For the FY2023, no final dividend has been declared or recommended by the Directors as the Group is in loss position.

CORPORATE GOVERNANCE REPORT

Engagement with Shareholders

Principle 12: The Company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

The Company firmly believes in high standards of transparent corporate disclosure by disclosing to its stakeholders, including its communication with shareholders as much relevant information as is possible, in a timely, fair and transparent manner as well as to hearing its shareholders' views and addressing their concerns. This includes half-yearly and full-year financial results announcements, public announcements on major developments and price-sensitive information and annual reports made via SGXNet. Some of these documents are also made available on the Company's website at the URL https://www.vividthreeholdings.com.

The Company's business developments and operations, financial reports, announcements, news releases and other information are posted on its corporate website. Both current information and archives of previously released information including presentation slides and announcements can be found under the "**Investor Relations**" section of the corporate website at the URL https://www. vividthree.com.

The Company has engaged Gem Comm Pte. Ltd. to assist the Company in handling the investor relations matters who focus on facilitating the communications with all stakeholders on a regular basis and attend to their queries or concerns as well as to keep the investors public apprised of the Group's corporate developments and financial performance. The Company maintains an investor relations website and the contact details of the investor relations can be found on the Company's website.

Under the Company's investor communication policy, The Company will meet with investors, the media and analysts at appropriate times and participates in investor roadshows, and sector conferences throughout the year. Upon the release of half-year and full-year financial results, the Company will hold media and analysts' briefings, when necessary.

Engagement with Stakeholders

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

The Board regularly engaged the stakeholders through various means and communication channels. The relationships with material stakeholders have an impact on the company's long term sustainability, service and products standards. By considering and balancing the needs and interests of material stakeholders, it would ensure the interests of the company are best served. The material stakeholders of the Company include investors, employees, customers, investors, government and regulators as well as the community.

The Company's website provides a platform to allow communication and engagement with stakeholders.

CORPORATE GOVERNANCE REPORT

OTHER CORPORATE GOVERNANCE MATTERS

Risk Management

The Company is continually reviewing and improving the business and operational activities to take risk management into account. This includes reviewing management and manpower resources, updating work flows, processes and procedures to meet the current and future market conditions. All the significant controls, policies and procedures and all significant matters are highlighted to the AC and the Board. The significant risk management policies are disclosed in the audited financial statements of this Annual Report.

Material Contracts

There were no material contracts of the Company or its subsidiaries involving the interest of the Non-Chairman, or any director or controlling shareholder subsisting at the end of the financial year 2023.

Interested Person Transactions

The Company has established guidelines and review procedures for the ongoing and future interested person transactions ("**IPTs**"). The IPTs are subject to review by the AC to ensure that they are on normal commercial terms and on an arm's length basis, that is, the transactions are transacted in terms and prices not more favourable to the interested persons than if they were transacted with a third party and are not prejudicial to the interests of the Group or our minority shareholders in any way. Currently, there is no shareholders' mandate for interested person transaction pursuant to Rule 920 of the Listing Manual of SGX-ST.

There were no IPTs of $100,000 and above between the Company and any of its interested persons (namely, Directors, executive officers or controlling shareholders of the Group or the associates of such Directors, executive officers or controlling shareholders) subsisting for FY2023.

Dealings In Securities

The Company has adopted its own internal Code of Best Practices to provide guidance to all officers and employees of the Company and its subsidiaries with regard to dealings in the Company's securities in compliance with Rule 1204 (19) of the Catalist Rules of the SGX-ST. The Company and its officers are prohibited from dealing in the Company's securities during the periods commencing one-month immediately preceding the announcement of the Company's half-year and full-year results and ending on the date of the announcement of such results respectively on the SGXNet.

Directors and executives are also expected to observe insider-trading laws at all times even when dealing with securities within the permitted trading period or while they are in possession of unpublished price-sensitive information of the Group. They are not to deal in the Company's securities on short-term considerations.

Catalist Sponsor

The Company is currently under the SGX -ST Catalist sponsor-supervised regime and the continuing sponsor of the Company is RHT Capital Pte. Ltd. (the "**Sponsor**"). In compliance with Rule 1204(21) of the Catalist Rules, there was no non-sponsor fee paid to the Sponsor for the FY2023.

CORPORATE GOVERNANCE REPORT

PARTICULARS OF DIRECTORS PURSUANT TO THE CODE OF CORPORATE GOVERNANCE 2018

Name of Director	Academic/Professional Qualifications	Board Appointment Executive/ Non-executive	Board Committees as Chairman or Member as at the date of this Annual Report	Directorship Date First Appointed	Date of Last Re-election	Directorships in other listed companies	Past directorships in other listed companies over the preceding 3 years	Other Principal Commitments
Dr. Ho Choon Hou	Bachelor of Medicine and Bachelor of Surgery from The University of Sheffield, Master of Medicine (Surgery) from the National University of Singapore and Masters of Business Administration (Honours) from The University of Chicago (The Graduate School of Business)	Independent Director	Board Chairman, Chairman of RC, Member of NC and AC	23 August 2018	27 July 2020	• Advanced Holdings Ltd. • Cordlife Group Limited	• Mclean Technologies Berhad • Stemlife Berhad	• Managing Director of Southern Capital Group Private Limited • Non-Executive Director of Agricore Global Pte. Ltd. • Non-Executive Director of Catermas Engineering Private Limited • Non-Executive Director of Core Equipment Holdings Pte Ltd • Non-Executive Director of Straits Group Pte. Ltd. • Non-Executive Director of Catermas Investments Limited • Non-Executive Director of Invictus Medical Investments • Non-Executive Director of Maestro Group Holdings Limited • Non-Executive Director of Perfect Grace • Non-Executive Director of Sufficient Grace Pte. Ltd.

CORPORATE GOVERNANCE REPORT

Name of Director	Academic/Professional Qualifications	Board Appointment Executive/ Non-executive	Board Committees as Chairman or Member as at the date of this Annual Report	Directorship Date First Appointed	Date of Last Re-election	Directorships in other listed companies	Past directorships in other listed companies over the preceding 3 years	Other Principal Commitments
Charles Yeo	Associate Diploma in Multimedia (Distinction) from Nanyang Academy of Fine Arts and Masters of Business Administration from Murdoch University	Executive Director	Board Member, Member of NC	7 April 2018	27 July 2020	–	–	–
Jonathan Zhang	Bachelor of Commerce (Finance) from Monash University (Australia) and Bachelor of Arts (Communications) from Monash University (Australia)	Executive Director, Chief Executive Officer	–	22 August 2022	–	–	–	• Director of GammaR Pte Ltd • Director of Beyond Digital Galaxy Pte. Ltd. • Director of Elliot Communications Pte Ltd • Director of SkyArk Chronicles Holdings Pte Ltd Taiwan Branch • Director of Quanta Galaxies Co., Ltd • Director of Isekai Pte Ltd • Director of SkyArk Chronicles Holdings Pte Ltd • Director of Nebuula Pte Ltd (Dorman)
Royson Wong	Bachelor of Accountancy from the National University of Singapore, Master of Science (Management of Technology) from the National University of Singapore, Certified Public Accountant with CPA Australia and Chartered Accountant with the Institute of Singapore Chartered Accountants	Independent Director	Board Member, Chairman of AC and NC, and Member of RC	23 August 2018	29 July 2019	–	–	• Managing Director of Global Access Logistic Network Pte. Ltd. • Managing Director of Global Access Transportation Pte Ltd VH Select Pte Ltd
Chang Long Jong	Bachelor of Engineering (Civil) from the National University of Singapore and member of the Advisory Board of the Singapore Media Festival	Non-Executive Director	Board Member and Member of RC and AC	23 August 2018	29 July 2019	–	–	Chief Executive Officer of mm2 Asia Ltd.

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION

Pursuant to Rule 720(5) of the Listing Manual Section B: Catalist Rules (the "**Catalist Rules**") issued by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), the information as set out in Appendix 7F to the Catalist Rules of the SGX-ST relating to Ho Choon Hou, Charles Yeo and Jonathan Zhang, being the Directors who are retiring in accordance with the Company's Constitution at the forthcoming AGM, is set out below:

Name of Retiring Director	Ho Choon Hou	Yeo Eng Pu, Charles	Zhang Weiquan, Jonathan
Date of first appointment	23 August 2018	7 April 2018	22 August 2022
Date of last re-appointment	27 July 2020	27 July 2020	NA
Age	50	45	40
Country of principal residence	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board has considered, among others, the recommendation of the NC and assessed the qualifications, experience and suitability of Dr Ho Choon Hou for re-election as Non-Executive Independent Director, member of the Audit Committee, Nominating Committee and Chairman of the Remuneration Committee of the Company. The Board has reviewed and concluded that Dr Ho possesses the requisite experience, knowledge and capabilities to assume the duties and responsibilities as a Non-Executive Independent Director of the Company.	The Board has considered, among others, the recommendation of the NC and assessed the qualifications, experience and suitability of Mr Yeo Eng Pu, Charles for re-election as Executive Director, member of the Nominating Committee of the Company. The Board has reviewed and concluded that Mr Yeo possesses the requisite experience, knowledge and capabilities to assume the duties and responsibilities as an Executive Director of the Company.	The Board has considered, among others, the recommendation of the NC and assessed the qualifications, experience and suitability of Mr Zhang Weiquan, Jonathan for re-election as Executive Director and Chief Executive Officer of the Company. The Board has reviewed and concluded that Mr Zhang possesses the requisite experience, knowledge and capabilities to assume the duties and responsibilities as an Executive Director and Chief Executive Officer of the Company.
Whether appointment is executive, and if so, the area of responsibility	Independent Director	Executive	Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive Independent Director, Board and RC Chairman, NC and AC Member	Executive Director, NC Member	Executive Director and Chief Executive Officer
Professional qualifications	Bachelor of Medicine and Bachelor of Surgery from The University of Sheffield, Master of Medicine (Surgery) from the National University of Singapore and Masters of Business Administration (Honours) from The University of Chicago (The Graduate School of Business)	Associate Diploma in Multimedia (Distinction) from Nanyang Academy of Fine Arts and Masters of Business Administration from Murdoch University	Bachelor of Commerce (Finance) from Monash University (Australia) and Bachelor of Arts (Communications) from Monash University (Australia)

CORPORATE GOVERNANCE REPORT

Name of Retiring Director	Ho Choon Hou	Yeo Eng Pu, Charles	Zhang Weiquan, Jonathan
Working experience and occupation(s) during the past 10 years	2004-2007 Deputy Director of National Healthcare Group Independent and Non-Executive Director of Stemlife Berhad Independent and Non-Executive Director of Mclean Technologies Berhad Vice-Chairman and Non-Executive Director of Cordlife Group Limited Independent Director of Advanced Holdings Ltd. Managing Director of Southern Capital Group Private Limited	2008 to present Director of Vividthree Productions Pte. Ltd. 2018 to present Director of Vividthree Holdings Ltd. 2020 to present Director of V&N Entertainment Pte. Ltd.	12 November 2021 to present Co-Founder/CEO of SkyArk Chronicles Holdings Pte. Ltd. 18 October 2021 to present Director of Gammar Pte. Ltd. 1 December 2021 to present Management (Business Advisor) of Have Fun Orchard Pte. Ltd. 1 December 2020 to 30 November 2021 Business Consultant of Funtech Solutions 2 September 2019 to 31 October 2020 Management (Business Advisor) of Have Fun TPY Pte. Ltd. May 2021 to August 2021 Vice President (Overseas Business) of Qfin Asia Pte. Ltd. (360 Digitech) March 2021 to April 2021 Vice President (Overseas Business) of 360 Fintech Asia Pte. Ltd. (360 Digitech) 13 August 2019 to 28 February 2021 Chief Operating Officer of Goodwill Entertainment Holding Pte. Ltd. January 2019 to July 2019 Director of Carrington RHT Wealth Pte. Ltd. February 2016 to November 2016 Head of Business Development & Communications of Pixie Group Limited February 2016 to November 2016 Director of The Mammoth Collaborative Pte. Ltd. February 2012 to February 2015 Business Development Manager (Americas) of Pacific Radiance Limited February 2012 to February 2015 Administrator/Country Manager of Radiance Offshore Navegacao (Alagoas) Ltda.

CORPORATE GOVERNANCE REPORT

Name of Retiring Director	Ho Choon Hou	Yeo Eng Pu, Charles	Zhang Weiquan, Jonathan
Shareholding interest in the listed issuer and its subsidiaries	11,090,400 shares held by Lionsgate Ltd., a company indirectly wholly-owned by Ho Choon Hou	43,987,840	No
Any relationship (including immediate family relationships with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No	No
Conflict of Interest (including any competing business)	No	No	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes
Other Principal Commitments* Including Directorships# * "Principal Commitments" has the same meaning as defined in the Code. # These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(9)	<u>Past (for the last 5 years):</u> Directorships: Mclean Technologies Berhad Hoch Ventures Pte. Ltd. Fuelcore Pte. Ltd. SCG+ Private Limited Star Learners Group Pte. Ltd. Stemlife Berhad Southern Star Gourmet Pte Ltd Crux Constellation Pte Ltd Other Principal Commitment: NIL <u>Present:</u> Directorships: Catermas Engineering Private Limited Core Equipment Holdings Pte. Ltd. Catermas Investments Limited Invictus Medical Investments Maestro Group Holdings Limited Perfect Grace Sufficient Grace Pte. Ltd. Advanced Holdings Ltd. Cordlife Group Limited Straits Group Pte. Ltd. Agricore Global Pte. Ltd. Other Principal Commitment: Southern Capital Group Private Limited	<u>Past (for the last 5 years):</u> Directorship: NIL Other Principal Commitment: NIL <u>Present:</u> Directorships: V&N Entertainment Pte. Ltd. Vividthree Productions Pte. Ltd. Other Principal Commitment: NIL	<u>Past (for the last 5 years):</u> Directorship: Whitebox World Pte. Ltd. WB Fleming Pte. Ltd. BEP Capital Pte. Ltd. Rocketerra Pte. Ltd. Blank Integrated Pte. Ltd. Other Principal Commitment: NIL <u>Present:</u> Directorships: Beyond Digital Galaxy Pte. Ltd. GammaR Pte. Ltd. Elliot Communications Pte. Ltd. SkyArk Chronicles Holdings Pte. Ltd. SkyArk Croncicles Holdings Pte. Ltd. – Taiwan Branch Quanta Galaxies Co., Ltd. Isekai Pte. Ltd. Nebuula Pte. Ltd. Other Principal Commitment: NIL

CORPORATE GOVERNANCE REPORT

Name of Retiring Director	Ho Choon Hou	Yeo Eng Pu, Charles	Zhang Weiquan, Jonathan
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.			
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	Yes An investigation request was submitted to ACRA for The Mammoth Collaborative Pte. Ltd., an entity that I was a director of but have since resigned since 2016. The parent company was previously listed on the Australian Securities Exchange for which I was an employee under. The company did not submit financials for FY2020 and I was notified in 2022. On 3 October 2022, I have been given a discharge not amounting to an acquittal for the charge on failing to submit Corporate Income Tax for Year of Assessment 2020.
(c) Whether there is any unsatisfied judgment against him?	No	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No

CORPORATE GOVERNANCE REPORT

Name of Retiring Director	Ho Choon Hou	Yeo Eng Pu, Charles	Zhang Weiquan, Jonathan
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No

CORPORATE GOVERNANCE REPORT

Name of Retiring Director	Ho Choon Hou	Yeo Eng Pu, Charles	Zhang Weiquan, Jonathan
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or (iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	(i) Yes An investigation request was submitted to ACRA for The Mammoth Collaborative Pte Ltd, an entity that I was a director of but have since resigned since 2016. The parent company was previously listed on the Australian Securities Exchange for which I was an employee under. The company did not submit financials for FY2020 and I was notified in 2022. On 3 October 2022, I have been given a discharge not amounting to an acquittal for the charge on failing to submit Corporate Income Tax for Year of Assessment 2020. (ii) No (iii) No (iv) No

Name of Retiring Director	Ho Choon Hou	Yeo Eng Pu, Charles	Zhang Weiquan, Jonathan
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No
Disclosure applicable to the appointment of Director only			
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Not applicable as this is a re-election of a Director of the Company.	Not applicable as this is a re-election of a Director of the Company.	Not applicable as this is a re-election of a Director of the Company.

SUSTAINABILITY REPORT SUMMARY

Vividthree recognises that sustainability is a strategic opportunity, enabling us to enhance resilience, reduce risks, drive innovation, and create shared value for our stakeholders. We are committed to continuous improvement, transparent reporting, and actively engaging with partners, employees, customers, and communities to collectively address the challenges of sustainability and work towards a more sustainable and inclusive future. Our sustainability report, which is prepared in accordance with the Global Reporting Initiatives (GRI) Standards will be published separately by the end of July 2023. It includes our sustainability initiatives under the following key topics:

ECONOMIC PERFORMANCE

The Group has managed to substantially improve the stability and health of our finances, compared to FY2022. We are pleased to announce that we have reduced our net loss by 41% compared to FY2022 primarily due to the strong foundations of our Digital media production segment and the improving Digital & live experience production segment as we emerge from COVID-19 restrictions worldwide.

ENERGY MANAGEMENT

The Group has implemented energy-saving initiatives throughout our operations to minimise our carbon footprint. We are pleased to announce that there has been a net reduction of our energy usage of approximately 10% in FY2023 compared to FY2022, and target to continue monitoring our usage to ensure we use energy in an efficient and sustainable manner.

EMPLOYMENT

Our employees are of key importance to the Group and in order to provide our employees with a healthy work environment and career growth, our sustainability efforts are targeted to actively recruiting fairly and growing our current employees. We recognise the importance of a fair, diverse and inclusive work environment which we are consciously striving to maintain.

CORPORATE GOVERNANCE

The Group prioritises good corporate governance and continues to strongly uphold its conflict of interest and whistleblowing policy which are essential to promoting anti-corruption and ethical behaviour in our operations and for our services.

LEGAL RIGHTS PROTECTION AND COMPLIANCE

We continue to strongly adhere to all filming and censoring regulations required in order to promote positive ESG impacts, especially on the social front. Furthermore, we strive to continue protecting our own and respecting others' IP rights. To do this, we have a designated corporate business development team which oversees all IP-related matters. This enables us to develop more sound and effective business strategies while promoting ethical competition within our sector.

FINANCIAL STATEMENTS

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

The directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 31 March 2023 and the statement of financial position of the Company as at 31 March 2023.

In the opinion of the directors,

(i) the statement of financial position of the Company and the consolidated financial statements of the Group as set out on pages 65 to 118 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 March 2023 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are as follows:

Ho Choon Hou
Yeo Eng Pu, Charles
Zhang Weiquan, Jonathan *(appointed on 22 August 2022)*
Wong Kim Soon Royson
Chang Long Jong

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Performance Share Plan" in this statement.

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the other director holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Shareholdings registered in the name of directors		*Shareholdings in which director is deemed to have an interest*	
Company	**At 31.03.2023**	**At 01.04.2022**	**At 31.03.2023**	**At 01.04.2022**
(No. of ordinary shares)				
Yeo Eng Pu, Charles	**43,987,840**	43,987,840	**–**	–
Chang Long Jong	**200,000**	200,000	**–**	–
Ho Choon Hou[(1)]	**–**	–	**11,090,400**	11,090,400

(1) Ho Choon Hou is deemed to have interest in the Company's ordinary shares by virtue of his shareholdings in Lionsgate Ltd.

The directors' interests in the ordinary shares of the Company as at 21 April 2023 were the same as those as at 31 March 2023.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

Share Options

There were no options granted during the financial year to subscribe for unissued shares of the Company or its subsidiaries.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

There were no unissued shares of the Company or its subsidiaries under option at the end of the financial year.

Performance Share Plan

The Company has implemented a performance share plan known as Vividthree Performance Share Plan ("VV3 PSP") which was approved and adopted by the shareholders on 28 August 2018 which contemplates for the award of fully paid-up ordinary shares in the share capital of the Company free-of-charge, provided that certain prescribed performance targets (if any) are met and upon expiry of the prescribed performance period.

Full-time Group Executives who have attained the age of 18 years as of the award date and hold such rank as may be designated by the Remuneration Committee from time to time are eligible to participate in the VV3 PSP. Group Executive Directors and Group Non-Executive Directors (including Independent Directors) of the Group are eligible to participate in the VV3 PSP, except for Chang Long Jong, who is participating in mm2 Asia Ltd.'s existing performance share plan. The participant must also not be an undischarged bankrupt and must not have entered into a composition with his creditors.

Persons who are controlling shareholders or associates of a controlling shareholder who meet the criteria above are also eligible to participate in the VV3 PSP provided that the participation of and the terms of each grant and the actual number of awards granted under the VV3 PSP to a participant who is a controlling shareholder or an associate of a controlling shareholder shall be approved by the independent shareholders in separate resolutions for each person subject to the following:

(a) the aggregate number of shares comprised in awards granted to controlling shareholders or associates of a controlling shareholder under VV3 PSP shall not exceed 25% of the aggregate number of shares (comprised in awards) which may be granted under VV3 PSP; and

(b) the number of shares available to each controlling shareholder or associate of a controlling shareholder shall not exceed 10% of the shares available under the VV3 PSP.

VV3 PSP is a share incentive scheme which will allow the Company, inter alia, to target specific performance objectives and to provide an incentive for participants to achieve these targets. The directors believe that the VV3 PSP will help to achieve the following positive objectives:

(a) foster an ownership culture with the Group which aligns the interests of Group Executives with the interests of shareholders;

(b) motivate participants to achieve key financial and operational goals of the Company and/or their respective business units and encourage greater dedication and loyalty to the Group; and

(c) make total employee remuneration sufficiently competitive to recruit new participants and/or retain existing participants whose contributions are important to the long term growth and profitability of the Group.

VV3 PSP is administered by the Remuneration Committee (the "RC") which comprises three (3) directors, namely Ho Choon Hou, Wong Kim Soon Royson and Chang Long Jong.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

Performance Share Plan (continued)

The Company may deliver shares pursuant to awards granted under the VV3 PSP by way of either:

(i) issuance of new shares;

(ii) delivery of existing shares purchased from the market or shares held in treasury; and/or

(iii) cash in lieu of shares, based on the aggregate market value of such shares.

The total number of new shares which may be issued pursuant to awards granted under the VV3 PSP when added to (i) the number of new shares issued and issuable in respect of all awards granted thereunder; and (ii) all shares issued and issuable in respect of all options granted or awards granted under any other share incentive schemes or share plans adopted by the Company for the time being in force, shall not exceed 15% of the issued share capital of the Company's post-placement as well as on the day preceding the relevant date of award. The aggregate number of shares available under the VV3 PSP shall not exceed 15% of the total issued share capital of the Company post-placement and from time to time.

There are no performance shares awarded pursuant to VV3 PSP as at the date of this statement.

Audit Committee

The members of the Audit Committee (the "AC") at the end of the financial year were as follows:

Wong Kim Soon Royson (Chairman of AC, Independent director)
Ho Choon Hou (Independent director)
Er Song Ngueng (Non-executive director) *(deceased)*

Mr. Chang Long Jong (Non-executive director) was appointed as member of AC on 19 May 2023 following the departure of Mr. Er Song Ngueng.

The AC performs the functions in accordance with Section 201B(5) of the Singapore Companies Act 1967, (the "Act"), the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual and the Code of Corporate Governance. In performing those functions, the AC:

– consider the appointment or re-appointment of the independent auditor, the level of their remuneration and matters relating to resignation or dismissal of the independent auditor, and review the audit plans of the independent auditor, audit reports, management letter and management's response before submission of the results of such review to our Board for approval;

– consider the appointment or re-appointment of the internal auditors, the level of their remuneration and matters relating to resignation or dismissal of the internal auditors, and review with the internal auditors the internal audit plans and their evaluation of the adequacy of our system of internal accounting controls and accounting system before submission of the results of such review to our Board for approval prior to the incorporation of such results in our annual report (where necessary);

– monitor and review the implementation of the auditors' recommendations on internal controls;

– review the system of internal accounting controls and procedures established by management and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of our management where necessary);

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

Audit Committee (continued)

The AC performs the functions in accordance with Section 201B(5) of the Singapore Companies Act 1967, (the "Act"), the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual and the Code of Corporate Governance. In performing those functions, the AC: (continued)

– review the assistance and co-operation given by our Company's officers to the internal and independent auditors;

– review the half-yearly and annual, and quarterly if applicable, financial statements and results announcements before submission to our Board for approval, focusing in particular, on changes in accounting policies and practices, major areas of judgement, significant adjustments resulting from the audit, the going concern statement, compliance with accounting standards as well as compliance with any stock exchange and statutory/regulatory requirements;

– review if there is any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on our Group's operating results or financial position, and consider the adequacy of our management's response;

– review transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules (if any);

– review potential conflicts of interests (if any) and to set out a framework to resolve or mitigate any potential conflicts of interest;

– review the effectiveness and adequacy of the administrative, operating, internal accounting and financial control procedures;

– review our key financial risk areas, with a view to providing an independent oversight on our Group's financial reporting, the outcome of such review to be disclosed in the annual reports or the findings are material, immediately announced via SGXNet;

– undertake such other reviews and projects as may be requested by our Board and report to our Board its findings from time to time on matters arising and requiring the attention of our Audit Committee;

– generally to undertake such other functions and duties as may be required by statute or the Catalist Rules, and by such amendments made thereto from time to time;

– review arrangements by which our staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting and to ensure that arrangements are in place for the independent investigations of such matter and for appropriate follow-up, if any; and

– review our Group's compliance with such functions and duties as may be required under the relevant statutes or the Catalist Rules, including such amendments made thereto from time to time.

The AC confirmed that they have undertaken a review of all non-audit services provided by the independent auditor to the Group and is satisfied that the nature and extent of such services would not affect the independence of the independent auditor.

The AC has recommended to the Board of Directors that the independent auditor, CLA Global TS Public Accounting Corporation, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

Independent Auditor

The independent auditor, CLA Global TS Public Accounting Corporation, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors

……………………………………..
Yeo Eng Pu, Charles
Director

……………………………………..
Zhang Weiquan, Jonathan
Director

7 July 2023

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VIVIDTHREE HOLDINGS LTD.

Report on Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Vividthree Holdings Ltd. (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2023, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 65 to 118.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 March 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VIVIDTHREE HOLDINGS LTD.

Key Audit Matters (continued)

Expected credit losses ("ECL") on trade and other receivables and deposits
(Refer to Notes 2.14, 3(b), 13, 14 and 34(b) to the financial statements)

Area of focus

As at 31 March 2023, the Group's trade and other receivables and deposits amounted to $1,302,214 and $3,539,961, respectively, representing 6% and 17% of the Group's total assets.

In accordance with SFRS(I) 9 *Financial Instruments*, the Group determines the allowance for expected credit losses ("ECL") on trade receivables by assessing the lifetime ECL. This assessment takes into consideration the Group's historical default probabilities, which are adjusted for forward-looking factors and the specific economic environment relevant to the respective group of the debtors. Other receivables and deposits are generally measured at an amount equal to 12-months ECL. However, if the credit quality deteriorates and the credit risk associated with other financial assets significantly increases after their initial recognition, the 12-months ECL is replaced by the lifetime ECL.

Given the significant level of management judgement required to estimate the ECL, we have focused our attention on expected credit losses on trade and other receivables and deposits.

How our audit addressed the area of focus

In obtaining sufficient audit evidence, we have performed the following procedures:

- Understood the basis and assumptions used by management in their assessment of ECL on trade and other receivables and deposits;

- Evaluated management's assessment and determination of ECL on the Group's trade and other receivables and deposits by reviewing the reasonableness of management estimation of ECL rates. These rates are derived from the historical loss rates for each category of customers and adjusted to reflect both forward-looking factors and the economic environment, taking into consideration the recoverability of outstanding receivables; and

- Reviewed and considered the adequacy of ECL related disclosures made in the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VIVIDTHREE HOLDINGS LTD.

Key Audit Matters (continued)

Valuation on acquired rights
(Refer to Notes 2.10, 3(d) and 22 to the financial statements)

Area of focus

As at 31 March 2023, the Group's acquired rights amounted to $7,611,275 representing 37% of the Group's total assets. In accordance with SFRS(I) 1-36 *Impairment of Assets*, these acquired rights are subject to impairment testing when there is objective evidence or indication of potential impairment. If such indications exist, an impairment assessment should be conducted to determine the recoverable amount.

Following the requirement under SFRS(I) 1-36, the Group has considered the existence of impairment indicators resulting from external factors. Consequently, the management has assessed the recoverable amount of these acquired rights as at 31 March 2023. The determination of the recoverable amount was based on projected income throughout the remaining useful lives of these acquired rights ("projection"). As part of the impairment assessment, the management, at their best knowledge and experience, estimated the income that the Group is expected to generate from the exploitation and exhibition of these acquired rights throughout their remaining useful lives. Considering these assessments, as at 31 March 2023, no impairment loss is required, as the recoverable amount of these acquired rights exceeds their carrying amount.

Given the significance of the carrying amount of the acquired rights to the Group and the significant level of management judgement and assumptions involved in determining the recoverable amount, we had focused our attention on the valuation on acquired rights.

How our audit addressed the area of focus

In obtaining sufficient audit evidence, we have performed the following procedures:

- Understood the basis and estimates used by management in their assessment of impairment indicator and impairment assessment for these acquired rights;

- With the assistance of internal valuation specialist, we assessed the reasonableness of the discount rate used in the projection to determine the recoverable amount;

- Critically evaluated the reasonableness and appropriateness of the estimates used in the projection for impairment assessment. Additionally, on a sampling basis, we compared the projected income against historical information, market data and other supporting documents;

- Performed sensitivity analysis on the recoverable amount, considering the reasonable possible changes in the key assumption used; and

- Reviewed and considered the adequacy of related disclosures made in the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VIVIDTHREE HOLDINGS LTD.

Key Audit Matters (continued)

Valuation on goodwill
(Refer to Notes 2.10, 3(d) and 22 to the financial statements)

Area of focus

As at 31 March 2023, the Group's goodwill amounted to $2,851,917 representing 14% of the Group's total assets. In accordance with SFRS(I) 1-36 *Impairment of Assets*, goodwill is assessed for impairment annually and whenever there is indication that the goodwill may be impaired. Impairment is recognised when the carrying amount of the goodwill exceeds its recoverable amount, which is determined as the higher of the value-in-use or the fair value less cost to disposal method.

Following the requirement under SFRS(I) 1-36, the Group has determined the recoverable amount of the goodwill using value-in-use method. The impairment assessment process involves significant judgement and estimate made by management in preparing cash flow projections to determine the recoverable amount. Key inputs and assumptions, including but not limited to the discount rate, revenue and expenses growth rate, terminal growth rate, and consideration of past performance, market conditions and future economic conditions, are taken into account. As at 31 March 2023, after considering all relevant factors, management has concluded that no impairment loss is required for the goodwill as the recoverable amount exceeds the carrying amount.

Given the significant degree of management judgements and assumptions involved in determining the recoverable amount, we had focused our attention on the valuation of goodwill.

How our audit addressed the area of focus

In obtaining sufficient audit evidence, we have performed the following procedures:

- Understood the basis of preparation used by management, including the key inputs and assumptions used in their goodwill impairment assessment;

- Evaluated whether the valuation methodology used to determine the recoverable amount complies with the requirements of SFRS(I) 1-36 *Impairment of Assets*;

- With the assistance of our internal valuation specialist, assessed the reasonableness of the discount rate and terminal growth rate used in the cash flow projections to determine the recoverable amount;

- Critically evaluated the reasonableness and appropriateness of the key inputs and assumptions used in the cash flow projections for impairment assessment, and compared the cash flow projections against historical information, market and economic conditions and expected future performance of the cash- generating unit and other supporting documents;

- Performed sensitivity analysis on the recoverable amount, considering the reasonable possible changes in the key assumption used; and

- Reviewed and considered the adequacy of related disclosures made in the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VIVIDTHREE HOLDINGS LTD.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VIVIDTHREE HOLDINGS LTD.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VIVIDTHREE HOLDINGS LTD.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement director on the audit resulting in this independent auditor's report is Ms. Lim Hui Ki.

CLA Global TS Public Accounting Corporation
Public Accountants and Chartered Accountants

Singapore
7 July 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

		Group	
		2023	**2022**
	Note	**$**	**$**
Revenue	4	**2,913,974**	2,861,015
Cost of sales		**(3,034,607)**	(4,731,812)
Gross loss		**(120,633)**	(1,870,797)
Other income			
– Interest income	5	**54,460**	25,662
– Others	5	**104,226**	464,555
Other (losses)/gains – net			
– Reversal of/(allowance for) expected credit loss on financial assets – net	6	**–**	29,564
– Others	6	**(567,357)**	(605,020)
Expenses			
– Administrative		**(2,710,634)**	(3,750,789)
– Finance	9	**(172,095)**	(223,317)
Loss before income tax		**(3,412,033)**	(5,930,142)
Income tax (expense)/credit	10	**(4,266)**	97,017
Net loss for the financial year		**(3,416,299)**	(5,833,125)
Other comprehensive income/(loss), net of tax:			
Items that may be reclassified subsequently to profit or loss:			
– Currency translation differences arising from consolidation – gains/(losses)	31(b)	**253,040**	(17,551)
Total comprehensive loss for the financial year		**(3,163,259)**	(5,850,676)
Net loss attributable to:			
Equity holders of the Company		**(3,412,128)**	(5,838,015)
Non-controlling interest		**(4,171)**	4,890
		(3,416,299)	(5,833,125)
Total comprehensive loss attributable to:			
Equity holders of the Company		**(3,159,088)**	(5,855,566)
Non-controlling interest		**(4,171)**	4,890
		(3,163,259)	(5,850,676)
Loss per share for loss attributable to equity holders of the Company			
Basic and diluted (cents)	11	**(0.92)**	(1.69)

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2023

		Group		Company	
		2023	2022	2023	2022
	Note	$	$	$	$
ASSETS					
Current assets					
Cash and cash equivalents	12	**560,797**	893,525	**58,143**	404,150
Trade and other receivables	13	**1,302,214**	3,484,830	**12,905,639**	12,846,188
Deposits and prepayments	14	**3,796,639**	593,629	**128,433**	25,932
Inventories	15	**800,000**	800,000	**–**	–
Other current assets	16	**1,152,432**	1,551,821	**–**	–
		7,612,082	7,323,805	**13,092,215**	13,276,270
Non-current assets					
Deposits	14	**–**	3,500,000	**–**	–
Financial assets, at fair value through profit or loss ("FVPL")	17	**1,649,029**	1,700,755	**900,000**	900,000
Investments in subsidiaries	18	**–**	–	**461,900**	451,900
Plant and equipment	19	**118,922**	273,093	**–**	–
Right-of-use assets	20	**282,226**	164,217	**–**	–
Goodwill arising on consolidation	21	**2,851,917**	2,851,917	**–**	–
Acquired rights	22	**7,611,275**	7,231,552	**–**	–
Intangible assets	23	**222,470**	729,691	**–**	–
		12,735,839	16,451,225	**1,361,900**	1,351,900
Total assets		**20,347,921**	23,775,030	**14,454,115**	14,628,170
LIABILITIES					
Current liabilities					
Trade and other payables	24	**1,883,599**	590,836	**939,257**	739,161
Contract liabilities	25	**584,360**	693,320	**–**	–
Borrowings	26	**2,525,728**	2,558,245	**–**	–
Lease liabilities	27	**93,774**	142,359	**–**	–
Current income tax liabilities		**156,648**	172,639	**1,085**	1,085
		5,244,109	4,157,399	**940,342**	740,246
Non-current liabilities					
Borrowings	26	**1,520,737**	3,046,456	**–**	–
Lease liabilities	27	**189,027**	16,037	**–**	–
Provision	28	**57,506**	55,337	**–**	–
Deferred income tax liabilities	29	**–**	–	**–**	–
		1,767,270	3,117,830	**–**	–
Total liabilities		**7,011,379**	7,275,229	**940,342**	740,246
NET ASSETS		**13,336,542**	16,499,801	**13,513,773**	13,887,924
EQUITY					
Equity attributable to equity holders of the Company					
Share capital	30	**15,959,231**	15,959,231	**15,959,231**	15,959,231
Reserves	31	**3,176,392**	2,923,352	**–**	–
Accumulated losses	32	**(5,800,938)**	(2,388,810)	**(2,445,458)**	(2,071,307)
		13,334,685	16,493,773	**13,513,773**	13,887,924
Non-controlling interest		**1,857**	6,028	**–**	–
Total equity		**13,336,542**	16,499,801	**13,513,773**	13,887,924

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Attributable to equity holders of the Company					
	Share capital $	Reserves $	(Accumulated losses)/Retained profits $	Total $	Non-controlling interest $	Total equity $
Group						
2023						
Beginning of financial year	**15,959,231**	**2,923,352**	**(2,388,810)**	**16,493,773**	**6,028**	**16,499,801**
Net loss for the financial year	**–**	**–**	**(3,412,128)**	**(3,412,128)**	**(4,171)**	**(3,416,299)**
Other comprehensive income for the financial year	**–**	**253,040**	**–**	**253,040**	**–**	**253,040**
Total comprehensive income/(loss) for the financial year	**–**	**253,040**	**(3,412,128)**	**(3,159,088)**	**(4,171)**	**(3,163,259)**
End of financial year	**15,959,231**	**3,176,392**	**(5,800,938)**	**13,334,685**	**1,857**	**13,336,542**
2022						
Beginning of financial year	13,772,231	2,940,903	3,449,205	20,162,339	1,138	20,163,477
Net (loss)/profit 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)
Total comprehensive (loss)/income for the financial year	–	(17,551)	(5,838,015)	(5,855,566)	4,890	(5,850,676)
Issuance of new shares pursuant to the private placement (Note 30)	2,187,000	–	–	2,187,000	–	2,187,000
End of financial year	15,959,231	2,923,352	(2,388,810)	16,493,773	6,028	16,499,801

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

		Group	
		2023	2022
	Note	$	$
Cash flows from operating activities			
Net loss		**(3,416,299)**	(5,833,125)
Adjustments for:			
– Income tax expense/(credit)	10	**4,266**	(97,017)
– Interest income	5	**(54,460)**	(25,662)
– Interest expense	9	**172,095**	223,317
– Reversal of/(allowance for) expected credit loss on financial assets – net	6	**–**	(29,564)
– Loss on fair value changes in financial assets, at FVPL – net	6	**–**	1,341
– Gain on disposal of financial assets, at FVPL	6	**–**	(18,684)
– Loss on disposal of plant and equipment	6	**242**	26
– Plant and equipment written off	6	**52**	1,518
– Depreciation of plant and equipment	7	**166,990**	277,274
– Depreciation of right-of-use assets	7	**142,211**	201,828
– (Gain)/Loss arising from derecognition of leases	6	**(886)**	1,503
– Amortisation of acquired rights	7	**198,572**	3,150,996
– Amortisation of intangible assets	7	**496,403**	321,037
– Bad debt written off	6	**4,280**	–
– Inventory written down	6	**–**	800,000
– Unrealised foreign currency exchange loss/(gains)		**593,415**	(172,719)
Operating loss before working capital changes		**(1,693,119)**	(1,197,931)
Change in working capital:			
– Trade and other receivables		**1,394,159**	104,779
– Other current assets		**256,693**	27,512
– Deposits and prepayments		**277,123**	552,801
– Trade and other payables		**1,313,553**	(632,982)
– Contract liabilities		**(108,587)**	(156,893)
Cash provided by/(used in) operations		**1,439,822**	(1,302,714)
Interest received		**97**	833
Income tax (paid)/refund		**(4,266)**	4,378
Net cash provided by/(used in) operating activities		**1,435,653**	(1,297,503)

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	Group 2023 $	Group 2022 $
Cash flows from investing activities			
Additions to plant and equipment		**(14,071)**	(21,494)
Additions to acquired rights		**–**	(697,760)
Additions to intangible assets		**(26,049)**	(163,578)
Government grants received for development of software (intangible assets)		**154,936**	75,087
Additions to financial assets, at FVPL		**–**	(700,000)
Proceeds from disposal of financial assets, at FVPL		**–**	1,874,280
Proceeds from disposal of plant and equipment		**130**	3,092
Net cash provided by investing activities		**114,946**	369,627
Cash flows from financing activities			
Interest paid		**(169,926)**	(221,051)
Proceeds from issuance of new shares pursuant to the private placement		**–**	2,187,000
Repayment of borrowings		**(1,558,236)**	(1,325,855)
Principal payment of lease liabilities		**(134,778)**	(187,361)
Net cash (used in)/provided by financing activities		**(1,862,940)**	452,733
Net changes in cash and cash equivalents		**(312,341)**	(475,143)
Cash and cash equivalents			
Beginning of financial year		**893,525**	1,367,394
Effects of currency translation on cash and cash equivalents		**(20,387)**	1,274
Cash and cash equivalents at end of financial year	12	**560,797**	893,525

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

Reconciliation of liabilities arising from financing activities

		Cash flows	Non-cash changes				
	Beginning of financial year	Principal and interest payments	Addition during the year	Derecognition of leases	Interest expense	Currency translation differences	End of financial year
	$	$	$	$	$	$	$
Group							
2023							
Borrowings							
Bank borrowings	**5,604,701**	**(1,724,746)**	**–**	**–**	**166,510**	**–**	**4,046,465**
Lease liabilities	**158,396**	**(138,194)**	**280,821**	**(20,027)**	**3,416**	**(1,611)**	**282,801**
2022							
Borrowings							
Bank borrowings	6,930,556	(1,532,713)	–	–	206,858	–	5,604,701
Lease liabilities	392,304	(201,554)	37,695	(83,910)	14,193	(332)	158,396

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1 GENERAL INFORMATION

The Company

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 described in Note 18 to the financial statements.

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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

These financial statements have been prepared in accordance with the SFRS(I) under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (“$”) except otherwise indicated.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3 to the financial statements.

2.2 Adoption of new and amended standards and interpretations

On 1 April 2022, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) (“INT SFRS(I)”) that are mandatory for application for the financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group’s accounting policies and had no material effect on the amounts reported for the current or prior financial years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time and the amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Digital and live experience production

(i) Production services

Production services are services rendered to third parties for the development and production of immersive entertainment location-based thematic show. Revenue is recognised at a point in time or over time depending on the variation of respective contract and performance obligation attached.

(ii) Revenue from the exploitation of copyrights*

Revenue is recognised at a point in time when a fixed fee on non-refundable guarantee under a non-cancellable contract has been entered, which permits the customer the rights to use freely and the Group has no remaining obligations to perform.

* Copyrights refer to copyrights and all other rights attached therein.

(iii) Others

Revenue from co-management of events is recognised at a point in time upon completion of the events.

(b) Digital Media production

Digital Media production are services rendered to third parties for a visual effects, computer-generated imagery services and immersive media works. Revenue is recognised at a point in time or over time depending on the variation of respective contract terms and performance obligation attached. Performance obligation are satisfied over time, if services is transferred upon the Group (i) provide all of the benefits received and consumed simultaneously by the customer; (ii) creates or enhances an asset that the customer controls as the Group performs; or (iii) does not create an asset with an alternative use to the Group and the Group has enforceable right to payment for performance completed to date. Services that are transferred over time, revenue are recognised over the period of revenue contract by reference to progress towards completion and satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the relevant services rendered and have been accepted by the customer.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Other income

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions. Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as "other income". Government grants relating to assets are deducted against the carrying amount of the assets.

Rental income from provision of equipment is recognised on a straight-line basis over the service period.

Interest income is recognised using the effective interest method.

2.5 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statements of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Group accounting (continued)

(a) Subsidiaries (continued)

(ii) Acquisitions (continued)

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest’s proportionate share of the acquiree’s identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair values of the net identifiable assets acquired net of the fair values of the liabilities and any contingent liabilities assumed, is recorded as goodwill. The subsequent accounting policy on goodwill is disclosed in Note 2.8 to the financial statements.

(iii) Disposals

When a change in the Group’s ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained profits if required by a specific SFRS(I).

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

The “Investment in subsidiaries” for the accounting policy on investment in subsidiaries in the separate financial statements of the Company is disclosed in Note 2.9 to the financial statements.

(b) Transactions with non-controlling interests

Changes in the Group’s ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Plant and equipment

(a) Measurement

(i) Plant and equipment

All items of plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(ii) Components of costs

The cost of an item of plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Depreciation

Depreciation on plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Office equipment and computers	3 – 5 years
Furniture and fittings	10 years
Renovation	5 years
Tools and equipment	3 – 5 years

The residual values, estimated useful lives or annual rates and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated plant and equipment still in use are retained in the financial statements until they are no longer in use.

(c) Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within “other (losses)/gains – net”.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Leases

When the Group is the lessee:

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in SFRS(I) 16. Reassessment is only required when the terms and conditions of the contract are changed.

(i) Right-of-use assets

The Group recognises a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

The projected cost of restoration is also recognised as part of the cost of right-of-use assets as the obligation of the restoration will be incurred and arising as a consequence of using the assets.

This right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term as follows:

	Useful lives
Computers	3 years
Office spaces	2 – 4 years

(ii) Lease liabilities

The initial measurement of a lease liability is measured at the present value of the lease payments discounted using the implicit interest rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payments, including in-substance fixed payments, less any lease incentives receivables;
- Variable lease payments that based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee;
- The exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For a contract that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group has elected to not separate lease and non-lease component for property leases and account these as one single lease component.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Leases (continued)

(ii) Lease liabilities (continued)

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There is modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(iii) Short term and low value leases

The Group has elected not to recognised right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangement. Lease payments relating to these leases are expensed to profit or loss as short-term and low value assets on a straight-line basis over the lease term, if any.

(iv) Variable lease payments

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that triggered those lease payments.

There is no variable lease payment during the financial year.

2.8 Goodwill

Goodwill on acquisitions of subsidiaries and businesses, represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired. Goodwill on subsidiaries is recognised separately as goodwill and carried at cost less accumulated impairment losses.

Gains and losses on the disposal of subsidiaries include the carrying amount of goodwill relating to the entity sold.

2.9 Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between the disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Acquired rights

Acquired rights comprised of intellectual property rights, film and merchandise rights and participation rights.

Intellectual property rights ("IP rights") are rights acquired by the Group for specific content, conceptual ideas, or film titles. It is initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation on IP rights is calculated on straight-line basis over maximum useful life of ten (10) years, starting from the time the rights are put to use. The amortisation is recognised to profit or loss over its useful life.

Film and merchandise rights represent the Group's entitlement to the net distribution earnings derived from distribution activities performed by the producer as per the contractual agreement. Film and merchandise rights are stated at cost less accumulated amortisation and accumulated impairment losses. Film and merchandise rights, less estimated residual value and accumulated impairment losses, are amortised in proportion to the estimated projected revenues over their economic beneficial period. Additional amortisation and/or impairment loss is made if future estimated projected revenue is adversely different from the previous estimation. Estimated projected revenues are reviewed at regular intervals.

Participation rights represented the Group's entitlement to share of the certain percentage of income generated from participation rights as per contractual agreement. Participation rights are stated at cost less accumulated amortisation and accumulated impairment losses. Participant rights, less estimated residual value and accumulated impairment losses, are amortised in proportion to the estimated projected revenues over their economic beneficial period. Additional amortisation and/or impairment loss is made if future estimated projected revenue are adversely different from the previous estimation. Estimated projected revenues are reviewed at regular intervals.

For acquired rights that have yet to developed or used will be subject to impairment assessment on annual basis. For acquired rights that have been amortised, an impairment assessment will be conducted whenever there is an indication that it may impaired.

2.11 Intangible assets

(a) Content development costs

Content development costs directly attributable to the development of content production projects are capitalised as intangible assets only when technical feasibility of the project is demonstrated, the Group has an intention and ability to complete and use the content and the costs can be measured reliably. Such costs include purchases of materials, services and payroll-related costs of employees directly involved in the project.

(b) Customer relationship

Customer relationship is the identifiable intangible asset recognised on acquisition of subsidiaries which are not recognised as an asset by the subsidiaries because it developed them internally and charged the related costs to profit or loss. Customer relationship is initially recognised at fair value at the acquisition date and subsequently carried at cost less accumulated amortisation and accumulated impairment losses. Customer relationship is amortised over the relationship life of four (4) years. Additional amortisation and/or impairment loss is made if future estimated relationship life is different from the previous estimation.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Intangible assets (continued)

(c) Licenses

Licenses refer to the acquired licenses by the Group that grant the right to use, display, store and reproduce into electronic format and immersive entertainment from the original content owned by the licensor. Licenses are stated at cost less accumulated amortisation and accumulated impairment losses. Licenses, less estimated residual value and accumulated impairment losses, are amortised on straight line over the license period.

(d) Software under development

Research costs are recognised as an expense when incurred. Costs directly attributable to the development of software are capitalised as intangible assets only when technical feasibility of the project is demonstrated, the Group has an intention and ability to complete and use the software and the costs can be measured reliably. Such costs include purchases of materials and services, and payroll-related costs of employees directly involved in the project.

Software under development will not be amortised and will be transferred to software when it is developed and available for intended use.

(e) Software

Software are stated at cost less accumulated amortisation and accumulated impairment losses. Software, less estimated residual value and accumulated impairment losses, are amortised on straight line method over the estimated useful lives of five (5) years. It will be subject to impairment assessment whenever there is an indication that it may be impaired.

(f) Cryptocurrencies

Cryptocurrencies are initially stated at cost and are subsequently carried at cost less any accumulated impairment losses. Cryptocurrencies are deemed to have indefinite useful lives and will not be amortised.

The useful life of cryptocurrencies will be reviewed at each reporting period to determine whether events and circumstances continue to support an indefinite useful life assessment for cryptocurrencies.

On disposal of cryptocurrencies, the difference between the disposal proceeds and its carrying amounts is recognised in profit or loss within “Other (losses)/gains – net”.

The amortisation period and amortisation method of intangible assets are reviewed at least at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

2.12 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Impairment of non-financial assets

(a) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(b) *Plant and equipment*
Right-of-use assets
Acquired rights
Intangible assets
Investment in subsidiaries

Plant and equipment, right-of-use assets, acquired rights, intangible assets and investment in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

For an asset other than goodwill, management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.14 Financial assets

(a) Classification and measurement

The Group classifies its financial assets in the following measurement categories:
– Amortised cost; and
– Fair value through profit or loss ("FVPL").

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

At subsequent measurement

(i) Debt instruments

Debt instruments of the Group mainly comprise of cash and cash equivalents, trade and other receivables and unlisted debt securities.

The subsequent measurement categories are depending on the Group's business model for managing the asset and the cash flow characteristics of the assets. The Group's subsequent measurement categories are as follows:

- *Amortised cost:*

  Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

- *Fair value through profit or loss:*

  Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or fair value through other comprehensive income ("FVOCI") are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other (losses)/gains – net".

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.14 Financial assets (continued)

(a) Classification and measurement (continued)

At subsequent measurement (continued)

(ii) Equity investments

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in “other (losses)/gains – net”.

(b) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 34(b) to the financial statements details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applied the simplified approach permitted by SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For other receivables and deposits, the general 3-stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since recognition of the assets. If there is significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised.

(c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income (“OCI”) relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in OCI relating to that asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.15 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.16 Financial guarantees

The Company has issued corporate guarantees to banks for bank borrowings of its subsidiary. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiary fails to make principal or interest payments when due in accordance with the terms of its borrowings.

Financial guarantee contracts are initially measured at fair value plus transaction costs and subsequently measured at the higher of:

(a) premium received on initial recognition less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and

(b) the amount of expected loss computed using the impairment methodology under SFRS(I) 9.

2.17 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.18 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less. Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.19 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost include all costs of purchase and other costs incurred in developing the concept and content. Net realisable value is the estimated selling price in the ordinary course of business less selling expenses.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.20 Other current assets

Other current assets, comprise costs incurred in fulfilling a contract with a customer, are recognise only if (i) these costs relate directly to a contract or to an anticipated contract which the Group can specifically identify; (ii) these costs generate or enhance resources of the Group that will be used in satisfying performance obligations in the future; and (iii) the costs are expected to be recovered. Otherwise, such costs are recognised as an expense immediately.

The assets recognised are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. An impairment loss is recognised in profit or loss to the extent that the carrying amount of these other current assets exceeds the expected remaining consideration less any directly related costs not yet recognised as expenses.

2.21 Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received a consideration (or an amount of consideration that is due) from the customer. A contract liability is recognised when the payment is made or when an invoice is issued before the Group transfers goods or services to the customer. Contract liabilities are recognised as revenue when the Group performs under the contract.

2.22 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences, arising on investment in subsidiaries except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 Income taxes (continued)

Deferred income tax is measured:

(a) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date; and

(b) based on the tax consequence that will follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income and expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Group accounts for investment tax credits (for example, productivity and innovation credit) similar to accounting for other tax credits where a deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

2.23 Provisions

Provisions for other liabilities and charges are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in profit or loss as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2.24 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund in Singapore and Employee Provident Fund in Malaysia on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision when contractually obliged to pay or when there is a past practice that has created a constructive obligation to pay.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.25 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars ("$"), which is the functional currency of the Company.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of comprehensive income within "finance expense". All other exchange gains and losses impacting profit or loss are presented in the statement of comprehensive income within "other (losses)/gains – net".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.26 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision-maker ("CODM") whose members are responsible for allocating resources and assessing performance of the operating segments.

2.27 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash at bank, cash on hand and deposits with financial institutions which are subject to an insignificant risk to change in value.

2.28 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.29 Dividends to Company's shareholders

Dividends to the Company's shareholders are recognised in equity in the period in which they are declared.

3 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

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. Details on these areas which involve significant judgement and estimation uncertainty are further disclosed below.

(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, through the valuation method of fair value less cost to disposal or value-in-use. The method and assumptions used in this estimation of recoverable amount and the carrying amount of goodwill are disclosed in Note 21 to the financial statements.

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

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

In accordance with SFRS(I) 9 *Financial Instruments*, the Group determines the allowance for expected credit losses ("ECL") on trade receivables by assessing the lifetime ECL. This assessment takes into consideration the Group's historical default probabilities, which are adjusted for forward-looking factors and the specific economic environment relevant to the respective group of the debtors. Other receivables and deposits are generally measured at an amount equal to 12-months ECL. However, if the credit quality deteriorates and the credit risk associated with other financial assets significantly increases after their initial recognition, the 12-months ECL is replaced by the lifetime ECL.

The carrying amount of the trade and other receivables and deposits at the reporting date are disclosed in Notes 13 and 14 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

3 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

(c) Valuation of financial assets, at FVPL

The Group carries certain of its financial assets at fair value through profit or loss and changes in FVPL are 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.

The carrying amount of financial assets, at FVPL at the reporting date are disclosed in Note 17 to the financial statements.

(d) Valuation of acquired rights

The costs of acquired rights will be amortised over the economic benefits period (over maximum of 10 years' useful life or its contractual period). The amortisation period and method for these acquired rights will be reviewed annually and it will be subject to impairment assessment whenever there is an indication that it may be impaired. Additional amortisation and/or impairment are made if estimated projected cash flows are materially different from the previous estimation.

As at 31 March 2023, the Group has considered the existence of impairment indicators resulting from external factors. Consequently, the management has assessed the recoverable amount of these acquired rights as at 31 March 2023. The determination of the recoverable amount was based on projected income throughout the remaining useful lives of these acquired rights ("projection"). As part of the impairment assessment, the management, at their best knowledge and experience, estimated the income that the Group is expected to generate from the exploitation and exhibition of these acquired rights throughout their remaining useful lives and/or its contractual period. Considering these assessments, as at 31 March 2023, no impairment loss is required, as the recoverable amount of these acquired rights exceeds their carrying amount.

The carrying amount of the acquired rights is disclosed in Note 22 to the financial statements.

(e) Valuation of other current assets

Other current assets of the Group represents the assets recognised for costs incurred to fulfil a contract, which is the future events relating to digital media and digital and live experience production services. The Group shall recognise an impairment loss in profit or loss to the extent that the carrying amount of the asset exceeds the remaining amount of consideration that the entity expects to receive in exchange for the services to which the asset relates less the costs that relate directly to providing those services and that have not been recognised as expenses.

In assessing the impairment of other current assets, judgements are used to estimate the remaining amount of consideration that the Group is expected to receive and the costs that relate directly to providing the services.

Management has assessed that the remaining amount of consideration less cost to complete is expected to be higher than the carrying amount of other current assets, accordingly, no impairment is required.

The carrying amounts of other current assets are disclosed in Note 16 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

4 REVENUE

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

	Group	
	2023	**2022**
	$	**$**
At a point in time		
Digital media production	**2,340,284**	2,452,015
Digital & live experience production	**573,690**	409,000
	2,913,974	2,861,015
Geographical regions based on location of customers		
Singapore	**2,418,426**	2,487,917
Malaysia	**90,364**	141,231
Japan	**332,656**	231,867
Others	**72,528**	–
	2,913,974	2,861,015

5 OTHER INCOME

	Group	
	2023	**2022**
	$	**$**
Income arising from acquired rights	**45,032**	315,467
Government grants – Jobs Support Scheme ("JSS") (Note 5(a))	**–**	32,318
Government grants – others (Note 5(b))	**33,679**	84,980
Equipment rental income	**23,297**	30,934
Others	**2,218**	856
	104,226	464,555
Interest income		
– Bank	**97**	833
– Financial assets, FVPL – unquoted convertible loans	**54,363**	24,829
	54,460	25,662
	158,686	490,217

(a) JSS was a temporary scheme introduced in the Singapore Budget 2020 to help enterprises retain local employees. Under the JSS, employers receive cash grants in relation to the gross monthly wages of eligible employees.

(b) Government grants – others include wages credit scheme, temporary employment credit, special government credit and government-paid maternity/paternity leave.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

6 OTHER (LOSSES)/GAINS – NET

	Group	
	2023	**2022**
	$	**$**
Foreign currency exchange (losses)/gains – net	**(577,555)**	180,684
Inventory written down	**–**	(800,000)
Loss on disposal of plant and equipment	**(242)**	(26)
Loss on disposal of intangible assets	**(938)**	–
Plant and equipment written off	**(52)**	(1,518)
Loss on fair value changes in financial assets, at FVPL – net (Note 17)	**–**	(1,341)
Gain on disposal of financial assets, at FVPL	**–**	18,684
Gain/(loss) arising from derecognition of leases	**886**	(1,503)
Bad debts written off	**(4,280)**	–
Others	**14,824**	–
	(567,357)	(605,020)
Reversal of/(allowance for) expected credit loss on financial assets – net (Note 34(b)(ii))	**–**	29,564
	(567,357)	(575,456)

7 EXPENSES BY NATURE

The Group's loss before tax is arrived at after charging the following:

	Group	
	2023	**2022**
	$	**$**
Employees compensation (Note 8)	**3,069,373**	3,097,725
Directors' fees	**100,000**	100,000
Depreciation of plant and equipment (Note 19)	**166,990**	277,274
Depreciation of right-of-use assets (Note 20)	**142,211**	201,828
Amortisation of acquired rights (Note 22)	**198,572**	3,150,996
Amortisation of intangible assets (Note 23)	**496,403**	321,037
Purchases of direct production-related expenses	**894,843**	620,884
IT and software related expenses	**150,524**	100,191
Professional fees	**296,074**	348,785

8 EMPLOYEES COMPENSATION

	Group	
	2023	**2022**
	$	**$**
Wages and salaries	**2,608,352**	2,632,189
Employer's contribution to defined contribution plans	**247,531**	237,950
Other short-term benefits	**213,490**	227,586
	3,069,373	3,097,725

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

9 FINANCE EXPENSES

	Group	
	2023	2022
	$	$
Interest expense on:		
– Bank borrowings	**166,510**	206,858
– Lease liabilities	**3,416**	14,193
	169,926	221,051
Unwinding of discount on provision for restoration costs (Note 28)	**2,169**	2,266
	172,095	223,317

10 INCOME TAX EXPENSE/(CREDIT)

Tax expense/(credit) attributable to loss is made up of:

	Group	
	2023	2022
	$	$
Under/(over) provision in prior financial years:		
– Current income tax – Singapore	**4,266**	(5,274)
– Deferred income tax (Note 29)	**–**	(91,743)
	4,266	(97,017)
	4,266	(97,017)

The tax on the Group's loss before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	Group	
	2023	2022
	$	$
Loss before tax	**(3,412,033)**	(5,930,142)
Tax calculated at tax rate of 17% (2022: 17%)	**(580,046)**	(1,008,124)
Effects of:		
– Differential of tax rates in foreign countries	**(24,416)**	(13,730)
– Income not subject to tax	**(10,856)**	(11,563)
– Expenses not deductible for tax purposes	**108,746**	609,549
– Deferred tax assets not recognised	**506,572**	423,868
– Under/(over) provision of income tax in prior financial years	**4,266**	(5,274)
– Over provision of deferred income tax in prior financial years	**–**	(91,743)
Tax expense/(credit)	**4,266**	(97,017)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

11 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	
	2023	**2022**
Net loss attributable to equity holders of the Company ($)	**(3,412,128)**	(5,838,015)
Weighted average number of ordinary shares outstanding for basic and diluted loss per share	**371,511,764**	345,004,915
Basic and diluted loss per share (cents)	**(0.92)**	(1.69)

There were no diluted loss per share for the financial years ended 31 March 2023 and 2022 as there were no dilutive potential ordinary shares outstanding.

12 CASH AND CASH EQUIVALENTS

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$	**$**	**$**	**$**
Cash at banks	**560,797**	893,525	**58,143**	404,150

13 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$	**$**	**$**	**$**
Trade receivables				
– Non-related parties	**572,120**	2,179,869	**–**	–
– Related parties	**343,723**	260,465	**–**	–
– Unbilled receivables	**120,444**	427,509	**–**	–
	1,036,287	2,867,843	**–**	–
Less: Expected credit loss allowance				
– Non-related parties (Note 34(b))	**(30,245)**	(103,262)	**–**	–
Trade receivables – net	**1,006,042**	2,764,581	**–**	–
Other receivables				
– Non-related parties	**356,566**	483,828	**45,693**	19,280
– Subsidiaries	**–**	–	**12,874,946**	12,841,908
– Related parties	**22,870**	251,421	**–**	–
	379,436	735,249	**12,920,639**	12,861,188
Less: Expected credit loss allowance				
– Non-related parties (Note 34(b))	**(83,264)**	(15,000)	**(15,000)**	(15,000)
	296,172	720,249	**12,905,639**	12,846,188
	1,302,214	3,484,830	**12,905,639**	12,846,188

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

13 TRADE AND OTHER RECEIVABLES (CONTINUED)

Unbilled receivables relate to services that the Group has satisfied its performance obligation of revenue contracts but has yet to bill the customers as at the financial year end.

The non-trade amounts due from subsidiaries and related parties are unsecured, interest-free and are repayable on demand.

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

14 DEPOSITS AND PREPAYMENTS

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$	**$**	**$**	**$**
Current				
Deposits (Note 14(a))	**3,539,961**	352,401	**–**	–
Prepayments	**256,678**	241,228	**128,433**	25,932
	3,796,639	593,629	**128,433**	25,932
Non-current				
Deposit (Note 14(b))	**–**	3,500,000	**–**	–

(a) Included in the deposit (current) of the Group, the deposit of $3,500,000 (2022: $290,360) was made to secure a potential investment. As of 31 March 2023, the deposit has been classified from non-current to current as the deposit is expected to be utilised within the next 12 months.

(b) The deposit (non-current) was paid to secure a potential investment.

In the previous financial year, the fair value of non-current deposit amounted $3,159,540 was determined from the discounted market borrowing rates of 5.25%. The fair value is within level 3 of the fair value hierarchy.

15 INVENTORIES

	Group	
	2023	**2022**
	$	**$**
Inventories		
Developed concept with immersive content	**800,000**	800,000

The developed concept with immersive content includes in-game structure, script and creative concept.

In the previous financial year, the Group had written down the value of inventories by $800,000 to its net realisable value.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

16 OTHER CURRENT ASSETS

	Group	
	2023	2022
	$	$
Other current assets		
Assets recognised from costs incurred to fulfill revenue contracts	**1,152,432**	1,551,821

Costs incurred to fulfill revenue contracts related to direct costs incurred for revenue contracts in progress as at 31 March 2023 and 2022. The Group expects the capitalised costs to be fully recovered, hence no impairment loss has been recognised.

17 FINANCIAL ASSETS, AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVPL")

	Group		Company	
	2023	2022	2023	2022
	$	$	$	$
Financial assets designated at FVPL:				
Unquoted securities				
– Singapore	**190,000**	190,000	**190,000**	190,000
– United States	**10,000**	10,000	**10,000**	10,000
	200,000	200,000	**200,000**	200,000
Unquoted convertible loans				
– Singapore	**700,000**	700,000	**700,000**	700,000
– Malaysia	**749,029**	800,755	**–**	–
	1,449,029	1,500,755	**700,000**	700,000
	1,649,029	1,700,755	**900,000**	900,000

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

	Group		Company	
	2023	2022	2023	2022
	$	$	$	$
Beginning of financial year	**1,700,755**	2,863,292	**900,000**	2,095,596
Additions	**–**	700,000	**–**	700,000
Disposals	**–**	(1,855,596)	**–**	(1,855,596)
Loss on fair value changes – net (Note 6)	**–**	(1,341)	**–**	(40,000)
Currency translation differences	**(51,726)**	(5,600)	**–**	–
End of financial year	**1,649,029**	1,700,755	**900,000**	900,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

17 FINANCIAL ASSETS, AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVPL") (CONTINUED)

(a) Unquoted securities

Unquoted securities investments comprise of equity instruments. These investments are measured at FVPL, as they represent an identified portfolio of investments which the Group manages together with an intention to realise the investments when the opportunity arises.

The fair value of unquoted securities investments are determined based on recent price quoted from active/most advantageous market for the investee company's equity and incorporated internal and/or external changes in the business and market environment that the investee operates in (if any).

In the absence of publicly available market data and information where the range of reasonable fair value estimates is significant and the probabilities of the various estimates cannot be reasonable assessed, certain unquoted securities have been measured at costs.

(b) Unquoted convertible loans

As at 31 March 2023, unquoted convertible loans comprise of two (2022: two) debt instruments with interest rate of 3% to 3.5% (2022: 3% to 3.5%) per annum and maturity date of 3 years (2022: 3 years) from the subscription date. One of the unquoted convertible loans has an option to extend for an additional 1 year after the 3 years maturity date at interest rate of 4% (2022: 4%) per annum.

The fair value of unquoted convertible loans is determined based on discounted cash flow method, using a discount rate of 5.25% (2022: 5.25%). The estimated fair value would increase/(decreased) if the discounted rate were lower/(higher).

The fair value of unquoted securities and convertible loans are classified in Level 3 of the fair value hierarchy.

18 INVESTMENTS IN SUBSIDIARIES

	Company	
	2023	**2022**
	$	**$**
Equity investments at cost		
Beginning of financial year	**451,900**	451,900
Additions	**10,000**	–
End of financial year	**461,900**	451,900

On 16 March 2023, the Company incorporated a wholly-owned subsidiary, Beyond Digital Galaxy Pte. Ltd.. The subsidiary has an initial issued and paid-up share capital totaling $10,000.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

18 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

The Group has the following subsidiaries:

Name of subsidiaries	Principal activities	Country of business/ incorporation	Proportion of ordinary shares held by the Group		Proportion of ordinary shares directly held by the Company		Proportion of ordinary shares held by non-controlling interest	
			2023 %	2022 %	2023 %	2022 %	2023 %	2022 %
Held by the Company:								
Vividthree Productions Pte. Ltd.[a]	Motion picture, video and television programme post-production and content production activities	Singapore	**100**	100	**100**	100	**–**	–
Vividthree Co., Ltd. (蔚视丰隆文化发展(上海)有限公司)[b][e]	Motion picture, video and television programme post-production activities	China	**100**	100	**100**	100	**–**	–
V&N Entertainment Pte. Ltd.[a]	Providing event management	Singapore	**55**	55	**55**	55	**45**	45
Beyond Digital Galaxy Pte. Ltd.[f]	Motion picture, video and television programme post-production activities	Singapore	**100**	–	**100**	–	**–**	–
Held by Vividthree Productions Pte. Ltd.:								
Vividthree Productions Sdn. Bhd.[b][c][d]	Motion picture, video and television programme post-production activities	Malaysia	**100**	100	**–**	–	**–**	–

(a) *Audited by CLA Global TS Public Accounting Corporation.*

(b) *Reviewed by CLA Global TS Public Accounting Corporation for the purpose of preparing the consolidated financial statements.*

(c) *Audited by C. C. Lee & Associates, Chartered Accountants, Malaysia for local statutory purposes.*

(d) *In accordance to Rule 716 of the SGX-ST Listing Rules, the Audit Committee and Board of Directors of the Company are of the opinion that the appointment of different auditors for its subsidiaries would not compromise the standard and effectiveness of the audit of the Group and of the Company.*

(e) *The financial statements of the subsidiary is not subject to audit under local law of country.*

(f) *The subsidiary, Beyond Digital Galaxy Pte. Ltd. is incorporated on 16 March 2023.The Company has yet to appoint any auditor as at the date this report.*

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

19 PLANT AND EQUIPMENT

	Office equipment and computers $	Furniture and fittings $	Renovation $	Tools and equipment $	Total $
Group					
2023					
Cost					
Beginning of financial year	**1,124,091**	**70,410**	**295,591**	**844,571**	**2,334,663**
Additions	**3,241**	**–**	**10,830**	**–**	**14,071**
Disposals	**–**	**(720)**	**–**	**–**	**(720)**
Write-off	**–**	**(108)**	**–**	**–**	**(108)**
Currency translation differences	**(2,625)**	**(256)**	**–**	**–**	**(2,881)**
End of financial year	**1,124,707**	**69,326**	**306,421**	**844,571**	**2,345,025**
Accumulated depreciation					
Beginning of financial year	**1,047,242**	**28,008**	**209,522**	**776,798**	**2,061,570**
Depreciation charge for the year (Note 7)	**41,628**	**7,459**	**50,130**	**67,773**	**166,990**
Disposals	**–**	**(348)**	**–**	**–**	**(348)**
Write-off	**–**	**(56)**	**–**	**–**	**(56)**
Currency translation differences	**(1,944)**	**(109)**	**–**	**–**	**(2,053)**
End of financial year	**1,086,926**	**34,954**	**259,652**	**844,571**	**2,226,103**
Carrying amount					
End of financial year	**37,781**	**34,372**	**46,769**	**–**	**118,922**
2022					
Cost					
Beginning of financial year	1,109,663	71,966	299,807	844,571	2,326,007
Additions	21,494	–	–	–	21,494
Disposals	(6,766)	(1,517)	–	–	(8,283)
Write-off	–	–	(4,186)	–	(4,186)
Currency translation differences	(300)	(39)	(30)	–	(369)
End of financial year	1,124,091	70,410	295,591	844,571	2,334,663
Accumulated depreciation					
Beginning of financial year	990,247	20,680	159,323	622,081	1,792,331
Depreciation charge for the year (Note 7)	61,762	7,907	52,888	154,717	277,274
Disposals	(4,593)	(566)	–	–	(5,159)
Write-off	–	–	(2,668)	–	(2,668)
Currency translation differences	(174)	(13)	(21)	–	(208)
End of financial year	1,047,242	28,008	209,522	776,798	2,061,570
Carrying amount					
End of financial year	76,849	42,402	86,069	67,773	273,093

The depreciation charge for the financial year included in cost of sales and administrative expenses amounting to $67,773 (2022: $154,717) and $99,217 (2022: $122,557) respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

20 RIGHT-OF-USE ASSETS

The Group lease computers, various office premises for fixed lease term with extension options.

Set out below are carrying amounts of right-of-use assets recognised and the movement during the financial year:

	Computers $	Office premises $	Total $
Group			
2023			
Cost			
Beginning of financial year	**–**	**591,115**	**591,115**
Additions	**72,264**	**208,557**	**280,821**
Write-off	**–**	**(35,260)**	**(35,260)**
Currency translation differences	**–**	**(2,436)**	**(2,436)**
End of financial year	**72,264**	**761,976**	**834,240**
Accumulated depreciation			
Beginning of financial year	**–**	**426,898**	**426,898**
Depreciation charge for the year (Note 7)	**2,007**	**140,204**	**142,211**
Write-off	**–**	**(16,099)**	**(16,099)**
Currency translation differences	**–**	**(996)**	**(996)**
End of financial year	**2,007**	**550,007**	**552,014**
Carrying amount			
End of financial year	**70,257**	**211,969**	**282,226**
2022			
Cost			
Beginning of financial year	–	817,775	817,775
Additions	–	37,695	37,695
Write-off	–	(263,688)	(263,688)
Currency translation differences	–	(667)	(667)
End of financial year	–	591,115	591,115
Accumulated depreciation			
Beginning of financial year	–	408,119	408,119
Depreciation charge for the year (Note 7)	–	201,828	201,828
Write-off	–	(182,597)	(182,597)
Currency translation differences	–	(452)	(452)
End of financial year	–	426,898	426,898
Carrying amount			
End of financial year	–	164,217	164,217

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

20 RIGHT-OF-USE ASSETS (CONTINUED)

	Group	
	2023	**2022**
	$	**$**
Amounts recognised in profit or loss:		
Depreciation of right-of-use assets (Note 7)	**142,211**	201,828
Interest expense on lease liabilities (Note 9)	**3,416**	14,193
Total cash outflow for all the leases recognised in consolidated statement of cash flows	**138,194**	201,554

21 GOODWILL ARISING ON CONSOLIDATION

	Group	
	2023	**2022**
	$	**$**
Cost and carrying amount		
Beginning and end of financial year	**2,851,917**	2,851,917

Impairment test for goodwill

Following the requirement under SFRS(I) 1-36, the Group has determined the recoverable amount of the goodwill using value-in-use ("VIU") method. The impairment assessment process involves significant judgement and estimate made by management in preparing cash flow projections to determine the recoverable amount. Key inputs and assumptions, including but not limited to the discount rate, revenue and expenses growth rate, terminal growth rate, and consideration of past performance, market conditions and future economic conditions, are taken into account. As at 31 March 2023, after considering all relevant factors, management has concluded that no impairment loss is required for the goodwill as the recoverable amount exceeds the carrying amount.

The VIU is determined based on financial budgets covering a five-year period and beyond five-year period were extrapolated using terminal growth rate as disclosed in the table below. These cash flows were discounted using a pre-tax discount rate that reflected current market assessment of the time value of money and the risks specific to the CGU.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

21 GOODWILL ARISING ON CONSOLIDATION (CONTINUED)

Key assumptions used for VIU calculations:

	2023	2022
Average growth rate[(a)]	**4.0%**	5.0%
Terminal growth rate[(b)]	**2.0%**	2.0%
Discount rate[(c)]	**10.0%**	10.0%

(a) Weighted average growth rates used to project operating expenses for the five-year period

(b) Terminal growth rates used to extrapolate cash flows beyond the five-year period

(c) Pre-tax discount rates applied to the pre-tax cash flow projections

Sensitivity to changes in assumptions

The Group believes that any reasonably possible change in the above key assumptions are not likely to cause the recoverable amount of the CGU to be materially lower than the related carrying amount.

22 ACQUIRED RIGHTS

	Group	
	2023	**2022**
	$	**$**
Cost		
Beginning of financial year	**11,590,042**	8,755,775
Additions	**785,840**	2,618,960
Currency translation differences	**(535,342)**	215,307
End of financial year	**11,840,540**	11,590,042
Accumulated amortisation		
Beginning of financial year	**4,358,490**	1,137,230
Amortisation charge for the year (Note 7)	**198,572**	3,150,996
Currency translation differences	**(327,797)**	70,264
End of financial year	**4,229,265**	4,358,490
Carrying amount		
End of financial year	**7,611,275**	7,231,552

The amortisation charge for the year included in cost of sales and administrative expenses amounting to $89,463 (2022: $2,025,956) and $109,109 (2022: $1,125,040) respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

23 INTANGIBLE ASSETS

	Content development $	Customer relationship $	Licenses $	Software $	Others $	Total $
Group						
2023						
Cost						
Beginning of financial year	**736,796**	**163,000**	**42,804**	**582,426**	**938**	**1,525,964**
Additions	**–**	**–**	**–**	**154,007**	**–**	**154,007**
Disposals	**–**	**–**	**–**	**–**	**(938)**	**(938)**
Government grants received	**–**	**–**	**–**	**(154,936)**	**–**	**(154,936)**
Currency translation differences	**–**	**–**	**–**	**(19,047)**	**–**	**(19,047)**
End of financial year	**736,796**	**163,000**	**42,804**	**562,450**	**–**	**1,505,050**
Accumulated amortisation						
Beginning of financial year	**435,377**	**163,000**	**31,892**	**166,004**	**–**	**796,273**
Amortisation charge for the year (Note 7)	**228,064**	**–**	**10,912**	**257,427**	**–**	**496,403**
Currency translation differences	**–**	**–**	**–**	**(10,096)**	**–**	**(10,096)**
End of financial year	**663,441**	**163,000**	**42,804**	**413,335**	**–**	**1,282,580**
Carrying amount						
End of financial year	**73,355**	**–**	**–**	**149,115**	**–**	**222,470**
2022						
Cost						
Beginning of financial year	659,623	163,000	42,804	200,000	–	1,065,427
Additions	77,173	–	–	457,513	1,945	536,631
Disposals	–	–	–	–	(1,007)	(1,007)
Government grants received	–	–	–	(75,087)	–	(75,087)
End of financial year	736,796	163,000	42,804	582,426	938	1,525,964
Accumulated amortisation						
Beginning of financial year	272,583	163,000	–	40,000	–	475,583
Amortisation charge for the year (Note 7)	162,794	–	31,892	126,351	–	321,037
Currency translation differences	–	–	–	(347)	–	(347)
End of financial year	435,377	163,000	31,892	166,004	–	796,273
Carrying amount						
End of financial year	301,419	–	10,912	416,422	938	729,691

The amortisation charge for the year included in cost of sales and administrative expenses amounting to $485,491 (2022: $289,145) and $10,912 (2022: $31,892) respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

24 TRADE AND OTHER PAYABLES

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$	**$**	**$**	**$**
Trade payables				
– Non-related parties	**524,801**	22,042	**–**	–
– Related parties	**4,783**	5,114	**–**	–
	529,584	27,156	**–**	–
Other payables				
– Non-related parties	**211,598**	161,575	**122,461**	72,057
– Holding company	**6,008**	33,275	**6,008**	33,275
– Subsidiaries	**–**	–	**392,593**	427,000
– Related parties	**7,612**	41,550	**229**	229
	225,218	236,400	**521,291**	532,561
Accruals	**741,597**	327,280	**417,966**	206,600
Deposit received	**387,200**	–	**–**	–
	1,883,599	590,836	**939,257**	739,161

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

The non-trade amounts due to holding company, subsidiaries and related parties are unsecured, interest-free and repayable on demand.

25 CONTRACT LIABILITIES

	Group	
	2023	**2022**
	$	**$**
Contract liabilities	**584,360**	693,320

Contract liabilities related to billings in advance to customers for contract services to be fulfilled. The related amounts are recognised as revenue when the Group fulfills its performance obligation under the contract with the customers which generally does not exceed one year.

Revenue recognised in the financial year ended 31 March 2023 and 31 March 2022 amounting to $684,626 and $850,248 respectively were included in contract liabilities at the beginning of the respective financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

26 BORROWINGS

	Group	
	2023	**2022**
	$	**$**
Bank borrowings:		
– Current	**2,525,728**	2,558,245
– Non-current	**1,520,737**	3,046,456
	4,046,465	5,604,701

The exposure of the bank borrowings of the Group to interest rate changes and the contractual repricing dates at the reporting date are as follows:

	Group	
	2023	**2022**
	$	**$**
Less than 12 months	**1,000,000**	1,000,000

(a) The Group's bank borrowings were secured by corporate guarantees from the Company.

(b) The fair values of non-current fixed rate instruments are $1,499,897 (2022: $2,978,640) and are determined from the cash flow analyses, discounted at market borrowing rates of an equivalent instrument at the reporting date which the directors expect to be available to the Group as follows:

	Group	
	2023	**2022**
	%	**%**
Bank borrowings	**4.88**	5.25

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

27 LEASE LIABILITIES

	Group	
	2023	**2022**
	$	**$**
Undiscounted lease payments due:		
– Not later than one year	**107,841**	146,396
– Between one and five years	**200,488**	16,281
	308,329	162,677
Less: Future interest costs	**(25,528)**	(4,281)
Lease liabilities	**282,801**	158,396
Lease liabilities are presented in the consolidated statement of financial position as follows:		
– Current	**93,774**	142,359
– Non-current	**189,027**	16,037
	282,801	158,396

28 PROVISION

Provision was provided based on the estimated cost to reinstate the Group's leased premises recognised as rights-of-use assets to the original condition upon termination/maturity of the leases:

	Group	
	2023	**2022**
	$	**$**
Beginning of financial year	**55,337**	53,071
Unwinding of discount (Note 9)	**2,169**	2,266
End of financial year	**57,506**	55,337

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

29 DEFERRED INCOME TAXES

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The amounts, determined after appropriate offsetting, are shown on the consolidated statement of financial position as follows:

	Group	
	2023	**2022**
	$	**$**
Deferred income tax liabilities	**–**	–

Movement in deferred income tax account is as follows:

	Group	
	2023	**2022**
	$	**$**
Beginning of financial year	**–**	91,743
Credited to profit or loss (Note 10)	**–**	(91,743)
End of financial year	**–**	–

The movement in deferred income tax liabilities is as follows:

	Accelerated tax depreciation
	$
Group	
2023	
Beginning and end of financial year	**–**
2022	
Beginning of financial year	91,743
Credited to profit or loss	(91,743)
End of financial year	–

Deferred income taxes are recognised for tax losses carried forward to the extent that the realisation of related tax benefits through future taxable profits is probable. As at reporting date, the Group has unutilised tax losses of $7,931,100 (2022: $4,951,265) which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by the subsidiaries with unrecognised tax losses in their country of incorporation. The unutilised tax losses does not have expiry date under current tax legislation except for the unutilised losses of $261,096 (2022: $143,049) arising from the subsidiary in Malaysia which is available for carry up to 6 years from the year of loss and will expire in 2028.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

30 SHARE CAPITAL

	Group and Company	
	No. of ordinary shares	Amount $
2023		
Beginning and end of financial year	**371,511,764**	**15,959,231**
2022		
Beginning of financial year	334,011,764	13,772,231
Issuance of new shares pursuant to the private placement (Note 30(a))	37,500,000	2,187,000
Beginning and end of financial year	371,511,764	15,959,231

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

(a) 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.

31 RESERVES

	Group	
	2023 $	2022 $
Composition:		
Merger reserve (Note 31(a))	**2,921,000**	2,921,000
Currency translation reserve (Note 31(b))	**255,392**	2,352
	3,176,392	2,923,352

Reserves are non-distributable.

The movement of reserves are as follows:

(a) Merger reserve

	Group	
	2023 $	2022 $
Beginning and end of financial year	**2,921,000**	2,921,000

The merger reserve represents the difference between the consideration paid and the share capital of the subsidiaries acquired under common control.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

31 RESERVES (CONTINUED)

(b) Currency translation reserve

	Group	
	2023	**2022**
	$	**$**
Beginning of financial year	**2,352**	19,903
Net currency translation differences of financial statements of foreign subsidiaries	**253,040**	(17,551)
End of financial year	**255,392**	2,352

32 ACCUMULATED LOSSES

(a) Retained profits of the Group are distributable.

(b) Movement in accumulated losses of the Company is as follows:

	Company	
	2023	**2022**
	$	**$**
Beginning of financial year	**(2,071,307)**	(1,556,775)
Net loss during the year	**(374,151)**	(514,532)
End of financial year	**(2,445,458)**	(2,071,307)

33 CONTINGENT LIABILITIES

(a) Performance guarantees

Contingent liabilities, of which the probability of settlement is remote at the reporting date, are as follows:

	Group	
	2023	**2022**
	$	**$**
Performance guarantees	**–**	39,619

(b) Corporate guarantees

The Company issued corporate guarantees amounted to $7,000,000 to banks for borrowings of its subsidiary. These bank borrowings of the subsidiary amounted to $4,046,465 (2022: $5,604,701) as at the reporting date.

The Company has evaluated the fair values of the corporate guarantees and the consequential liabilities derived from its guarantees to the bank with regards to the subsidiary are minimal. The subsidiary for which the guarantees were provided is in favourable equity position, with no default in the payment of borrowings and credit facilities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

34 FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to market risk (including currency risk, price risk, and cash flow and fair value interest rate risk), credit risk, liquidity risk and capital risk. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance. The Group do not use financial instruments such as currency forwards, interest rate swaps and foreign currency borrowings to hedge certain financial risk exposure.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. This includes establishing detailed policies such as authority levels, oversight responsibilities, risk identification and measurement, and exposure limits in accordance with the objectives and underlying principles approved by the Board of Directors.

Financial risk management is carried out by the finance department in accordance with the policies set by the Board of Directors. The finance personnel identifies, evaluates and monitors financial risks in close co-operation with the Group's operating units. The finance personnel measures actual exposures against the limits set and prepares periodic reports for review by the Board of Directors. Regular reports are also submitted to the Board of Directors.

(a) Market risk

(i) Currency risk

The Group operates in Asia with dominant operations in Singapore, Malaysia and China. Entities in the Group regularly transact in currencies other than their respective functional currencies ("foreign currencies").

Currency risk arises within entities in the Group when transactions are mainly denominated in foreign currencies such as the Renminbi ("RMB"), Malaysian Ringgit ("MYR") and Hong Kong Dollar ("HKD").

The Group is not exposed to significant currency risk as most of its financial assets and liabilities as at 31 March 2023 and 2022 are denominated in the functional currency of the Group, except for intra-group balances in foreign currencies which are eliminated when preparing the consolidated financial statements. Accordingly, the currency risk exposure has been determined by the management as not material to the Group's profit for the financial year ended 31 March 2023 and 2022.

The Company is not exposed to significant currency risk as most of its financial assets and liabilities as at 31 March 2023 and 2022 are denominated in SGD. The currency risk exposure has been determined by the management as not material to the Company's profit for the financial years ended 31 March 2023 and 2022.

(ii) Price risk

The Group is exposed to equity securities price risk arising from the unquoted equity securities from Singapore and Malaysia classified as financial assets, at FVPL as disclosed in Note 17 to the financial statements. As at reporting date, there is no significant exposure to equity price risk.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

34 FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(iii) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As the Group does not have any significant interest-bearing assets, the Group's income is substantially independent of changes in market interest rates. The Group's interest rate risk mainly arises from borrowings at floating interest rate. The Group manages its interest rate risk by keeping bank loans to the minimum required to sustain the operations of the Group.

The interest rate risk exposure for borrowings has been determined by the management as not material to the Group's profit for the financial years ended 31 March 2023 and 31 March 2022.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and the Company are cash and cash equivalents, trade and other receivables, deposits and financial assets, at FVPL. The Group's and the Company's exposure to credit risk arises primary from trade and other receivables and deposits.

(i) Risk management

The Group adopts the following policy to mitigate the credit risk.

For banks and financial institutions, the Group mitigates its credit risks by transacting only with counterparties with good ratings.

For customers, the Group performs credit reviews on new customers before acceptance and an annual review for existing customers. Credit reviews take into account customers' financial strength, the Group's past experiences with the customers and other relevant factors. For other financial assets, the Group and the Company minimise credit risk by dealing only with reputable and/or good credit quality counterparties.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position.

The trade receivables of the Group comprise 2 debtors (2022: 3 debtors), which represented 17% – 37% (2022: 21% – 32%) of the trade receivables.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

34 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

(i) Risk management (continued)

The credit risk for trade receivables based on the information provided to key management are as follows:

	Group	
	2023	**2022**
	$	**$**
By geographical areas		
Singapore	**967,024**	1,948,349
China	**43,328**	855,706
Malaysia	**20,602**	38,270
Hong Kong	**–**	11,320
Japan	**5,333**	14,198
	1,036,287	2,867,843
Less: Expected credit losses allowance	**(30,245)**	(103,262)
	1,006,042	2,764,581
By types of customers		
Non-related parties	**692,564**	2,607,378
Related parties	**343,723**	260,465
	1,036,287	2,867,843
Less: Expected credit losses allowance	**(30,245)**	(103,262)
	1,006,042	2,764,581

Non-trade amounts due from subsidiaries and related parties

The Company held non-trade receivables from its subsidiaries of $12,874,946 (2022: $12,841,908). These balances are amounts funded to subsidiaries as working capital. The Company used general approach for assessment of ECLs for these receivables. Based on an assessment of qualitative and quantitative factors that are indicative of the risk of default (including but not limited to external ratings, financial information and cash flow projections, and available press information, if available, and applying experienced credit judgement), these exposures are considered to have low credit risk. Therefore impairment on these balances has been measured on the 12 months expected credit loss basis and the amount of the allowance is insignificant.

The Group and the Company have applied the simplified approach by using the provision matrix to measure the lifetime expected credit losses for all trade receivables and the general approach for other financial assets at amortised cost, i.e., other receivables and deposits.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

34 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

(i) Risk management (continued)

To measure the ECL, these receivables have been grouped based on individual characteristics of its customers and days past due. In calculating the expected credit loss rates, the Group and the Company considered historical loss rates for each category of customers.

Receivables are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group considers a receivable for write-off when a debtor fails to make contractual payment greater than 365 days past due based on historical loss rates for each category of customers and adjust to reflect current and forward- looking information. Where receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

The Group has recognised a loss allowance of $113,509 (2022: $118,262) against trade and other receivables over 365 days past due, because historical experience and forward looking information has indicated that these group of receivables generally has a greater potential risk on the recoverability. No other loss allowance are recognised as the management believes that the amounts that are past due are collectible, based on historical payment behaviour and credit- worthiness of the customers.

For deposits, the general 3-stage approach is applied. ECL allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since recognition of the deposits. If there is significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised. As at the reporting date, no ECL has been provided for deposits as the management believes that the deposits remain low risk and no recoverability issue.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The movement of ECL on trade and other receivables are as follows:

	Group	
	2023	**2022**
	$	**$**
Group		
Beginning of financial year	**118,262**	1,400,502
Currency translation differences	**(4,753)**	2,124
Utilised amount	**–**	(1,254,800)
Reversal of allowance recognised in profit or loss during the financial year – net	**–**	(29,564)
End of financial year (Note 13)	**113,509**	118,262

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

34 FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At the reporting date, assets held by the Group and the Company for managing liquidity risk included cash and cash equivalents as disclosed in Note 12 to the financial statements.

Management monitors rolling forecasts of the liquidity reserve (comprises all the bank facility) and cash and cash equivalents of the Group and the Company on the basis of expected cash flow. This is generally carried out in accordance with the practice and limits set by the directors. These limits vary by location to take into account the liquidity of the market in which the entity operates.

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Less than 1 year $	Between 1 and 2 years $	Between 2 and 5 years $
Group			
At 31 March 2023			
Trade and other payables	**1,883,599**	**–**	**–**
Borrowings	**2,525,728**	**1,328,100**	**221,482**
Lease liabilities	**93,774**	**90,311**	**88,689**
	4,503,101	**1,418,411**	**310,171**
At 31 March 2022			
Trade and other payables	590,836	–	–
Borrowings	2,558,245	1,598,393	1,549,572
Lease liabilities	142,359	14,579	–
	3,291,440	1,612,972	1,549,572
Company			
At 31 March 2023			
Trade and other payables	**939,257**	**–**	**–**
Financial guarantee contracts	**4,046,465**	**–**	**–**
	4,985,722	**–**	**–**
At 31 March 2022			
Trade and other payables	739,161	–	–
Financial guarantee contracts	5,604,701	–	–
	6,343,862	–	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

34 FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue to operate as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on the gearing ratio which the Board of Directors monitors on a periodic basis. The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings less cash and cash equivalents. Total capital is calculated as total equity plus net debt.

	Group		Company	
	2023	2022	**2023**	2022
	$	$	**$**	$
Borrowings	**4,046,465**	5,604,701	**–**	–
Less: cash and cash equivalents	**(560,797)**	(893,525)	**(58,143)**	(404,150)
Net debt/(cash)	**3,485,668**	4,711,176	**(58,143)**	(404,150)
Total equity	**13,336,542**	16,499,801	**13,513,773**	13,887,924
Total capital	**16,822,210**	21,210,977	**13,455,630**	13,483,774
Gearing ratio (times)	**0.21**	0.22	*****	*

* *Not meaningful*

The Group and the Company were in compliance with all externally imposed capital requirements for the financial years ended 31 March 2023 and 2022.

(e) Fair value measurements

The following table presents assets and liabilities measured and carried at fair value and classified by level of the following fair value measurement hierarchy:

(i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(ii) inputs other than quoted prices included within level 1 that are observable or the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

(iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

34 FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Fair value measurements (continued)

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. Where a valuation technique for these instruments is based on significant unobservable inputs, such instruments are classified as Level 3.

There were no transfers between Level 1, 2 and 3 during the financial year.

The carrying amount of financial assets and financial liabilities recorded in the consolidated financial statements approximates their fair values, except for non-current deposits and financial assets, at FVPL. The fair value measurement disclosure, can be found in Notes 14 and 17 to the financial statements respectively.

(f) Financial instruments by category

The carrying amount of the different categories of financial instruments is as disclosed on the face of the statements of financial position, except for the following:

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$	**$**	**$**	**$**
Financial assets at amortised cost	**5,402,972**	8,230,756	**12,963,782**	13,250,338
Financial assets, at FVPL	**1,649,029**	1,700,755	**900,000**	900,000
Financial liabilities at amortised cost	**6,212,865**	6,353,933	**939,257**	739,161

35 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:

(a) Sales and purchases of services

	Group	
	2023	**2022**
	$	**$**
<u>Holding company</u>		
Purchase of services	**20,000**	20,000
<u>Related parties</u>		
Sales of services	**92,561**	112,602
Purchase of services	**20,700**	25,847
Lease expenses	**4,965**	15,014

Outstanding balances as at 31 March 2023 and 2022 arising from sales/purchase of services, are unsecured and receivable/payable within 12 months from reporting date and are disclosed in Notes 13 and 24 to the financial statements respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

35 RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Key management personnel compensation

Key management personnel compensation is as follows:

	Group	
	2023	**2022**
	$	**$**
Directors		
Wages and salaries	**389,600**	375,600
Bonus	**20,000**	20,000
Directors' fees	**100,000**	100,000
Employer's contribution to defined contribution plans	**19,380**	12,274
Other benefits	**79,000**	84,400
	607,980	592,274
Key management personnel (excluding directors)		
Wages and salaries	**604,000**	404,000
Employer's contribution to defined contribution plans	**24,480**	24,548
Other benefits	**14,600**	10,000
	643,080	438,548
Total key management personnel compensation	**1,251,060**	1,030,822

36 SEGMENTAL INFORMATION

The Group's CODM comprises the Chief Executive Officer, Chief Creative Officer, Chief Operating Officer and Financial Controller. 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 was organised into 2 operating segments, which is relating to digital and live experience production and digital media 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) Digital and live experience production

Digital and live experience 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 license the IP to third parties such as venue owners and show promoters to use these for commercial, marketing and/or promotion purposes.

(b) Digital media production

Digital media 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

36 SEGMENTAL INFORMATION (CONTINUED)

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

	Digital and live experience production		Digital media production		Total	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**
	$	**$**	**$**	**$**	**$**	**$**
Revenue						
– External parties	**573,690**	409,000	**2,340,284**	2,452,015	**2,913,974**	2,861,015
Other material non-cash expenses						
– Reversal of expected credit loss on financial assets – net	**–**	–	**–**	29,564	**–**	29,564
Unallocated expenses						
– Loss on fair value changes in financial					**–**	(1,341)
Loss before interest, tax, depreciation and amortisation					**(1,642,348)**	(1,928,990)
Unrealised foreign exchange (losses)/gains					**(593,414)**	173,300
Depreciation of plant and equipment					**(166,990)**	(277,274)
Depreciation of right-of-use assets					**(142,211)**	(201,828)
Amortisation of acquired rights					**(198,572)**	(3,150,996)
Amortisation of intangible assets					**(496,403)**	(321,037)
Interest expense					**(172,095)**	(223,317)
Loss before income tax					**(3,412,033)**	(5,930,142)
Income tax (expense)/credit					**(4,266)**	97,017
Net loss for the financial year					**(3,416,299)**	(5,833,125)

There are no revenue transactions between the inter-segment. Disclosure on the measures of total assets and total liabilities for each reportable segments was not presented as the CODM is of the opinion that it is not meaningful and impracticable as they do not use them for decision-making on allocation of resources and performance assessment.

Segmental revenue by geographical is disclosed in Note 4 to the financial statements.

Information of major customers

Revenue of approximately $1,762,915 (2022: $1,456,615) is derived from 9 (2022: 7) external customer for the financial year ended 31 March 2023.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

37 SUBSEQUENT EVENT

On 26 March 2023, the Company entered into a definitive conditional Sale and Purchase Agreement ("SPA") with Quin Yeo Chow In and Foo Jinzhong Jeremy ("Vendor") for the investment in Elliot Communications Pte. Ltd. ("Target Company") and its subsidiaries ("Target Group") through the acquisition of 1,000 ordinary shares from Vendor and 2,858 new ordinary shares in the Target Company. The total consideration for this acquisition amounted to $775,393. The acquisition was approved by the shareholders of the Company in an Extraordinary General Meeting ("EGM") held on 10 May 2023. Subsequently on 27 May 2023, the Company has acquired and owned 30% equity interest in the issued and paid-up capital of the Target Company.

38 NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Below are the mandatory standards, amendments and interpretations to existing standards that have been published and are relevant for the Group's accounting periods beginning on or after 1 April 2023 and which the Group has not early adopted.

Amendments to SFRS(I) 1-1 *Presentation of Financial Statements*

Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 January 2024)

The narrow-scope amendments to SFRS(I) 1-1 *Presentation of Financial Statements* clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarify what SFRS(I) 1-1 means when it refers to the 'settlement' of a liability. The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity.

The Group does not expect any significant impact arising from applying these amendments.

Amendments to SFRS(I) 1-12 *Income Taxes*

Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective for annual periods beginning on or after 1 January 2023)

The amendments to SFRS(I) 1-12 *Income Taxes* require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

38 NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS (CONTINUED)

Amendments to SFRS(I) 1-12 *Income Taxes* (continued)

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

– right-of-use assets and lease liabilities, and
– decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. SFRS(I) 1-12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

The Group does not expect any significant impact arising from applying these amendments.

39 AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Vividthree Holdings Ltd. on 7 July 2023.

STATISTICS OF SHAREHOLDINGS

AS AT 21 JUNE 2023

Class of Shares	:	Ordinary shares
Number of shares (excluding treasury shares)	:	371,511,764
Voting Rights	:	One vote per share
No. of treasury shares and percentage	:	Nil
No. of subsidiary holdings held and percentage	:	Nil

SHAREHOLDINGS HELD IN THE HANDS OF PUBLIC

Based on the information available to the Company as at 21 June 2023, approximately 37.49% of the issued ordinary shares of the Company is held by the public and therefore, Rule 723 of the Listing Manual issued by SGX-ST is complied with.

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS

Size of shareholdings			No. of shareholders	%	No. of Shares	%
1	–	99	2	0.37	50	0.00
100	–	1,000	30	5.50	18,500	0.00
1,001	–	10,000	92	16.88	583,754	0.16
10,001	–	1,000,000	389	71.38	58,507,200	15.75
1,000,001 and above			32	5.87	312,402,260	84.09
Total			545	100.00	371,511,764	100.00

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of shares	%
1	MM2 ASIA LTD.	138,720,000	37.34
2	YEO ENG PU CHARLES (YANG YINGFU)	43,987,840	11.84
3	HONG WEI CHIEN	28,082,400	7.56
4	CITIBANK NOMINEES SINGAPORE PTE. LTD.	17,030,400	4.58
5	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	11,269,200	3.03
6	LEE HOON HWEE (LI YUNFEI)	9,143,420	2.46
7	PHILLIP SECURITIES PTE. LTD.	7,931,100	2.13
8	LIM LENA (LIN LENA)	6,700,000	1.80
9	OCBC SECURITIES PRIVATE LTD.	5,661,800	1.52
10	YEO KHEE SENG BENNY	4,838,300	1.30
11	RAFFLES NOMINEES (PTE) LIMITED	3,213,700	0.87
12	SIM TECK HUAT	3,136,100	0.84
13	DBS NOMINEES PTE. LTD.	3,065,900	0.83
14	TIGER BROKERS (SINGAPORE) PTE. LTD.	3,046,000	0.82
15	LIM AND TAN SECURITIES PTE. LTD.	2,238,500	0.60
16	IFAST FINANCIAL PTE. LTD.	2,100,500	0.57
17	YEO KHEE YEOW ANTHONY	2,000,000	0.54
18	UOB KAY HIAN PTE. LTD.	1,895,800	0.51
19	LIM AH KAW @ LIM LAN CHING	1,757,400	0.47
20	MAYBANK SECURITIES PTE. LTD.	1,740,900	0.47
	Total:	**297,559,260**	**80.08**

STATISTICS OF SHAREHOLDINGS

AS AT 21 JUNE 2023

SUBSTANTIAL SHAREHOLDERS

as recorded in the Register of Substantial Shareholders

No	Name of shareholder	Direct interest	%	Indirect/Deemed interest	%
1	Yeo Eng Pu, Charles	43,987,840	11.84	–	–
2	Hong Wei Chien	28,082,400	7.56	–	–
3	mm2 Asia Ltd.	138,720,000	37.34	–	–
4	Melvin Ang[1]	–	–	138,720,000	37.34

Notes:

[1] Mr Melvin Ang currently holds 22.03% of the shares in mm2 Asia Ltd.; and is deemed interested in the 138,720,000 ordinary shares in the Company held by mm2 Asia Ltd..

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of the Company will be held at 8 Wilkie Road #03-01 Wilkie Edge Singapore 228095 on 28 July 2023 at 11.00 am to transact the following business:–

ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 31 March 2023 together with the Independent Auditor's Report thereon. **Resolution 1**

2. To re-elect Mr Yeo Eng Pu, Charles, who is retiring in accordance with Regulation 117 of the Company's Constitution, as a Director of the Company. **Resolution 2**

3. To re-elect Dr Ho Choon Hou, who is retiring in accordance with Regulation 117 of the Company's Constitution, as a Director of the Company. **Resolution 3**

   Dr Ho Choon Hou shall, upon re-election as a Director of the Company, remain as Chairman of the Remuneration Committee, a member of the Audit Committee and Nominating Committee. Dr Ho Choon Hou shall be considered independent for the purpose of Rule 704(7) of the Catalist Rules.

4. To re-elect Mr Zhang Weiquan, Jonathan, who is retiring in accordance with Regulation 122 of the Company's Constitution, as a Director of the Company. **Resolution 4**

5. To approve the payment of Directors' fees of $100,000 for the financial year ended 31 March 2023. **Resolution 5**

6. To approve the payment of Director's fee of $3,333 to the late Mr Er Song Ngueng for the financial year ending 31 March 2024. **Resolution 6**

   [See Explanatory Note (i)]

7. To re-appoint Messrs CLA Global TS Public Accounting Corporation as Independent Auditor for the ensuing year and to authorise the Directors to fix their remuneration. **Resolution 7**

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without amendments:

8. **Authority to allot and issue shares** **Resolution 8**

   "That pursuant to Section 161 of the Companies Act 1967 ("**Companies Act**") and the Catalist Rules, authority be and is hereby given to the Directors of the Company to allot and issue shares and convertible securities in the capital of the Company (whether by way of rights, bonus or otherwise) at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit provided that:–

   (i) the aggregate number of Shares and convertible securities to be issued pursuant to this Resolution does not exceed 100 per cent (100%) of the total number of issued Shares (excluding treasury Shares and subsidiary holdings) of the Company (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of Shares and convertible securities to be issued other than on a pro rata basis to existing shareholders of the Company does not exceed fifty per cent (50%) of the total number of issued shares (excluding treasury Shares and subsidiary holdings) of the Company (as calculated in accordance with sub-paragraph (ii) below);

NOTICE OF ANNUAL GENERAL MEETING

(ii) (subject to such manner of calculations as may be prescribed by the SGX-ST), for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (i) above, the percentage of the total number of issued Shares shall be based on the total number of issued Shares (excluding treasury Shares and subsidiary holdings) of the Company at the time this Resolution is passed after adjusting for:–

(a) new Shares arising from the conversion or exercise of any convertible securities;

(b) new Shares arising from exercising Share Options (the "**Options**") or vesting of Share Awards outstanding or subsisting at the time of the passing of the resolution approving the mandate, provided the Options or Awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(c) any subsequent bonus issue, consolidation or sub-division of Shares

(iii) unless revoked or varied by the Company in general meeting, the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier."

[See Explanatory Note (ii)]

9. **Authority to grant Awards and to allot and issue Shares under the Vividthree Performance Share Plan** **Resolution 9**

"That pursuant to Section 161 of the Companies Act and the Catalist Rules, approval be and is hereby given to the Directors of the Company to:

(a) grant Awards in accordance with the provisions of the Vividthree Performance Share Plan (the "**Vividthree PSP**"); and

(b) allot and issue from time to time such number of fully paid-up shares as may be required to be allotted and issued pursuant to the release of Awards under the Vividthree PSP provided that the aggregate number of Shares to be allotted and issued pursuant to the Vividthree PSP shall not exceed fifteen per cent (15%) of the total number of issued Shares (excluding Shares held by the Company as treasury shares) from time to time."

[See Explanatory Note (iii)]

NOTICE OF ANNUAL GENERAL MEETING

10. **Renewal of Share Buyback Mandate** **Resolution 10**

All capitalised terms in this resolution which are not defined herein shall have the same meanings ascribed to them in the Addendum to Shareholders dated 13 July 2023.

That:

(a) for the purposes of Sections 76C and 76E of the Companies Act, the exercise by the directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company ("**Shares**") not exceeding in aggregate the number of issued Shares representing 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any, as at that date) (the "**Maximum Percentage**"), at such price or prices as may be determined by the directors of the Company from time to time up to the Maximum Price, whether by way of:

(i) on-market purchases, transacted on the Singapore Exchange Securities Trading Limited through the ready market, and which may be transacted through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or

(ii) off-market purchases, otherwise than on an approved exchange as defined in the Companies Act, in accordance with an equal access scheme(s) as may be determined or formulated by the directors of the Company as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Catalist Rules,

on the terms set out in the Addendum, be and is hereby authorised and approved generally and unconditionally (the "**Share Buyback Mandate**");

(b) unless varied or revoked by the Company in general meeting, the authority conferred on the directors of the Company pursuant to the Share Buyback Mandate may be exercised by the directors of the Company at any time and from time to time during the period commencing from the date of the passing of this resolution and expiring on the earliest of:

(i) the date on which the next annual general meeting is held or required by law to be held; or

(ii) the date on which the authority conferred by the Share Buyback Mandate is revoked or varied by the Company in general meeting; or

(iii) the date on which purchases or acquisitions of Shares pursuant to the Share Buyback Mandate are carried out to the full extent mandated; and

(c) the directors of the Company and each of them be and is hereby authorised to do such acts and things (including without limitation, to execute all such documents as may be required, to approve any amendments, alterations or modifications to any documents, and to sign, file and/or submit any notices, forms and documents with or to the relevant authorities) as they and/or he may consider necessary, desirable or expedient to give effect to the transactions contemplated and/or authorised by this resolution.

[See Explanatory Note (iv)]

11. To transact any other business which may be properly transacted at an Annual General Meeting.

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

(i) The Ordinary Resolution proposed in item 6 is to approve the director's fee of $3,333, to be paid to the former Non-Executive Director of the Company, the late Mr Freddy Er, in recognition of his service to the Company during his tenure as a Director for the period from 1 April 2023 to 5 May 2023. This director's fee, if approved, will be paid in full by cash.

(ii) The Ordinary Resolution proposed in item 8, if passed, will empower the Directors from the date of this Annual General Meeting until the date of the next Annual General Meeting, to allot and issue Shares and convertible securities in the Company. The number of Shares and convertible securities, which the Directors may allot and issue under this Resolution shall not exceed hundred (100%) of the total number of issued Shares (excluding treasury Shares and subsidiary holdings) at the time of passing this Resolution. For allotment and issue of Shares and convertible securities other than on a pro-rata basis to all shareholders of the Company, the aggregate number of Shares and convertible securities to be allotted and issued shall not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury Shares and subsidiary holdings). This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting, or by the date by which the next Annual General Meeting is required by law to be held, whichever is earlier.

(iii) The Ordinary Resolution proposed in item 9, if passed, will empower the Directors to grant Awards and to issue and allot Shares pursuant to the Vividthree PSP. The grant of Awards under the Vividthree PSP will be made in accordance with the provisions of the Vividthree PSP. The aggregate number of Shares which may be issued pursuant to the Vividthree PSP shall not exceed fifteen per cent (15%) of the total number of issued Shares (excluding Shares held by the Company as treasury shares) from time to time.

(iv) The Ordinary Resolution proposed in item 10, if passed, will empower the Directors of the Company, effective period commencing from the date on which the ordinary resolution in relation to the proposed renewal of the Share Buyback Mandate is passed in a general meeting and expiring on the earliest of the date on which the next Annual General Meeting is held or is required by law to be held, the date the said mandate is revoked or varied by the Company in a general meeting, or the date on which the purchases of shares pursuant to the Share Buyback Mandate are carried out to the full extent mandated, to repurchase ordinary shares of the Company by way of on-market purchases or off-market purchases of up to ten per cent (10%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company at the Maximum Price. The rationale for, the authority and limitation on, the sources of funds to be used for the purchase or acquisition including the amount of financing and the financial effects of the purchase or acquisition of ordinary shares by the Company pursuant to the Share Buyback Mandate on the audited consolidated financial statements of the Group for the financial year ended 31 March 2023 are set out in greater detail in the Addendum to Shareholders dated 13 July 2023.

BY ORDER OF THE BOARD

Lim Siok Ching Catherine
Company Secretary

Date: 13 July 2023

Notes:

1. A member of the Company (not being a relevant intermediary) is invited to attend physically, speak and vote at the Annual General Meeting ("**AGM or Meeting**"). **There will be no option for shareholders to participate virtually.** Printed copies of this notice of AGM ("**Notice**") and the proxy form will be sent to Shareholders. The documents including the FY2023 Annual Report will also be made available to Shareholders via publication on the Company's website at the URL https://www.vividthreeholdings.com and on SGX website at the URL https://www.sgx.com/securities/company-announcements.

2. **Arrangements for participation in the AGM physically:**

   Members (including CPF Investment Scheme ("**CPFIS**") and Supplementary Retirement Scheme ("**SRS**") investors) may participate in the AGM by:

   (a) attending the AGM in person;

   (b) submitting questions to the Chairman of the AGM in advance of, or at, the AGM; and/or

NOTICE OF
ANNUAL GENERAL MEETING

(c) voting at the AGM

(i) themselves personally; or

(ii) through their duly appointed proxy(ies).

CPFIS and SRS investors who wish to appoint the Chairman of the AGM (and not third party proxy(ies)) as proxy to approach their respective CPF Agent Banks or SRS Operators to submit their votes. *Please see item 6 below for details.*

In the event members encountered Covid-19 like symptoms prior to the AGM, members are strongly encouraged to exercise social responsibility to rest at home and consider appoint a proxy(ies) to attend the AGM. We encourage members to mask up when attending the AGM.

3. **Submission of Instrument Appointing a Proxy ("Proxy Form") to Vote:**

(a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote in his/her stead at the AGM. Where a member of the Company appoints more than one proxy, he/she shall specify the proportion of his/her shares to be represented by each such proxy, failing which, the nomination shall be deemed to be alternative.

(b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member.

Pursuant to Section 181 of the Companies Act 1967 of Singapore, a relevant intermediary is either:

(i) a banking corporation licensed under the Banking Act 1970 or its wholly-owned subsidiary which provides nominee services and holds shares in that capacity;

(ii) a capital market services license holder which provides custodial services for securities under the Securities and Futures Act 2001 and holds in that capacity; or

(iii) the Central Provident Fund ("**CPF**") Board established by the Central Provident Fund Act 1953, in respect of shares purchased on behalf of CPF investors.

4. A proxy need not be a member of the Company.

5. A member can appoint the Chairman of the AGM as his/her/its proxy but this is not mandatory.

If a member wishes to appoint the Chairman of the Meeting as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the Meeting as proxy. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the Chairman of the Meeting will vote or abstain from voting at his discretion.

6. CPFIS/SRS investors who hold SGX shares through CPF Agent Banks/SRS Operators:

(a) may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks/SRS Operators, and should contact their respective CPF Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies; or

(b) may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case they should approach their CPF Agent Banks/SRS Operators to submit their votes at least (7) working days prior to the date of AGM (i.e. by 11.00 a.m. on 19 July 2023) in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the AGM to vote on their behalf by the cut-off date.

7. The Proxy Form, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must be submitted to the Company in the following manner:

(a) if by post, to the Share Registrar of the Company, B.A.C.S. Private Limited, at 77 Robinson Road #06-03 Robinson 77 Singapore 068896; or

(b) emailed to the Company's Share Registrar at main@zicoholdings.com

in either case, not less than 72 hours before the time for holding the AGM by 11.00 a.m. on 25 July 2023 and at any adjournment thereof.

NOTICE OF ANNUAL GENERAL MEETING

8. A Shareholder who wishes to submit an instrument of proxy by (a) and (b) must first download the proxy form, which is available on SGX website at the URL https://www.sgx.com/securities/company-announcements, complete and sign the proxy form, before submitting it by post to the addresses provided above, or scanning and sending it by email to the email address provided above.

9. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies (such as in the case where the appointor submits more than one instrument of proxy) and received after the cut-off at 11.00 a.m on 25 July 2023. In the case of shares entered in the Depository Register, a Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time fixed for holding the AGM in order for the Depositor to be entitled to appoint the proxy or proxies.

10. If the member is a corporation, the instrument appointing the proxy must be under seal or the hand of an officer or attorney duly authorised.

11. Completion and return of the Proxy Form by a member will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the member attends the AGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the AGM.

12. **Submission of questions by members in advance of the AGM**

    (i) via the pre-registration website at the URL https://conveneagm.com/sg/vividthree

    (ii) in hard copy by sending personally or by post and lodging the same at the office of the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road #06-03 Robinson 77 Singapore 068896; or

    (iii) by email to B.A.C.S. Private Limited at main@zicoholdings.com

    The Company will endeavor to address the substantial queries from members prior to, or at the AGM and upload the Company's responses on the SGX website. The minutes of the AGM, which include responses to substantial queries from the members which are addressed during the AGM, will be posted on the SGX website and the Company's website within one month from the date of the AGM.

    All questions must be submitted by 11.00 a.m. on 21 July 2023 to the Company.

13. Important reminder. Any changes to the manner of conducting the AGM will be announced by the Company on SGXNet. Members are advised to check SGXNet regularly for any further updates.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representatives to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

VIVIDTHREE HOLDINGS LTD.
Registration No. 201811828R
(Incorporated in Singapore)

IMPORTANT
1. The Annual General Meeting (the "**Meeting**") will be held physically at 8 Wilkie Road #03-01 Wilkie Edge Singapore 228095. **There will be no option for shareholders to participate virtually.** The Notice of Meeting has been published on 13 July 2023 on the SGX website and the Company's website at https://www.vividthreeholdings.com.
2. For investors who have used their CPF monies and/or SRS monies to buy the Company's shares, this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF and/or SRS investors who wish to vote should contact their CPF and/or SRS Approved Nominees to submit their voting instructions by 11.00 a.m. on 19 July 2023.
4. By submitting this proxy form, the member accepts and agrees to the personal data privacy terms as set out in the Proxy Form and Notice of Annual General Meeting dated 13 July 2023.

ANNUAL GENERAL MEETING
PROXY FORM

I/We ______________________________ NRIC/Passport No./Registration No. ____________

of ____

being a member(s) of Vividthree Holdings Ltd (the "**Company**"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

and/or*

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

or failing *him/her, the Chairman of the 2023 Annual General Meeting of the Company ("**Annual General Meeting**") as *my/our *proxy/proxies to vote for *me/us on *my/our behalf at the Annual General Meeting to be held at 8 Wilkie Road #03-01 Wilkie Edge Singapore 228095 on 28 July 2023 at 11.00 a.m. and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against, or abstain from voting the Ordinary Resolutions to be proposed at the Annual General Meeting as indicated hereunder. If no specified directions as to voting is given, the *proxy/proxies will vote or abstain from voting at *his/her/their discretion, as *he/she/they will on any other matter arising at the Annual General Meeting and at any adjournment thereof.

No.	Resolutions	For	Against	Abstain
ORDINARY BUSINESS				
1.	To receive and adopt the Directors' Statement, Audited Financial Statements and Independent Auditor's Report			
2.	To re-elect Mr Yeo Eng Pu, Charles as Director			
3.	To re-elect Dr Ho Choon Hou as Director			
4.	To re-elect Mr Zhang Weiquan, Jonathan as Director			
5.	To approve the Directors' fees payable by the Company for the financial year ended 31 March 2023			
6.	To approve the Director's fee to the late Mr Er Song Ngueng for the financial year ending 31 March 2024			
7.	To re-appoint CLA Global TS Public Accounting Corporation as Auditors			
SPECIAL BUSINESS				
8.	To authorise the Directors to allot and issue new shares			
9.	To authorise the Directors to grant awards and allot and issue Shares under the Vividthree Performance Share Plan			
10.	To approve the proposed renewal of the Share Buyback Mandate			

Dated this ______ day of ________________ 2023

Total number of Shares held

____
Signature(s) of member(s) or common seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

NOTES:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act 1967), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.

2. A member of the Company who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote on his/her behalf at the Annual General Meeting. Where a member of the Company appoints more than one proxy, he/she shall specify the proportion of his/her shares to be represented by each such proxy, failing which, the nomination shall be deemed to be alternative.

3. A member who is a relevant intermediary entitled to vote at the AGM must appoint the Chairman of the Meeting to attend, speak and vote at the Meeting instead of the member.

   "**Relevant intermediary**" means:

   (a) a banking corporation licensed under the Banking Act 1970, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

   (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001, and who holds shares in that capacity; or

   (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

4. The Chairman of the Meeting, as proxy, need not be a member of the Company.

5. The instrument appointing the proxy or proxies, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must:

   (a) if by post, to the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road #06-03 Robinson 77 Singapore 068896; or

   (b) or if submitted electronically, be submitted via emailed to the Company's Share Registrar at main@zicoholdings.com,

   in either case, by 11.00 a.m. on 25 July 2023 or not less than 72 hours before the time for holding the AGM or at adjournment thereof.

   A member who wishes to submit an instrument of proxy by (a) and (b) must first download the proxy form, which is available on SGX website at the URL https://www.sgx.com/securities/company-announcements, complete and sign the proxy form, before submitting it by post to the address provided above, or scanning and sending it by email to the email address provided above.

6. The instrument appointing a proxy or proxies must be under the hand of the appointor or his/her attorney duly authorised in writing. Where the instrument appointing the proxy is executed by a corporation, it must be executed under its common seal or signed on its behalf by an attorney duly authorised in writing or by an authorised officer of the corporation, failing which the instrument of proxy may be treated as invalid.

7. Where an instrument appointing a proxy or proxies is signed on behalf of the appointer by an attorney, the letter or power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

8. The Company shall be entitled to reject the instrument appointing the Chairman of the Company as proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the proxy or proxies. In addition, in the case of members whose Shares are entered against their names in the Depository Register, the Company may reject any instrument appointing the Chairman as proxy lodged if such members are not shown to have shares entered against their names in the Depository Register at least seventy-two (72) hours before the time appointed for holding the Meeting as certified by The Central Depository (Pte) Limited to the Company.

9. For investors who have used their CPF monies ("**CPF Investor**") and/or SRS monies ("**SRS Investor**") (as may be applicable) to buy Shares, this proxy form is not valid for their use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF Investors and/or SRS Investors who wish to appoint the Chairman of the Meeting to act as their proxy should approach their respective CPF Agent Banks and/or SRS Operators to submit their votes at least seven (7) working days before the AGM (i.e. by 11.00 a.m. on 19 July 2023).

10. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the proxy or proxies. In addition, in the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register at least **72 hours** before the time appointed for holding the Annual General Meeting as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 13 July 2023.

VIVIDTHREE
(Incorporated in Singapore on 7 April 2018)

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Tel: 6270 0818 | Fax: 6270 0838

www.vividthreeholdings.com