



Securities Investors Association (Singapore)
7 Maxwell Road #05-03 MND Building Annexe B Singapore 069111
Tel: (65) 6227 2683 Email: admin@sias.org.sg
www.sias.org.sg
UEN No: S99SS0111B
GST Reg No: M90367530Y0Y

Issuer: Vividthree Holdings Ltd.

Stock code: OMK

Meeting details:

Date: 30 Jul 2024

Time: 11.00 a.m.

Venue: 8 Wilkie Road #03-01 Wilkie Edge Singapore 228095

Q1. For the financial year ended 31 March 2024, revenue from the Digital & live experience production segment increased by approximately \$2.24 million or 393%, from \$0.57 million in FY2023 to \$2.81 million in FY2024. This growth was primarily driven by higher demands for new immersive location-based entertainment, as all outdoor and event entertainment activities resumed in FY2024.

In the Digital media production segment, revenue decreased by 32% from \$2.34 million to \$1.60 million, mainly due to fewer projects completed during the financial year.

OUR BUSINESS

DIGITAL & LIVE EXPERIENCE

Vividthree specialises in content creation and event management for MICE (Meeting, Incentives, Conferences, and Events) at any scale, from launch events to conferences and national campaigns. Our virtual capabilities, with accessibility to a wide network of IP, enable us to create immersive interactions and unforgettable experiences.

DIGITAL MEDIA

Equipped with advanced post-production facilities and a professional team of specialists, Vividthree provides a variety of Digital Media services, including anamorphic displays, video production services, visual effects, and state-of-the-art motion design.

- (i) **What were some of the notable projects completed by the group in Digital & Life experience segment? How strong and sustainable is the demand going forward?**
- (ii) **Considering the rapid advancements in artificial intelligence for image and video generation, how does the group assess the potential impact on its core businesses? What strategies are in place to mitigate any competitive threats from AI-driven content creation?**

As noted in the chairman's statement, the group is making a strategic shift from a production service provider to a creator and owner of unique intellectual property (IP). The company signed significant MOUs to explore collaborations in digital family entertainment. These deals involve exploring opportunities in China's booming immersive entertainment market and developing family arcade businesses across Singapore and Southeast Asia.

- (i) **What risks has the board identified as the group pivots to creating and owning IP?**
- (ii) **What is the typical cycle of IP creation from concept to production to exhibition?**

- (iii) **Given the current financial resources of \$1.43 million in cash and cash equivalents, what specific financial strategies and plans does the group have to support the transition to its new business model focused on creating and owning IP? How capital-intensive is the new focus of creating and owning IP?**

- (iv) **Separately, following the recent \$3.2 million issuance of new shares and convertible bonds, what additional capital raising strategies is the board considering to ensure sufficient funding for the group's strategic initiatives? How will these funds be allocated to maximise growth and shareholder value?**

Q2. On 1 February 2024, the company announced that it signed a non-binding term sheet with Metavision International Holdings Ltd, a company that specialises in location-based experiences through multimedia storytelling, event promotion, digital marketing and IP licensing, to explore a stock swap and an investment in Metavision's TMP Immersive Expedition Center in Chengdu, China.

Details of the proposed tie-up could be found here:

https://links.sgx.com/FileOpen/PressRelease_VV3_Chengdu_final_010224.ashx?App=Announcement&FileID=785617

- (i) **How was management introduced to Metavision? What criteria were used to evaluate Metavision as a potential partner for the strategic collaboration?**
- (ii) **Since the signing of the non-binding term sheet, what specific milestones have been achieved in the partnership with Metavision? Can management provide a detailed update on the due diligence process, negotiations, and any preliminary agreements that have been reached?**
- (iii) **Was Metavision invited to participate in the recent round of share placement and bond subscription that the company announced on 12 July 2024?**
- (iv) **Can management share feedback from visitors of Metavision's TMP Immersive Expedition Center in Chengdu, China, which has been open to the public for almost 6 months since 2 February 2024?**
- (v) **What is the experience of management in due diligence, deal structuring and valuation?**

Q3. The acquisition of Elliot Communications Pte. Ltd¹. and its subsidiaries on 26 March 2023 boosted the consolidated revenue with contributions of \$2.68 million in the current financial year.

Despite a 30% interest, the company has consolidated Elliot as the sale and purchase agreement included a call option to acquire an additional 21% equity interest in Elliot.

- (i) **Can the board explain how the acquisition of Elliot is aligned with the group's pivot to digital content creation and ownership of unique intellectual property?**
- (ii) **What are the synergies between Elliot and the group's digital media and live experience production businesses?**
- (iii) **What is the strategic plan for integrating Elliot Communications with the group? Will Elliot operate independently, or will there be a comprehensive integration to fully leverage its capabilities and align it with the group's broader goals?**

Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.

Check out the latest questions on the annual reports of listed companies on [SIAS website](#)

Join our mailing list [here](#) to receive latest news and upcoming events.

CONNECT WITH US



¹ https://links.sgx.com/FileOpen/VV3-%20Announcement_SPA%2027%20March.ashx?App=Announcement&FileID=751107