

MM2 ASIA LTD.
(Incorporated in the Republic of Singapore)
(Registration No. 201424372N)

NOTICE OF ADJUSTMENT TO CONVERSION SHARES PRICE

The board of directors (the "**Board**") of mm2 Asia Ltd. (the "**Company**" and, together with its subsidiaries, the "**Group**") refers to:

- (i) the Company's announcement dated 31 December 2022 in relation to the issuance by the Company of the S\$30.7 million Convertible Exchangeable Bonds;
- (ii) the Company's announcements dated 29 September 2023 (the "**Rights Issue Announcement**"), 17 October 2023, 28 November 2023, 7 December 2023, 16 December 2023, 22 December 2023, and 26 December 2023 in relation to the Rights Issue; and
- (iii) the Company's circular to Shareholders dated 7 December 2023 (the "**Circular**").

Unless otherwise defined, all capitalised terms used herein shall have the same meanings ascribed to them in the Circular.

As announced by the Company on 31 December 2022, the Company had, as part of its settlement of certain convertible securities issued by mm Connect Pte Ltd, issued the S\$30.7 million Convertible Exchangeable Bonds in tranches from 1 January 2023 up to 24 March 2023. The S\$30.7 million Convertible Exchangeable Bonds were expressed to take effect retrospectively from 1 January 2023.

Under the terms of the Bonds Subscription Agreement, a bondholder is entitled to convert the S\$30.7 million Convertible Exchangeable Bonds held by such bondholder into Conversion Shares (subject to regulatory and other necessary approvals) at the Conversion Price, subject to any SGX-ST requirements governing volume weighted average price to prevailing share price discount of the Company if applicable and any adjustment from time to time.

In addition, under the terms of the Bonds Subscription Agreement, the Conversion Price is subject to an adjustment in the event the Company issues Shares to all or substantially all Shareholders as a class by way of rights, or issue or grant to all or substantially all Shareholders as a class by way of rights, options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares, in each case at less than the Current Market Price per Share on the last Trading Day preceding the date of the announcement of the terms of the issue or grant (each as defined in the Bonds Subscription Agreement). Such adjustment shall become effective on the date of issue of such Shares (or issue or grant of such options, warrants or other rights, as the case may be) or where a record date is set, the first date on which the Shares are traded ex-rights, ex-options or ex-warrants, as the case may be.

As at the date of this announcement:

- (i) no bondholder has exercised his or her right to convert S\$30.7 million Convertible Exchangeable Bonds held by him or her into new Conversion Shares; and
- (ii) as announced by the Company on 22 December 2023, the Record Date for the Rights

Issue has been fixed at 5.00 p.m. (Singapore time) on 3 January 2024. Accordingly, the last day for Shares to trade "cum-rights" to the Rights Issue is 29 December 2023 and the first date for Shares to trade "ex-rights" to the Rights Issue is 2 January 2024.

The Company now wishes to announce that as a result of the Rights Issue, the Conversion Price of the S\$30.7 million Convertible Exchangeable Bonds has been adjusted to S\$0.050 with effect from 2 January 2024.

The adjustment was made in accordance with the following formula which is set out in the terms and conditions applicable to the S\$30.7 million Convertible Exchangeable Bonds:

Adjustment of Conversion Price and number of Conversion Shares : $(A + B) / (A + C) \times X$

Where:

A = 2,790,609,220, being the number of Shares in issue immediately before the Rights Issue Announcement;

B = 705,590,194, being the number of Shares which the aggregate amount (if any) payable for the Shares issued by way of rights and for the total number of Shares comprised therein would subscribe for, purchase or otherwise acquire at such Current Market Price (as defined in the Bonds Subscription Agreement) per Share;

C = 1,395,304,610, being the aggregate number of Shares issued, or as the case may be, comprised in the grant; and

X = S\$0.06, being the Conversion Price in force immediately before such issue or grant of Shares

Upon a conversion of all of the outstanding S\$30.7 million Convertible Exchangeable Bonds, the Company will have to issue and allot an aggregate of 614,040,000 Conversion Shares.

As disclosed by the Company on 21 April 2023, the Company has received the approval-in-principle from the SGX-ST for the listing and quotation of up to 511,700,000 Conversion Shares to be issued upon the conversion of the S\$30.7 million Convertible Exchangeable Bonds at the Conversion Price and on 28 November 2023, received the approval-in-principle from the SGX-ST for the listing and quotation of the 102,340,000 Additional Conversion Shares.

By Order of the Board

Melvin Ang Wee Chye
Executive Chairman
2 January 2024