



Press Release

**mm2 ASIA RELEASES 1HFY2022 REPORT -  
FIRST HALF REVENUE INCREASES BY MORE THAN 130%  
ON THE PATH TO RECOVERY FROM COVID PANDEMIC**

- 1HFY2022 Revenue rebound across most business segments
- Generated positive EBITDA and operating cash flow in first half of FY 2022
- Group sees imminent recovery amidst reopening of economies

SINGAPORE, 12 November 2021—mm2 Asia Ltd. (“mm2 Asia”, “mm2 全亚影视娱乐有限公司” or collectively with its subsidiaries, “the Group”), today reported its financial results for the half year ended 30 September 2021 (“1HFY2022”).

**Financial Overview**

S\$' Million	1HFY2022	1HFY2021	1HFY2022 vs 1HFY2021 Change%
Revenue	46.3	19.9	132.5%
Gross Profit	9.4	0.1	7107.7%
Gross Margin (%)	20.2%	0.7%	
EBITDA *	11.9	6.2	91.2%
Net Loss	(13.8)	(25.8)	-38.3%
Net Margin (%)	-29.9%	-129.6%	
Net Loss To shareholders	(11.4)	(22.4)	-49.1%
Loss per share (cents)	(0.51)	(1.93)	-73.6%

\* The reported EBITDA (Earnings before interest, taxes, depreciation, and amortization) is based on the adoption of SFRS(I)16. .

With the easing of the Government’s COVID-19 restrictions, the Group witnessed a pick-up in revenue which rose more than 130% to S\$46.3 million. Coupled with an improvement in gross margins, gross profit grew to S\$9.4 million. Finance expenses also dropped 28.6% to S\$6.9 million because of a decline in borrowings and a reduction in lease liabilities from the reduction in cinema locations in Malaysia. This assisted the Group to narrow its net loss to equity holders of the company by nearly 50% to S\$11.4 million.



S\$' Million	30-Sep-21	31-Mar-21	% change
Cash & cash equivalents	7.4	12.1	
Borrowings	215.7	265.6	
Net Debt	<b>208.3</b>	<b>253.5</b>	<b>-17.8%</b>
Total Equity	212.6	174.2	22.0%
Net Debt/Equity	<b>98.0%</b>	<b>145.5%</b>	

During 1HFY2022, the Group also concluded a rights issue, where the proceeds were utilised to redeem the Medium-Term Note (“MTN”) on April 2021. Coupled with a positive operating cash flow generated of S\$14.1 million during 1HFY2022, the Group strengthened its financial position as net debt dropped 17.8% during the period. In addition, the Group is actively working towards the redemption of the convertible debt securities due 31 December 2021 as well as various refinancing and deleveraging options.

### Segmental Performance

Revenue*	1HFY2022	1HFY2021	1HFY2022 vs 1HFY2021 Change%
Core	32.8	13.4	144.8%
Post-Production	1.2	0.3	300.0%
Cinema	10.1	3.6	180.6%
Events	0.4	1.1	-63.6%
Others	1.8	1.6	12.5%
<b>Total</b>	<b>46.3</b>	<b>20.0</b>	<b>131.5%</b>

\*Sales to external parties

Revenue from Core business rose more than 140% to S\$32.8 million. This is mainly due to more production projects completed in 1HFY2022 and higher distribution income. The latter is contributed by the gradual reopening of cinemas as consumer confidence return with the easing of the pandemic’s stranglehold on the entertainment industry; underpinned by a strengthening theatrical film market. Regional OTT series production also contributed to the increase in revenue as competition amongst the platform players continues to rise.

Revenue from Post-production also surged more than 300% mainly due to the improvement in the post-production business. However, no revenue was recorded in the Group’s digital content production business as live entertainment projects remain on hold due to restrictions



implemented by the authorities. Revenue from the Cinema segment also improved, mainly due to the reopening of cinemas in Singapore from July 2020 and the release of Hollywood blockbuster movie titles. Revenue from the Events segment remained subdued in 1HFY2022 due to COVID-19 measures and was lower compared to a year ago due to a decrease in the number of promotion projects. This is despite the segment seeing a jump in production revenue with the gradual resumption of small-scale live performances in Singapore. Other segments that comprise of the Group's media advertising and news agency activities among others, saw a 17% increase in revenue during 1HFY2022.

### **Group's Outlook**

With rising vaccination rates and positive news on oral medication prospects to treat COVID-19, several countries have opened up their economies, including the setting up of Vaccinated Travel Lanes ("VTLs"), which is expected to benefit many sectors, including the entertainment scene.

Executive Chairman of mm2 Asia, Mr Melvin Ang (洪伟才) said: ***"The onset of COVID-19 has affected the operations of mm2 Asia severely over the last 18 months. However, with the gradual reopening of various economies globally and the positive news on the medical front, we will continue to see positive trends and overall progress on the road to recovery."***

***"These two years of disruptions have also enabled us to explore new areas of development to help scale our business and overcome obstacles, which has resulted in us developing new competencies across the group. In addition to growing our current core businesses, mm2 group has started various initiatives to branch into the sphere of media tech - through the use of blockchain technologies that enables NFTs and cryptocurrency, and the growing metaverse space opportunities - to leverage the group's existing content creation and distribution capabilities."***

***"We are excited and upbeat on the opportunities ahead and are certain that this shift will make our group even more global in reach, digitally inclined and versatile across all of our businesses."***

**– End of Press Release–**

**Note to media: Please read this press release with the Company's announcement released on SGXnet on the same date.**



### **About mm2 Asia Ltd.**

Headquartered in Singapore, mm2 Asia champions “Content and Media for Asia”, with integrated businesses across the content, immersive media, cinema, event and concert industries in Singapore, Malaysia, Hong Kong, Taiwan, China and the U.S.

Since being listed on the SGX Catalist in December 2014 and the successful transfer to the SGX Mainboard in August 2017, mm2 Asia has strengthened its competitive advantage through its acquisitions of a majority stake in an award-winning virtual reality, animation and visual effects studio, Vividthree Holdings Ltd. (SGX stock code: OMK), and event production and concert promotion company, UnUsUaL Limited (SGX stock code: 1D1). With the establishment of mmCineplexes and the acquisition of Cathay Cineplexes Pte Ltd, mm2 Asia is currently one of the key cinema operators in Malaysia and Singapore.

For more information, please visit <http://www.mm2asia.com>

For investor relations matters, please kindly email [ir@mm2asia.com](mailto:ir@mm2asia.com)

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