

**Press Release**

**MM2 ASIA'S 1Q FY2018 NET PROFIT  
ROSE 50% TO S\$7.8 MILLION**

1. Group revenue increased by 83.6% to S\$25 million, with core business revenue increasing by 44.8% to S\$13.9 million.
2. Expect increase in productions in North Asia with higher contribution from cinema business, concert and event production and promotion and other subsidiaries.

**SINGAPORE, 14 AUG 2017 – mm2 Asia Ltd.** (“mm2 Asia”, “mm2 全亚影视娱乐有限公司” or collectively with its subsidiaries, the “Group”), is pleased to announce its financial results for the first quarter period ended 30 June 2017 (“1Q FY2018”), with its net profit rising 50% to S\$7.8 million.

Commenting on the 1Q FY2018 results, mm2 Asia Executive Chairman, Mr Melvin Ang (洪伟才) said, “We have had a steady year-on-year growth since our listing in December 2014. Our production revenue from North Asia has increased and we expect a continuous growth in productions in this region. We had a significant number of acquisitions, including the recent proposed acquisition of the Lotus cinemas in 13 locations in Malaysia. Along with deep expertise of our new CEO Mr Chang Long Jong, we are excited about the various growth opportunities in the region we can tap on in the coming year”.

**1Q FY2018 Financial Highlights**

In S\$'million, unless otherwise stated	1Q FY2018	1Q FY2017	Change
Revenue	24.6	13.4	83.6%
Gross Profit	15.4	10.1	52.5%
Profit Before Tax	9.6	6.4	50.0%
Profit After Tax	7.8	5.2	50.0%

## **Performance Review**

The Group's revenue increased by 83.6% to S\$24.6 million from S\$13.4 million for the financial period ended 30 June 2017 ("**1Q FY2018**"). This increase was mainly due to additional revenue generated from the newly acquired subsidiary, the UnUsUaL Limited ("**UnUsUaL**"), which recorded event and concert promotion revenue of S\$6.2 million, as well as additional revenue generated from cinema operation business.

The Group's Core Business also saw a 44.8% increase in revenue from S\$9.6 million in 1Q FY2017 to S\$13.9 million in 1Q FY2018. Consequently, the Group's 1Q FY2018 gross profit increased by 52.5% from S\$10.1 million in 1Q FY2017 to S\$15.4 million in 1Q FY2018.

General and administrative expenses increased by 60% from S\$3.5 million in 1Q FY2017 to S\$5.6 million in 1Q FY2018. The increase was due to higher employee compensation costs due to newly acquired business and staff enlargement.

As a result, the net profit for 1Q FY2018 increased by 50% to S\$7.8 million from S\$5.2 million in 1Q FY2017. This translates into a net profit attributable to shareholders of S\$6.4 million for 1Q FY2018.

## **Business Outlook**

The Group's core business of movie and tv/online production and distribution continues to form the majority of the Group's revenue, contributing approximately 57% with S\$13.9 million. The Group has started production of the Singapore/Malaysia version of *The Voice*, Talpa's flagship talent format that will be aired in Singapore/Malaysia in October/November 2017.

The Group will continue to focus on its core business in Singapore and Malaysia as well as expand it to Hong Kong, Taiwan, China and also the USA. The Group's Productions in North Asia contributed to 30% of the Group's production revenue, up from 22% in Q1 FY2018. We expect productions in these markets to continue to form a bigger part of our revenue in FY2019.

With the signing of the agreement for the proposed acquisition of cinema business from Lotus Fivestar Cinemas (M) Sdn Bhd in May 2017, the Group will become the fourth largest cinema operator in Malaysia upon its targeted completion by September 2017, with this new acquisition contributing to the Group's profitability. In the same month, the Group also completed the acquisition of 19.68% on Cinema Pro Limited, a cinema management service provider in Hong Kong.

Concert and event promotion revenue from the newly-acquired subsidiary, UnUsUaL, contributed to 25% of the Group's Q1 FY2018 revenue. With the increase in demand for concerts and events by well-known entertainers and a steady stream of concerts and events in the region, UnUsUaL, as a listed company, will also continue to expand out of the Singapore and Malaysia region and move up the value chain as an Originating Producer to sign artistes for regional tours.

In FY2018, the Group will continue to source for growth opportunities in Singapore and the region to expand the Group's various businesses in the areas of film and TV/online production and distribution, post-production, cinema business and concert and event production and production, to further strengthen its financial performance.

**- End of Press Release -**

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



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**About mm2 Asia Ltd.**

Headquartered in Singapore, mm2 Asia is a producer of films and TV/online content. As a producer, mm2 Asia provides services that cover the entire filmmaking process, including securing financing, producing and distributing as well as securing advertising and sponsorship.

mm2 Asia further strengthened its competitive advantage through acquiring a majority stake in local 3D animation company, Vividthree Productions and event and concert production company, UnUsUaL Limited (SGX stock code 1D1), The Group also established its own cinema chain, mmCineplexes, through the acquisition of five cineplexes in Malaysia.

In addition to Singapore, mm2 Asia also has a presence in Malaysia, Hong Kong, Taiwan and China through its group companies and/or strategic working partnerships. mm2 Asia has co-produced and/or distributed over 100 films across Asia since 2008.

In 2014, mm2 Asia made its debut on the Singapore Exchange Securities Trading Limited (SGX stock code: 1B0) and on 7 August 2017, successfully transferred from the SGX Catalist to the SGX Mainboard, becoming the first Singapore film production company to achieve this.

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

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