

CIRCULAR DATED 2 DECEMBER 2022

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt as to the action that you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your ordinary shares in the capital of mm2 Asia Ltd. (the “**Company**”) held through The Central Depository (Pte) Limited (“**CDP**”), you need not forward this Circular to the purchaser or the transferee as arrangements will be made by the CDP for a separate Circular to be sent to the purchaser or the transferee. If you have sold or transferred all your shares represented by physical share certificate(s), you should forward this Circular with the Notice of Extraordinary General Meeting and the accompanying Proxy Form immediately to the purchaser or to the transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effect for onward transmission to the purchaser or the transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.

The Extraordinary General Meeting (“**EGM**”) is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meeting for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of this Circular will not be sent to members. Instead, this Circular will be sent to members by electronic means via publication on the SGX website at <https://www.sgx.com/securities/company-announcements> and on the Company’s website at <https://www.mm2asia.com>.

Alternative arrangements relating to participation in the EGM proceedings via electronic means, have been put in place to allow shareholders to participate at the EGM by (a) watching or listening to the EGM proceedings via “live” audio-and-video webcast or listening to the EGM proceedings via “live” audio feed, (b) submitting questions in advance of, or “live” at the EGM, and/or (c) voting at the EGM (i) “live” by the Shareholders themselves or their duly appointed proxy(ies) (other than the Chairman of the EGM) via electronic means, or (ii) by appointing the Chairman of the EGM as proxy at the EGM.



MM2 ASIA LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 201424372N)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

- (1) THE PROPOSED SUBSCRIPTION BY UOB KAY HIAN PRIVATE LIMITED FOR EXCHANGEABLE BONDS (WITH ATTACHED BUT IMMEDIATELY DETACHABLE WARRANTS) (THE “PROPOSED TRANSACTION”)**
- (2) THE PROPOSED TRANSFER OF INTEREST IN MM CONNECT PTE LTD IN THE EVENT THAT THE EXCHANGE RIGHT (AS DEFINED HEREIN) OR THE REDEMPTION SUBSTITUTION SETTLEMENT (AS DEFINED HEREIN) IS EXERCISED PURSUANT TO THE PROPOSED TRANSACTION**

IMPORTANT DATES AND TIMES:		
Last date and time for lodgment of Proxy Form	:	14 December 2022 at 1.30 p.m.
Date and time of Extraordinary General Meeting	:	17 December 2022 at 1.30 p.m.
Place of Extraordinary General Meeting	:	To be held by electronic means

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DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:

- “Additional Warrants”** : Such further Warrants as may be required or permitted to be issued by the Company pursuant to any adjustment in accordance with Condition 5 of the Warrant Conditions (such further Warrants to rank *pari passu* with the original Warrants and for all purposes to form part of the same series constituted by the Deed Poll and shall be issued subject to and with the benefit of the Deed Poll), each such Additional Warrant entitling the holder thereof to subscribe for one Warrant Share at such Warrant Exercise Price as may be determined in accordance with Condition 5 of the Warrant Conditions
- “Additional Warrant Shares”** : Such further Warrant Shares as may be required to be allotted and issued on the exercise of any of the Additional Warrants in accordance with the Warrant Conditions
- “Affiliates”** : In relation to any person, any other person directly or indirectly Controlled by, or possessing Control of, or under common Control with, that person and, in the case of a trust, any trustee or beneficiary (actual or potential) of that trust
- “Approved Bank”** : A reputable bank or merchant bank as may be selected by the Company
- “Auditors”** : The auditors for the time being of the Company or, if there shall be joint auditors, any one or more of such auditors, or in the event of their being unable or unwilling to carry out any such action requested of them, or such other auditors as may be nominated by the Company.
- “Board”** : The board of Directors of the Company for the time being.
- “Bondholder”** : Means, in relation to a Bond, the person in whose name a bond is registered in the register.
- “Business Day”** : A day (other than a Saturday or Sunday or gazetted public holiday) on which banks are open for general business in Singapore
- “CDP”** : The Central Depository (Pte) Limited
- “Circular”** : This circular dated 2 December 2022
- “Companies Act”** : Companies Act 1967 of Singapore, as may be amended, modified or supplemented from time to time
- “Company”** : MM2 Asia Ltd. (Company Registration No. 201424372N)
- “Completion”** : Means the completion of the subscription of the Exchangeable Bonds (with attached but immediately detachable Warrants)
- “CPF Agent banks”** : Agent banks appointed under the CPFIS
- “CPF”** : Central Provident Fund

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“CPFIS”	:	Central Provident Fund Investment Scheme
“Deed Poll”	:	A deed poll to be executed for the issuance of the Warrants conferring the right to subscribe for the Warrant Shares.
“Default Notice Date”	:	The day on which the Company receives the default notice from the Bondholder
“Director”	:	A director of the Company for the time being
“EBITDA”	:	Net income (earnings) with interest, taxes, depreciation, and amortization added back
“EGM”	:	The extraordinary general meeting of the Company, notice of which is set out on page 44 of this Circular
“EPS”	:	Earnings per Share
“Equity”	:	100% equity interest in the capital of mm Connect Pte Ltd
“Equity Valuation Summary Letter”	:	Valuation summary letter issued by the Independent Valuer as part of the Equity Valuation Report and is set out in Annex C of this Circular
“Equity Valuation Report”	:	Independent valuation report dated 1 December 2022 issued by the Independent Valuer in relation to the valuation of the Equity as at 31 August 2022
“Exchange”	:	The exchange of the Exchangeable Bond for the Exchange Property pursuant to the exercise of the Exchange Right
“Exchange Group Shares”	:	Shall have the same meaning as prescribed in paragraph 2.2.1 of this Circular below and paragraph 5.5 of Annex A
“Exchange Ratio”	:	The ratio based on which the Exchange is carried out. The initial Exchange Ratio is based on the initial valuation of mm Connect Pte Ltd of S\$90 million and is subject to adjustments set out in the Exchangeable Bond Terms and Conditions
“Exchange Right”	:	The right of a Bondholder to exchange Exchangeable Bonds for the Exchange Property in accordance with the Exchangeable Bond Terms and Conditions
“Exchange Subsidiaries”	:	mm2 Screen Management Sdn Bhd, mm2 Star Screen Sdn Bhd, Cathay Cineplexes Pte Ltd and mm Plus Pte Ltd
“Exchange Group”	:	the Exchange Vehicle and Exchange Subsidiaries collectively
“Exchange Property”	:	Means such number of fully paid up existing and/or new Exchange Shares comprising a 60% shareholding interest in the enlarged share capital of the Exchange Vehicle (immediately after the issue of the Exchange Shares) based on the initial Exchange Ratio and shall include all other

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		property arising out of or derived or resulting therefrom and such other property, in each case as may be deemed or required to comprise all or part of the Exchange Property pursuant to the Exchangeable Bond Terms and Conditions
“Exchange Shares”	:	Ordinary shares in the capital of the Exchange Vehicle
“Exchange Vehicle” or “mm Connect”	:	mm Connect Pte Ltd
“Exchangeable Bond Exchange Date”	:	Means the date on which the Bondholder elects to exercise his Exchange Right. The Exchangeable Bond Exchange Date must fall within the Exchangeable Bond Exchange Period
“Exchangeable Bond Exchange Period”	:	Means the two calendar week period preceding the second anniversary of the issue date of the Exchangeable Bonds (the “Second Anniversary”) (or such earlier date prior to the Second Anniversary as may be consented to by the Company)
“Exchangeable Bond Terms and Conditions”	:	Means, in relation to the Exchangeable Bonds, the terms and conditions of the Exchangeable Bonds, the salient terms of which are set out in paragraph 2.2.1 of this Circular and extracts of which from the Subscription Agreement are set out in Annex A of this Circular.
“Exchangeable Bond” or “Bond”	:	The exchangeable bonds in the principal amount of S\$54,000,000 as issued by the Company. The Exchangeable Bonds are issued with 250,000,000 attached but immediately detachable Warrants.
“Group”	:	The Company and its subsidiaries
“Issue Date”	:	The date of issue of the Warrants
“Kingsmead”	:	Kingsmead Properties Pte. Ltd.
“Kingsmead Transaction”	:	The proposed transaction pursuant to the binding term sheet dated 27 July 2021 entered into between Kingsmead and the Company for the proposed sale of not less than 80% of the issued and paid up share capital in mm Connect Pte Ltd to Kingsmead
“Latest Practicable Date”	:	17 November 2022, being the latest practicable date prior to the issue of this Circular
“Mainboard Rules”	:	The rules of the Listing Manual of the SGX-ST applicable to issuers listed on the SGX Mainboard, as may be amended, supplemented and/or modified from time to time
“Market Day”	:	A day on which the SGX-ST is open for securities trading
“Maturity Date”	:	If the Exercise Right (as defined herein) is not exercised, the Exchangeable Bonds will be redeemed by the Company in cash at the end of the three (3) year tenure.
“Minimum Exchange”	:	The minimum number of Exchange Shares that may be transferred in the event where there are any adjustments

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	to the Exchange Ratio is 51.4%
“mm Connect Group” or “Exchange Group”	: The group of companies consisting of mm Connect Pte. Ltd., mm2 Screen Management Sdn Bhd, mm2 Star Screen Sdn Bhd, Cathay Cineplexes Pte. Ltd., and mm Plus Pte. Ltd..
“NTA”	: Net tangible assets
“One Year Grace Period”	: Means the grace period when the Company has to make payment of the redemption amount payable, such grace period being the one year period commencing from the date of issue of default notice (assuming that the event of default in respect of which the default notice was issued occurs before the Second Anniversary)
“Proposed Transaction”	: Shall have the same meaning ascribed to it in paragraph 1.1.(a) of this Circular
“Proposed Transfer”	: Shall have the same meaning ascribed to it in paragraph 1.1(b) of this Circular
“Proposed Warrants Issue”	: The proposed allotment and issue of 250,000,000 Warrants, each Warrant carrying the right to subscribe for one (1) Warrant Share at the Warrant Exercise Price during the Warrant Exercise Period
“Redemption Substitute Settlement”	: Shall have the same meaning as prescribed in paragraph 2.2.1 of this Circular below
“Register of Members”	: The register of members containing the names and addresses of the members of the Company
“SFA”	: Securities and Futures Act 2001 of Singapore, as maybe amended, modified or supplemented from time to time
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“Shareholders”	: Registered holders of Shares, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the persons whose securities accounts maintained with CDP are credited with the Shares
“Shares”	: Ordinary shares in the capital of the Company
“Shortened Grace Period”	: Means the grace period which the Company has to make payment of the redemption amount payable, such grace period commencing from the date of issue of default notice to the Maturity Date (assuming that the event of default in respect of which the default notice was issued occurs after the Second Anniversary)
“SRS Operators”	: Operators which manage the SRS accounts
“SRS”	: Supplementary Retirement Scheme
“Subscriber”	: UOB Kay Hian Private Limited
“Subscription”	: Subject to the terms and conditions of the Subscription

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- Agreement, the Company agrees to issue the Exchangeable Bonds (with attached but immediately detachable Warrants) to the Subscriber, and the Subscriber agrees to subscribe for the Exchangeable Bonds (with attached but immediately detachable Warrants)
- “Subscription Agreement”** : The subscription agreement entered into by the Company and Subscriber for the issuance of Exchangeable Bonds (with attached but immediately detachable Warrants)
- “Warrant Certificates”** : The Certificate(s) to be issued in respect of the relevant number of Warrants, pursuant to the Warrant Conditions
- “Warrant Conditions”** : The terms and conditions endorsed on the Warrant Certificate(s), extracts of which from the Warrant Certificate(s) are set out in Annex B enclosed, which as the same may from time to time be modified in accordance with the provisions and in the Warrant Certificates, and any reference herein to a particular **“Warrant Condition”** shall be construed accordingly
- “Warrant Exercise Date”** : The date which the Warrant Exercise Notice is served on the Company in relation to the Warrants, provided that if any such day falls during a period when the Register of Warranholders is closed, then the **“Warrant Exercise Date”** shall be the next following Market Day on which the Register of Warranholders is open
- “Warrant Exercise Notice”** : A notice (for the time being current) for the exercise of the Warrants, copies of which may be obtained from the Company
- “Warrant Exercise Period”** : The period during which the Warrants may be exercised, commencing on and including the date of issue of the Warrants and expiring at 5.00 p.m. on the expiration date (meaning, the date falling five (5) calendar years from the date of issue of the Warrants), unless such date is a date on which the Register of Warranholders is closed or is not a Market Day, in which event the period shall end on the Market Day prior to the closure of the Register of Warranholders or the immediately preceding Market Day, as the case may be, but excluding such period(s) during which the Register of Warranholders may be closed pursuant to Condition 4(e) of the Warrant Conditions;
- “Warrant Exercise Price”** : In respect of each Warrant, subject to the Mainboard Rules and any adjustment in accordance with the Warrant Conditions, S\$0.065 for each Warrant Share to be issued upon exercise of the Warrant, such figure representing a premium of approximately 8.9% to the volume weighted average price of S\$0.0597 per share of the Company for trades done on the SGX-ST on 16 June 2022, such date being the market day and up to the time the term sheet in relation to the Warrants was entered into between the Company and UOB Kay Hian Private Limited
- “Warrant Register”** : A register containing particulars of the Warranholders and such other information relating to the Warrants including the name(s) and address(es) of the registered

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- Warrantholder(s), the number of Warrants held by them, the certificate numbers of Warrants held by them, the date of issuance of the Warrants and such other information as the Company may require
- “Warrant Shares”** : Warrant Shares which are allotted and issued on the exercise of the Warrants in accordance with the Warrant Conditions
- “Warrantholder”** : The person or persons for the time being registered in the Warrant Register as the holder or joint holders of the Warrant, and the word **“holder”** or **“holders”** in relation to Warrants shall (where appropriate) be construed accordingly
- “Warrants”** : The 250,000,000 warrants (which are attached to the Exchangeable Bonds but immediately detachable) proposed to be issued by the Company, each Warrant carrying the right to subscribe for one (1) Warrant Share at the Warrant Exercise Price during the Warrant Exercise Period, including any replacement Warrant pursuant to Warrant Condition 10

The terms **“Depositor”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the SFA. The terms **“treasury shares”** and **“subsidiary”** shall have the meanings ascribed to them respectively in Section 4 and Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders.

References to persons shall, where applicable, include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or any statutory modification thereof and not otherwise defined in this Circular shall have the same meaning assigned to it under the Companies Act or any statutory modification thereof, as the case may be. Summaries of the provisions of any laws or regulations contained in this Circular are of such laws or regulations as at the Latest Practicable Date.

Any reference to a time of day in this Circular is made by reference to Singapore time unless otherwise stated.

Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof shown are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

ANNEX A

MM2 ASIA LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 201424372N)

Directors:

Melvin Ang Wee Chye (Executive Chairman and Executive Director)
Tan Liang Pheng (Lead Independent Director)
Chia Seng Hee, Jack (Independent Director)
Lei Chee Kong, Thomas (Independent Director)
Mak Chi Hoo, Terry (Non-Executive Director)
Chia Choon Hwee, Dennis (Non-Executive Director)

Registered Office:

1002 Jalan Bukit Merah
#07-11 Redhill Industrial Estate
Singapore 159456

2 December 2022

To: The Shareholders of MM2 Asia Ltd.

Dear Sir/Madam

- (1) **THE PROPOSED SUBSCRIPTION BY UOB KAY HIAN PRIVATE LIMITED FOR EXCHANGEABLE BONDS (WITH ATTACHED BUT IMMEDIATELY DETACHABLE WARRANTS) (THE "PROPOSED TRANSACTION")**
- (2) **THE PROPOSED TRANSFER OF INTEREST IN MM CONNECT PTE LTD IN THE EVENT THAT THE EXCHANGE RIGHT (AS DEFINED HEREIN) OR THE REDEMPTION SUBSTITUTE SETTLEMENT (AS DEFINED HEREIN) IS EXERCISED**

1. INTRODUCTION

- 1.1 The Board is proposing to convene the EGM to be held on 17 December 2022 at 1.30 p.m. by electronic means, to seek Shareholders' approval for the following actions: -
 - (a) The proposed subscription by UOB Kay Hian Private Limited for Exchangeable Bonds exchangeable into the Exchange Shares (with attached but immediately detachable Warrants in accordance with the terms of the Subscription Agreement entered into between the Company and the Subscriber (the "**Proposed Transaction**"); and
 - (b) The proposed transfer of interest in the Exchange Vehicle in the event that the Exchange Right (as defined herein) is exercised or the Redemption Substitute Settlement is effected (the "**Proposed Transfer**").
- 1.2 As announced by the Company on 16 June 2022, the Company had on 16 June 2022 entered into a term sheet with UOB Kay Hian Private Limited ("**Subscriber**") to appoint the Subscriber as arranger in relation to the Proposed Transaction. Further, as announced by the Company on 25 September 2022, the Company had on 23 September 2022 entered into a Subscription Agreement with the Subscriber. The announcement by the Company on 25 September 2022 supersedes the announcement on 16 June 2022.

The Subscriber has confirmed by a confirmation letter dated 16 November 2022 that it is not subscribing or holding the Exchangeable Bonds in trust or as a nominee and that it is not (i) a person who is a director or a substantial shareholder of the Company, (ii) immediate family member of a director or substantial shareholder; (iii) a person in the categories set out in Rule 812(1) of the Mainboard Rules or (iv) an interested person as defined in Chapter 9 of the

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Mainboard Rules or (v) one or more of the persons specified above.

As the Subscriber is subscribing for the Exchangeable Bonds with Warrants on a bought deal basis, the Subscriber will procure and select investors from its network. However, the Subscriber shall not resell the Exchangeable Bonds with Warrants within 1 year after the completion of the Exchangeable Bonds Issuance to any of the following persons:

- (a) The Company's directors and substantial shareholders;
- (b) The immediate family members of the Company's directors and substantial shareholders;
- (c) Substantial shareholders, related companies (as defined in Section 6 of the Companies Act), associated companies and sister companies of the Company's substantial shareholder;
- (d) Corporations in whose shares the Company's directors and substantial shareholders have an aggregate interest of at least 10%;
- (e) Any person who, in the opinion of the SGX-ST, falls within category (a) to (d) above;
- (f) A director, chief executive officer, or controlling shareholder of the Company; or
- (g) An associate of any such director, chief executive officer, or controlling shareholder.

- 1.3 In connection with the aforementioned, this Circular has been prepared to provide Shareholders with information in relation to the Proposed Transaction by the Company and to seek Shareholders' approval in respect of (i) the Proposed Transaction; and (ii) the Proposed Transfer.
- 1.4 The Directors are convening the EGM to be held by electronic means on 17 December 2022 at 1.30 p.m. to seek Shareholders' approval in respect of (i) the Proposed Transaction; and (ii) the Proposed Transfer.
- 1.5 For the avoidance of doubt, the resolutions relating to the Proposed Transaction and the Proposed Transfer are inter-conditional upon each other. Therefore, if any part of the Proposed Transaction is not approved by Shareholders by way of ordinary resolution, the other parts of the Proposed Transaction will not be approved and no part of the Proposed Transaction will proceed.
- 1.6 The Company has appointed RHTLaw Asia LLP as the legal adviser to the Company in relation to the preparation of this Circular.

2. THE PROPOSED TRANSACTION AND PROPOSED TRANSFER

2.1 Introduction

- 2.1.1 The Company proposes to issue Exchangeable Bonds (with attached but immediately detachable Warrants) to the Subscriber on the terms and conditions as set out in the Subscription Agreement.
- 2.1.2 The Company intends to utilise the 100% net proceeds of the Proposed Transaction (including any cash top up in the event of Additional Investment in cash by Bondholder in the event of a Stepped Up Valuation) for the refinancing of the existing debts and liabilities of the Group.
- 2.1.3 The Exchangeable Bonds are Exchangeable, at the election of the Bondholder, into the Exchange Shares. The Exchange Vehicle holds 100% of mm2 Screen Management Sdn Bhd, mm2 Star Screen Sdn Bhd, Cathay Cineplexes Pte Ltd and mm Plus Pte Ltd. The Exchange

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Group is engaged in the management and operation of cinemas in Singapore and Malaysia (the “**Cinema Business**”).

- 2.1.4 The Company wishes to seek Shareholders’ approval in respect of the following:
- (i) The Proposed Transaction; and
 - (ii) The Proposed Transfer.
- 2.1.5 In respect of the Proposed Transfer:
- (i) the minimum number of the Exchange Shares that may be transferred in the event where there are any adjustments to the Exchange Ratio is 51.4% (the “**Minimum Exchange**”);
 - (ii) the number of the Exchange Shares that shall be transferred in the event where there is no adjustment to the Exchange Ratio (as defined herein) is 60%; or
 - (iii) the number of the Exchange Shares that shall be transferred in the event of the Redemption Substitute Settlement is 100%.
- 2.1.6 The Proposed Transfer in any of the above scenarios, if effected, will constitute a major transaction under Chapter 10 of the Mainboard Rules of the SGX-ST (the “**Mainboard Rules**”) and will be subject to the approval of the Shareholders under Rule 1014 of the Mainboard Rules by way of ordinary resolution.
- 2.1.7 Pursuant to Rule 805(2), an issuer must obtain the prior approval of shareholders in a general meeting if a principal subsidiary of an issuer issues shares or convertible securities or options that will or may result in (a) the principal subsidiary ceasing to be a subsidiary of the issuer, or (b) a percentage reduction of 20% or more of the issuer's equity interest in the principal subsidiary. The Mainboard Rules defines a principal subsidiary as “a subsidiary whose latest audited consolidated pre-tax profits (including discontinued operations that have not been disposed and excluding the non-controlling interest relating to that subsidiary) as compared with the latest audited consolidated pre-tax profits of the group (including discontinued operations that have not been disposed and excluding the non-controlling interest relating to that subsidiary) accounts for 20% or more of such pre-tax profits of the group”.
- 2.1.8 Based on the latest audited financial statements of the Group for the financial year ended 31 March 2022 (“**FY2022**”), mm Connect’s pre-tax profits accounted for more than 20% of the pre-tax profits of the Group. In addition, the Company considers mm Connect to be a principal subsidiary of the Company given the Group’s focus on the cinema business. Following the (i) Exchange (regardless of the then applicable Exchange Ratio); or (ii) the Redemption Substitute Settlement, the Exchange Vehicle will cease to be a subsidiary of the Company.
- 2.1.9 The Exchangeable Bonds come with attachable but immediately detachable Warrants. The Warrants will be constituted by deed poll and are subject to the Warrant Conditions.
- 2.1.10 In accordance with Rule 803 of the Mainboard Rules, the allotment and issue of the maximum number of Warrant Shares will not result in a transfer of a controlling interest in the Company. 250,000,000 warrants, if exercised, would constitute 8.22% of the enlarged share capital.
- 2.1.11 The allotment and issue of the Warrant Shares to the Subscriber requires the approval of Shareholders under Section 161 of the Companies Act, Rule 805(1) and Rule 824 of the Mainboard Rules as the Warrant Shares will not be issued under the Company’s general share issue mandate pursuant to Rule 806 of the Mainboard Rules.
- 2.1.12 Accordingly, the Company will be seeking the approval of its Shareholders for the issue of the Proposed Warrants Issue at an EGM to be convened.

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2.2 Key terms of the Exchangeable Bonds

2.2.1 The key terms of the Exchangeable Bonds are as follows:-

- Principal Amount** : S\$54,000,000 in principal amount of the Exchangeable Bonds.
- Maturity Date** : Third anniversary of the issue date of the Exchangeable Bonds (the “**Issue Date**”) (the “**Maturity Date**”)
- Coupon Rate** : Interest at the rate of five percent (5%) per annum, calculated based on the outstanding Principal Amount of the Exchangeable Bond. Interest is payable semi-annually in arrears, with the first interest payment date (“**Interest Payment Date**”) falling on the date six months after the Issue Date, and each subsequent Interest Payment Date falling on the date six months after the preceding Interest Payment Date. If interest is required to be calculated for a period of less than one year, it will be calculated on the basis of a 360-day year of twelve (12) 30-day months and in the case of an incomplete month, the actual number of days elapsed, in accordance with Condition 4 of the Exchangeable Bonds Terms and Conditions.
- Status of the Bonds** : The Bonds constitute the unsecured, direct, irrevocable, unconditional and unsubordinated obligations of the Company, ranking *pari passu* amongst and rateably without any preference among themselves (save as otherwise provided under any applicable laws) and equally with all other unsecured obligations (other than subordinated obligations, if any or indebtedness preferred by mandatory provisions of law) of the Company from time to time outstanding. The Bonds are issued with the benefit of the unconditional and irrevocable guarantee of the Company, with the Company liable to fulfil its obligations under the Bonds. Under the guarantee, the Company unconditionally and irrevocably guarantees to the Bondholder the fulfilment of its obligations under the Subscription Agreement and/or the Bonds.
- Modifications to Exchangeable Bond Terms and Conditions** : No modification, waiver, or substitution shall be carried out without the express consent of a Bondholder holding at least 50% of aggregate value of the then outstanding Bonds.
- Exchange** : The Exchangeable Bonds are exchangeable into the Exchange Shares based on the then applicable Exchange Ratio pursuant to the Bondholder’s exercise of the Exchange Right during the Exchangeable Bond Exchange Period
- Exchange Ratio** : The Exchange Ratio is based on the initial valuation of S\$90 million of the Exchange Vehicle and subject to adjustment in the following events:
- The Initial Valuation is on a cash-free and debt-free basis. In the event there is any cash or debt on the respective balance sheets of the Exchange Group, the Initial Valuation shall be adjusted on a dollar-for-dollar basis, reflecting the additional cash and/or debt accordingly. The Exchange Ratio shall in such instances also be adjusted accordingly, and the number of Exchange Shares to be

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issued in event of Exchange, shall also be adjusted accordingly to reflect the new Exchange Ratio.

In the event the Exchange Group achieves an aggregate EBITDA (subject to applicable group consolidation accounting standards) set out in the Adjustment Table for the twelve-month periods ending 30 September 2023 and 30 September 2024, the Stepped Up Valuation in respect of that aggregate EBITDA set out in the Adjustment Table shall apply to the Exchange Ratio:

Adjustment Table

S\$ Million	Initial Valuation				
Aggregate EBITDA	N/A	25.0	26.0	27.0	> 27.0
Stepped Up Valuation	90.0	94.5	99.0	105.0	> 105.0
Shareholding without additional investment	60.0%	57.1%	54.5%	51.4%	51.4%
Additional Investment	-	2.70	5.40	9.00	9.00
Total Investment	54.0	56.70	59.40	63.00	63.00
Shareholding with additional investment	60.0%	60.0%	60.0%	60.0%	60.0%

In the event the Exchange Ratio is subject to adjustment (the “**Adjusted Exchange Ratio**”), the Exchange shall be based on the Adjusted Exchange Ratio. On exercise of the Exchange Right, the Bondholder shall be required to pay, in cash, an additional amount (the “**Additional Investment**”) to the Exchange Vehicle for the receipt of the Exchange Property. The Additional Investment shall be that Additional Investment applicable in respect of the applicable Stepped Up Valuation. The Additional Investment is determined by the difference between the Stepped Up Valuation and the Initial Valuation multiplied by 0.6. The Additional Investment shall be paid in conjunction with the delivery of the Exchange Notice. In the event the Additional Investment is not paid at and/or by the receipt of the Exchange Notice by the Company, the number of Exchange Shares which the Bondholder is entitled to receive as Exchange Property shall be that number of Exchange Shares comprising the applicable shareholding percentage of the Exchange Vehicle reflected in the line item “Shareholding ex-add invm” (as set out in the Adjustment Table) applicable in respect of the applicable Stepped Up Valuation.

For the purpose of these Conditions, “aggregate EBITDA” means, in respect of any relevant period for the relevant company within the Exchange Group, the consolidated operating profit before taxation (excluding the results from discontinued operations) before the following SFRS(I) 16 adjustments –

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- (a) before deducting any interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments whether paid, payable or capitalized by any member of the company (calculated on a consolidated basis) in respect of that relevant period;
- (b) not including any accrued interest owing to any member of the company;
- (c) after adding back any amount attributable to the amortisation or depreciation of assets of members of the company;
- (d) before taking into account any exceptional Items;
- (e) before deducting the amount of any profit (or adding back the amount of any loss) of any member of the company which is attributable to minority interests;
- (f) plus or minus the company's share of the profits or losses (after finance costs and tax) of non-company entities, in each case, actually received or incurred by the company;
- (g) before taking into account any unrealised gains or losses on any derivative instrument (other than any derivative instrument which is accounted for on a hedge accounting basis);
- (h) before taking into account any gain or loss arising from an upward or downward revaluation of any other asset at any time;
- (i) after taking into account the pro forma effect of any acquisitions or investments made as if they had occurred on the first day of the relevant period;
- (j) before taking into account of any unrealised forex arising from receivable and payable and any balance sheet items

in each case, to the extent added, deducted or taken into account, as the case may be, for the purposes of determining operating profits of the company before taxation. For avoidance of doubt, the aggregate EBITDA shall be determined on a pre SFRS-16 basis

The Exchange Group shall be entitled to carry out an initial public offering (the "IPO") of the shares of the Exchange Vehicle if the pre-money IPO equity valuation of the Exchange Vehicle is not less than S\$150,000,000 (Singapore Dollars One Hundred and Fifty Million), save that the IPO shall be conducted on a reputable stock exchange. In event of such IPO, the Exchange Ratio shall be so adjusted such that the number of Exchange Shares received by the Bondholder pursuant to the Exchange shall be more than 50% of the enlarged share capital of the Exchange Vehicle post completion of the IPO without need for additional payment by the Bondholder. The aforementioned adjustment to the Exchange Ratio and the corresponding adjustment to the number or Exchange Shares received by the Bondholder pursuant to the Exchange shall apply whether or not the Exchange has occurred. For the purpose of these Conditions, "pre-money IPO equity valuation" shall mean the pre-money equity valuation determined based on the then number of shares in the capital of the relevant company prior to the IPO and the finalised offer price of shares to be offered at the IPO.

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The IPO of the Exchange Group can only proceed if the IPO pre-money valuation is at least S\$150 million. To ensure that the Bondholder holds at least a 50% stake in the Exchange Group, the Exchange Group will limit the issuing of new equity to less than 2.8% of existing shares outstanding upon the IPO.

Any IPO will be subject to the compliance with the relevant Mainboard Listing Rules.

Entitlement to acquire additional shareholding interest in the Exchange Vehicle

In the event that the IPO has not occurred, the Bondholder grants the Company the right to sell an additional 20% of the enlarged share capital of the Exchange Vehicle post Exchange provided that (a) the Exchange has occurred; and (b) no IPO has taken place by Maturity Date, at an exchange price to be mutually agreed in writing at the relevant time between the Company and the Bondholder based on the aggregate EBITDA of the Exchange Vehicle at that relevant time.

First right of refusal

In the event the Company receives a legally binding offer for the Exchange Group (the “**Binding Offer**”) within the three (3) calendar years subsequent to the Issue Date, and such Binding Offer is (a) priced at a premium of 50% or more (“**Drag Premium**”) to the Initial Valuation or the Stepped Up Valuation if applicable; and (b) the Binding Offer is made by a bona fide strategic or private equity investor, the Issuer shall inform the Bondholder in writing of such Binding Offer within five (5) Business Days of receipt of such Binding Offer and the Bondholder shall have the right of first refusal to match the Binding Offer at such Drag Premium.

Tag Along

In the event the Company receives a Binding Offer which the Company intends to accept, the Bondholder shall have a tag along right (the “**Tag-Along**”) to participate in the sale of the Exchange Group under the Binding offer. Such participation will be on the same terms as that accepted by the Company under the Binding Offer. In circumstances where the Exchange has not been effected, the Exchange shall be effected such that the Exchange Shares are delivered to the Bondholder for the purposes of the Tag-Along.

Redemption on Maturity Date

: Unless previously redeemed, exchanged, purchased, and cancelled or extended as provided in these Conditions, the Company will redeem each Bond at 100.00 per cent of its principal amount, together with any accrued but unpaid interest thereon (calculated up to, but excluding, the date fixed for such redemption), on the Maturity Date

Early Redemption

The Bonds may not be redeemed, in whole or in part, prior to the Second Anniversary, but may be redeemed, in whole but not in part, on any day between the Second Anniversary (date inclusive) and the Maturity Date. The Company shall redeem the Bonds by paying the applicable redemption amount, together with any accrued but unpaid interest (as the case may be) thereon (calculated up to, but excluding, the date fixed for such redemption)

Redemption Substitute Settlement

: In event the Company defaults on payment of any outstanding sum (including but not limited interest) on (a) redemption of the Bonds pursuant to the expiry of the Bonds on Maturity Date; and/or (b) expiry of the Shortened Grace Period, the Bondholder shall have the right to require the Company to transfer or procure the transfer of all

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of the Exchange Group Shares to the Bondholder in lieu of payment (the “**Redemption Substitute Settlement**”), and the Bondholder shall be required to exercise such right. Upon the completion of the Redemption Substitute Settlement, the Company shall be discharged from its outstanding payment obligations under the Bonds.

Ranking of Exchange Shares : The Exchange Shares comprising Exchange Property to be delivered on exchange of the Bonds will be fully paid and will rank pari passu with all fully paid shares of the same class in issue on the relevant Exchange Date. Exchange Property delivered or transferred or to be delivered or transferred upon exchange shall rank for and be entitled to all dividends, interest and other income, payments and distributions and rights thereon or in respect thereof declared, paid, made or granted by reference to a record date or other due date for the establishment of entitlement fall on or after the relevant Exchange Date.

Listing Status : The Exchangeable Bonds will not be listed and quoted.

Events of Default : The Event of Defaults are as follows:-:

- (i) the Company does not pay any amount of principal in respect of the Bonds on the due date of payment thereof;
- (ii) the Company does not pay any amount of interest in respect of the Bonds when due and such default continues for not less than ten (10) Business Days;
- (iii) any failure in the delivery of the Exchange Property as and when the Exchange Property are required to be delivered and such failure continues for not less than ten (10) Business Days provided that such failure is not due to a technical or administrative error;
- (iv) the Company does not perform or comply with any one or more of its obligations (other than the payment obligation of the Company referred to in paragraphs (i) and (ii) and the obligation to deliver the Exchange Property referred to in paragraph (iii)) under the Subscription Agreement and the Bonds and, if that default is capable of remedy, it is not remedied within thirty (30) days of its occurrence;
- (v) any representation, warranty, covenant or undertaking by the Company in the Subscription Agreement or the Bonds or in any document delivered under the Subscription Agreement or the Bonds is not complied with in any respect or is or proves to have been incorrect in any respect when made or deemed repeated and if the event resulting in such non-compliance is capable of remedy, it is not remedied within thirty (30) days of its occurrence;
- (vi) any other present or future indebtedness of the Company in respect of borrowed moneys is or is declared to be or is capable of being rendered due and payable prior to its stated maturity by reason of actual default, event of default or the like (however described) or is not paid when due or,

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as the case may be, within any applicable grace period in any agreement relating to that indebtedness or seven (7) Business Days of its due date, whichever is later; or the Company fails to pay when properly called upon to do so or within seven (7) Business Days of the due date, whichever is later, any present or future guarantee of indebtedness for borrowed moneys, provided however that no Event of Default will occur under this paragraph (vi) unless and until the aggregate amount of the indebtedness in respect of which one or more of the events mentioned in this paragraph (vi) has or have occurred exceeds S\$5,000,000 or its equivalent in other currency or currencies;

- (vii) the Company is (or is, or could be, deemed by law or a court to be) insolvent or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its indebtedness, begins negotiations or takes any other step with a view to the deferral, rescheduling or other readjustment of all or a material part of (or of a particular type of) its indebtedness (or of any part which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors or a moratorium is agreed or declared in respect of or affecting all or a material part of (or of a particular type of) the indebtedness of the Company;
- (viii) a distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or a material part of the assets of the Company and is not discharged or stayed within sixty (60) days;
- (ix) any security on or over all or a material part of the assets of the Company becomes enforceable;
- (x) any voluntary step is taken by the Company, or the commencement of legal proceedings by a person other than the Company, with a view to the winding-up of the Company (except for the purpose of and followed by a reconstruction, amalgamation, re-organisation, merger, consolidation or transfer of assets to its Subsidiary and such event does not or is not likely to have a material adverse effect on the Company) or the appointment of a liquidator (including a provisional liquidator), receiver, judicial manager, trustee, administrator, agent or similar officer of the Company (except for the purpose of and followed by a reconstruction, amalgamation, re-organisation, merger, consolidation or transfer of assets to its Subsidiary) or over any part of the assets of the Company;
- (xi) the Company ceases or threatens to cease to carry on all or any material part of its business or (otherwise than in the ordinary course of its business) disposes or threatens to dispose of the whole of its property or assets;
- (xii) any action, condition or thing (including the obtaining of any necessary consent) at any time required to be taken, fulfilled or done in order (i) to enable it lawfully to enter into, exercise

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its rights and perform and comply with its obligations under the Subscription Agreement and/or the Bonds, (ii) to ensure that those obligations are valid, legally binding and enforceable, (iii) to ensure that those obligations rank and will at all times rank in accordance with condition 1 of the Exchangeable Bonds Terms and Conditions or (iv) to make the Subscription Agreement and/or the Bonds admissible in evidence in the courts of Singapore is not taken, fulfilled or done, or any such consent ceases to be in full force and effect without modification or any condition in or relating to any such consent is not complied with (unless that consent or condition is no longer required or applicable);

- (xiii) it is or will become unlawful for the Company to perform or comply with any one or more of its payment or other material obligations under the Subscription Agreement and/or the Bonds;
- (xiv) the Subscription Agreement and/or the Bonds ceases for any reason (or is claimed by the Company not) to be the legal and valid obligations of the Company, binding upon it in accordance with its terms;
- (xv) any litigation, arbitration or administrative proceeding is current or pending (other than those of a frivolous or vexatious nature) (i) to restrain the exercise of any of the rights and/or the performance or enforcement of or compliance with any of the obligations of the Company under the Subscription Agreement and/or the Bonds or (ii) which has or is reasonably likely to have a material adverse effect on the Company's ability to perform or comply with its obligations under the Subscription Agreement and/or the Bonds;
- (xvi) any governmental authority or agency or court seizes, compulsorily acquires, expropriates or nationalises all or a material part of the assets of the Company;

any event occurs which, under the law of any relevant jurisdiction, has an analogous or equivalent effect to any of the events mentioned in paragraph (vii), (viii), (ix), (x) or (xvi); and

- (xvii) The Company is declared by the Minister of Finance to be a declared company under the provisions of Part 9 of the Companies Act, 1967 of Singapore or is subject to any analogous provisions in the relevant jurisdictions.

Then in any such Event of Default, and at any time thereafter, the Bondholder may declare all the payments owing under the Subscription Agreement by the Company, whether actually or contingently, immediately due and payable and the same shall become immediately due and payable on the date of that declaration (the "**Due Date**").

Subject to the below, upon the occurrence of an Event of Default, the Bondholder shall be entitled to issue to the Company a default notice requiring the Company to redeem in whole but not in part of

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the Bonds held by such Bondholder.

If the Event of Default occurs before the Second Anniversary, the Company shall have a One Year Grace Period to make full payment of the redemption amount payable, save that the interest shall accrue on the Bonds at the rate of seven (7) per cent. per annum of the principal amount outstanding of the Bonds from the Default Notice Date up to the date on which full repayment of the principal amount of the Bonds (together with any unpaid accrued interest) is made by the Company or the date on which the Exchange Property is delivered to the Bondholder in accordance with these Conditions, whichever is earlier. Upon expiry of the One Year Grace Period, if (a) the Event of Default was an event set out in (i); and (b) the Company has not made full payment of the redemption amount payable, the Bondholder shall be required to exercise the Exchange Right.

If the Event of Default occurs after the Second Anniversary, the Company shall have the Shortened Grace Period to make payment of the redemption amount payable, save that the interest shall accrue on the Bonds at the rate of seven (7) per cent. per annum of the principal amount outstanding of the Bonds from the Default Notice Date up to the date on which full repayment of the principal amount of the Bonds (together with any unpaid accrued interest) is made by the Company or the date on which the Shortened Grace Period expires. Upon the expiry of the Shortened Grace Period, the Bondholder shall be required to exercise the Redemption Substitute Settlement.

Governing Law : The Exchangeable Bonds are governed by, and shall be construed in accordance with, the laws of Singapore.

2.3 Key terms of the Proposed Warrants

2.3.1 The key terms of the Proposed Warrants are as follows:-

Size : 250,000,000 Warrants.

Constitution of the Warrants : The Warrants will be constituted by the Deed Poll and are subject to the Warrant Conditions as set out in the Deed Poll.

Forms and subscription rights of the Warrants : The Warrants will be issued in registered form.

Each Warrant will carry the right to subscribe in cash for one Warrant Share at the Warrant Exercise Price at any time during the Warrant Exercise Period in accordance with the terms of the Deed Poll and the Warrant Conditions.

Warrants remaining unexercised at the expiry of the Warrant Exercise Period shall lapse and cease to be valid for any purpose

Warrant Exercise Price : Subject to the Mainboard Rules and any adjustment in accordance with the Warrant Conditions, S\$0.065 for each Warrant Share to be issued upon exercise of the Warrant, such figure representing a premium of approximately 8.9% to the volume weighted average price of S\$0.0597 per share of the Company for trades done on the

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SGX-ST on 16 June 2022, such date being the market day and up to the time the term sheet in relation to the Warrants was entered into between the Company and UOB Kay Hian Private Limited, subject to adjustment in accordance with the terms and Warrant Conditions .

Exercise Period : The period during which the Warrants may be exercised, commencing on and including the date of issue of the Warrants and expiring at 5.00 p.m. on the expiration date (meaning, the date falling five (5) calendar years from the date of issue of the Warrants), unless such date is a date on which the Register of Warranholders is closed or is not a Market Day, in which event the period shall end on the Market Day prior to the closure of the Register of Warranholders or the immediately preceding Market Day, as the case may be, but excluding such period(s) during which the Register of Warranholders may be closed .

Listing and transferability of the Warrants : The Warrants will not be listed and traded on the SGX- ST and shall be transferable provided:

- (a) any transfer of Warrants pursuant to Warrant Condition 9 is subject to a minimum of 2,000,000 Warrants and shall be in multiples of 2,000,000 Warrants;
- (b) lodgment during normal business hours of the relevant Warrant Certificate(s) in the name of the Warranholder at the registered office of the Company together with an instrument of transfer in respect thereof in accordance with the Instrument, duly completed and signed by or on behalf of the Warranholder (together with a copy of the list of authorised signatories of the transferring Warranholder) and the transferee and, if required, duly stamped in accordance with any law for the time being in force relating to stamp duty; and
- (c) the payment of the registration fee of S\$10.00 (or such other amount as may be determined by the Directors) by the transferee for each Warrant Certificate to be issued in the name of the transferee in respect of the Warrants so transferred

Status of Warrant Shares : The Warrant Shares will, upon allotment and issue, rank pari passu in all respects with the then issued Shares, except that they will not be entitled to participate in any dividends, rights, allotments or other distributions where the Record Date (as defined below) is before the date the Warrant Shares are credited to the Securities Account of such Warranholder. "**Record Date**" means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time in accordance as may have been notified by the Company) on which Shareholders must be registered in order to participate in such dividends, rights, allotments or other distributions.

Adjustments to Warrant Exercise Price and/or number of Warrants : The Warrant Exercise Price and the number of Warrants held by each Warranholder shall from time to time be adjusted by the Directors in consultation with an Approved Bank and/or Auditors and certified to be in accordance with this term by the Approved Bank and/or Auditors as the case may be. The Warrant Exercise Price and the number of Warrants held by each Warranholder shall from time to time be adjusted as provided in these conditions and

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the Instrument in all or any of the following cases (each, an “**Adjustment Event**”):

- (a) any consolidation or subdivision of the Shares;
- (b) an issue by the Company of Shares for which no consideration is payable or by way of capitalisation of profits or reserves (whether of a capital or income nature) to its Shareholders (other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend);
- (c) a Capital Distribution (as defined in Condition 5(b)(iii) of the Warrant Conditions) made by the Company to its Shareholders whether on a reduction of capital or otherwise;
- (d) an offer or invitation made by the Company to its Shareholders whereunder they may acquire or subscribe for Shares by way of rights; or
- (e) an issue (otherwise than pursuant to an offer or invitation made by the Company to its Shareholders whereunder they may acquire or subscribe for Shares by way of rights, requiring an adjustment under Condition 5(a)(iv), and other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend) by the Company of Shares, if the Total Effective Consideration (as defined in Condition 5(b)(vi) below) for each Share is less than 90% of the Last Dealt Price for each Share (calculated as provided below).

Subject to the above stated and the Warrant Instrument, the Warrant Exercise Price and the number of Warrants held by each Warrantholder shall from time to time be adjusted in accordance with the following provisions (but so that if the event giving rise to any such adjustment shall be capable of falling within any two or more of Conditions (I) to (VI) or if such event is capable of giving rise to more than one adjustment, the adjustment shall be made in such manner as the Approved Bank and/or the Auditors shall determine):

- (I) If, and whenever, consolidation or subdivision of the Shares occurs, the Warrant Exercise Price shall be adjusted in the following manner:

$$\text{New Warrant Exercise Price} = \frac{A}{B} \times X$$

and the number of Warrants shall be adjusted in the following manner:

$$\text{Adjusted number of warrants} = \frac{B}{A} \times W$$

where:

A = the aggregate number of issued and fully paid-up Shares immediately before such consolidation or subdivision;

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B = the aggregate number of issued and fully paid-up Shares immediately after such consolidation or subdivision;

X = existing Warrant Exercise Price; and

W = existing number of Warrants held.

Such adjustments will be effective from the close of the Market Day immediately preceding the date on which the consolidation or subdivision becomes effective.

- (II) If, and whenever, the Company shall make any issue of Shares to its Shareholders (other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend) for which no consideration is payable or, by way of capitalisation of profits or reserves (whether of a capital or income nature), the Warrant Exercise Price and the number of Warrants shall be adjusted in the following manner:

$$\text{New Warrant Exercise Price} = \frac{A}{A+B} \times X$$

$$\text{Adjusted number of Warrants} = \frac{A+B}{A} \times W$$

where:

A = the aggregate number of issued and fully paid-up Shares immediately before such capitalisation issue;

B = the aggregate number of Shares to be issued pursuant to any allotment to Shareholders (other than an allotment of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend) credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature);

X = as in X above; and

W = as in W above.

Such adjustments will be effective (if appropriate, retroactively) from the commencement of the day next following the record date for such issue.

For the purpose of this Condition 5, "record date" in relation to the relevant transaction means the date as at the close of business (or such other time as may be notified by the Company) on which Shareholders must be registered as such to participate therein.

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- (III) If, and whenever, the Company shall make a Capital Distribution (as defined herein) to Shareholders whether on a reduction of capital or otherwise, then the Warrant Exercise Price shall be adjusted in the following manner:

$$\text{New Warrant Exercise Price} = \frac{C - D}{C} \times X$$

where:

C = the Last Dealt Price on the Market Day immediately preceding the date on which the Capital Distribution is publicly announced to the SGX-ST or (failing any such announcement) immediately preceding the date of the Capital Distribution;

D = the fair market value, as determined by an Approved Bank and/or the Auditors, of that portion of the Capital Distribution attributable to one Share; and

X = as in X above.

For the purposes of (c) and (III), “**Capital Distribution**” shall (without prejudice to the generality of that expression) include distributions in cash or specie (other than dividends) or by way of issue of Shares (not falling under (II)) or other securities (other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend) by way of capitalisation of profits or reserves. Any cancellation of capital which is lost or unrepresented by available assets shall not be deemed to be a Capital Distribution.

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the date next following the record date for such transactions.

- (IV) If, and whenever, the Company shall make any offer or invitation to its Shareholders whereunder they may acquire or subscribe for Shares by way of rights, then the Warrant Exercise Price shall be adjusted in the following manner:

$$\text{New Warrant Exercise Price} = \frac{E - F}{E} \times X$$

and the number of Warrants shall be adjusted in the following manner:

$$\text{Adjusted number of warrants} = \frac{E}{E - F} \times W$$

where:

E = the Last Dealt Price on the Market Day immediately preceding the date on which the offer or invitation referred to in this Condition 5(b)(iv) is publicly announced to the SGX-ST or (failing any such announcement) immediately

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preceding the date of the offer or invitation;

X = as in X above;

W = as in W above; and

F = the value of rights attributable to one Share, which shall be calculated in accordance with the formula:

$$\frac{E - G}{H + 1}$$

where:

E = as in E above;

G = the subscription price of one additional Share under the offer or invitation to acquire or subscribe for Shares by way of rights; and

H = the number of Shares which it is necessary to hold in order to be offered or invited to acquire or subscribe for one additional Share by way of rights.

Such adjustments will be effective (if appropriate, retroactively) from the commencement of the date next following the closing date for such offer or invitation.

For the purpose of this paragraph, “**closing date**” shall mean the date by which acceptance of and payment for the Shares is to be made under the terms of such offer or invitation.

- (V) If, and whenever, the Company makes any allotment to its Shareholders as provided in (II) and also makes any offer or invitation to its Shareholders as provided in Condition (IV) and the record date for the purpose of the allotment is also the record date for the purpose of the offer or invitation, the Warrant Exercise Price and the number of Warrants shall be adjusted in the following manner:

$$\text{New Warrant Exercise Price} = \frac{(I \times E) + (J \times G)}{(I + J + B) \times E} \times X$$

$$\text{Adjusted number of Warrant} = \frac{(I + J + B) \times E}{(I \times E) + (J \times G)} \times W$$

where:

I = the aggregate number of issued and fully paid-up Shares on the record date;

E = as in E above;

J = the aggregate number of new Shares to be issued under an offer or invitation to acquire or subscribe for

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Shares by way of rights;

G = as in G above;

B = as in B above;

X = as in X above; and

W = as in W above.

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the date next following the closing date for such offer or invitation.

For the purpose of this paragraph, “**closing date**” shall mean the date by which acceptance of and payment for the Shares is to be made under the terms of such offer or invitation

- (VI) If, and whenever (otherwise than pursuant to a rights issue available to all Shareholders alike and requiring an adjustment under (IV) or (V) and other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend), the Company shall issue any Shares and the Total Effective Consideration for each Share (as defined herein) is less than 90% of the Last Dealt Price on the SGX-ST on the date on which the issue price of such Shares is determined, or, if such price is determined either before the close of business on the SGX-ST for that day or on a day which is not a Market Day, on the immediately preceding Market Day, the Warrant Exercise Price shall be adjusted in the following manner:

$$\text{New Warrant Exercise Price} = \frac{K + L}{K + M} \times X$$

K = the number of Shares in issue at the close of business on the SGX-ST on the Market Day immediately preceding the date on which the relevant adjustment becomes effective;

L = the number of Shares which the Total Effective Consideration (as defined herein) would have purchased at such Last Dealt Price (exclusive of expenses);

M = the aggregate number of Shares so issued; and

X = as in X above.

Each such adjustment will be effective (if appropriate, retroactively) from the close of business on the SGX-ST on

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the Market Day immediately preceding the date on which the issue is announced, or (failing any such announcement) immediately preceding the date on which the Company determines the offering price of such Shares.

For the purposes of (e) and (VI) above, the “**Total Effective Consideration**” shall be determined by the Directors with the concurrence of an Approved Bank and/or the Auditors and shall be the aggregate consideration receivable by the Company on payment in full for such Shares without any deduction of any commissions, discounts or expenses paid, allowed or incurred in connection with the issue thereof, and the “**Total Effective Consideration for each Share**” shall be the Total Effective Consideration divided by the number of Shares issued as aforesaid.

Notwithstanding any of the provisions hereinbefore contained, no adjustment to the Warrant Exercise Price and the number of Warrants will be required in respect of:

- (i) an issue by the Company of Shares or other securities convertible into rights to acquire or subscribe for Shares to officers, including directors, or employees of the Company or any of its subsidiaries or associated companies pursuant to any purchase or option scheme approved by the Shareholders in general meeting;
- (ii) an issue by the Company of Shares or other securities convertible into rights to acquire or subscribe for Shares in consideration or part consideration for or in connection with the acquisition of any other securities, assets or business;
- (iii) any issue by the Company of Shares pursuant to the exercise of any of the Warrants; or
- (iv) any purchase by the Company of Shares pursuant to any share purchase scheme approved by Shareholders in any general meeting subsequent to the issue of the Warrants, whether such Shares purchased are deemed cancelled or held in treasury.

If any offer or invitation for Shares is made otherwise than by the Company to the Shareholders, then the Company shall so far as it is able to procure that at the same time an offer or invitation is made to the then Warrantholders as if their rights to subscribe for Warrant Shares had been exercised the day immediately preceding the date on which as at the close of business the Shareholders must be registered in order to participate in such offer or invitation on the basis then applicable, provided always that the failure by the Company to procure that an offer or invitation is so made as aforesaid shall not be a breach by the Company of its obligations under these Conditions or the Instrument.

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Any adjustment to the Warrant Exercise Price will be rounded upwards to the nearest fraction of a cent based on the minimum trading increment applicable for the Shares and in no event shall any adjustment (otherwise than upon the consolidation of Shares) involve an increase in the Warrant Exercise Price. No adjustments to the Warrant Exercise Price shall be made unless it has been certified to be in accordance with (II) by the Auditors. No adjustment will be made to the Warrant Exercise Price in any case in which the amount by which the same would be reduced would be less than one (1) cent but any adjustment which would otherwise then be required will be carried forward and taken into account appropriately in any subsequent adjustment.

Any adjustment to the number of Warrants held by each Warrantholder will be rounded downwards to the nearest whole number. No adjustment to the number of Warrants shall be made unless it has been certified to be in accordance with (II) by the Auditors; and approval in-principle has been granted by the SGX-ST for the listing of and quotation for such additional Shares as may be issued on the exercise of any additional Warrants as may be issued pursuant to an adjustment.

If for any reason any event giving rise to an adjustment (“**First Adjustment**”) made to the Warrant Exercise Price or the number of Warrants held by each Warrantholder pursuant to these Conditions is cancelled, revoked or not completed, the Warrant Exercise Price or the number of Warrants held by each Warrantholder may be readjusted to the amount and number prevailing immediately prior to the First Adjustment with effect from such date and in such manner as an Approved Bank and/or the Auditors may consider appropriate.

Notwithstanding the provisions referred to in this term, in any circumstances where the Directors consider that any adjustments to the Warrant Exercise Price and/or the number of Warrants provided under the said provisions should not be made or should be calculated on a different basis or date or should take effect on a different date or that an adjustment to the Warrant Exercise Price and/or the number of Warrants should be made notwithstanding that no such adjustment is required under the said provisions, the Company may at its discretion appoint an Approved Bank and/or the Auditors to consider whether, for any reason whatsoever, the absence of an adjustment or the adjustment to be made in accordance with the provisions of this term is appropriate or inappropriate in restoring the economic position of the Warrantholders, after the occurrence of such events or circumstances, to the same position as if such aforementioned circumstances had not occurred, as the case may be, and, if such Approved Bank and/or the Auditors shall consider the adjustment or absence of an adjustment to be inappropriate, the adjustment shall be modified or nullified or an adjustment made instead of no adjustment in such manner as shall be considered by such Approved Bank and/or the Auditors to be in its opinion, fair and reasonable.

Whenever there is an adjustment as herein provided, the Company shall give notice to Warrantholders in accordance with Condition 12

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of Appendix B of the Subscription Agreement, that the Warrant Exercise Price and/or the number of Warrants has/have been adjusted and setting forth the event giving rise to the adjustment, the Warrant Exercise Price and/or the number of Warrants in effect prior to such adjustment, the adjusted Warrant Exercise Price and/or number of Warrants and the effective date of such adjustment and shall, at all times thereafter so long as any of the Warrants remains exercisable, make available for inspection at its registered office for the time being:

- (i) A signed copy of the certificate of the Auditors certifying the adjustment to the Warrant Exercise Price and/or the number of Warrants; and
- (ii) A certificate signed by a Director setting forth brief particulars of the event giving rise to the adjustment, the Warrant Exercise Price, and/or the number of warrants in effect prior to such adjustment

and shall, on request of a Warrantholder, send a copy thereof to any Warrantholder. Whenever there is an adjustment to the number of Warrants held by each Warrantholder, the Company will, as soon as practicable but not later than seven Market Days after the effective date of such adjustment, despatch by ordinary post Warrant Certificate(s) for the additional number of Warrants issued to each Warrantholder, at the risk of that Warrantholder, at his address recorded in the Register of Warrantholders.

If the Directors and the Approved Bank and/or the Auditors are unable to agree upon any adjustment required under these provisions, the Directors shall refer the adjustment to the decision of another Approved Bank and/or the Auditors acting as expert and not arbitrator and whose decision as to such adjustment shall be final and conclusive.

If the Company shall in any way modify the rights attached to any share or loan capital so as to convert or make convertible such share or loan capital into, or attach thereto any rights to acquire or subscribe for Shares, the Company shall appoint an Approved Bank and/or the Auditors to consider whether any adjustment is appropriate and if such Approved Bank and/or the Auditors and the Directors shall determine that any adjustment is appropriate, the Warrant Exercise Price and/or the number of Warrants shall be adjusted accordingly.

Any additional Warrants which may be issued by the Company under this term shall be part of the series of Warrants constituted by the Instrument, and shall be issued subject to and with the benefit of the Instrument and on such terms and conditions as the Directors may from time to time think fit, including but not limited to these Conditions.

In giving any certificate or making any adjustment hereunder, the Approved Bank and/or the Auditors shall be deemed to be acting as experts and not as arbitrators and in the absence of manifest error, their decision shall be conclusive and binding on all persons having an interest in the Warrants.

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Nothing shall prevent or restrict the buy-back of any classes of shares pursuant to applicable law and/or the requirements of SGX-ST. For the avoidance of doubt, no approval or consent of the Warrantheolders shall be required for such buyback of any classes of shares provided that where the buy-back results in a change in the equity capital of the Company, an Approved Bank and/or the Auditors shall be appointed to consider whether any adjustment is appropriate, the Warrant Exercise Price and/or the number of Warrants held by each Warrantheolder shall be adjusted accordingly.

Notwithstanding anything herein contained, any adjustment to the Warrant Exercise Price and/or the number of Warrants held by each Warrantheolder other than in accordance with the provisions of term shall be subject to the approval of SGX-ST to the extent such approval is required.

Further Issues : Subject to the Warrant Conditions, the Company shall be at liberty to issue Shares to the Shareholders either for cash or as bonus distributions and further subscription rights upon such terms and Warrant Conditions as the Company sees fit but the Warrantheolders shall not have any participating rights in such issue unless otherwise resolved by the Company in general meeting or in the event of a takeover offer to acquire Shares.

Winding up : In the event a notice is given by the Company to its members to convene a general meeting for the purpose of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company then:

(a) if such winding-up is for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the Warrantheolders, or some person designated by them for such purpose by special resolution (as defined in the Instrument), shall be a party and shall have approved or assented by way of a special resolution, the terms of such scheme of arrangement shall be binding on all the Warrantheolders; and

(b) in any other case, the Company shall, on the same date it despatches such notice to each member of the Company, give notice thereof to all Warrantheolders in accordance with Condition 12 and thereupon every Warrantheolder shall be entitled, upon and subject to the Warrant Conditions, at any time within the notice period of the general meeting of members to consider a winding up of the Company but in any event not later than two Market Days prior to the proposed general meeting, by irrevocable surrender of his Warrant Certificate(s) to the Company with the Warrant Exercise Notice(s) duly completed, together with payment of the relevant Warrant Exercise Price, elect to exercise the Warrants to the extent specified in the Warrant Exercise Notice(s) whereupon the Company shall as soon as possible and, in any event, no later than the Market Day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Warrant Shares to the Warrantheolder credited as fully paid.

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Subject to the foregoing, if the Company is wound-up for any other reason, all warrants which have not been exercised at the date of the passing of such resolution shall lapse and the Warrants shall cease to be valid for any purpose.

Alteration to terms : For so long as the listing rules of the SGX-ST so require, no material alteration to the terms of the Warrants after the issue thereof to the advantage of the Warrant holders shall be made unless first approved by the shareholders of the Company in general meeting, and, if necessary, the SGX-ST.

Governing Law : The Deed Poll and the Warrants are governed by, and shall be construed in accordance with, the laws of Singapore.

2.4 Conditions Precedent

2.4.1 Shareholders should note that the Proposed Transaction (comprising the issue of the Exchangeable Bonds and the Warrants) is subject to fulfilment of the following Conditions Precedent:-

- (a) the approval-in-principle granted by the SGX-ST for the dealing in and listing and quotation of the Warrant Shares on the Official List of SGX-ST ("Listing Approval") being obtained from the SGX-ST and not having been withdrawn or revoked as of the date of completion of the Proposed Issuance (the "Completion Date") and, where the Listing Approval is subject to any conditions, such conditions being acceptable to the Company and the Subscriber;
- (b) the approval of specific mandate at an extraordinary general meeting of the shareholders to be convened in respect of the Subscription;
- (c) all other necessary approvals, consents and/or waivers required from any person, financial institution or regulatory body or authority of Singapore or elsewhere under any and all agreements applicable and/or applicable laws for the Subscription and to give effect to the Subscription, being obtained and not having been withdrawn or revoked before the Completion;
- (d) up to and as of the Completion Date: (1) all the representations, warranties and undertakings of the Company (in accordance with Clause 8.1 of the Subscription Agreement) shall be true and correct at, and as if made on, the Completion Date; and (2) the Company shall have performed all of its undertakings or obligations under this Agreement to be performed on or before the Completion;
- (e) there has been no halt or suspension of trading in the Shares on the SGX-ST for a period exceeding three (3) consecutive Trading Days at any time during the three (3) months preceding the Completion Date, there has been no suspension of trading in the Shares on the SGX-ST for any period pursuant to Rule 1303 of the Listing Rules, and the Shares have not been de-listed from the Official List of the SGX-ST;
- (f) due diligence on the Company and the Group having been conducted to the reasonable satisfaction of the Subscriber;
- (g) receipt by the Subscriber of a confirmation from the Company that there are no restrictions on the issue of new shares by mm Connect;
- (h) the relevant consents and/or waivers from the lenders, chargees, bank guarantors or assignors (wherever applicable) of the Group having been received (if required);

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- (i) receipt by the Subscriber from the Company:
 - (i) certified true copies of the board and shareholder resolutions of the Company and mm Connect Group authorising the Subscription contemplated herein;
 - (ii) certified true copies of the certificates of incorporation, the constitution and the latest statutory returns of the Company and the mm Connect Group;
 - (iii) duly signed consents and/or waivers from the lenders, chargees, bank guarantors or assignors (wherever applicable) of the Company and the Group having been received (if required); and
- (j) a duly executed guarantee by the Company that the Company shall fulfil its obligations under the terms and conditions of the Exchangeable Bonds.

2.5 Approvals Required

2.5.1 Shareholders should note that the issue of the Warrants is subject to the following approvals:-

- (a) the receipt of approval-in principle from the SGX ST for the listing and quotation of the Warrant Shares on the Main Board of the SGX-ST, and if such approval is granted subject to conditions, such conditions being acceptable to and fulfilled by the Company; and
- (b) the receipt of Shareholders' approval for the issuance of the Warrants, Additional Warrants, Warrant Shares and Additional Warrant Shares.
 - (i) An application has been made by the Company to obtain the approval of the SGX-ST for the listing and quotation of the Warrant Shares on the Official List of the SGX-ST. The SGX-ST has granted in-principle approval for the listing and quotation of up to 250,000,000 Warrant Shares on the Official List of the SGX-ST. Such approval from the SGX-ST is not to be taken as an indication of the merits of the issue of the Proposed Warrants, the Warrants, the Warrant Shares, the Company and/or its subsidiaries.
 - (ii) In the event that there are adjustments to the number of Warrants which would require Additional Warrants and/or Additional Warrant Shares (as the case may be) to be issued, the Company will seek the approval of the SGX-ST for the listing and quotation of such additional Warrant Shares on the Official List of the SGX-ST at the relevant time.
 - (iii) The Company shall convene the EGM to obtain the approval of the Shareholders of the Company for the allotment and issue of the Warrants, Additional Warrants, Warrant Shares and Additional Warrant Shares.

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3. BASIS FOR THE PROPOSED TRANSACTION AND THE PROPOSED TRANSFER

3.1 In view of the retail operating environment as a consequence of the pandemic and the leverage and debt maturity profile of the Group, the Company has over the course of last 24 months actively sought to achieve a program of deleveraging, which included a disposal of the cinema business. Active discussions with potential investors and acquirors of the cinema business have been pursued including inter-alia current cinema operators, strategic investors, private equity and mezzanine funds. Save for the previously announced Kingsmead transaction, which was announced and subsequently did not proceed, other such discussions have not resulted in any definitive proposals.

3.2 In the previous aborted Kingsmead Transaction, the purchaser shall purchase not less than 80% of mm Connect at a valuation of S\$84,800,000 on a debt and liabilities free basis.

The Kingsmead Transaction was terminated under the sale and purchase agreement for the Kingsmead Transaction as there was a key condition precedent that Kingsmead secured financing for the Kingsmead Transaction, such funds to be paid to a professional escrow agent to held in an escrow account and to be applied towards the satisfaction of the consideration upon completion of the Kingsmead Transaction by 31 December 2021. This condition was not met. For further information, please refer to paragraph 3.2(b) of the Company's announcement dated 30 August 2021.

3.3 The cinema business financial performance in the past 3 financial years

FYE Mar	FY 2022	FY 2021	FY 2020
Revenue (\$'000)	29,460	15,923	88,179
Gross profit (\$'000)	9,083	1,757	43,046
Net loss for the financial year (\$'000)	(24,990)	(67,657)	(11,091)

3.4 The cinema business net tangible assets in the past 3 financial years

FYE Mar	FY 2022	FY 2021	FY 2020
Total equity ⁽¹⁾ (\$'000)	170,691	187,741	247,232
Intangibles and Goodwill (\$'000)	203,028	218,216	245,859
Net Tangible (Liabilities)/Assets (\$'000)	(32,337)	(30,475)	1,373

⁽¹⁾ After capitalisation of intercompany balances and repayment of debts of cinema business.

3.5 The Proposed Transaction allows the Company, in the event the Bondholder exercises the Exchange Right, to effect a sale of the Cinema Business with base valuation of S\$90 million, with potential upward adjustment if the Cinema Business experiences a better recovery and records higher EBITDA for 24 months period ending on September 2024.

3.6 After having considered the Proposed Transaction and its implication on the Company, the Directors are of the view that the Proposed Transaction and the Proposed Transfer would be in the best interests of the Company.

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3.7 Rationale and use of proceeds in respect of the Exchangeable Bonds

3.7.1 The net proceeds of S\$51.4 million (after deduction of transactional cost of S\$2.6 million) shall be used for re-financing of existing debts and liabilities. Total amount of mm Connect convertible bonds and notes due on 31 December 2022 is S\$55,840,000.00. Following the announcement of the Exchangeable Bond, we have engaged the bond and note holders to discuss various options including partial redemption and rollover of the bonds. We aim to conclude the discussion with the bond and note holders by 31 December 2022. Any residual proceeds from the Exchangeable Bond after partial redemption of the MM Connect convertible bonds and notes will be applied to the reduction of debt and liabilities of the Group as indicated in our use of proceeds of the Exchangeable Bond. The Proposed Issuance would be beneficial to the Group for the following reasons:-

- (a) Enable the Group to improve the maturity profile of the Group's debts and liabilities;
- (b) Improve the liquidity position of the Group as illustrated in paragraph 5.1.3(c);
- (c) The Exchange or Redemption Substitute Settlement would provide greater financial stability and allow the Group to de-leverage which would strengthen its balance sheet as a whole;
- (d) In the event of a disposal of the Cinema Business, it will allow the Group to allocate more resources to the Group's core business of movie production and content creation which have strong growth prospects;
- (e) While the COVID-19 pandemic restrictions have been lifted, there remains the risks of resurgence. The Exchange enables the Group to mitigate potential risks of resurgence or the occurrence of novel viruses; and
- (f) The reduction in leverage and improvement in the liquidity position is expected to enable the Group to recover to profitability.

3.7.2 The Company will make periodic announcements as and when the proceeds of the Exchangeable Bonds are disbursed and whether such use is in accordance with the stated use. The Company will also provide a status report on the use of the proceeds from the Proposed Issuance in the half-year and full-year financial statements and the annual report. Where the proceeds are used for working capital purposes, the Company will provide a breakdown with specific details on how such proceeds have been applied in the announcements and status reports. Where there is any material deviation from the stated use of the proceeds, the Company will announce the reason(s) for such deviation.

3.7.3 If the Proposed Transaction is not approved, the Company will likely not have readily available funds to meet the required (1) redemption of the convertible bond and notes of mm Connect due on 31 December 2022; and (2) a bank loan of S\$6 million maturing on 21 December 2022. Hence, the Company may face the risk of default if the Proposed Transaction is not approved and the aforesaid maturing loans are not extended. The Company has been and will continue to use its best endeavours to secure alternative refinancing as a contingency. However, the success of securing alternative refinancing on or before 31 December 2022 is uncertain. Failing to secure new financing, the only available alternative will be to discuss and request for an extension of time with convertible bond holders and other lenders but the success of such request for an extension of time is uncertain. In the event that shareholders' approval is not obtained at the EGM, and extension of time is not granted by the lenders, the going concern of the Company would be in doubt and the suspension of trading is likely to be required under Rule 1303(3) of the Mainboard Rules.

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3.8 Rationale and use of proceeds in respect of the Warrants

3.8.1 Based on the assumption that 250,000,000 Warrants are issued and such Warrants are fully exercised into Warrant Shares, the gross proceeds arising from the exercise of such Warrants will amount to S\$16,250,000. The Company intends to use the proceeds arising from exercise of the Warrants for the Group's investments to support the Group's business activities and operations, general corporate requirements, including but not limited to potential business investment opportunities, if any, refinancing the existing debts and liabilities and general working capital of the Group (the "Warrant Proceeds").

The proceeds from the warrants will be used in the following proportions:

- (a) 40-50% for working capital and
- (b) 50-60% for debt reduction.

A table of the outstanding loans, material terms and maturity dates before and after the intended uses of the net proceeds is set out as follows:

Core/Productions & Cinema Segments	Before EB (As at 1 Dec 2022) \$'000	Repayments of liabilities due by Dec 2022 ⁽¹⁾ \$'000	After EB (As at 1 Jan 2023) \$'000	Repayment between 1-6 months after EB ⁽⁵⁾ \$'000	Repayment between 7-12 months after EB ⁽⁵⁾ \$'000	Balance as at 1 Jan 2024 \$'000
	(A)	(B)	(C) = (A) + (B)	(D)	(E)	(F) = C+D+E
Bank borrowings ⁽⁷⁾	120,102	(12,149)	107,953	(16,124)	(23,073)	68,756
CBCN ⁽⁶⁾	56,840	(30,920)	25,920	(1,000)	-	24,920
Convertible bonds	15,350	-	15,350	-	-	15,350
Issuance of Exchangeable Bond ("EB")	-	51,400 ⁽²⁾	54,000 ⁽⁴⁾	-	-	54,000 ⁽⁴⁾
Other liabilities payments ⁽³⁾	-	(8,331)	-	-	-	-
Total borrowings (EB as liability)	192,292	-	203,223	(17,124)	(23,073)	163,026
EB swap into equity ⁽⁴⁾	-	-	(54,000)	-	-	(54,000)
Total borrowings (EB as equity)	192,292	-	149,223	(17,124)	(23,073)	109,026

¹⁾ The use of net proceeds from the EB after fees is intended to repay borrowings and interest. However, the repayment proportion between bank borrowings and CBCN are subject to change resulting from negotiations with lenders.

²⁾ Net proceeds from the EB after fees deduction of S\$2.6 million.

³⁾ Other liabilities payments include interest payments totalling approx. S\$3.4 million and the balance for outstanding rental payments of cinema operation.

⁴⁾ Exchangeable Bond can be extinguished by a swap into Cinema's equity.

⁵⁾ Assuming no refinancing or rescheduling of repayments is completed other than the CBCN.

⁶⁾ The terms of the CBCN and convertible bonds before the EB issuance have been disclosed in the annual report 2022, Note 29(a), page 137 & 138.

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⁽⁷⁾ As disclosed in annual report 2022, Note 29, the bank borrowings are secured by certain assets of the Group and of the Company as follows:

- Leasehold properties of the Group;
- Corporate guarantees from the Company for subsidiaries' banking facilities;
- Corporate guarantees from subsidiaries for the Company's banking facilities; and
- Equity interests of certain subsidiaries.

After the Exchangeable Bonds issuance, the maturity profile of the bank borrowings has improved with 73% of total borrowings due after 1 year. The maturity profile will further improve if subsequent refinancing or rescheduling of bank borrowings is completed.

3.8.2 The Company will make periodic announcements as and when the Warrant Proceeds are materially disbursed and whether such use is in accordance with the stated use. In addition, the Company will make necessary announcements in the event of any adjustments to the Warrant Exercise Price. The Company will also provide a status report on the use of the Warrant Proceeds in the half-year and full-year financial statements and the annual report. Where the Warrant Proceeds are used for working capital purposes, the Company will provide a breakdown with specific details on how the Warrant Proceeds have been applied in the announcements and status reports. Where there is any material deviation from the stated use of the Warrant Proceeds, the Company will announce the reason(s) for such deviation.

3.9 Independent Valuation

Pursuant to Rule 1014(5) of the Mainboard Rules⁽¹⁾, the Company has appointed Cushman and Wakefield VHS Pte Ltd (the "Independent Valuer") as the competent and independent valuer to value 100% of the equity interest in mm Connect Pte Ltd ("Market Value"). The Market Value as stated in the Equity Valuation Report is in the region of S\$77.6 million to S\$110.0 million.

The Equity Valuation Summary Letter is set out in Annex C of this Circular.

The Equity Valuation Report have been prepared in accordance with international valuation standards.

The 100% of the equity interest in mm Connect Pte Ltd has been valued on the basis set out extractions in italics as follows:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

In arriving at the Market Value, the Independent Valuer has considered the Income Approach, Market Approach and the Cost Approach, with the Income Approach being adopted.

Shareholders are advised to read and consider the Equity Valuation Summary Letter issued by the Independent Valuer in respect of the independent valuation of 100% of the equity interest in mm Connect Pte Ltd carefully, in particular, the terms of reference, key assumptions and critical factors. The Equity Valuation Summary Letter is set out in Annex C of this Circular.

Note (1) : Rule 1014(5) of the Mainboard Rules provides that where a disposal of assets is one where any of the relative figures as computed on the bases set out in Rule 1006 exceeds 75%, the issuer must appoint a competent and independent valuer to value the assets to be disposed.

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4. RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING MANUAL IN RESPECT OF THE PROPOSED TRANSFER

4.1 The relative figures computed on the bases set out in Rule 1006 of the Mainboard Rules in respect of (i) Minimum Exchange; (ii) Exchange and (iii) Redemption Substitute Settlement and based on the latest audited financial statements of the Group for F2022 are as follows:

Mainboard Rule		Minimum Exchange	Exchange	Redemption Substitute Settlement
1006(a)	Net asset value of the assets to be disposed of compared with the Group's net asset value ⁽¹⁾	43.4% ⁽²⁾	50.6% ⁽³⁾	84.3% ⁽⁴⁾
1006(b)	Net loss attributable to the assets disposed of compared with the Group's net loss ⁽⁵⁾	31.2% ⁽⁶⁾	36.5% ⁽⁷⁾	60.8% ⁽⁸⁾
1006(c)	Aggregate value of the consideration received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	39.5% ⁽⁹⁾	39.5% ⁽⁹⁾	39.5% ⁽⁹⁾
1006(d)	Number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable ⁽¹⁰⁾	Not applicable ⁽¹⁰⁾	Not applicable ⁽¹⁰⁾
1006(e)	Aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves	Not applicable ⁽¹¹⁾	Not applicable ⁽¹¹⁾	Not applicable ⁽¹¹⁾

- (1) Under Rule 1002(3)(a) of the Mainboard Rules, "net assets" means total assets less total liabilities.
- (2) The net asset value of the Minimum Exchange (after adjustments for inter-company balances and debt-free basis as at 31 March 2022 by way of capitalisation as equity of the Minimum Exchange) is S\$87,784,000 as at 31 March 2022, compared with the Group's net asset value of S\$202,492,000 as at 31 March 2022.
- (3) The net asset value of the Exchange (after adjustments for inter-company balances and debt-free basis as at 31 March 2022 by way of capitalisation as equity of Exchange) is S\$102,415,000 as at 31 March 2022, compared with the Group's net asset value of S\$202,492,000 as at 31 March 2022.
- (4) The net asset value of the Redemption Substitute Settlement (after adjustments for inter-company balances and debt-free basis as at 31 March 2022, by way of capitalisation as equity of Redemption Substitute Settlement) is S\$170,691,000 as at 31 March 2022, compared with the Group's net asset value of S\$202,492,000 as at 31 March 2022.
- (5) Under Rule 1002(3)(b) of the Mainboard Rules, "net profits", profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests. It should be noted that there had been a loss before tax reported for the Group and the Minimum Exchange/Exchange/Redemption Substitute Settlement for FY2022.

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- (6) The loss attributable to the Minimum Exchange is S\$12,877,000 as at 31 March 2022 compared with the Group's net loss of S\$41,212,000 as at 31 March 2022
- (7) The loss attributable to the Exchange is S\$15,023,000 as at 31 March 2022 compared with the Group's net loss of S\$41,212,000 as at 31 March 2022.
- (8) The loss attributable to the Redemption Substitute Settlement is S\$25,039,000 as at 31 March 2022, compared with the Group's net loss of S\$41,212,000 as at 31 March 2022.
- (9) Based on the Principal Amount and the market capitalisation of the Company of approximately S\$136,739,851 as at 22 September 2022. Under Rule 1002(5), the market capitalisation of the Company is determined by multiplying the number of shares in issue excluding treasury shares, being 2,790,609,220 ordinary shares, and the volume weighted average price of S\$0.049 per share on 22 September 2022.
- (10) The Minimum Exchange, Exchange and Redemption Substitute Settlement are not an acquisition of assets.
- (11) The Company is not a mineral, oil or gas company.

As the relative figures computed pursuant to Rule 1006 in respect of the Proposed Transfer under all the 3 scenarios above (i.e. Minimum Exchange, Exchange or Redemption Substitute Settlement) are more than 20%, the Proposed Transfer, if effected, will constitute a major transaction under Chapter 10 of the Mainboard Rules. Accordingly, the Company intends to seek the approval of its Shareholders for the Proposed Transfer at the EGM.

5. FINANCIAL EFFECTS

5.1 Financial effects of the Proposed Transfer

- 5.1.1 The financial figures set out below are for illustrative purposes only and do not necessarily reflect the actual results and financial performance of the Group after the Proposed Transfer. No representation is made as to the actual financial position and/or results of the Group after the completion of the Proposed Transfer.
- 5.1.2 The following financial effects of the Proposed Transfer are computed based on the latest audited consolidated financial statements of the Group for FY2022 and the following bases and assumptions:
 - (a) the financial effects on current assets, non-current assets, current liabilities and non-current liabilities are computed based on the assumption that the Proposed Transfer was completed on 31 March 2022;
 - (b) the financial effects on trade and other payables, borrowings and lease liabilities are computed based on the assumption that the Proposed Transfer was completed on 31 March 2022;
 - (c) the financial effects on the net tangible assets ("**NTA**") per share / net tangible liabilities ("**NTL**") per Share are computed based on the assumption that Proposed Transfer was completed on 31 March 2022;
 - (d) the financial effects on the cash flow statement's operating activities, investing activities and financing activities are computed based on the assumption that the Proposed Transfer was completed on 1 April 2021;
 - (e) the financial effects on the revenue, gross profit, finance expenses, net profit/(loss) are computed based on the assumption that the Proposed Transfer was completed on 1 April 2021;

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- (f) the financial effects on the earnings per share (“EPS”) / loss per share (“LPS”) is computed based on the assumption that the Proposed Transfer was completed on 1 April 2021;
- (g) the financial effects on the After Proposed Transaction for (i) Minimum Exchange; (ii) Exchange (regardless of the then applicable Exchange Ratio); or (iii) the Redemption Substitute Settlement, the Exchange Vehicle will cease to be a subsidiary of the Company, accordingly, the Exchange Vehicle will be deconsolidated from the Company’s consolidated financial position and/or results. Except for Redemption Substitute Settlement, the Exchange Vehicle will become an associate status to the Company.

5.1.3 The financial effects of the Proposed Transfer are as follows:-

(a) Current assets, non-current assets, current liabilities and non-current liabilities

	Minimum Exchange	Exchange	Redemption Substitute Settlement
Before Proposed Transfer			
Current assets (S\$’000)	208,348	208,348	208,348
Non-current assets (S\$’000)	370,740	370,740	370,740
Total assets (S\$’000)	579,088	579,088	579,088
Current liabilities (S\$’000)	284,641	284,641	284,641
Non-current liabilities (S\$’000)	91,955	91,955	91,955
Total liabilities (S\$’000)	376,596	376,596	376,596
Net current (liabilities)/ assets (S\$’000) ⁽¹⁾	(76,293)	(76,293)	(76,293)
Net assets (S\$’000) ⁽²⁾	202,492	202,492	202,492
Less: Goodwill and intangible assets (S\$’000)	(237,086)	(237,086)	(237,086)
(NTL)/NTA (S\$’000)	(34,594)	(34,594)	(34,594)
Number of issued Shares	2,790,609,220	2,790,609,220	2,790,609,220
(NTL)/NTA per Share (cents)	(1.24)	(1.24)	(1.24)
After Proposed Transfer			
Current assets (S\$’000)	203,076	203,076	203,076
Non-current assets (S\$’000)	175,162	160,162	124,162
Total assets (S\$’000)	378,238	363,238	327,238
Current liabilities (S\$’000)	183,849	183,849	183,849
Non-current liabilities (S\$’000)	60,188	60,188	60,188
Total liabilities (S\$’000)	244,037	244,037	244,037
Net current (liabilities)/ assets (S\$’000) ⁽¹⁾	19,227	19,227	19,227
Net assets (S\$’000) ⁽²⁾	134,201	119,201	83,201
Less: Goodwill and intangible assets (S\$’000)	(34,059)	(34,059)	(34,059)
(NTL)/NTA (S\$’000)	100,142	85,142	49,142
Number of issued Shares	2,790,609,220	2,790,609,220	2,790,609,220
(NTL)/NTA per Share (cents)	3.59	3.05	1.76

⁽¹⁾ Net current (liabilities)/assets is current assets less current liabilities

⁽²⁾ Net assets is Total assets less Total Liabilities

Balance Sheet of the mm2 Asia Group after Redemption Substitute Settlement

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As set out in the table above and on the bases and assumptions in paragraph 5.1.2, the net assets after the Redemption Substitute Settlement, the mm2 Asia Group will not be a cash company under Listing Rule 1018(1), on the basis of:

- (a) After Proposed Transfer for Redemption Substitute Settlement, the pro forma consolidated financial statement will comprise assets and liabilities from Core/Production Business, Post-production and Event segments (the “**New mm2 Asia Group**”).

After the Proposed Transfer, the New mm2 Asia Group will record a net current asset of S\$19.2 million compared to before the Proposed Transfer of net current liabilities of S\$76.3 million.

- (b) New mm2 Asia Group’s assets comprising assets other than cash such as trade and other receivables, other current assets (i.e. work in progress cost) and films library.

After the Proposed Transfer, the New mm2 Asia Group will record a total assets S\$327.2 million, therefore, is not a cash company under the Listing Rule 1018(1).

(b) Trade and other payable, borrowings and Lease liabilities

	Minimum Exchange	Exchange	Redemption Substitute Settlement
Before Proposed Transfer			
Trade and other payables (S\$'000)	91,723	91,723	91,723
Total borrowings (S\$'000)	209,760	209,760	209,760
Total lease liabilities (S\$'000)	51,269	51,269	51,269
Other liabilities (S\$'000)	23,844	23,844	23,844
Total liabilities (S\$'000)	376,596	376,596	376,596
After Proposed Transfer			
Trade and other payables (S\$'000)	75,183	75,183	75,183
Total borrowings (S\$'000)	155,760	155,760	155,760
Total lease liabilities (S\$'000)	799	799	799
Other liabilities (S\$'000)	12,295	12,295	12,295
Total liabilities (S\$'000)	244,037	244,037	244,037

Trade and other payables, total borrowings and total lease liabilities of the mm2 Asia Group after Redemption Substitute Settlement

On the bases and assumptions in paragraph 5.1.2, the new mm2 Asia Group will reduce its total liabilities from S\$376.6 million to S\$244.0 million following the deconsolidation of the Exchange Vehicle.

(c) Extract of Group’s cashflow statement

	Minimum Exchange	Exchange	Redemption Substitute Settlement
Before Proposed Transfer			
Cash generated from/(used in) operating activities	26,220	26,220	26,220
Cash generated from/(used in) investing activities	(5,499)	(5,499)	(5,499)
Cash generated from/(used in) financing activities	(17,891)	(17,891)	(17,891)

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Net cash inflow/(outflow)	2,830	2,830	2,830
After Proposed Transfer			
Cash generated from/(used in) operating activities	6,185	6,185	6,185
Cash generated from/(used in) investing activities	(4,274)	(4,274)	(4,274)
Cash generated from/(used in) financing activities	3,477	3,477	3,477
Net cash inflow/(outflow)	5,388	5,388	5,388

Cashflows extract of the mm2 Asia Group after Redemption Substitute Settlement

On the bases and assumptions in 5.1.2, the Group's cash from operation from will reduce from \$26.2 million to \$6.2 million. However, cash used in investing activities will reduce from \$5.5 million to \$4.3 million. The cashflow from financing activities will improve from an outflow of \$17.9 million to an inflow of \$3.5 million.

After Proposed Transfer, the net cash inflow the Group is expected to be approximately S\$5.4 million.

(d) Revenue, gross profit/(loss), finance expenses, gain/(loss) on disposal of Exchange Vehicle, net profit/(loss) and net profit/(loss) attributable to the equity holders

	Minimum Exchange	Exchange	Redemption Substitute Settlement
Before Proposed Transfer			
Revenue (S\$'000)	112,977	112,977	112,977
Gross profit/(loss) (S\$'000)	17,843	17,843	17,843
Administrative expenses (S\$'000)	59,257	59,257	59,257
Finance expenses (S\$'000)	13,508	13,508	13,508
Gain/(Loss) on disposal of Exchange Vehicle (S\$'000)	-	-	-
Share of profit/(loss) of associated company and former joint venture (S\$'000)	423	423	423
Net profit/(loss) (S\$'000)	(42,088)	(42,088)	(42,088)
Net profit/(loss) attributable to the equity holders of the Company (S\$'000)	(34,982)	(34,982)	(34,982)
Weighted average number of issued Shares ('000) ⁽⁸⁾	2,680,153	2,680,153	2,680,153
(LPS)/EPS (cents)	(1.31)	(1.31)	(1.31)
After Proposed Transfer <i>(excluding loss on disposal and share of losses of associated company)</i>			
Revenue (S\$'000)	83,517	83,517	83,517
Gross profit/(loss) (S\$'000)	8,760	8,760	8,760
Administrative expenses (S\$'000)	17,250	17,250	17,250
Finance expenses (S\$'000)	6,605	6,605	6,605
Gain/(Loss) on disposal of Exchange Vehicle (S\$'000)	-	-	-
Share of profit/(loss) of associated company and former joint venture (S\$'000)	461	461	461

LETTERS TO SHAREHOLDERS

Net profit/(loss) (S\$'000)	(17,222)	(17,222)	(17,222)
Net profit/(loss) attributable to the equity holders of the Company (S\$'000)	(10,116)	(10,116)	(10,116)
Weighted average number of issued Shares ('000) ⁽⁸⁾	2,680,153	2,680,153	2,680,153
(LPS)/EPS (cents)	(0.38)	(0.38)	(0.38)
After Proposed Transfer <i>(including loss on disposal and share of losses of associated company)</i>			
Revenue (S\$'000)	83,517	83,517	83,517
Gross profit/(loss) (S\$'000)	8,760	8,760	8,760
Administrative expenses (S\$'000)	17,250	17,250	17,250
Finance expenses (S\$'000)	6,605	6,605	6,605
Gain/(Loss) on disposal of Exchange Vehicle (S\$'000)	(83,824) ⁽³⁾	(98,824) ⁽⁴⁾	(134,824) ⁽⁵⁾
Share of profit/(loss) of associated company and former joint venture (S\$'000)	(11,624) ⁽⁶⁾	(9,485) ⁽⁷⁾	461
Net profit/(loss) (S\$'000)	(113,132)	(125,993)	(152,046)
Net profit/(loss) attributable to the equity holders of the Company (S\$'000)	(106,026)	(118,887)	(144,941)
Weighted average number of issued Shares ('000) ⁽⁸⁾	2,680,153	2,680,153	2,680,153
(LPS)/EPS after the Proposed Transfer (cents)	(3.96)	(4.44)	(5.41)

- ⁽³⁾ The loss on disposal of Exchange Vehicle is comprising net consideration of S\$51,400,000 less net assets value of the Minimum Exchange of S\$95,772,000 (after adjusted for intercompany balances and debt-free basis by way of capitalisation) and loss on remeasurement of remaining stakes of S\$39,452,000 as at 1 April 2021.
- ⁽⁴⁾ The loss on disposal of Exchange Vehicle is comprising net consideration of S\$51,400,000 less net assets value of the Exchange of S\$111,734,000 (after adjusted for intercompany balances and debt-free basis by way of capitalisation) and loss on remeasurement of remaining stakes of S\$38,490,000 as at 1 April 2021.
- ⁽⁵⁾ The loss on disposal of Exchange Vehicle is net consideration of S\$51,400,000 less net assets value of Redemption Substitute Settlement of S\$186,224,000 (after adjusted for intercompany balances and debt-free basis by way of capitalisation) as at 1 April 2021.
- ⁽⁶⁾ The share of loss of associated company of the Exchange Vehicle for Minimum Exchange is net loss of Exchange Vehicle of S\$24,866,000 multiplied with the remaining stakes of 48.6%.
- ⁽⁷⁾ The share of loss of associated company of the Exchange Vehicle for Exchange is net loss of Exchange Vehicle of S\$24,866,000 multiplied with the remaining stakes of 40.0%.
- ⁽⁸⁾ The weighted average number of ordinary shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares bought back or issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the period; a reasonable approximation of the weighted average is adequate in many circumstances

Date		No. of outstanding shares Issued	No. of weighted average number of shares
1.4.2021	Opening balance	1,162,804,610	1,162,804,610
14.4.2021	Issuance of new shares via rights issue ^(a)	1,162,804,610	1,121,389,651 (352 days/365 days x 1,162,804,610)
3.3.2022	Issuance of new shares via share placement ^(b)	75,000,000	5,958,904 (29 days/365 days x 75,000,000)
		Sub-total	2,290,153,165
	Adjustment for ordinary shares ^(c)		390,000,000
		Total	2,680,153,165

- ^(a) Completion of Issuance of rights share on 14 April 2021 as announced on 15 April 2021.

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- (b) Completion of the placement of new shares on 3 March 2022 as announced on 4 March 2022.
- (c) On 23 March 2022, the Company has entered into Placement agreements with 2 placees for an allotment and issuance of 390 million new ordinary shares of the Company at an issue price of \$0.05 per share (the "Placement"). The aggregate consideration of the Placement is \$19.50 million. The Placement was completed on 1 April 2022 and 390 million new ordinary shares was allotted and issued as announced on 4 April 2022

Profit/loss of the mm2 Asia Group after Redemption Substitute Settlement

As set out in the above table and the bases and assumption in 5.1.2, for FY2022, the mm2 Asia Group still have revenue of S\$83.5 million from its other business.]. Excluding the loss of disposal of the Exchange Vehicle, the Group will reduce its loss from S\$40.2 million to S\$17.2 million

Set out below table is half-year financial results of the Group to illustrative the impact of with and without cinema business for the half-year ended 30 September 2022.

(1 April 2022 – 30 September 2022)	With cinema business	Without cinema business
Revenue (S\$'000)	79,013	52,458
Net (loss)/profit (S\$'000)	(6,171)	888

As announced on 14 November 2022, the Group had reported the results as at 30 September 2022, that the remaining business segments, i.e. Core, Post-production and Event had shown significant signs of recovering since the lifting of COVID-19 restrictions in April 2022.

5.2 Financial effects of the Proposed Transaction (comprising the issue of Exchangeable Bonds and Warrants)

5.2.1 Assumptions

For illustrative purposes only and based on the Group's audited financial statements of the Group for FY2022. The financial effects of the issue of the Proposed Warrants on the Group are set out below. The financial effects have been prepared based on the following assumptions:-

- (a) the Exchangeable Bonds have been issued in full;
- (b) the maximum number of Warrants have been exercised;
- (c) the Warrants have been exercised at the Warrant Exercise Price of S\$0.065;
- (d) no adjustments have been made to the number of Warrants issued or the Warrant Exercise Price;
- (e) for calculating the financial effects on gearing and NTL/NTA per Share as at 31 March 2022, it is assumed that the Warrant Shares were issued on 31 March 2022; and
- (f) for calculating the financial effects on (LPS)/EPS, it is assumed that the Warrant Shares were issued on 1 April 2021.

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5.2.2 Share Capital

	Number of Shares	Issued Share Capital (S\$)
Issued share capital as at the Latest Practicable Date	2,790,609,220	230,601,000
Less: Treasury shares	-	-
Add: Warrant Shares issued	250,000,000	16,250,000
Issued share capital (excluding treasury shares) after the issue of the Warrant Shares	3,040,609,220	246,851,000

5.2.3 Gearing

	As at 31 March 2022		
	Before issue of Exchangeable Bonds and issue of Warrant Shares	After issue of Exchangeable Bonds and Before issue of Warrant Shares	After issue of Exchangeable Bonds and issue Warrant Shares
Total borrowings (S\$'000)	209,760	263,760	263,760
Less: Cash at banks (S\$'000)	14,571	68,571	84,821
Total net bank borrowings and Exchangeable Bonds (S\$'000)	195,189	195,189	178,939
Shareholders' equity (S\$'000)	202,492	202,492	218,742
Net gearing (times)	0.96	0.96	0.82

5.2.4 (NTL)/NTA per Share

	As at 31 March 2022		
	Before issue of Exchangeable Bonds and issue of Warrant Shares	After issue of Exchangeable Bonds and Before issue of Warrant Shares	After issue of Exchangeable Bonds and issue Warrant Shares
Total assets (S\$'000)	579,088	579,088	649,338
Total liabilities (S\$'000)	(376,596)	(376,596)	(430,596)
Net Assets (S\$'000)	202,492	202,492	218,742
Less: goodwill and intangible assets (S\$'000)	(237,086)	(237,086)	(237,086)
(NTL)/NTA (S\$'000)	(34,594)	(34,594)	(18,344)
Total number of issued Shares (excluding treasury shares) ('000)	2,790,609	2,790,609	3,040,609
(NTL)/NTA per Share based on total number of issued Shares (excluding treasury shares) (cents)	(1.24)	(1.24)	(0.60)

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5.2.5 (LPS)/EPS

	As at 31 March 2022		
	Before issue of Exchangeable Bonds and issue of Warrant Shares	After issue of Exchangeable Bonds and Before issue of Warrant Shares	After issue of Exchangeable Bonds and issue Warrant Shares
(Loss)/Profit attributable to equity holders of the Company ('000)	(34,982)	(37,682) ⁽¹⁾	(37,682) ⁽²⁾
Weighted average number of Shares in issue (excluding treasury shares) ('000) ⁽³⁾	2,680,153	2,680,153	2,930,153
Basic (LPS)/EPS (cents)	(1.31)	(1.41)	(1.29)

(1) Recognition of interest expenses from Exchangeable Bond.

(2) The income effect from the proceeds of the Warrant Shares is excluded.

(3) The weighted average number of ordinary shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares bought back or issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the period; a reasonable approximation of the weighted average is adequate in many circumstances. The computation of weighted average of shares in issues is as follow:

Date		No. of outstanding shares Issued	No. of weighted average number of shares
1.4.2021	Opening balance	1,162,804,610	1,162,804,610
14.4.2021	Issuance of new shares via rights issue ^(a)	1,162,804,610	1,121,389,651 (352 days/365 days x 1,162,804,610)
3.3.2022	Issuance of new shares via share placement ^(b)	75,000,000	5,958,904 (29 days/365 days x 75,000,000)
		Sub-total	2,290,153,165
	Adjustment for ordinary shares ^(c)		390,000,000
		Sub-total	2,680,153,165
1.4.2021	Issue Warrant Shares		250,000,000
		Total	2,930,153,165

(a) Completion of Issuance of rights share on 14 April 2021 as announced on 15 April 2021.

(b) Completion of the placement of new shares on 4 March 2022 as announced on 4 March 2022.

(c) On 23 March 2022, the Company has entered into Placement agreements with 2 places for an allotment and issuance of 390 million new ordinary shares of the Company at an issue price of \$0.05 per share (the "Placement"). The aggregate consideration of the Placement is \$19.50 million. The Placement was completed subsequent to the financial year end, on 4 April 2022 and 390 million new ordinary shares was allotted and issued.

6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

6.1 The interests of the Directors and substantial Shareholders in the share capital of the Company as at the Latest Practicable Date, as recorded in the Register of Director's Shareholdings and the Register of Substantial Shareholders kept by the Company, are as follows:-

LETTERS TO SHAREHOLDERS

6.2 Before Proposed Transaction⁽¹⁾

	Direct Interest		Deemed Interest	
	Number of shares	%	Number of Shares	%
Directors				
Ang Wee Chye ⁽²⁾	335,400	0.012%	614,324,000	22.014%
Lei Chee Kong, Thomas	971,400	0.035%	-	-
Mak Chi Hoo	85,700	*(4)	-	-
Tan Liang Pheng	171,400	*(4)	-	-
Chia Seng Hee, Jack	171,400	*(4)	-	-
Chia Choon Hwee, Dennis	-	-	-	-
Substantial Shareholders (Other than Directors)				
Oei Hong Leong	235,776,100	8.449%	-	-
Goi Seng Hui	190,000,000	6.809%	-	-
Ron Sim Chye Hock ⁽³⁾	130,631,700	4.681%	32,455,400	1.163%

- (1) Percentage computed based on the total number of issued Shares excluding treasury shares of the Company, being 2,790,609,220 Shares, as at the Latest Practicable Date.
- (2) Mr. Melvin Ang Wee Chye ("**Mr. Melvin Ang**") is deemed to be interested in the 614,324,000 ordinary shares, which are maintained under the following nominee accounts set out below respectively:
- (i) 73,000,000 ordinary shares under KGI Securities (Singapore) Pte. Ltd.;
 - (ii) 224,800,000 ordinary shares under CGS-CIMB Securities (Singapore) Pte. Ltd.;
 - (iii) 316,524,000 ordinary shares under UOB Kay Hian Pte. Ltd.;
- (collectively, the "MA Nominee Accounts").
- Under the UOB Kay Hian Pte. Ltd. account, a total of 201,064,000 ordinary shares are held under Lionsgate Alpha Ltd., a company which is wholly owned by Mr Melvin Ang. Pursuant to Section 7 of the Companies Act, Mr. Melvin Ang is deemed to be interested in the shares held by the MA Nominee Accounts.
- (3) Mr. Ron Sim Chye Hock ("**Mr. Ron Sim**") is deemed to be interested in the 32,455,400 ordinary shares held under Future Store Pte. Ltd.. Mr. Ron Sim owns 100% of V3 Group Ltd, which owns 100% of V3 Brands Ltd., which owns 79.4% of V3 Brands I Ltd., which owns 100% of V3 Brands II Ltd., which owns 100% of V3 Brands Pte. Ltd., which in turn owns 79.2% of Future Store Pte. Ltd..
- (4) Less than 0.01%.

6.3 After exercise of the Warrants pursuant to the Proposed Transaction⁽⁴⁾

	Direct Interest		Deemed Interest	
	Number of shares	%	Number of Shares	%
Directors				
Ang Wee Chye	335,400	0.011%	614,324,000	20.204%
Lei Chee Kong, Thomas	971,400	0.032%	-	-
Mak Chi Hoo	85,700	*(6)	-	-
Tan Liang Pheng	171,400	*(6)	-	-
Chia Seng Hee, Jack	171,400	*(6)	-	-
Chia Choon Hwee, Dennis	-	-	-	-
Substantial Shareholders (Other than Directors)				

LETTERS TO SHAREHOLDERS

Oei Hong Leong	235,776,100	7.754%	-	-
Goi Seng Hui	190,000,000	6.249%	-	-
Ron Sim Chye Hock	130,631,700	4.296%	32,455,400	1.067%

Note:

- (5) Assuming all Warrants are exercised with the resultant total number of issued shares excluding treasury shares being 3,040,609,220
- (6) Less than 0.01%.

- 6.4 Save for the security accounts and private wealth management services with the Subscriber (if any), none of the Directors or substantial Shareholders has any connection with the Subscriber. Further, none of the Directors or substantial Shareholders has any interest, direct or indirect, in the Proposed Transaction and Proposed Transfer save through their respective shareholdings in the Company (if any).

7. DIRECTORS' RECOMMENDATIONS

The Directors, having considered the rationale and terms of the Proposed Transaction and Proposed Transfer are of the opinion that the Proposed Transaction and Proposed Transfer are in the interests of the Company and accordingly recommend that Shareholders vote in favour of the ordinary resolution relating to the Proposed Transaction and Proposed Transfer to be proposed at the EGM.

8. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page 87 of this Circular, will be held by electronic means on 17 December 2022 at 1.30 p.m. for the purpose of considering and, if thought fit, passing with or without modifications, the ordinary resolution set out in the notice of EGM.

The EGM is being convened, and will be held, by electronic means pursuant to the COVID-19(Temporary Measures) (Alternative Arrangements for Meeting for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of this Circular will not be sent to Shareholders. Instead, this Circular will be sent to Shareholders by electronic means via publication on the SGX website at <https://www.sgx.com/securities/company-announcements> and on the Company's website at <https://www.mm2asia.com>.

8.1 No physical attendance at EGM

Alternative arrangements have been put in place to allow Shareholders to participate in the EGM by:

- (a) watching the EGM proceedings via "live" audio-and-video webcast or listening to the EGM proceedings via "live" audio feed ("**Live Webcast**");
- (b) submitting questions in advance of, or "live" at the EGM; and
- (c) voting at the EGM (i) "live" by the Shareholders themselves or their duly appointed proxy(ies) (other than the Chairman of the EGM)[#] via electronic means; or (ii) by appointing the Chairman of the EGM as proxy to vote on their behalf at the EGM.

[#] For the avoidance of doubt, CPF and SRS investors will not be able to appoint third party proxy(ies) (i.e., persons other than the Chairman of the EGM) to vote "live" at the EGM on their behalf.

Please refer to the Notice of EGM and Proxy Form for further details on the alternative arrangements.

LETTERS TO SHAREHOLDERS

9. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Transaction and Proposed Transfer of the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 1002 Jalan Bukit Merah, #07-11, Singapore 159456 during normal business hours from the date of this Circular up to the date of the EGM:

- (a) the Subscription Agreement;
- (b) the Deed Poll; and
- (c) Equity Valuation Report and Equity Valuation Summary Letter.

Yours faithfully

For and on behalf of the Board of Directors of
MM2 ASIA LTD.

Melvin Ang Wee Chye
Executive Chairman
2 December 2022

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ANNEX A

ANNEX A

TERMS AND CONDITIONS OF THE BONDS

The following other than the words in italics is the text of the terms and conditions of the Bonds which will be attached to each of the definitive certificates evidencing the Bonds:

The **S\$54,000,000** bonds (the “**Bonds**”) of **MM2 ASIA LTD.** (the “**Issuer**”) are issued pursuant to a resolution of the Board of Directors of the Issuer passed on _____ 2022 and a resolution of the shareholders of the Issuer passed on _____ 2022. The Bonds are issued subject to, and with the benefit of, a subscription agreement dated _____ 2022 made between the Issuer and UOB Kay Hian Private Limited (the “**Subscriber**”) (the “**Subscription Agreement**”) and a deed of guarantee dated _____ 2022 and subject to and with the benefit of the terms and conditions endorsed hereon (the “**Conditions**”).

Unless otherwise defined, terms used in these Conditions have the meaning specified in the Subscription Agreement. Copies of the Subscription Agreement are available for inspection at the registered office of the Issuer being at the date of this Bond at [*]. The Bondholder are entitled to the benefit of the Subscription Agreement and are bound by, and are deemed to have notice of, all the provisions of the Subscription Agreement applicable to them.

1. **Status**

The Bonds constitute direct, unsubordinated and unconditional obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and, at all times rank at least equally with all of its other present and future direct, unsubordinated and unconditional obligations, other than subordinated obligations and priorities created by law.

The Bonds are issued with the benefit of the unconditional and irrevocable guarantee of the Issuer, with the Issuer liable to fulfil its obligations under the Bonds. The Guarantee is constituted by a deed of guarantee dated [*] (the “**Guarantee**”) and executed by the Issuer in favour of the Bondholder. By the Guarantee, the Issuer unconditionally and irrevocably guarantee to the Bondholder the fulfilment of its obligations under the Subscription Agreement and/or the Bonds. The Guarantee constitutes and will at all times hereafter constitute, direct, unsubordinated, unconditional and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves, save for such exceptions as may be provided by mandatory provisions of applicable law and, at all times rank at least equally with all of its other present and future direct, unsubordinated, unconditional and unsecured obligations, other than subordinated obligations and priorities created by law.

ANNEX A

2. Form, denomination and title

2.1 Form and denomination

The Bonds are issued in registered form in the denomination of S\$1,000,000 or integral multiples thereof. A bond certificate (each a "**Certificate**") will be issued to each Bondholder in respect of its registered holding of Bonds. Each Certificate will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the register of Bondholder kept and maintained by the Issuer.

2.2 Title

Title to the Bonds passes only by transfer and registration in the register of Bondholder as described in **Condition 3**. The holder of any Bond will (except as otherwise required by law or ordered by a court of competent jurisdiction) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the holder. In these Conditions, "**Bondholder**" and (in relation to a Bond) "**holder**" means the person in whose name a Bond is registered in the Register (as defined below).

3. Bond Register

3.1 Register

The Issuer will keep and maintain a register on which shall be entered the names and addresses of the holders of the Bonds and the particulars of the Bonds held by them (the "**Register**").

3.2 Transfers

The Bonds are transferable. Subject to **Condition 3.5**, a Bond may be transferred or exchanged by delivery of the Certificate issued in respect of that Bond. No transfer of title to a Bond will be valid unless and until entered on the Register.

3.3 Delivery of New Certificates

3.3.1 Each new Certificate to be issued upon a transfer or exchange of Bonds will, within seven (7) Business Days of receipt by the Issuer of the original certificate and the form of transfer duly completed and signed, be made available for collection at the registered office of the Issuer or, if so requested in the form of transfer, be mailed by registered mail at the risk of the holder entitled to the Bonds (but free of charge to the holder) to the address specified in the form of transfer.

3.3.2 Where only part of a principal amount of the Bonds (being that of one or more Bonds) in respect of which a Certificate is issued is to be transferred or exchanged, a new Certificate in respect of the Bonds not so transferred or exchanged will, within seven (7) Business Days of delivery of the original Certificate to the Issuer, be made available for collection at the registered office of the Issuer or, if so requested in the form of transfer, be mailed by registered mail at the risk of the holder of the Bonds not so transferred or exchanged (but free of charge to the holder) to the address of such holder appearing on the Register.

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3.4 Formalities free of charge

Registration of a transfer of Bonds will be effected without charge by or on behalf of the Issuer but upon (i) payment (or the giving of such indemnity as the Issuer may require) in respect of any tax or other governmental charges which may be imposed in relation to such transfer; and (ii) the Issuer being satisfied that the regulations concerning transfer of Bonds have been complied with.

3.5 Closed periods

No party may require the transfer of a Bond to be registered (i) during the period from and including the Interest Record Date (as defined in Condition 6.1) to and including any Interest Payment Date (as defined in Condition 4), each such period being a "**Closed Period**".

3.6 Regulations

All transfers of Bonds and entries on the Register will be made subject to the detailed regulations concerning transfer of Bonds as set out in this **Condition 3**. The regulations may be changed by the Issuer, with the prior written approval of the Bondholder, holding at least 50% of the aggregate value of the then outstanding Bonds, whose approval shall not be unreasonably withheld. A copy of the current regulations will be mailed (free of charge) by the Issuer to any Bondholder upon request.

4. Interest

Subject to this Condition 4, the Bonds bear interest from _____ 2022 (the "**Issue Date**") up to the Maturity Date at the rate of five (5) per cent. per annum of the principal amount outstanding of the Bonds. Interest is payable semi-annually in arrears, with the first interest payment date ("**Interest Payment Date**") falling on the date six months after the Issue Date, and each subsequent Interest Payment Date falling on the date six months after the preceding Interest Payment Date.

Each Bond will cease to bear interest from the due date for redemption thereof unless, upon surrender in accordance with Condition 7, payment of the full amount due is improperly withheld or refused or default is otherwise made in respect of any such payment. In such event, interest will continue to accrue at the rates aforesaid (after, as well as before, any judgment) up to but excluding the date on which all sums due in respect of any Bond are received by or on behalf of the relevant holder. If interest is required to be calculated for a period of less than one year, it will be calculated on the basis of a 360-day year of twelve (12) 30-day months and in the case of an incomplete month, the actual number of days elapsed. Interest payable under this Condition will be paid in accordance with Condition 7.

5. Undertakings

- 5.1. The Issuer shall supply to the Bondholder (in sufficient copies for all the Bondholder, if the Bondholder so request) at the same time as they are dispatched, copies of all documents dispatched by the Issuer to its shareholders, in their capacity as shareholders generally (or any class of them) or its creditors generally (or any class of them).
- 5.2. The Issuer shall notify the Bondholder of any breach or Event of Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence. Promptly upon a request by

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any Bondholder, the Issuer shall supply to such Bondholder a certificate signed by two (2) of its Directors on its behalf certifying that no breach or Event of Default is continuing (or if a breach or Event of Default is continuing, specifying the breach or Event of Default and the steps, if any, being taken to remedy it).

- 5.3** The Issuer shall (and the Issuer shall ensure that each member of the Group will) keep books and records which accurately reflect in all material respects all of its business, affairs and transactions.
- 5.4** The Issuer shall procure that the Bondholder shall have 60% board representation on the Board of Directors of the Exchange Vehicle from the Issue Date up to such time all outstanding sums under the Bonds have been repaid and/or satisfied in full.
- 5.5** Subject to Clause 5.7 below, the Issuer shall discharge all Encumbrances on all of the shares of the entities comprising the Exchange Group (the **"Exchange Group Shares"**) by (i) full repayment of the HSBC Loan and partial repayment of the UOB Loan; and/or (ii) Second Anniversary, whichever is earlier (the **"Escrow Deadline"**). For the purpose of this Conditions, **"Encumbrance"** shall mean any interest or equity or adverse claim of any matter whatsoever or any person (including without prejudice to the generality of the foregoing, any right to acquire, option or right of pre-emption) or any mortgage, charge, pledge, lien or assignment or any other encumbrances, priority or security interest or arrangement of whatsoever nature over or in the relevant property; **"HSBC Loan"** shall mean mm2 Screen Management Sdn Bhd's loan amount outstanding with HSBC Bank Malaysia Berhad ; and **"UOB Loan"** shall mean mm2 Asia Ltd's loan amount outstanding with United Overseas Bank Limited.
- 5.6** Subject to Condition 5.7 below, the Issuer shall, upon discharge of the Encumbrances pursuant to Condition 5.5, place the Exchange Group Shares in escrow with a mutually agreed custodian (the **"Escrow Custodian"**) until such time (a) the Bond is redeemed; (b) the Bond is Exchanged; or (c) the Bondholder exercises the right to Redemption Substitute Settlement pursuant to Condition 8.6. If the Bond is redeemed, the Escrow Custodian shall release the Exchange Group Shares to the Issuer. If the Bond is Exchanged, the Escrow Custodian shall release (a) the Exchange Shares to the Bondholder; (b) the remainder of the Exchange Shares (i.e. less the Exchange Shares) to the Issuer; and (c) the rest of the Exchange Group Shares to the Exchange Vehicle. If the Bondholder exercises the right to Redemption Substitute Settlement pursuant to Condition 8.6, the Escrow Custodian shall release the Exchange Group Shares to the Bondholder.
- 5.7** In the event the Issuer is unable to discharge all Encumbrances on the Exchange Group Shares by the Second Anniversary, subject to the consent and/or approval of the existing beneficiary (or beneficiaries, as the case may be) of the Encumbrances having been obtained, the Issuer shall procure the Exchange Vehicle to issue such additional number of shares in the capital of the Exchange Vehicle (the **"Additional EV Shares"**) to the Issuer such that the Additional EV Shares shall comprise 99% of the shareholding interest in the Exchange Vehicle post issue of the Additional EV Shares and on the day immediately after the Second Anniversary (which for the avoidance of doubt, is the first day of the third year). The Issuer shall also procure that the Additional EV Shares be issued to the Issuer on the day immediately after the Second Anniversary (the **"Additional EV Shares Issue Deadline"**). Upon issue of the Additional EV Shares, the Issuer shall place the Additional EV Shares in escrow with the Escrow Custodian until such time (a) the Bond is redeemed; (b) the Bond is Exchanged; or (c) the Bondholder exercises the right to Redemption Substitute Settlement pursuant to Condition 8.6. If the Bond is fully redeemed, the Escrow Custodian shall release the Additional EV Shares and the Exchange Group Shares (if it is in escrow) to the Issuer.

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If the Bond is Exchanged, the Escrow Custodian shall release (a) such number of Additional EV Shares as calculated in accordance with Condition 6 which determines the Exchange Property to the Bondholder; and (b) the remaining Additional EV Shares (if any) and the Exchange Group Shares (if it is in escrow) to the Issuer. If the Bondholder exercises the right to Redemption Substitute Settlement pursuant to Condition 8.6, the Escrow Custodian shall release the Additional EV Shares and the Exchange Group Shares (if it is in escrow) to the Bondholder. In the event the Issuer fulfils its undertaking to issue to Additional EV Shares by the Additional EV Shares Issue Deadline, the breach of the Escrow Deadline set out in Conditional 5.5 above shall be deemed waived by the Bondholder.

- 5.8** The Bondholder hereby grants the Issuer the right to sell an additional 20% of the shares in share capital of the Exchange Vehicle (on an enlarged share capital basis post Exchange and Additional Acquisition) (the “**Additional Acquisition**”) provided that (a) the Exchange has occurred; and (b) no IPO has taken place by Maturity Date (the “**Acquisition Right**”). The Acquisition Right shall survive the cancellation of the Bond pursuant to the Exchange. The Acquisition Right shall be documented in separate documentation if and when Exchange occurred, but in any event, such documentation shall be completed within ten (10) Business Days after the Exchange. The price of the Acquisition shall be mutually agreed between the Issuer and the Bondholder based on the aggregate EBITDA of the Exchange Vehicle at that relevant time.
- 5.9** The Issuer shall procure the issue of the Exchange Shares as and when such Exchange Shares are to be issued and, on such terms, as provided for in the Subscription Agreement and in these Conditions. The Issuer shall procure the issue of shares in the capital of the Exchange Vehicle (if necessary) to complete the Additional Acquisition if necessary.
- 5.10** In the event the Issuer receives a legally binding offer for the Exchange Group (the “**Binding Offer**”) within the three (3) calendar years subsequent to the Issue Date, and such Binding Offer is (a) priced at a premium of 50% (“**Drag Premium**”) to the Initial Valuation or the Stepped Up Valuation if applicable; and (b) the Binding Offer is made by a bona fide strategic or private equity investor (as mutually determined by both the Issuer and the Bondholder, the Issuer shall inform the Bondholder in writing of such Binding Offer within five (5) Business Days of receipt of such Binding Offer and the Bondholder shall have the right of first refusal (the “**Right of First Refusal**”) to match the Binding Offer at such Drag Premium. The Bondholder shall be required to exercise in writing the Right of First Refusal within twenty (20) Business Days of being so informed by the Issuer. In the event the Bondholder exercises the Right of First Refusal, the Issuer shall sell the Exchange Group Shares to the Bondholder on terms no less favourable than that provided under the Binding Offer. Otherwise, the Bondholder shall be required to accept the Binding Offer on the same terms as that accepted by the Issuer if the Binding Offer is conditional on delivery of a controlling stake. In such instance, in event the Exchange has not been effected, notwithstanding these Conditions, the Exchange shall be effected such that the Exchange Shares are delivered to the Bondholder for the purposes of such acceptance of the Binding Offer. The Drag Premium shall be adjusted to a premium of 75% to the Initial Valuation or Stepped Up Valuation (if applicable) if the Binding Offer is received by the Issuer after the first three (3) years subsequent to the Issue Date.
- 5.11** In the event the Issuer receives a Binding Offer which the Issuer intends to accept, the Bondholder shall have a tag along right (the “**Tag-Along**”) to participate in the sale of the Exchange Group under the Binding Offer, such participation to be on the same terms as that accepted by the Issuer under the Binding Offer. In such instance, in event the Exchange has not been effected, notwithstanding these Conditions, the Exchange shall be effected such that the Exchange Shares are delivered to the Bondholder for the purposes of the Tag-Along.
- 5.12** The Issuer shall be entitled to retain full management control in the day-to-day operations of the Exchange Group prior to Exchange provided the Bondholder shall receive monthly management reports and participate in quarterly board meetings of the Exchange Group. Subject to these Conditions, the Issuer shall be entitled to manage the financial affairs of the Exchange Group (including the transfer of cashflow in and out of the Exchange Group), save that the Issuer shall

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prepare management accounts on an individual outlet basis for new cinema location(s) over and above the existing twenty cinema outlets (which is prepared on a net outlets basis).

- 5.13** The Issuer hereby agrees that the Bondholder shall have the right to carry out due diligence on the Exchange Group prior to Exchange and the Issuer undertakes that it will rectify any issue that may arise from the Bondholder's due diligence on the Exchange Group, save that such issue shall be reasonable.
- 5.14** The Issuer hereby undertake that the Exchange Group shall have all material licenses required for its business operations during the Exchange Period, save that such undertaking shall expire on the date and immediately before the Exchange is effected.

6. Exchange

6.1 Exchange Period and Exchange Rights

Each Bondholder has the right to Exchange the Bond at any time during the Exchange Period for the Exchange Property (the "**Exchange Right**"). Upon Exchange, the Bond shall be redeemed and the proceeds of redemption applied, on behalf of the exchanging Bondholder, to the purchase of the Exchange Property. Subject to and upon compliance with these Conditions (including but not limited to Condition 10.2), the Exchange Right may be exercised by the holder thereof, at any time during the two calendar week period preceding the Second Anniversary (or such earlier date prior to the Second Anniversary as may be consented to by the Issuer). The period during which the Bondholder shall be entitled to exercise Exchange Rights pursuant to these Conditions is referred to as the "**Exchange Period**". Exchange Rights may be exercised in respect of the whole of (but not in part) the principal amount of the Bond only.

On exercise of the Exchange Right, the Bondholder will initially be entitled to receive the Exchange Shares for 100% of the principal amount of Bonds (subject to adjustment pursuant to these Conditions).

6.2 Procedure for Exchange

To exercise the Exchange Right attached to the Bond, the holder thereof must complete, execute and deposit at his own expense during normal business hours during the Exchange Period at the registered office of the Issuer, a notice of exchange (the "**Exchange Notice**") in the form (for the time being current) obtainable from the registered office of the Issuer, together with such Bond (and any certificates and other documents as may be required by applicable law) and any amount to be paid by the Bondholder pursuant to these Conditions. An Exchange Notice once delivered shall be irrevocable.

The Exchange Date in respect of the Bond (the "**Exchange Date**") will be the Business Day immediately following the date of the delivery of the Exchange Notice and, if applicable, any payment or indemnity required to be made or given under these Conditions in connection with the exercise of such Exchange Right. The Exchange Date must fall within the Exercise Period. All taxes, stamp, issue, registration, documentary, transfer or other duties, transaction or exercise charges arising on exchange and/or the transfer, delivery or other disposition of Exchange Property arising on exercise of Exchange Rights (the "**Exchange Charges**") shall be paid by the Issuer. If the Issuer shall fail to pay such Exchange Charges, the Bondholder shall be entitled to tender and pay the same. The Issuer covenants to reimburse the Bondholder in respect of the payment of such Exchange Charges and any penalties payable in respect thereof which shall be payable by the Issuer.

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6.3 Exchange Property

The “**Exchange Property**” shall comprise such number of fully paid up existing and/or new ordinary shares (the “**Exchange Shares**”) in the capital of mm Connect Pte Ltd (the “**Exchange Vehicle**”) comprising a 60% shareholding interest in the enlarged share capital of mm Connect Pte Ltd (immediately after the issue of the Exchange Shares) based on the initial Exchange Ratio (as defined herein) and shall include all other property arising out of or derived or resulting therefrom and such other property, in each case as may be deemed or required to comprise all or part of the Exchange Property pursuant to these Conditions. The Exchange Vehicle is the holding company of mm2 Screen Management Sdn Bhd, mm2 Star Screen Sdn Bhd, Cathay Cineplexes Pte Ltd and mm Plus Pte Ltd (collectively, the “**Exchange Subsidiaries**”; the Exchange Vehicle and Exchange Subsidiaries, the “**Exchange Group**”). The Exchange Vehicle holds 100% shareholding interest in each of the Exchange Subsidiaries. The exchange ratio for the Exchange (the “**Exchange Ratio**”) is based on the valuation of the Exchange Vehicle of S\$90 million. The Exchange Ratio shall be subject to adjustments pursuant to Condition 6.4.

All Exchange Property transferred or delivered upon exercise of Exchange Rights shall be transferred or delivered with full title guarantee and free from any and all mortgage, charge, pledge or other security interests or other adverse interests. The Exchange Shares comprising Exchange Property to be delivered on exchange of the Bonds will be fully paid and will rank pari passu with all fully paid shares of the same class in issue on the relevant Exchange Date. Exchange Property delivered or transferred or to be delivered or transferred upon exchange shall rank for and be entitled to all dividends, interest and other income, payments and distributions and rights thereon or in respect thereof declared, paid, made or granted by reference to a record date or other due date for the establishment of entitlement fall on or after the relevant Exchange Date.

6.4 Adjustments

The exchange ratio for the Exchange (the “**Exchange Ratio**”) is based on the initial valuation of the Exchange Vehicle of S\$90 million (the “**Initial Valuation**”).

The Exchange Ratio shall be subject to adjustment in the following events:-

- 6.4.1 The Initial Valuation is on a cash-free and debt-free basis. In the event there is any cash or debt on the respective balance sheets of the Exchange Group, the Initial Valuation shall be adjusted on a dollar for dollar basis, reflecting the additional cash and/or debt accordingly. The Exchange Ratio shall in such instance also be adjusted accordingly, and the number of Exchange Shares to be issued in event of Exchange, shall also be adjusted accordingly to reflect the new Exchange Ratio.
- 6.4.2 In the event the Exchange Group achieves an aggregate EBITDA (subject to applicable group consolidation accounting standards) set out in the Adjustment Table for the twelve month periods ending 30 September 2023 and 30 September 2024, the Stepped Up Valuation in respect of that aggregate EBITDA set out in the Adjustment Table shall apply to the Exchange Ratio.

Adjustment Table

S\$ million			
Aggregate EBITDA	25.0	26.0	27.0
Stepped Up Valuation	94.5	99.0	105.0
Additional Investment	2.70	5.40	9.00
Total Investment	56.70	59.40	63.00
Shareholding ex-add invm	57.1%	54.5%	51.4%

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In the event the Exchange Ratio is subject to adjustment (the “**Adjusted Exchange Ratio**”), the Exchange shall be based on the Adjusted Exchange Ratio. On exercise of the Exchange Right, the Bondholder shall be required to pay, in cash, an additional amount (the “**Additional Investment**”) to the Exchange Vehicle for the receipt of the Exchange Property. The Additional Investment shall be that Additional Investment applicable in respect of the applicable Stepped Up Valuation. The Additional Investment is determined by the difference between the Stepped Up Valuation and the Initial Valuation multiplied by 0.6. The Additional Investment shall be paid in conjunction with the delivery of the Exchange Notice. In the event the Additional Investment is not paid at and/or by the receipt of the Exchange Notice by the Issuer, the number of Exchange Shares which the Bondholder is entitled to receive as Exchange Property shall be that number of Exchange Shares comprising the applicable shareholding percentage of the Exchange Vehicle reflected in the line item “Shareholding ex-add invm” (as set out in the Adjustment Table) applicable in respect of the applicable Stepped Up Valuation.

For the purpose of these Conditions, “**aggregate EBITDA**” means, in respect of any relevant period for the relevant company within the Exchange Group, the consolidated operating profit before taxation (excluding the results from discontinued operations) before the following SFRS(I) 16 adjustments -

- (i) before deducting any interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments whether paid, payable or capitalised by any member of the company (calculated on a consolidated basis) in respect of that relevant period;
- (ii) not including any accrued interest owing to any member of the company;
- (iii) after adding back any amount attributable to the amortisation or depreciation of assets of members of the company;
- (iv) before taking into account any exceptional Items;
- (v) before deducting the amount of any profit (or adding back the amount of any loss) of any member of the company which is attributable to minority interests;
- (vi) plus or minus the company’s share of the profits or losses (after finance costs and tax) of non-company entities, in each case, actually received or incurred by the company;
- (vii) before taking into account any unrealised gains or losses on any derivative instrument (other than any derivative instrument which is accounted for on a hedge accounting basis);
- (viii) before taking into account any gain or loss arising from an upward or downward revaluation of any other asset at any time;
- (ix) after taking into account the pro forma effect of any acquisitions or investments made as if they had occurred on the first day of the relevant period;
- (x) before taking into account of any unrealised forex arising from receivable and payable and any balance sheet items

in each case, to the extent added, deducted or taken into account, as the case may be, for the purposes of determining operating profits of the company before taxation.

For avoidance of doubt, the aggregate EBITDA shall be determined on a pre SFRS-16 basis.

- 6.4.3 The Exchange Group shall be entitled to carry out an initial public offering (the “**IPO**”) of the shares of the Exchange Vehicle if the pre-money IPO equity valuation of the Exchange Vehicle is not less than S\$150,000,000 (Singapore Dollars One Hundred and Fifty Million), save that the IPO shall be

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conducted on a reputable stock exchange. In event of such IPO, the Exchange Ratio shall be so adjusted such that the number of Exchange Shares received by the Bondholder pursuant to the Exchange shall be more than 50% of the enlarged share capital of the Exchange Vehicle post completion of the IPO without need for additional payment by the Bondholder. The aforementioned adjustment to the Exchange Ratio and the corresponding adjustment to the number or Exchange Shares received by the Bondholder pursuant to the Exchange shall apply whether or not the Exchange has occurred. For the purpose of these Conditions, “**pre-money IPO equity valuation**” shall mean the pre-money equity valuation determined based on the then number of shares in the capital of the relevant company prior to the IPO and the finalised offer price of shares to be offered at the IPO.

7. Payments

7.1 Method of Payment

Payment of the principal amount due in respect of any Bond will be made by transfer to the registered account of the Bondholder. Payment of principal will only be made after surrender of the relevant Certificate to the Issuer. Interest on Bonds due on an Interest Payment Date will be paid on the due date for the payment of interest to the holder shown on the Register at the close of business on the fifteenth day before the due date for the payment of interest (the “**Interest Record Date**”). Payment of interest on each Bond will be made by transfer to the registered account of the Bondholder or by Singapore dollar cheque drawn on a bank in Singapore mailed to the registered address of the Bondholder if it does not have a registered account.

7.2 Registered accounts

For the purposes of this Condition, a Bondholder's registered account means the bank account maintained by or on behalf of it with a bank in Singapore or elsewhere, details of which appear on the Register at the close of business on the second (2nd) Business Day (as defined below) before the due date for payment, and a Bondholder's registered address means its address appearing on the Register at that time.

7.3 Fiscal laws

All payments are subject in all cases to any applicable laws and regulations in the place of payment, but without prejudice to the provisions of **Condition 9**. No commissions or expenses shall be charged to the Bondholder in respect of such payments.

7.4 Payment initiation

Where payment is to be made by transfer to a registered account, payment instructions (for value on the due date or, if that is not a Business Day, for value on the first following day which is a Business Day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed (at the risk and, if mailed at the request of the holder otherwise than by registered mail, expense of the holder) on the due date for payment (or, if it is not a Business Day, the immediately following Business Day) or, in the case of a payment of principal, if later, on the Business Day on which the relevant Certificate is surrendered to the Issuer.

7.5 Default interest and delay in payment

If the Issuer fails to pay any sum in respect of the Bonds when the same becomes due and payable under these Conditions, interest shall accrue on the overdue sum at the rate of seven (7) per cent per annum from the due date. Such default interest shall accrue on the basis of the actual number

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of days elapsed and a 360-day year.

In this Condition, "**Business Day**" means a day other than a Saturday, Sunday and public holiday on which commercial banks are open for business in Singapore and, in the case of the surrender of a Certificate, in the place where the Certificate is surrendered.

7.6 Partial Payment

If an amount which is due on the Bonds is not paid in full, the Issuer will annotate the Register with a record of the amount (if any) in fact paid.

8. Redemption, Purchase and Cancellation

8.1 Maturity

Subject to this **Condition 8**, unless previously redeemed, exchanged, purchased and cancelled or extended as provided in these Conditions, the Issuer will redeem each Bond at 100.00 per cent of its principal amount, together with any accrued but unpaid interest thereon (calculated up to, but excluding, the date fixed for such redemption), on the third anniversary of the Issue Date (the "**Maturity Date**"). Subject to this Conditions, the Bonds may not be redeemed, in whole or in part, prior to the second anniversary of the Issue Date (the "**Second Anniversary**"), but may be redeemed, in whole but not in part, on any day between the Second Anniversary (date inclusive) and the Maturity Date. The Issuer shall redeem the Bonds by paying the applicable redemption amount, together with any accrued but unpaid interest (as the case may be) thereon (calculated up to, but excluding, the date fixed for such redemption).

8.2 Maturity Notice

The Issuer shall, at least ten (10) Business Days before the date of redemption, send a notice of redemption to each Bondholder, in event a redemption is to be effected.

8.3 Redemption upon Event of Default

- 8.3.1 In the Event of Default occurs before the Second Anniversary, the Bondholder shall be entitled to issue to the Issuer a default notice requiring the Issuer to redeem in whole but not in part of the Bonds held by such Bondholder pursuant to **Condition 10** below (the day on which the receives the default notice from the Bondholder being the "**Default Notice Date**"). Subject to this Clause 8.3, the Issuer shall redeem the Bonds by paying the applicable redemption amount, together with any accrued but unpaid interest (as the case may be) thereon (calculated up to, but excluding, the date fixed for such redemption), to such Bondholder forthwith upon its receipt of such default notice issued by such Bondholder pursuant to **Condition 10** below, save that such redemption shall be subject always to the right of the Issuer to challenge the validity and/or reasonableness of (i) the occurrence of the Event of Default, and/or (ii) the default notice issued by the holder of the Bond to the Issuer pursuant to **Condition 10** below.

Nothing in the Subscription Agreement and these Conditions, including this Condition 8.3, shall affect the right of the Issuer to challenge the validity and/or reasonableness of (i) the occurrence of the Event of Default, and/or (ii) the default notice issued by the holder of the Bond to the Issuer pursuant to **Condition 10** below.

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Notwithstanding anything in the Subscription Agreement and these Conditions but subject to this Condition 8, and notwithstanding that the Bonds are immediately due and repayable at their principal amount (together with any unpaid accrued interest), the Issuer shall have a one-year grace period from the Default Notice Date (the “**One Year Grace Period**”) to make full payment of the redemption amount payable, save that the interest shall accrue on the Bonds at the rate of seven (7) per cent. per annum of the principal amount outstanding of the Bonds from the Default Notice Date up to the date on which full repayment of the principal amount of the Bonds (together with any unpaid accrued interest) is made by the Issuer or the date on which the Exchange Property is delivered to the Bondholder in accordance with these Conditions, whichever is earlier. Upon expiry of the One Year Grace Period, if (a) the Event of Default was an event set out in Condition 10.1(i); and (b) the Issuer has not made full payment of the redemption amount payable, the Bondholder shall be required to exercise the Exchange Right in accordance with Conditions 6 and 10.2.

- 8.3.2 In the Event of Default occurs after the Second Anniversary, the Bondholder shall be entitled to issue to the Issuer a default notice requiring the Issuer to redeem in whole but not in part of the Bonds held by such Bondholder pursuant to **Condition 10** below. Subject to this Clause 8.3, the Issuer shall redeem the Bonds by paying the applicable redemption amount, together with any accrued but unpaid interest (as the case may be) thereon (calculated up to, but excluding, the date fixed for such redemption), to such Bondholder forthwith upon its receipt of such default notice issued by such Bondholder pursuant to **Condition 10** below, save that such redemption shall be subject always to the right of the Issuer to challenge the validity and/or reasonableness of (i) the occurrence of the Event of Default, and/or (ii) the default notice issued by the holder of the Bond to the Issuer pursuant to **Condition 10** below.

Nothing in the Subscription Agreement and these Conditions, including this Condition 8.3, shall affect the right of the Issuer to challenge the validity and/or reasonableness of (i) the occurrence of the Event of Default, and/or (ii) the default notice issued by the holder of the Bond to the Issuer pursuant to **Condition 10** below.

Notwithstanding anything in the Subscription Agreement and these Conditions, and notwithstanding that the Bonds are immediately due and repayable at their principal amount (together with any unpaid accrued interest), the Issuer shall have a grace period, such grace period commencing from the Default Notice Date to the Maturity Date (the “**Shortened Grace Period**”), to make payment of the redemption amount payable, save that the interest shall accrue on the Bonds at the rate of seven (7) per cent. per annum of the principal amount outstanding of the Bonds from the Default Notice Date up to the date on which full repayment of the principal amount of the Bonds (together with any unpaid accrued interest) is made by the Issuer or the date on which the Shortened Grace Period expires. Upon the expiry of the Shortened Grace Period, the Bondholder shall be required to exercise the Redemption Substitute Settlement.

8.4 Cancellation

All Bonds which are redeemed in accordance with these Conditions will be cancelled forthwith upon such redemption, whether or not the Certificates representing such Bonds have been delivered to the Issuer pursuant to such redemption. Certificates in respect of all Bonds cancelled will be forwarded to or to the order of the Issuer and such Bonds may not be reissued or resold.

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8.5 Redemption notices

All notices to Bondholder given by or on behalf of the Issuer pursuant to this Condition will be given in accordance with **Condition 17**, and specify the principal amount of the Bonds to be redeemed (together with any accrued but unpaid interest (calculated up to, but excluding the date fixed for such redemption)), the date for redemption, the manner in which redemption will be effected and the aggregate principal amount of the Bonds outstanding as at the latest practicable date prior to the giving of the notice.

8.6 Redemption Substitute Settlement In lieu of payment on redemption

In event the Issuer defaults on payment of any outstanding sum (including but not limited interest) on (a) redemption of the Bonds pursuant to the expiry of the Bonds on Maturity Date; and/or (b) expiry of the Shortened Grace Period, the Bondholder shall have the right to require the Issuer to transfer or procure the transfer of all of the Exchange Group Shares to the Bondholder in lieu of payment (the "**Redemption Substitute Settlement**"), and the Bondholder shall be required to exercise such right. Upon the completion of the Redemption Substitute Settlement, the Issuer shall be discharged from its outstanding payment obligations under the Bonds.

9. Taxation

9.1 All payments of principal and interest made by the Issuer will be made free from any restriction or condition and be made without deduction or withholding for or on account of any present or future taxes, duties, imposts, assessments or governmental charges, deductions or withholdings, of whatever nature imposed, assessed, levied or collected by or on behalf of any governmental authority, unless deduction or withholding of such taxes is compelled by law. In such event, the Issuer will pay such additional amounts as will result in the receipt by the Bondholder of the net amounts after such deduction or withholding equal to the amounts which would otherwise have been receivable by them had no such deduction or withholding been required except that no such additional amount shall be payable in respect of any Bond to a holder (or to a third party on behalf of a holder) who is subject to such taxes in respect of such Bond by reason of his having some connection with Singapore otherwise than merely by holding the Bond or by the receipt of amounts in respect of the Bond or where the withholding or deduction could be avoided by the holder making a declaration of non-residence or other similar claim for exemption to the appropriate governmental authority which such holder is legally capable and competent of making but fails to do so.

9.2 References in these Conditions to principal and interest shall be deemed also to refer to any additional amounts which may be payable under this Condition or any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Subscription Agreement.

10. Events of default

10.1 A holder of Bonds may give notice to the Issuer (the date of such notice, the "**Event of Default Notice Date**") that the Bonds are, and they shall accordingly thereby become, immediately due and repayable at their principal amount (together with any unpaid accrued interest) (subject as provided below) if any of the following events (each an "**Event of Default**") has occurred:

- (i) the Issuer does not pay any amount of principal in respect of the Bonds on the due date for payment thereof;

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- (ii) the Issuer does not pay any amount of interest in respect of the Bonds when due and such default continues for not less than ten (10) Business Days;
- (iii) any failure in the delivery of the Exchange Property as and when the Exchange Property are required to be delivered following the Exchange and such failure continues for not less than ten (10) Business Days provided that such failure is not due to a technical or administrative error;
- (iv) the Issuer does not perform or comply with any one or more of its obligations (other than the payment obligation of the Issuer referred to in paragraphs (i) and (ii) and the obligation to deliver the Exchange Property referred to in paragraph (iii)) under the Subscription Agreement and the Bonds and, if that default is capable of remedy, it is not remedied within thirty (30) days of its occurrence;
- (v) any representation, warranty, covenant or undertaking by the Issuer in the Subscription Agreement or the Bonds or in any document delivered under the Subscription Agreement or the Bonds is not complied with in any respect or is or proves to have been incorrect in any respect when made or deemed repeated and if the event resulting in such non-compliance is capable of remedy, it is not remedied within thirty (30) days of its occurrence;
- (vi) any other present or future indebtedness of the Issuer in respect of borrowed moneys is or is declared to be or is capable of being rendered due and payable prior to its stated maturity by reason of actual default, event of default or the like (however described) or is not paid when due or, as the case may be, within any applicable grace period in any agreement relating to that indebtedness or seven (7) Business Days of its due date, whichever is later; or the Issuer fails to pay when properly called upon to do so or within seven (7) Business Days of the due date, whichever is later, any present or future guarantee of indebtedness for borrowed moneys, provided however that no Event of Default will occur under this paragraph (vi) unless and until the aggregate amount of the indebtedness in respect of which one or more of the events mentioned in this paragraph (vi) has or have occurred exceeds S\$5,000,000 or its equivalent in other currency or currencies;
- (vii) the Issuer is (or is, or could be, deemed by law or a court to be) insolvent or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its indebtedness, begins negotiations or takes any other step with a view to the deferral, rescheduling or other readjustment of all or a material part of (or of a particular type of) its indebtedness (or of any part which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors or a moratorium is agreed or declared in respect of or affecting all or a material part of (or of a particular type of) the indebtedness of the Issuer;
- (viii) a distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or a material part of the assets of the Issuer and is not discharged or stayed within sixty (60) days;
- (ix) any security on or over all or a material part of the assets of the Issuer becomes enforceable;
- (x) any voluntary step is taken by the Issuer, or the commencement of legal proceedings by a person other than the Issuer, with a view to the winding-up of the Issuer (except for the purpose of and followed by a reconstruction, amalgamation, re-organisation, merger, consolidation or transfer of assets to its Subsidiary and such event does not or is not likely to have a material adverse effect on the Issuer) or the appointment of a liquidator (including a provisional liquidator), receiver, judicial manager, trustee, administrator, agent or similar officer of the Issuer (except for the purpose of and followed by a reconstruction,

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amalgamation, re-organisation, merger, consolidation or transfer of assets to its Subsidiary) or over any part of the assets of the Issuer;

- (xi) the Issuer ceases or threatens to cease to carry on all or any material part of its business or (otherwise than in the ordinary course of its business) disposes or threatens to dispose of the whole of its property or assets (in each case, otherwise than for the purposes of such a consolidation, amalgamation, merger, reconstruction or transfer of assets as is referred to in the parenthesis in paragraph (x) above);
 - (xii) any action, condition or thing (including the obtaining of any necessary consent) at any time required to be taken, fulfilled or done in order (i) to enable it lawfully to enter into, exercise its rights and perform and comply with its obligations under the Subscription Agreement and/or the Bonds, (ii) to ensure that those obligations are valid, legally binding and enforceable, (iii) to ensure that those obligations rank and will at all times rank in accordance with Condition 1 or (iv) to make the Subscription Agreement and/or the Bonds admissible in evidence in the courts of Singapore is not taken, fulfilled or done, or any such consent ceases to be in full force and effect without modification or any condition in or relating to any such consent is not complied with (unless that consent or condition is no longer required or applicable);
 - (xiii) it is or will become unlawful for the Issuer to perform or comply with any one or more of its payment or other material obligations under the Subscription Agreement and/or the Bonds;
 - (xiv) the Subscription Agreement and/or the Bonds ceases for any reason (or is claimed by the Issuer not) to be the legal and valid obligations of the Issuer, binding upon it in accordance with its terms;
 - (xv) any litigation, arbitration or administrative proceeding is current or pending (other than those of a frivolous or vexatious nature) (i) to restrain the exercise of any of the rights and/or the performance or enforcement of or compliance with any of the obligations of the Issuer under the Subscription Agreement and/or the Bonds or (ii) which has or is reasonably likely to have a material adverse effect on the Issuer's ability to perform or comply with its obligations under the Subscription Agreement and/or the Bonds;
 - (xvi) any governmental authority or agency or court seizes, compulsorily acquires, expropriates or nationalises all or a material part of the assets of the Issuer;
 - (xvii) any event occurs which, under the law of any relevant jurisdiction, has an analogous or equivalent effect to any of the events mentioned in paragraph (vii), (viii), (ix), (x) or (xvi); and
 - (xviii) the Issuer is declared by the Minister of Finance to be a declared company under the provisions of Part 9 of the Companies Act, 1967 of Singapore or is subject to any analogous provisions in the relevant jurisdictions.
- 10.2 Notwithstanding receipt of any payment after the acceleration of the Exchangeable Bonds, the Bondholder may exercise its Exchange Right by depositing an Exchange Notice with the Issuer during the period from and including the date of a default notice with respect to an event specified in Condition 10.1 to the date on which full repayment of the principal amount of the Bonds (together with any unpaid accrued interest) is made by the Issuer.

11. Consolidation, amalgamation or merger

The Issuer will not consolidate with, merge or amalgamate into or transfer its assets substantially as an entirety to any corporation or convey or transfer its properties and assets substantially as an entirety to any person (the consummation of any such event, a "**Merger**"), unless the corporation formed by such Merger or the person that acquired such properties and assets shall expressly assume, by a deed, all obligations of the Issuer under these Conditions and the Subscription

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Agreement and the performance of every covenant and agreement applicable to it contained therein.

12. Enforcement

In the event of a declaration of an Event of Default, a Bondholder holding at least 50% of the aggregate value of the then outstanding Bonds, may, at its discretion and without further notice, take such proceedings against the Issuer as it may think fit to enforce repayment of the Bonds held by Bondholder and to enforce the provisions of the Subscription Agreement and these Conditions.

13. Modification, Waiver and Substitution

13.1 None of the following shall be carried out without the express written consent of a Bondholder holding at least 50% of the aggregate value of the then outstanding Bonds:

13.1.1 any modification, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Bondholder against the Issuer whether or not such rights arise under these Conditions;

13.1.2 any exchange or substitution for the Bonds of, or the conversion of the Bonds into, shares, bonds or other obligations or securities of the Issuer or any other entity;

13.1.3 any modification of these Conditions or the Bonds; or

13.1.4 the substitution of any entity for the Issuer (or any previous substitute) as principal debtor under these Conditions.

14. Certificates/Reports

Any certificate or report of any expert or other person called for by or provided to the Bondholder (whether or not addressed to the Bondholder) in accordance with or for the purposes of these Conditions or the Subscription Agreement may be relied upon by the Bondholder as sufficient evidence of the facts therein (and shall, in absence of manifest error, be conclusive and binding on all parties) notwithstanding that such certificate or report and/or engagement letter or other document entered into by the Bondholder and/or the Issuer in connection therewith contains a monetary or other limit on the liability of the relevant expert or person in respect thereof.

15. Replacement of Certificates

If any Certificate is mutilated, defaced, destroyed, stolen or lost, it may be replaced by the Issuer upon payment by the claimant of such reasonable costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

16. Further issues and borrowings

The Issuer and the Exchange Group shall not, without the prior written consent of Bondholder, create and issue further shares and/or securities (including bonds) and/or enter into further borrowings.

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17. Notices

- 17.1** All notices to Bondholder shall be validly given if delivered by hand to them at their respective addresses in the Register maintained by the Issuer. Any such notice shall be deemed to have been given on the seventh (7th) day after being so mailed.
- 17.2** All notices, demands or other communications required or permitted to be given or made by a Bondholder under these Conditions shall be in writing and delivered personally or sent by registered post addressed to the intended recipient thereof or by electronic mail at their electronic mail address set out below (or to such other address or electronic mail address as the Parties may from time to time notify the others):

To the Issuer:

MM2 ASIA LTD.

Address : 1002 Jalan Bukit Merah #07-11 Singapore 159456
Attention : Mr Chong How Kiat
Email : chonghowkiat@mm2asia.com
Telephone : 6376 0177

Any notice sent pursuant to this **Condition 17.2** shall be deemed to have been duly served (if given by electronic mail) at the time the electronic mail containing the notice left the sender's electronic mail system, unless the sender receives notification that the electronic mail containing the notice was not received by the recipient, or (if given or made by facsimile) immediately, or (if given or made by registered post) seven (7) days after posting or after it has been sent by first class courier and in proving the same it shall be sufficient to show that the envelope containing the same was duly addressed, stamped and posted by certified or registered mail or sent by courier.

18. Contracts (Rights of Third Parties) Act

Any person who is not the Issuer or the Bondholder (whether or not such person shall be named, referred to, or otherwise identified, or form part of a class of persons so named, referred to or identified in these Conditions) shall have no right under the Contracts (Rights of Third Parties) Act (Chapter 53B of Singapore) to enforce these Conditions.

19. Governing law

The Bonds and the Subscription Agreement are governed by, and shall be construed in accordance with, the laws of Singapore. In relation to any claim, legal action or proceeding arising out of or in connection with the Bonds, each of the Bondholder and the Issuer hereby irrevocably submits to the non-exclusive jurisdiction of the courts of Singapore.

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TERMS AND CONDITIONS OF THE WARRANTS

The warrants (“**Warrants**”) to subscribe for new ordinary shares (“**Shares**”) in the capital of mm2 Asia Ltd. (“**Company**”) are issued pursuant to the subscription agreement dated [●] (“**Subscription Agreement**”) between the Company and [●] and are subject to and with the benefit of the Subscription Agreement and an instrument constituting the Warrants dated [● 2022] executed by way of deed poll by the Company (“**Instrument**”). Each Warrant carries the right to subscribe for one new Share at the Exercise Price (as defined herein) for each new Share. The issue of the Warrants was authorised by resolutions of the shareholders of the Company passed on [●] and by resolutions of the Board of Directors of the Company passed on [●]. The statements in these terms and conditions of the Warrants (“**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Instrument. Copies of the Instrument are available for inspection at the registered office of the Company and the Warranholders (as defined herein) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Instrument.

1. DEFINITIONS

For the purposes of these Conditions and subject as otherwise provided herein:

“**Act**” or “**Companies Act**” means the Companies Act 1967 of Singapore, as the same may be modified, amended or supplemented from time to time;

“**Accounts**” means the audited consolidated financial statements (comprising a balance sheet, profit and loss statement, notes to accounts and auditors’ certificate) prepared with respect to the Group for any financial year;

“**Approved Bank**” means a reputable bank or merchant bank as may be selected by the Company;

“**Auditors**” means the auditors for the time being of the Company or, if there shall be joint auditors, any one or more of such auditors or, in the event of their being unable or unwilling to carry out any action requested of them pursuant to the provisions of the Instrument or the Conditions, such other auditors as may be nominated by the Company;

“**closing price per Share**” means, on any Market Day, the closing price for one Share as reported by the SGX-ST on that day provided that in the event that trading in the Shares is suspended, the closing price per Share means the last reported trade price of the Shares on the day of such suspension and provided further that if there has been no trading in the Shares on the day of such suspension, the closing price per Share means the closing price of the Shares on the immediately preceding Market Day;

“**Depositor**”, “**Depository**” and “**Depository Agent**” shall have the respective meanings ascribed to them in the Act;

“**Directors**” means the directors for the time being of the Company;

“**Exercise Date**” means, in relation to the exercise of a Warrant, the date which the Exercise Notice is served on the Company, provided that if any such day falls during a period when the Register of Warranholders is closed, then the “**Exercise Date**” shall be the next following Market Day on which the Register of Warranholders is open;

“**Exercise Notice**” means a notice (for the time being current) for the exercise of the Warrants, copies of which may be obtained from the Company;

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“Exercise Period” means the period during which the Warrants may be exercised, commencing on and including the date of issue of the Warrants and expiring at 5.00 p.m. on the Expiration Date, unless such date is a date on which the Register of Warrantholders is closed or is not a Market Day, in which event the period shall end on the Market Day prior to the closure of the Register of Warrantholders or the immediately preceding Market Day, as the case may be, but excluding such period(s) during which the Register of Warrantholders may be closed pursuant to Condition 4(e);

“Exercise Price” means, in respect of each Warrant, S\$0.065 for each Warrant Share to be issued upon exercise of the Warrant, such figure representing a premium of approximately 8.9% to the volume weighted average price of S\$0.0597 per share of the Company for trades done on the SGX-ST on 16 June 2022, such date being the market day and up to the time the term sheet in relation to the Warrants was entered into between the Company and UOB Kay Hian Private Limited, subject to adjustment in accordance with the terms and conditions of the Warrants set out herein;

“Expiration Date” means the date falling 5 calendar years from the date of issue of the Warrants;

“Group” means the Company and its subsidiaries;

“Issue Date” means the date of issue of the Warrants;

“Last Dealt Price” means, in relation to a Share on a relevant Market Day, the last dealt price per Share for one or more board lots of Shares on that Market Day on which there is trading of the Shares on SGX-ST;

“Market Day” means a day on which the SGX-ST is open for trading in securities;

“Register of Warrantholders” means the Register of Warrantholders to be maintained by the Company pursuant to Condition 4(e);

“Securities Account” means a securities account maintained by a Depositor with the Depository but does not include a securities sub-account;

“SGX-ST” means the Singapore Exchange Securities Trading Limited;

“Shareholders” means persons who are for the time being registered as holders of the Shares in the Register of Shareholders of the Company except that where the registered holder is the Depository, the term **“Shareholders”** shall, in relation to such Shares and where the context so admits, mean the Depositors whose Securities Accounts are credited with those Shares;

“Shares” means the ordinary shares in the capital of the Company;

“volume weighted average price” means in respect of a Share on a particular Market Day, the total value of transactions in the Shares (for each transaction, the closing price per Share multiplied by the volume) for that Market Day divided by the volume transacted for that Market Day;

“Warrant Certificates” means the certificates (in registered form) on which these Conditions are endorsed, as the same may from time to time be modified in accordance with the provisions of the Instrument and these Conditions;

“Warrantholders” means the registered holders of the Warrants and **“Warrantholder”** shall be construed accordingly. The word “holder” or “holders” in relation to the Warrants shall (where appropriate) be construed accordingly; and

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“**Warrant Shares**” means the new Shares to be issued by the Company pursuant to the exercise of the Warrants.

2. FORM AND TITLE

- (a) The Warrants are issued in registered form. Title to the Warrants will be transferable in accordance with Condition 9. The Company will maintain the Register of Warranholders and except as may be ordered by a court of competent jurisdiction or as required by law, the registered holder of Warrants will be deemed to be and be treated as the absolute owner thereof for the purpose of giving effect to the exercise of the rights constituted by the Warrants and for all other purposes.
- (b) Notwithstanding the above, the Company shall recognise the executors and administrators of a deceased Warranholder as having title to Warrants registered in the name of a deceased Warranholder. Such persons shall, on producing to the Company such evidence as may be reasonably required by the Company to prove their title and on the payment of such fees and expenses referred to in Condition 9, be entitled to be registered as a holder of the Warrants or to make such transfer of the Warrants as the deceased Warranholder could have made.
- (c) If two or more persons are entered in the Register of Warranholders as joint holders of Warrants, they shall be deemed to hold the same as joint tenants with benefit of survivorship subject to the following:
 - (i) joint holders of Warrants whose names are entered in the Register of Warranholders shall be treated as one Warranholder;
 - (ii) the Company shall not be bound to issue more than one Warrant Certificate for a Warrant registered jointly in the names of several persons and delivery of a Warrant Certificate to the joint holder whose name stands first in the Register of Warranholders shall be sufficient delivery to all; and
 - (iii) the joint holders of any Warrant whose names are entered in the Register of Warranholders shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such Warrant.
- (d) All Warrants which are exercised, and the Warrant Certificates in respect of Warrants which are the subject of a transfer, shall be cancelled forthwith by the Company.

3. EXERCISE RIGHTS

- (a) Each Warranholder shall have the right, by way of exercise of a Warrant, at any time during normal business hours on any Market Day (before 3.00 p.m. on any Market Day prior to the Expiration Date and before 5.00 p.m. on the Expiration Date)] during the Exercise Period, in the manner set out in Condition 4 and otherwise on the terms and subject to the Conditions set out below, to subscribe for one Share at the Exercise Price (subject to adjustments in accordance with Condition 5). The Exercise Price shall be applied towards payment of each Warrant Share to be issued on the exercise of a Warrant.
- (b) An exercise of Warrants pursuant to Condition 3(a) is subject to a minimum of 2,000,000 Warrants and shall be in multiples of 2,000,000 Warrants.
- (c) Each Warrant shall entitle the Warranholder to subscribe for 1 Warrant Share upon the exercise thereof. No fraction of a Warrant Share shall be allotted or issued.

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- (d) At the expiry of the Exercise Period, any Warrants which have not been exercised will lapse and cease to be valid for any purpose.
- (e) Any Warrant in respect of which the Exercise Notice shall not have been duly completed and delivered in the manner set out in Condition 4 to the Company on or before 5.00 p.m. on the Expiration Date shall become void.

4. PROCEDURE FOR EXERCISE OF WARRANTS

(a) Lodgment Conditions

In order to exercise the Warrants, the Warrantholder shall:

- (i) lodge during normal business hours (before 3.00 p.m. on any Market Day prior to the Expiration Date and before 5.00 p.m. on the Expiration Date) the relevant Warrant Certificate(s) registered in the name of the exercising Warrantholder for exercise at the registered office of the Company together with the Exercise Notice in respect of the Warrants, duly completed and signed by or on behalf of the exercising Warrantholder (together with a copy of the list of authorised signatories of the exercising Warrantholder) and, if required, duly stamped in accordance with any law for the time being in force relating to stamp duty;
- (ii) make payment or satisfaction of the Exercise Price and if applicable, fees (as set out in the Memorandum and Articles of Association of the Company) for certificates for the Warrant Shares to be issued, no later than two Market Days from the date of lodgment of the Exercise Notice in accordance with these Conditions; and
- (iii) pay any deposit or other fees or expenses for the time being chargeable by and payable to the Depository (if any) and any stamp, issue, registration or other similar taxes or duties arising on the exercise of the relevant Warrant(s).

(b) Exercise Date

If all the conditions set out in Condition 4(a) above are met, a Warrant shall be treated as exercised on the Exercise Date relating to that Warrant. For the avoidance of doubt, an Exercise Notice which does not comply with the conditions above shall be void for all purposes.

(c) Allotment of Warrant Shares and Issue of Warrant Certificates

A Warrantholder exercising Warrants registered in his own name may elect in the Exercise Notice to either receive physical share certificates in respect of the Shares arising from the exercise of such Warrants or to have the delivery of such Shares effected by crediting such Shares to his Securities Account as specified in the Exercise Notice with the Depository.

The Company shall allot and issue the Warrant Shares arising from the exercise of the relevant Warrants by a Warrantholder in accordance with the instructions of such Warrantholder as set out in the Exercise Notice and:

- (i) where such Warrantholder has elected in the Exercise Notice to receive physical share certificates in respect of the Shares arising from the exercise of the relevant Warrants, the Company shall despatch, as soon as practicable but in any event not later than five Market Days after the relevant Exercise Date, by ordinary post to the address specified in the Exercise Notice and at the risk of such Warrantholder the certificates relating to such Shares registered in the name of such Warrantholder; and

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- (ii) where such Warrantholder has elected in the Exercise Notice to have the delivery of the Warrant Shares arising from the exercise of the relevant Warrants to be effected by the crediting of the Securities Account of such Warrantholder to be specified in the Exercise Notice, the Company shall take all necessary steps to ensure that (i) the certificates relating to such Warrant Shares in the name of the Depository are despatched to the Depository and (ii) such Warrant Shares are credited to the Securities Account of such Warrantholder as specified in the Exercise Notice no later than five Market Days after the relevant Exercise Date.

Where a Warrantholder exercises part only (but not all) of the subscription rights represented by Warrants registered in his name, the Company shall despatch, as soon as practicable but in any event not later than five Market Days after the Exercise Date, a balancing Warrant Certificate in the name of the exercising Warrantholder in respect of any Warrants remaining unexercised by ordinary post to the address specified in the relevant Exercise Notice and at the risk of the Warrantholder at the same time as it delivers in accordance with its relevant Exercise Notice the certificate(s) relating to the Warrant Shares arising upon exercise of such Warrants.

(d) **Persons to whom the Warrant Shares may be issued**

A Warrantholder may in the Exercise Notice direct the Company to allot and issue the Warrant Shares arising from the exercise of the relevant Warrants by the Warrantholder to a person other than itself.

(e) **Register of Warrantholders**

The Company will maintain the Register of Warrantholders, which may be closed for any time or times provided that the Register of Warrantholders shall not be closed for more than 30 days in the aggregate in any calendar year. Not less than 14 calendar days' notice of each closure of the Register of Warrantholders will be given to the Warrantholders in accordance with Condition 12.

(f) **Payment of Exercise Price**

Payment of the Exercise Price shall be made by way of remittance in Singapore currency by electronic wire transfer to the Company's bank account, details of which shall be notified to the Warrantholder within five Business Days from the date of execution of the Instrument and/or from time to time, for the full amount of the monies payable in respect of the Warrant(s) exercised under Condition 4.1(a) and a copy of the payment instructions shall be delivered to the Company.

Any payment under this Condition 4.1(f) shall be made free of any remittance charges and/or other bank deductions.

If the payment of the Exercise Price fails to comply with the foregoing provisions, the Company may, at its absolute discretion, refuse to recognise the relevant payment as relating to the exercise of any particular Warrant, and the exercise of the relevant Warrants may be accordingly delayed or be treated as invalid, and the Company shall not be liable to the Warrantholder in any manner whatsoever. If the relevant payment received by the Company in respect of an exercising Warrantholder's purported exercise is less than the full amount of the Exercise Price payable under Condition 4.1(a), the Company shall not treat the relevant amount so received or any part thereof as payment of such monies or any part thereof, unless and until a further payment is made in accordance with the requirements set out above in this Condition 4.1(f) in an amount sufficient to cover the deficiency. The Company shall not be

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held responsible for any loss arising from the retention of any such payment. If such further payment is not made or is insufficient to cover the deficiency, any amount already paid will be returned, without interest and less any applicable handling charges and out-of-pocket expenses incurred by the Company, to the Warrantholder on the fourteenth day after receipt of the first payment.

5. ADJUSTMENTS OF EXERCISE PRICE AND NUMBER OF WARRANTS

- (a) The Exercise Price and the number of Warrants held by each Warrantholder shall from time to time be adjusted by the Directors in consultation with an Approved Bank and/or the Auditors and certified to be in accordance with this Condition 5 by the Approved Bank and/or the Auditors, as the case may be. The Exercise Price and the number of Warrants held by each Warrantholder shall from time to time be adjusted as provided in these Conditions and the Instrument in all or any of the following cases
- (i) any consolidation or subdivision of the Shares;
 - (ii) an issue by the Company of Shares for which no consideration is payable or by way of capitalisation of profits or reserves (whether of a capital or income nature) to its Shareholders (other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend);
 - (iii) a Capital Distribution (as defined in Condition 5(b)(iii) below) made by the Company to its Shareholders whether on a reduction of capital or otherwise;
 - (iv) an offer or invitation made by the Company to its Shareholders whereunder they may acquire or subscribe for Shares by way of rights; or
 - (v) an issue (otherwise than pursuant to an offer or invitation made by the Company to its Shareholders whereunder they may acquire or subscribe for Shares by way of rights, requiring an adjustment under Condition 5(a)(iv), and other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend) by the Company of Shares, if the Total Effective Consideration (as defined in Condition 5(b)(vi) below) for each Share is less than 90% of the Last Dealt Price for each Share (calculated as provided below)..
- (b) Subject to these Conditions and the Instrument, the Exercise Price and the number of Warrants held by each Warrantholder shall from time to time be adjusted in accordance with the following provisions (but so that if the event giving rise to any such adjustment shall be capable of falling within any two or more of Conditions 5(a)(i) to 5(a)(vi) or if such event is capable of giving rise to more than one adjustment, the adjustment shall be made in such manner as the Approved Bank and/or the Auditors shall determine):
- (i) If, and whenever, consolidation or subdivision of the Shares occurs, the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{A}{B} \times X$$

and the number of Warrants shall be adjusted in the following manner:

$$\text{Adjusted number of Warrants} = \frac{B}{A} \times W$$

where:

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- A = the aggregate number of issued and fully paid-up Shares immediately before such consolidation or subdivision;
- B = the aggregate number of issued and fully paid-up Shares immediately after such consolidation or subdivision;
- X = existing Exercise Price; and
- W = existing number of Warrants held.

Such adjustments will be effective from the close of the Market Day immediately preceding the date on which the consolidation or subdivision becomes effective.

- (ii) If, and whenever, the Company shall make any issue of Shares to its Shareholders (other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend) for which no consideration is payable or, by way of capitalisation of profits or reserves (whether of a capital or income nature), the Exercise Price and the number of Warrants shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{A}{A + B} \times X$$

$$\text{Adjusted number of Warrants} = \frac{A + B}{A} \times W$$

where:

- A = the aggregate number of issued and fully paid-up Shares immediately before such capitalisation issue;
- B = the aggregate number of Shares to be issued pursuant to any allotment to Shareholders (other than an allotment of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend) credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature);
- X = as in X above; and
- W = as in W above.

Such adjustments will be effective (if appropriate, retroactively) from the commencement of the day next following the record date for such issue.

For the purpose of this Condition 5, “**record date**” in relation to the relevant transaction means the date as at the close of business (or such other time as may be notified by the Company) on which Shareholders must be registered as such to participate therein.

- (iii) If, and whenever, the Company shall make a Capital Distribution (as defined herein) to Shareholders whether on a reduction of capital or otherwise, then the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{C - D}{C} \times X$$

where:

- C = the Last Dealt Price on the Market Day immediately preceding the date on which the Capital Distribution is publicly announced to the SGX-ST or (failing any such announcement) immediately preceding the date of the Capital Distribution;
- D = the fair market value, as determined by an Approved Bank and/or the Auditors, of that portion of the Capital Distribution attributable to one Share; and

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X = as in X above.

For the purposes of Conditions 5(a)(iii) and 5(b)(iii), “**Capital Distribution**” shall (without prejudice to the generality of that expression) include distributions in cash or specie (other than dividends) or by way of issue of Shares (not falling under Condition 5(b)(ii)) or other securities (other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend) by way of capitalisation of profits or reserves. Any cancellation of capital which is lost or unrepresented by available assets shall not be deemed to be a Capital Distribution.

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the date next following the record date for such transactions.

- (iv) If, and whenever, the Company shall make any offer or invitation to its Shareholders whereunder they may acquire or subscribe for Shares by way of rights, then the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{E - F}{E} \times X$$

and the number of Warrants shall be adjusted in the following manner:

$$\text{Adjusted number of Warrants} = \frac{E}{E - F} \times W$$

where:

- E = the Last Dealt Price on the Market Day immediately preceding the date on which the offer or invitation referred to in this Condition 5(b)(iv) is publicly announced to the SGX-ST or (failing any such announcement) immediately preceding the date of the offer or invitation;
 X = as in X above;
 W = as in W above; and
 F = the value of rights attributable to one Share, which shall be calculated in accordance with the formula:

$$\frac{E - G}{H + 1}$$

where:

- E = as in E above;
 G = the subscription price of one additional Share under the offer or invitation to acquire or subscribe for Shares by way of rights; and
 H = the number of Shares which it is necessary to hold in order to be offered or invited to acquire or subscribe for one additional Share by way of rights.

Such adjustments will be effective (if appropriate, retroactively) from the commencement of the date next following the closing date for such offer or invitation.

For the purpose of this paragraph, “**closing date**” shall mean the date by which acceptance of and payment for the Shares is to be made under the terms of such offer or invitation.

- (v) If, and whenever, the Company makes any allotment to its Shareholders as provided in Condition 5(b)(ii) and also makes any offer or invitation to its Shareholders as provided in Condition 5(b)(iv) and the record date for the purpose of the allotment is

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also the record date for the purpose of the offer or invitation, the Exercise Price and the number of Warrants shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{(I \times E) + (J \times G)}{(I + J + B) \times E} \times X$$

$$\text{Adjusted number of Warrants} = \frac{(I + J + B) \times E}{(I \times E) + (J \times G)} \times W$$

where:

- I = the aggregate number of issued and fully paid-up Shares on the record date;
- E = as in E above;
- J = the aggregate number of new Shares to be issued under an offer or invitation to acquire or subscribe for Shares by way of rights;
- G = as in G above;
- B = as in B above;
- X = as in X above; and
- W = as in W above.

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the date next following the closing date for such offer or invitation.

For the purpose of this paragraph, “**closing date**” shall mean the date by which acceptance of and payment for the Shares is to be made under the terms of such offer or invitation.

- (vi) If, and whenever (otherwise than pursuant to a rights issue available to all Shareholders alike and requiring an adjustment under Conditions 5(b)(iv) or 5(b)(v) and other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend), the Company shall issue any Shares and the Total Effective Consideration for each Share (as defined herein) is less than 90% of the Last Dealt Price on the SGX-ST on the date on which the issue price of such Shares is determined, or, if such price is determined either before the close of business on the SGX-ST for that day or on a day which is not a Market Day, on the immediately preceding Market Day, the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{K + L}{K + M} \times X$$

where:

- K = the number of Shares in issue at the close of business on the SGX-ST on the Market Day immediately preceding the date on which the relevant adjustment becomes effective;
- L = the number of Shares which the Total Effective Consideration (as defined herein) would have purchased at such Last Dealt Price (exclusive of expenses);
- M = the aggregate number of Shares so issued; and
- X = as in X above.

Each such adjustment will be effective (if appropriate, retroactively) from the close of business on the SGX-ST on the Market Day immediately preceding the date on

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which the issue is announced, or (failing any such announcement) immediately preceding the date on which the Company determines the offering price of such Shares.

For the purposes of Conditions 5(a)(v) and 5(b)(vi), the “**Total Effective Consideration**” shall be determined by the Directors with the concurrence of an Approved Bank and/or the Auditors and shall be the aggregate consideration receivable by the Company on payment in full for such Shares without any deduction of any commissions, discounts or expenses paid, allowed or incurred in connection with the issue thereof, and the “**Total Effective Consideration for each Share**” shall be the Total Effective Consideration divided by the number of Shares issued as aforesaid.

- (c) Notwithstanding any of the provisions hereinbefore contained, no adjustment to the Exercise Price and the number of Warrants will be required in respect of:
- (i) an issue by the Company of Shares or other securities convertible into rights to acquire or subscribe for Shares to officers, including directors, or employees of the Company or any of its subsidiaries or associated companies pursuant to any purchase or option scheme approved by the Shareholders in general meeting;
 - (ii) an issue by the Company of Shares or other securities convertible into rights to acquire or subscribe for Shares in consideration or part consideration for or in connection with the acquisition of any other securities, assets or business;
 - (iii) any issue by the Company of Shares pursuant to the exercise of any of the Warrants; or
 - (iv) any purchase by the Company of Shares pursuant to any share purchase scheme approved by Shareholders in any general meeting subsequent to the issue of the Warrants, whether such Shares purchased are deemed cancelled or held in treasury.
- (d) If any offer or invitation for Shares is made otherwise than by the Company to the Shareholders, then the Company shall so far as it is able to procure that at the same time an offer or invitation is made to the then Warrantholders as if their rights to subscribe for Warrant Shares had been exercised the day immediately preceding the date on which as at the close of business the Shareholders must be registered in order to participate in such offer or invitation on the basis then applicable, provided always that the failure by the Company to procure that an offer or invitation is so made as aforesaid shall not be a breach by the Company of its obligations under these Conditions or the Instrument.
- (e) Any adjustment to the Exercise Price will be rounded upwards to the nearest fraction of a cent based on the minimum trading increment applicable for the Shares and in no event shall any adjustment (otherwise than upon the consolidation of Shares) involve an increase in the Exercise Price. No adjustments to the Exercise Price shall be made unless it has been certified to be in accordance with Condition 5(b) by the Auditors. No adjustment will be made to the Exercise Price in any case in which the amount by which the same would be reduced would be less than one (1) cent but any adjustment which would otherwise then be required will be carried forward and taken into account appropriately in any subsequent adjustment.
- (f) Any adjustment to the number of Warrants held by each Warrantholder will be rounded downwards to the nearest whole number. No adjustment to the number of Warrants shall be made unless:
- (i) it has been certified to be in accordance with Condition 5(b) by the Auditors; and

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- (ii) approval in-principle has been granted by the SGX-ST for the listing of and quotation for such additional Shares as may be issued on the exercise of any additional Warrants as may be issued pursuant to an adjustment.
- (g) If for any reason any event giving rise to an adjustment (“**First Adjustment**”) made to the Exercise Price or the number of Warrants held by each Warrantholder pursuant to these Conditions is cancelled, revoked or not completed, the Exercise Price or the number of Warrants held by each Warrantholder may be readjusted to the amount and number prevailing immediately prior to the First Adjustment with effect from such date and in such manner as an Approved Bank and/or the Auditors may consider appropriate.
- (h) Notwithstanding the provisions referred to in this Condition 5, in any circumstances where the Directors consider that any adjustments to the Exercise Price and/or the number of Warrants provided under the said provisions should not be made or should be calculated on a different basis or date or should take effect on a different date or that an adjustment to the Exercise Price and/or the number of Warrants should be made notwithstanding that no such adjustment is required under the said provisions, the Company may at its discretion appoint an Approved Bank and/or the Auditors to consider whether, for any reason whatsoever, the absence of an adjustment or the adjustment to be made in accordance with the provisions of this Condition 5 is appropriate or inappropriate in restoring the economic position of the Warrantholders, after the occurrence of such events or circumstances, to the same position as if such aforementioned circumstances had not occurred, as the case may be, and, if such Approved Bank and/or the Auditors shall consider the adjustment or absence of an adjustment to be inappropriate, the adjustment shall be modified or nullified or an adjustment made instead of no adjustment in such manner as shall be considered by such Approved Bank and/or the Auditors to be in its opinion, fair and reasonable.
- (i) Whenever there is an adjustment as herein provided, the Company shall give notice to Warrantholders in accordance with Condition 12 that the Exercise Price and/or the number of Warrants has/have been adjusted and setting forth the event giving rise to the adjustment, the Exercise Price and/or the number of Warrants in effect prior to such adjustment, the adjusted Exercise Price and/or number of Warrants and the effective date of such adjustment and shall, at all times thereafter so long as any of the Warrants remains exercisable, make available for inspection at its registered office for the time being:
 - (i) a signed copy of the certificate of the Auditors certifying the adjustment to the Exercise Price and/or the number of Warrants; and
 - (ii) a certificate signed by a Director setting forth brief particulars of the event giving rise to the adjustment, the Exercise Price and/or the number of Warrants in effect prior to such adjustment, the adjusted Exercise Price and/or number of Warrants and the effective date of such adjustment,and shall, on request of a Warrantholder, send a copy thereof to any Warrantholder. Whenever there is an adjustment to the number of Warrants held by each Warrantholder, the Company will, as soon as practicable but not later than seven Market Days after the effective date of such adjustment, despatch by ordinary post Warrant Certificate(s) for the additional number of Warrants issued to each Warrantholder, at the risk of that Warrantholder, at his address recorded in the Register of Warrantholders.
- (j) If the Directors and the Approved Bank and/or the Auditors are unable to agree upon any adjustment required under these provisions, the Directors shall refer the adjustment to the decision of another Approved Bank and/or the Auditors acting as expert and not arbitrator and whose decision as to such adjustment shall be final and conclusive.

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- (k) If the Company shall in any way modify the rights attached to any share or loan capital so as to convert or make convertible such share or loan capital into, or attach thereto any rights to acquire or subscribe for Shares, the Company shall appoint an Approved Bank and/or the Auditors to consider whether any adjustment is appropriate and if such Approved Bank and/or the Auditors and the Directors shall determine that any adjustment is appropriate, the Exercise Price and/or the number of Warrants shall be adjusted accordingly.
- (l) Any additional Warrants which may be issued by the Company under this Condition 5 shall be part of the series of Warrants constituted by the Instrument, and shall be issued subject to and with the benefit of the Instrument and on such terms and conditions as the Directors may from time to time think fit, including but not limited to these Conditions.
- (m) In giving any certificate or making any adjustment hereunder, the Approved Bank and/or the Auditors shall be deemed to be acting as experts and not as arbitrators and in the absence of manifest error, their decision shall be conclusive and binding on all persons having an interest in the Warrants.
- (n) Nothing shall prevent or restrict the buy-back of any classes of shares pursuant to applicable law and/or the requirements of SGX-ST. For the avoidance of doubt, no approval or consent of the Warrantheolders shall be required for such buyback of any classes of shares provided that where the buy-back results in a change in the equity capital of the Company, an Approved Bank and/or the Auditors shall be appointed to consider whether any adjustment is appropriate, the Exercise Price and/or the number of Warrants held by each Warrantheolder shall be adjusted accordingly.
- (o) Notwithstanding anything herein contained, any adjustment to the Exercise Price and/or the number of Warrants held by each Warrantheolder other than in accordance with the provisions of this Condition 5 shall be subject to the approval of SGX-ST to the extent such approval is required.

6. STATUS OF WARRANT SHARES

The Warrant Shares will, upon allotment and issue, rank *pari passu* in all respects with the then issued Shares, except that they will not be entitled to participate in any dividends, rights, allotments or other distributions where the Record Date (as defined below) is before the date the Warrant Shares are credited to the Securities Account of such Warrantheolder.

For the purpose of this Condition 6, “**Record Date**” means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time in accordance as may have been notified by the Company) on which Shareholders must be registered in order to participate in such dividends, rights, allotments or other distributions.

7. WINDING-UP OF THE COMPANY

In the event a notice is given by the Company to its members to convene a general meeting for the purpose of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company then:

- (a) if such winding-up is for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the Warrantheolders, or some person designated by them for such purpose by Special Resolution (as defined in the Instrument), shall be a party and shall have approved or assented by way of a Special Resolution, the terms of such scheme of arrangement shall be binding on all the Warrantheolders; and

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- (b) in any other case, the Company shall, on the same date it despatches such notice to each member of the Company, give notice thereof to all Warrantheolders in accordance with Condition 12 and thereupon every Warrantheolder shall be entitled, upon and subject to the Conditions, at any time within the notice period of the general meeting of members to consider a winding up of the Company but in any event not later than two Market Days prior to the proposed general meeting, by irrevocable surrender of his Warrant Certificate(s) to the Company with the Exercise Notice(s) duly completed, together with payment of the relevant Exercise Price, elect to exercise the Warrants to the extent specified in the Exercise Notice(s) whereupon the Company shall as soon as possible and, in any event, no later than the Market Day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Warrant Shares to the Warrantheolder credited as fully paid.

Subject to the foregoing, if the Company is wound-up for any other reason, all Warrants which have not been exercised at the date of the passing of such resolution shall lapse and the Warrants shall cease to be valid for any purpose.

8. FURTHER ISSUES

Subject to these Conditions, the Company shall be at liberty to issue Shares to the Shareholders either for cash or as bonus distributions and further subscription rights upon such terms and conditions as the Company sees fit but the Warrantheolders shall not have any participating rights in such issue unless otherwise resolved by the Company in general meeting or in the event of a takeover offer to acquire Shares.

9. TRANSFER OF WARRANTS

In order to transfer the Warrants, the Warrantheolder and/or the transferee must fulfill the following conditions:

- (a) any transfer of Warrants pursuant to Condition 9 is subject to a minimum of 2,000,000 Warrants and shall be in multiples of 2,000,000 Warrants;
- (b) lodgment during normal business hours of the relevant Warrant Certificate(s) in the name of the Warrantheolder at the registered office of the Company together with an instrument of transfer in respect thereof in accordance with the Instrument, duly completed and signed by or on behalf of the Warrantheolder (together with a copy of the list of authorised signatories of the transferring Warrantheolder) and the transferee and, if required, duly stamped in accordance with any law for the time being in force relating to stamp duty; and
- (c) the payment of the registration fee of S\$10.00 (or such other amount as may be determined by the Directors) by the transferee for each Warrant Certificate to be issued in the name of the transferee in respect of the Warrants so transferred.

The Warrantheolder specified in the Register of Warrantheolders shall remain the registered holder of the Warrants until the name of the transferee is entered in the Register of Warrantheolders.

10. REPLACEMENT OF WARRANT CERTIFICATES

From time to time after such time should any Warrant Certificate be lost, stolen, destroyed, mutilated or defaced, it may be replaced at the registered office of the Company upon payment by the claimant of the replacement fee of S\$10.00 (or such other sum being the replacement fee for the time being, which replacement fee shall not exceed the maximum sum for the time being prescribed by any applicable law) for every Warrant Certificate issued and on such terms as to evidence and indemnity as the Company may reasonably require. Mutilated or defaced Warrant Certificates must be surrendered before replacements will be issued.

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11. RESOLUTIONS OF WARRANTHOLDERS AND MODIFICATION

- (a) The Instrument contains provisions for convening meetings of the Warrantholders to consider any matter affecting their interests, including the sanctioning by Special Resolution (as defined in the Instrument) of a modification of the Warrants or the Instrument. Such a meeting may be convened by the Company or by Warrantholders holding not less than thirty per cent. of the Warrants for the time being remaining unexercised. The quorum at any such meeting shall be two or more persons present being Warrantholders holding or representing over 50 per cent. of the Warrants for the time being unexercised or one person present being a Warrantholder (or being a proxy and being or representing the Warrantholder) of over 50 per cent. of the Warrants for the time being unexercised, or, at any adjourned meeting (unless convened upon the requisition of the Warrantholders), one or more Warrantholders whatever the number of Warrants so held or represented. The instrument also allows for decisions that may be made by the Warrantholders in a meeting to be made via a resolution in writing. A Special Resolution duly passed at any meeting of Warrantholders or by a resolution in writing shall be binding on all Warrantholders, whether or not they are present at the meeting. Warrants which have not been exercised but have been lodged for exercise shall not, unless and until they are withdrawn from lodgment, confer the right to attend or vote at, or join in convening, or be counted in the quorum for any meeting of Warrantholders.
- (b) The Company may, without the consent of the Warrantholders but in accordance with the terms of the Instrument, effect any modification to the Warrants or the Instrument, which in their opinion, is to correct a manifest error or to comply with the mandatory provisions of Singapore law. Any such modification shall be binding on the Warrantholders and shall be notified to them in accordance with Condition 12 immediately thereafter.
- (c) Notwithstanding anything in these Conditions and except where the alterations are made pursuant to the Conditions, no material alteration to the terms of the Warrants after the issue thereof to the advantage of the Warrantholders shall be made unless first approved by the Shareholders in general meeting, and, if necessary, SGX-ST.

12. NOTICES

- (a) Every Warrantholder shall register with the Company and B.A.C.S Private Limited the Registrar an address to which copies of notices can be sent. Any notice or document may be given or served by the Company on any Warrantholder either personally or by sending it by post in a prepaid letter addressed to such Warrantholder at his registered address as recorded in the Register of Warrantholders or by facsimile transmission to any facsimile number notified by such Warrantholder to the Company.
- (b) Any copy of notices given pursuant to the provisions of this Condition with respect to Warrants standing in the names of joint holders shall be given to whichever of such persons is named first in the Register of Warrantholders and such notice so given shall be sufficient notice to all the other joint holders of such Warrants.
- (c) Proof of posting or despatch of any notice shall be deemed to be proof of receipt on the next Market Day after posting. Any notice given by facsimile transmission shall be deemed to have been served in the absence of an indication of failure of transmission when transmitted.
- (d) The Company shall, not later than one month before the Expiration Date, notify the Warrantholders in writing of the Expiration Date and such notice shall be delivered by post to the registered addresses of the Warrantholders as recorded in the Register of Warrantholders.

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13. PURCHASE BY THE COMPANY

The Company may at any time purchase Warrants at any price by tender or private treaty. Any Warrants so purchased may, at the discretion of the Company, be held, resold, reissued or surrendered for cancellation, and Warrants so reissued or resold shall for all purposes be deemed to form part of the original series of the Warrants.

14. STAMP DUTY AND EXPENSES

The Company will pay:

- (a) all stamp duties and other similar duties or taxes payable on or in connection with the constitution and initial issue of the Warrants, the distribution of the Warrants, the issue of the Warrant Shares and the execution of the Instrument. Any other stamp duties, or other similar duties or taxes (if any) arising from the exercise of the Warrants will be for the account of the Warrantholder; and
- (b) all expenses and costs charged by the Depository in connection with the issue or distribution of the Warrants.

15. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

The Contracts (Rights of Third Parties) Act 2001 of Singapore shall not under any circumstances apply to these Conditions and any person who is not a party to these Conditions (whether or not such person shall be named, referred to, or otherwise identified, or form part of a class of persons so named, referred to or identified, in these Conditions), other than a Warrantholder, shall have no right whatsoever under any provisions of the Contracts (Rights of Third Parties) Act 2001 of Singapore to enforce these Conditions or any of its terms.

16. GOVERNING LAW

The Warrants and the Instrument are governed by, and shall be construed in accordance with, the laws of Singapore.

17. JURISDICTION AND DISPUTE RESOLUTION

This Warrant and all actions arising out of or in connection with this Instrument shall be governed by and construed in accordance with the laws of Singapore, and the courts of Singapore shall have exclusive jurisdiction to settle any dispute arising out of or in connection with this Instrument.

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Notes:

- (1) The attention of Warranholders is drawn to Rule 14 of The Singapore Code on Take-overs and Mergers and Part VII of the Securities and Futures Act 2001 of Singapore (“SFA”). In general terms, these provisions regulate the acquisition of effective control of public companies. Warranholders should consider the implications of these provisions before they exercise their respective Warrants. In particular, a Warranholder should note that he may be under an obligation to extend a take-over offer for the Company if:
 - (a) he intends to acquire, whether at one time or different times, additional Shares by the exercise of the Warrants or otherwise which (together with Shares owned or acquired by him or persons acting in concert with him) carry 30 per cent. or more of the voting rights of the Company; or
 - (b) he, together with persons acting in concert with him, holds not less than 30 per cent. but not more than 50 per cent. of the voting rights of the Company, and either alone or together with persons acting in concert with him, intends to acquire additional Shares by the exercise of the Warrants or otherwise in any period of 6 months, increasing such percentage of the voting rights by more than one per cent.
- (2) The attention of the Warranholder is drawn to Condition 3(e) relating to the expiry of the Exercise Period for the exercise of the Warrants.
- (3) A Warranholder who, after the exercise of his Warrants, holds not less than five per cent. of the aggregate of the nominal amount of the voting shares in the Company or (if he already holds not less than five per cent in the manner as aforesaid) increases his percentage shareholding in the Company, so as to result in his aggregate percentage shareholding in the Company crossing the next whole number, is under an obligation to notify the Company of his interest in the manner as set out in Part VII of the SFA.

EQUITY VALUATION SUMMARY LETTER



Cushman & Wakefield VHS Pte Ltd
88 Market Street, #47-01,
CapitaSpring
Singapore 048948
Tel +65 6535 3232
Fax +65 6535 1028
www.cushmanwakefield.com

1 December 2022

MM2 Asia Ltd.
1002 Jalan Bukit Merah
#07-11 Singapore 159456

Valuation Summary Letter for MM2 Asia Ltd.

1. Introductions

Cushman & Wakefield VHS Pte Ltd ("C&W" or "Valuer") has been appointed by MM2 Asia Ltd. ("MM2 Asia" or the "Company") to undertake an independent valuation of 100% equity interest in the capital of mm Connect Pte Ltd ("mm Connect" or the "Target Company") and its subsidiaries ("mm Connect Group" or the "Target Group") as at 31 August 2022 (the "Valuation Date").

mm Connect is a wholly owned subsidiary of the Company, which holds 100% equity interests in mm2 Screen Management Sdn Bhd ("MSM"), mm2 Star Screen Sdn Bhd ("MSS"), Cathay Cineplexes Pte Ltd ("Cathay Cineplexes" or "CCPL") and mm Plus Pte Ltd.

The Company is a company initially listed on the Catalist in 2014 and was transferred to the Mainboard of Singapore exchange in 2017. On 16 June 2022, the Company has entered into a term sheet with UOB Kay Hian Private Limited ("UOB Kay Hian") as arranger in relation to a proposed issue of exchangeable bonds ("Exchangeable Bonds") coupled with detachable warrants by the Company. The Company has on 23 September 2022 entered into a subscription agreement with UOB Kay Hian (as subscriber on a bought deal basis).

The Exchangeable Bonds are exchangeable, at the election of the bondholder, into shares of the Target Company. The Target Group is engaged in the management and operation of cinemas in Singapore and Malaysia ("Exchange Right").

The Exchange Right is exercisable during the two calendar week period preceding the second anniversary of the bond issue. Upon exercise of the Exchange Right, the investor(s) will receive new and/or existing mm Connect shares constituting 60% of the enlarged share capital of mm Connect (the "Exchange").

Our valuation summary letter ("Summary"), which has been prepared for public disclosure purpose for shareholders' consideration pursuant to the Proposed Acquisition and should be read in conjunction with the full valuation report dated 1 December 2022 ("Full Report").

Unless otherwise defined, all capitalised terms used herein shall bear the same meanings as ascribed to them in the Full Report

2. Terms of reference

Cushman & Wakefield VHS Pte Ltd ("C&W" or "Valuer") has been appointed to undertake an independent valuation of 100% equity interest in the capital of Target Group. We were neither a party to the negotiations entered into by the Company and its subsidiaries (the "Group") in relation to the Exchange nor were we involved in the deliberation leading up to the decision on the part of the management of the Company, Group and/or Target Group (the "Management") to enter into the Exchange and we do not, by the Summary or Full Report or otherwise, advise or form any judgement on the merits of the Exchange. We do not warrant the merits of the Exchange or the acceptability of the risk for the Exchange.

We have confined our evaluation strictly and solely on the financial of the Target Group and have not taken into account the commercial/financial risks and/or merits (if any) of the Exchange or the strategic merits or the comparison with other deals involving shares of the Company, Group and/or Target Group. We were not required to comment on or evaluate the methods or procedures used by the Target Group to manage the change in any risk profile of the Company, Group and/or Target Group in the context of possible changes in the nature of operations. Such evaluation or comment remains the responsibility of the Management although we may draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our view as set out in the Summary or the Full Report.

We were not requested or authorised to solicit, and we have not solicited, any indications of interest from any third party with respect to the Exchange. In addition, we do not express any views or opinion on the merits of the Exchange, the legality or any other matters pertaining to the Exchange, documents for the Exchange (the notice of meeting and the accompanying explanatory notes), *inter alia*, the independence of any party or mechanism or process of voting, acceptance, its eligibility or validity or the other alternatives (if any) or the sufficiency of information.

In the course of our evaluation, we have held discussions with, *inter alia*, the Management, regarding their assessment of the Exchange and have examined publicly available information collated by us as well as the financial information, both written and verbal, provided to us by the Management, including its consultants or advisers (where applicable). We have not independently verified such information but have made enquiries and used our judgement as we deemed necessary on such information and have found no reason to doubt the reliability of the information. Accordingly, we cannot and do not expressly or impliedly represent or warrant, and do not accept any responsibility for, the accuracy, completeness or adequacy of such information or the manner in which it has been classified or presented.

ANNEX C

Valuation of 100% equity interest in the capital of the Target Group



We do not warrant and have not commented on the acceptability of the risk that the Company, Group and/or Target Group may be subject to for the Exchange.

We were not required to and have not made any independent evaluation or appraisal of the individual assets and liabilities (including without limitation, real property) of the Target Group (where applicable). Our opinion in this Summary is based on economic conditions, market, industry, monetary and other conditions (if applicable) in effect on, and the information provided to us, as at the Valuation Date. Accordingly, the bases or assumptions and likewise our views or opinion may change in light of developments which *inter alia*, includes general as well as company specific or industry specific conditions or sentiments or factors.

Users of this Summary should note that the evaluation is based solely on publicly available information and other information provided by the Management as well as the economic and market conditions prevailing as at the Valuation Date, and therefore does not reflect unexpected financial performance and financial condition after the Valuation Date or developments both macro and company specific and that these factors do and will necessarily affect the valuation of the interests in the capital of the Target Group. Likewise, this Summary outlines some of the matters or bases or factors or assumptions which we have used in our valuation and is a summary. They are by no means exhaustive or a reproduction of all the matters or bases or factors or assumptions etc. which we have used in the valuation.

In rendering the opinion, we have made no regard for the general or specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any individual shareholder of the Company, Group and/or Target Group (the "Shareholder"). As such, any individual Shareholder who may require advice in the context of his or her specific investment portfolio, including his or her investment in the Company, Group and/or Target Group, should consult his or her stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

Accordingly, any factor or assumption or basis as well as the relative emphasis on any matter set out in this Summary and provided by the Company, Group and/or Target Group which we used or may have used may differ from the relative emphasis accorded by any individual Shareholder and that any reliance on our opinion or view or assessment, is subject to the contents of the Summary and the Full Report in its entirety.

Accordingly, our Summary, Full Report with opinion or views or recommendation should not be used or relied by anyone for any other purposes and should only be used by Company, subject to the terms of reference and the contents of the Summary and Full Report as one of the basis for their opinion or views or recommendation. In addition, any references to our Summary or Full Report or opinion or views, should not be made except with our prior consent in writing and even if made with our prior consent in writing, shall be subject to the contents of the Summary or the Full Report in its entirety *inter alia* the matters, conditions, assumptions, factors and bases as well as our terms of reference for the Summary or the Full Report.

3. Bases of Valuation

The valuation has been prepared in accordance with International Valuation Standards.

Bases

The subject matter has been valued on the basis of Market Value as at the Valuation Date which is defined as follows:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

4. Assumptions and Reservations

Assumptions

In preparing our assessment, we have made the following key assumptions in our valuation and these apply throughout unless otherwise stated:

- The financial information provided accurately reflects the Target Group's financial and operating position and performance.
- The financial statements were prepared in accordance with accounting principles generally accepted internationally on a true and fair basis.
- The Management has provided us the financial projections from 1 September 2022 to the financial year ending 31 March ("FY") 2026. To its best knowledge, the Management is solely responsible for the contents, estimation and the assumptions used in the projections.
- Unless otherwise stated, the Target Group shall continue to operate as a going concern and it has sufficient liquidity to achieve the financial forecasts and projections.
- There will not be any material changes in the political and/or economic conditions under which the Target Group operates that may adversely affect the future prospects of the Target Group.
- There are no other liabilities, including any contingent liabilities, unusual contractual obligations or substantial commitments which would have a material effect on the value of the Target Group.
- The current owners of the Target Group have clear and unencumbered title of ownership over all assets included in this assessment.
- There are no material changes in existing political, legal or regulatory (including changes in legislation, laws, regulations, government policies or rules), fiscal, market or economic conditions in the Target Group's countries of operations.
- There will be no material change in inflation, interest rates or exchange rates from those prevailing as at the Valuation Date.
- There will be no material changes in the bases or rates of taxation or duties.

ANNEX C

Valuation of 100% equity interest in the capital of the Target Group



- The Target Group's operations and business will not be severely interrupted by any force majeure event or unforeseeable factors or any unforeseeable reasons that are beyond the control of the Management, including but not limited to the occurrence of natural disasters or catastrophes, epidemics or serious accidents.

Other assumptions specific to a particular valuation approach or certain observations and conclusions are outlined in the ensuing sections of the Summary.

It should be noted that the valuation of the Target Group critical upon the following key value drivers:

- The Target Group continues to operate as a going concern and is able to meet all its financial obligations.
- The Target Group's sales, costs, and net profit continue to grow according to the forecast. Their capital expenditure and working capital requirements are estimated accurately in the projections.
- The Target Group has sufficient operational resources to support the projected turnover and profitability.
- The Target Group continues to maintain costs in accordance with the forecast.

Any deviation from the above key drivers and forecasts may significantly vary the valuation of the Target Group.

The valuation is largely based on information provided to us by the Management who are solely responsible for their contents/accuracy. We have not performed any work in the nature of an audit, due diligence or investigation of the information provided to us and accordingly have not expressed any such opinion in this Summary. Further, we have not carried out any work in the nature of a feasibility study, nor have we expressed a viability opinion on any transactions including the Exchange. We have also not verified or confirmed information provided to us and have assumed that all such information is accurate and is not subject to material error or omission.

For this exercise, we have considered published market data and other public information relating to the comparable companies on international stock exchanges. We are not responsible as to their content and accuracy in deriving parameters such as country risk rate for purposes of valuation. Such information was obtained from Bloomberg and other sources, where applicable.

Reservations

The value conclusions reflect all information known by the valuers of C&W who worked on the valuation in respect of the equity interest in the capital of the Target Group, market conditions and available data.

5. General Comment

A valuation is a prediction of price, not a guarantee. By necessity it requires the valuer to make subjective judgements that, even if logical and appropriate, may differ from those made by a lessee, or another valuer. Historically, it has been considered that valuers may properly conclude within a range of possible values.

Market Value of the subject matter can change substantially, even over short periods of time, and so our opinion of value could differ significantly if the Valuation Date was to change.

The outbreak of the COVID-19, declared by the World Health Organisation as a "Global Pandemic" on 11 March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries. The markets that the Target is valued in are being impacted by the uncertainty that the COVID-19 outbreak has caused. Market conditions are changing daily at present.

This valuation is current at the Valuation Date only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of factors that the Valuer could not reasonably have been aware of as at the Valuation Date). We do not accept responsibility or liability for any losses arising from such subsequent changes in value. As such, we recommend that the user(s) of this Summary review this valuation periodically.

We have no present or prospective interest in the Target Group and are not a related corporation of nor do we have a relationship with the owner(s) or other party/parties whom the client is contracting with.

The valuers' compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the Company, Group and/or Target, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

We hereby certify that the valuers undertaking the valuation are authorized to practice as valuers and have the necessary experience in valuing similar types of assets. Any discrepancies in tables included herein between the amounts and the totals thereof are due to rounding; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

6. Valuation Methodology

We have considered the 3 valuation approaches namely Income Approach, Market Approach and Cost Approach and have adopted the most appropriate valuation approaches to the entities within the Target Group based on their nature and circumstances.

A sum-of-the-parts method is applied to value the Target Group based on the values of different segments by locations. The values of (1) the Singapore segment, that is, CCPL, (2) the Malaysia segment, that is, MSM and MSS, and (3) the values of cash and other net excess assets held by the Target Company and any other non-operating intermediate holding companies are separately valued and aggregated.

6.1 The Singapore and Malaysia businesses

We have adopted mainly Income Approach as the primary approach and Market Approach as reference. The rationale for adopting Income Approach lies in the present value rule, i.e. the value of any asset or enterprise value is the present value of expected future cash flows, discounted at a rate appropriate to the risk of the cash flows not being realised. Given that the business operations had been established for several years with existing earning records, the use of Income Approach as the primary approach is considered to be appropriate.

As such, we have relied solely on the DCF (Discounted Cash Flow) method under Income Approach in assessing the equity value of the Target Group. We have adopted the following parameters in our valuation:

- Financial projections provided by the Management for the period from 1 September 2022 to financial year ending 31 March ("FY") 2026. The projection is extended for 3 and 5 more years to FY2029 and FY2031 for the Singapore and Malaysia businesses respectively to derive a normalised free cash flow for terminal value derivation.
- The weighted average costs of capital ("WACC") of 11.5% and 13.5% are applied for the Singapore and Malaysia operations respectively.
- A discount for lack of marketability ("DLOM") of 20.0% is applied to reflect the illiquid or less marketable status of the Target Group.
- According to Management, the net amount payable by the Target Group to MM2 Asia Ltd. and its subsidiaries will be capitalized as Share Capital in the Target Company. Any convertible bonds and notes issued by the Target Group are assumed to be settled by the Company.

Based on the DCF method, the derived enterprise values of the Singapore and Malaysia segments ranges from SGD 84.1 million to SGD 120.2 million and SGD 11.7 million to SGD 16.1 million respectively as at Valuation Date. The values of 100% equity interest in the Target Group are then derived by taking enterprise value,

ANNEX C

Valuation of 100% equity interest in the capital of the Target Group



subtracting debt & non-operating payables, adding excess cash & other surplus and applying the marketability discount. As such, based on DCF Method, the Market Value of 100% equity interest in the capital of the Target Group as at the Valuation Date ranges from SGD 77.6 million to SGD 110.0 million.

We have applied the Market Approach to value the Target Group for cross-checking purpose. Enterprise value to earnings before interest, tax, depreciation and amortisation ("EV/EBITDA") and Enterprise value to sales ("EV/Sales") multiple methods are applied respectively to value the Singapore and Malaysia business segments. The FY2022 financial results are adopted as the base earning in the valuations.

The Cost Approach is not adopted because it does not directly incorporate information fully about the future economic benefits expected to be derived by the various business segments of the Target Group.

7. Conclusion

Having regard to the foregoing, we are of the opinion that the Market Value of the 100% equity interest in the capital of the Target Group as at Valuation Date, subject to the assumption stated herein, is in the region of: -

SGD 77.6 million to SGD 110.0 million

Signed for and on behalf of C&W.

A handwritten signature in blue ink, appearing to read "Jack Leung", with a horizontal line extending from the end of the signature.

Jack Leung

CVA, CFA, FRM

Director, Business Valuations

NOTICE OF EXTRAORDINARY GENERAL MEETING

MM2 ASIA LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 201424372N)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of mm2 Asia Ltd. (the “**Company**”) will be held by electronic means on Saturday, 17 December 2022 at 1.30 p.m., for the purpose of considering and, if thought fit, passing with or without modifications, the ordinary resolutions set out below.

All capitalised terms in the resolution below shall, unless otherwise defined herein, have the respective meanings ascribed to them in the circular to shareholders of the Company dated 2 December 2022.

Ordinary Resolutions

RESOLUTION 1: THE PROPOSED SUBSCRIPTION BY UOB KAY HIAN PRIVATE LIMITED FOR EXCHANGEABLE BONDS (WITH ATTACHED BUT IMMEDIATELY DETACHABLE WARRANTS)

RESOLVED THAT:

- (a) Subject to and conditional on the passing of Resolution 2, the approval be and is hereby given for the Company to enter into the Proposed Transaction in accordance with the terms and conditions of the Subscription Agreement;
- (b) the directors of the Company and each of them be and are hereby authorised and empowered to implement, effect, complete and do all such acts and things (including without limitation executing all such documents as may be required), and to approve, modify, ratify and execute such documents, acts and things as they may consider necessary, desirable or expedient to give effect to this resolution and in connection with the Proposed Transaction;
- (c) pursuant to Section 161 of the Companies Act, and Rule 805(1) and Rule 824 of the Mainboard Rules, approval be and is hereby given (notwithstanding that the issue thereof may take place after the next or ensuing annual or other general meeting of the Company) for:
 - (a) the creation, allotment and issue by the Company of up to 250,000,000 non-listed Warrants, each Warrant carrying the right to subscribe for one (1) Warrant Share at the Warrant Exercise Price during the Warrant Exercise Period, subject to and otherwise in accordance with the terms and conditions endorsed on the Warrant Certificate(s) (the “**Warrant Conditions**”);
 - (b) the creation, allotment and issue of such Additional Warrants as may be required or permitted to be issued in accordance with the adjustment events as set out in the Warrant Conditions (any such Additional Warrants to rank *pari passu* with the Warrants and for all purposes to form part of the same series, save as otherwise be provided in the Warrant Conditions);
 - (c) the allotment and issue of, upon exercise of the Warrants, such number of Warrant Shares as may be required or permitted to be allotted and issued to the relevant Warrant holder(s) on the exercise of the Warrants subject to and otherwise in accordance with the Warrant Conditions, such Warrant Shares to be credited as fully paid when issued and ranking for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the relevant Warrant Exercise Date, and, subject as aforesaid, *pari passu* in all other respects with the then existing Shares; and

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (d) the allotment and issue of, on the same basis as sub-paragraph (iii) above, such additional Warrant Shares as may be required to be allotted and issued on the exercise of any Additional Warrants referred to in sub-paragraph (ii) above, such additional Warrant Shares to be credited as fully paid when issued and ranking for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the relevant Warrant Exercise Date, and, subject as aforesaid, *pari passu* in all other respects with the then existing Shares; and
- (d) the directors of the Company and each of them be and are hereby authorised and empowered to implement, effect, complete and do all such acts and things (including without limitation executing all such documents as may be required), and to approve, modify, ratify and execute such documents, acts and things as they may consider necessary, desirable or expedient to give effect to this resolution and in connection with the Proposed Warrants Issue.

RESOLUTION 2: THE PROPOSED TRANSFER OF INTEREST IN MM CONNECT PTE LTD IN THE EVENT THAT THE EXCHANGE RIGHT OR THE REDEMPTION SUBSTITUTE SETTLEMENT IS EXERCISED PURSUANT TO THE PROPOSED TRANSACTION

RESOLVED THAT:

- (a) Subject to and conditional on the passing of Resolution 1, pursuant to Rule 1014 of the Mainboard Rules, approval be and is hereby given for the Company to undertake the proposed transfer of interest in mm Connect Pte Ltd in the event that the Exchange Right or the Redemption Substitution Settlement is exercised pursuant to the proposed transaction (the “**Proposed Transfer**”);
- (b) the Directors be and are hereby authorised to from time to time amend, modify and/or supplement the terms of the Proposed Transfer and/or the Subscription Agreement such Directors or any of them may deem appropriate; and
- (c) the directors of the Company and each of them be and are hereby authorised and empowered to implement, effect, complete and do all such acts and things (including without limitation executing all such documents as may be required), and to approve, modify, ratify and execute such documents, acts and things as they may consider necessary, desirable or expedient to give effect to this resolution and in connection with the Proposed Transfer.

By Order of the Board

Melvin Ang Wee Chye
Executive Chairman
2 December 2022

Notes:

1. The Extraordinary General Meeting (“**EGM**”) is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meeting for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. **Shareholders will not be allowed to attend the EGM in person.** However, the alternative arrangement has been provided to allow the shareholders to participate and vote at the EGM via electronic means. Printed copies of this Notice and the Circular dated 2 December 2022 will not be sent to members. Instead, this Notice and the Circular dated 2 December 2022 will be sent to members by electronic means via publication on the SGX website at <https://www.sgx.com/securities/company-announcements> and on the Company’s website at <https://www.mm2asia.com>.

NOTICE OF EXTRAORDINARY GENERAL MEETING

2. Alternative arrangements are put in place to allow shareholders to participate in the EGM by:
 - (a) watching or listening to the EGM proceedings via a Live Webcast (as defined below). Shareholders who wish to participate as such will have to pre-register in the manner outlined in paragraphs (3) to (7) below;
 - (b) submitting questions in advance of or “live” at the EGM. Please refer to paragraphs (8) to (13) below for further details; and
 - (c) voting (i) “live” by the Shareholders themselves or their duly appointed proxy(ies) (other than the Chairman of the EGM) via electronic means; or (ii) by appointing the Chairman of the EGM as proxy to vote on their behalf at the EGM. Please refer to paragraphs (14) to (19) below for further details.

Participation in the EGM via live webcast or live audio feed

3. A shareholder of the Company or their corporate representatives (in the case of a member which is a legal entity) will be able to watch or listen to the proceedings of the EGM through a live webcast via mobile phone, tablet or computer (“**Live Webcast**”). In order to do so, the member must pre-register by 1.30 p.m. on 14 December 2022, being seventy-two (72) hours before the time appointed for the EGM (“**Registration Cut-Off Time**”), at the following URL: <https://conveneagm.com/sg/mm2asiaegm2022> (“**MM2 EGM Website**”), to create an account.
4. Following authentication of his/her/its status as a shareholder of the Company, such shareholder will receive an email on their authentication status and will be able to access the Live Webcast using the account created.
5. Shareholders who have pre-registered by the Registration Cut-Off Time in accordance with paragraph (3) above but do not receive the aforementioned email by 1.30 p.m. on 15 December 2022 should contact the Company at the following email address: ir@mm2asia.com, with the following details included:
 - (a) the member’s full name; and
 - (b) his/her/its identification/registration number.
6. Investors who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act) (including those who hold shares under the Central Provident Fund Investment Scheme and/or the Supplementary Retirement Scheme) and who wish to observe and/or listen to the EGM proceedings or submit questions in advance of the EGM, should contact their respective relevant intermediaries (including CPF Agent Banks or SRS Operators) as soon as possible in order to make the necessary arrangements for them to do so.
7. A Depositor shall not be regarded as a member of the Company entitled to observe and/or listen to the EGM proceedings and to exercise his voting rights thereat unless his name appears on the Depository Register as at seventy-two (72) hours before the EGM.

Submission of questions in advance of or “live” at the EGM

8. Shareholders and Investors may submit substantial and relevant textual questions related to the resolution to be tabled for approval for the EGM in advance of, or “live” at, the EGM.

How to submit questions in advance of EGM

9. Shareholders and Investors may submit textual questions in advance of the EGM in the following manner:
 - (a) via the MM2 EGM Website; or
 - (b) by post to the Company’s registered office at 1002 Jalan Bukit Merah, #07-11 Singapore 159456.

All questions submitted in advance of the EGM must be received by the Company no later than 9 December 2022 at 1.30 p.m to be treated as valid.

10. Shareholders and Investors submitting questions are required to state:
 - (a) their full name as it appears on his/her/its CDP/CPF/SRS records;
 - (b) their identification/registration number; and
 - (c) the manner in which his/her/its shares in the Company are held (e.g. via CDP, CPF, or SRS), failing which the Company shall be entitled to regard the submission as invalid and not respond to the question(s) submitted.
11. The Company will endeavour to address all substantial and relevant questions relating to the resolution to be tabled for approval at the EGM as received from Shareholders and Investors before the EGM on SGXNET and the Company’s website at mm2 EGM Website at least forty-eight (48) hours prior to the closing date and time for the lodgment of the proxy forms no later than 12 December 2022 at 1.30 p.m or during the EGM.

NOTICE OF EXTRAORDINARY GENERAL MEETING

12. The Company will publish the minutes of the EGM on SGXNET and the Company's website within one month after the date of the EGM and the minutes will include the responses to the questions referred to above.

How to submit questions "live" at the EGM

13. Shareholders and Investors may submit textual questions "live" at the EGM in the following manner:
- (a) Shareholders or where applicable, their appointed proxy(ies) and Investors who have pre-registered and are verified to attend the EGM can ask questions relating to the ordinary resolution tabled for approval at the EGM "live" at the EGM, by typing in and submitting their questions through the "live" ask-a-question function via the audio-visual webcast platform during the EGM within a certain prescribed time limit.
 - (b) Shareholders who wish to appoint a proxy(ies) (other than the Chairman of the EGM) to ask questions "live" at the EGM on their behalf must, in addition to completing and submitting an instrument appointing a proxy(ies), ensure that their proxy(ies) pre-register separately via the registration link that will be sent to the appointed proxy(ies) via email by the EGM service provider, Convene SG, upon verification of the Proxy Form(s).
 - (c) Shareholders (including CPF and SRS Investors) or, where applicable, their appointed proxy(ies) must access the EGM proceedings via the "live" audio-visual webcast in order to ask questions "live" at the EGM, and will not be able to do so via the audio-only stream of the EGM proceedings.
 - (d) The Company will, during the EGM itself, address as many substantial and relevant questions (which are related to the resolution to be tabled for approval at the EGM) which have not already been addressed prior to the EGM, as well as those received "live" at the EGM itself, as reasonably practicable. Where there are substantially similar questions, the Company will consolidate such questions; consequently, not all questions may be individually addressed.

Submission of instrument appointing a proxy(ies) to vote, or vote "live", at the EGM

14. Shareholders who wish to exercise their voting rights at the EGM may:
- (a) (where such shareholders are individuals) vote "live" via electronic means at the EGM or (where such shareholders are individuals or corporates) appoint a proxy(ies) (other than the Chairman of the EGM)[#] to vote "live" via electronic means at the EGM on their behalf; or

[#] For the avoidance of doubt, CPF and SRS investors will not be able to appoint third party proxy(ies) (i.e., persons other than the Chairman of the EGM) to vote "live" at the EGM on their behalf.
 - (b) (where such shareholders are individuals or corporates) appoint the Chairman of the EGM as their proxy to vote on their behalf at the EGM.
 - Shareholders (including CPF and SRS investors) and, where applicable, appointed proxy(ies), who wish to vote "live" at the EGM must first pre-register at the MM2 EGM Website via the URL: <https://conveneagm.com/sg/mm2asiaegm2022>
 - Shareholders (whether individual or corporate) appointing the Chairman of the EGM as proxy must give specific instructions as to his manner of voting, or abstentions from voting, in the proxy form, failing which the appointment for the resolution will be treated as invalid.

15. A member who is not a Relevant Intermediary*, entitled to attend and vote at the EGM is entitled to appoint not more than two proxies to attend, speak and vote in his/her stead at the EGM of the Company. Where a member appoints more than one proxy, he/she shall specify the proportion of his/her shareholding to be represented by each proxy in the proxy form. A proxy need not be a member of the Company. The accompanying proxy form for the EGM may be accessed via the MM2 EGM Website, the Company's corporate website at the URL: <http://www.mm2asia.com>, and will also be made available on the SGX website at the URL: <https://www.sgx.com/securities/company-announcements>.

16. A member who is a relevant intermediary may appoint one or more proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member.

17. The instrument appointing a proxy or proxies must be submitted to the Company in the following manner:

- (a) in the electronic format accessible on the MM2 EGM Website;
- (b) if submitted by post, be lodged at the Company's registered office of the Company at 1002 Jalan Bukit Merah, #07-11 Singapore 159456; or
- (c) if submitted electronically, be submitted via email to main@zicoholdings.com,

in either case **by no later than the Registration Cut-Off Time**.

In the case of submission of the Proxy Form other than via the MM2 EGM Website, a member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the current COVID-19 situation, members are strongly encouraged to submit completed proxy forms electronically via email.

NOTICE OF EXTRAORDINARY GENERAL MEETING

18. In the case of submission of the Proxy Form other than via the MM2 EGM Website, the instrument appointing the proxy or proxies must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing the proxy or proxies is executed by a corporation, it must be executed either under its common seal or signed on its behalf by its attorney duly authorised in writing or by an authorised officer of the corporation. Where the instrument appointing the proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument, failing which the instrument may be treated as invalid.
19. An investor who holds shares under the CPF Investment Scheme (“**CPF Investor**”) and/or the Supplementary Retirement Scheme (“**SRS Investor**”) (as may be applicable) and wishes to vote, should approach their respective CPF Agent Banks and/or SRS Operators to submit their votes to appoint the Chairman of the EGM as their proxy, at least seven (7) working days before the EGM in order to allow sufficient time for their relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the EGM to vote on their behalf not less than seventy-two (72) hours before the time for holding the EGM.
20. A Depositor’s name must appear on the Depository Register maintained by CDP as at seventy-two (72) hours before the time fixed for holding the EGM in order for the Depositor to be entitled to vote.

*“Relevant Intermediary” means:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore 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 of Singapore, 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.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM 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 EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (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**”), and (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.

PROXY FORM

MM2 ASIA LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 201424372N)

PROXY FORM

IMPORTANT	
1.	The Extraordinary General Meeting (“EGM”) is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meeting for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of the Notice of EGM and the Circular dated 2 December 2022 will not be sent to members. Instead, the Notice of EGM and the Circular dated 2 December 2022 will be sent to members by electronic means via publication on the SGX website at www.sgx.com and on the Company’s website at https://www.mm2asia.com .
2.	A member will not be able to attend the EGM in person. Alternative arrangements relating to the attendance of the EGM through electronic means, as well as conduct of the EGM and relevant guidance with full details are set out in the Notice of EGM dated 2 December 2022, which can be accessed via the SGX website at: https://www.sgx.com/securities/company-announcements and on the Company’s website at https://www.mm2asia.com .
3.	An investor who holds shares under the Central Provident Fund Investment Scheme (“CPF Investor”) and/or the Supplementary Retirement Scheme (“SRS Investor”) and wishes to vote should approach their respective CPF Agent Banks and/or SRS Operators to submit their votes to appoint the Chairman of the EGM as their proxy, at least seven (7) working days before the EGM.
4.	This Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We _____ (Name) _____ (NRIC/Passport/Registration Number) of _____ (Address)

being a member/members of MM2 ASIA LTD. (the “Company”) hereby appoint:

Name	Address	Email Address [^]	NRIC/Passport Number	Proportion of Shareholdings	
				No. of Shares	%

*and/or (delete as appropriate)

Name	Address	Email Address [^]	NRIC/Passport Number	Proportion of Shareholdings	
				No. of Shares	%

[^] Appointed proxy(ies) will be prompted via email (within 2 business days after the Company’s receipt of a validly completed and submitted proxy form) to pre-register at the pre-registration website which is accessible from the URL: <https://conveneagm.com/sg/mm2asiaegm2022> in order to access the “live” audio-visual webcast or “live” audio-only stream of the EGM proceedings

the Chairman of the EGM of the Company, as *my/our proxy/proxies to attend and vote for *me/us on *my/our behalf at the EGM to be held by way of electronic means on Saturday, 17 December 2022 at 1.30 p.m. and at any adjournment thereof. *I/We direct my/our proxy/proxies to vote for or against or abstain from voting on the Resolutions proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, the appointment of the Chairman of the EGM as proxy for the resolution will be treated as invalid at the EGM and at any adjournment thereof.

	No. of Votes ‘For’ ^{***}	No. of Votes ‘Against’ ^{***}	No. of Votes ‘Abstain’ ^{***}
ORDINARY RESOLUTION 1			
To approve the proposed subscription by UOB Kay Hian Private Limited for Exchangeable Bonds (with attached but immediately detachable warrants)			
ORDINARY RESOLUTION 2			
To approve the proposed transfer of interest in mm Connect Pte Ltd in the event that the Exchange Right or the Redemption Substitute Settlement is exercised pursuant to the proposed transaction			

Delete where inapplicable

^{**} If you wish to exercise all your votes ‘For’ or ‘Against’ or ‘Abstain’, please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box for the resolution, you are directing your proxy not to vote on the resolution on a poll and your votes will not be counted in computing the required majority on a poll.

Signed this _____ day of _____ 2022

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature of Member and/or Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF

PROXY FORM

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 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, 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, this proxy form shall be deemed to relate to all the shares held by you.

2. **In light of the current COVID-19 measures in Singapore, members will not be able to attend the EGM in person.** If a member (individual or corporate) wishes to exercise his/her/its voting rights at the EGM, he/she/it may:

(a) (where the member is an individual) vote "live" via electronic means at the EGM or (where the member is an individual or a corporate) appoint a proxy(ies) (other than the Chairman of the EGM)[#] to vote "live" via electronic means at the EGM on his/her/its behalf; or

[#] For the avoidance of doubt, CPF and SRS investors will not be able to appoint third party proxy(ies) (i.e., persons other than the Chairman of the EGM) to vote "live" at the EGM on their behalf.

(b) (where the member is an individual or corporate) appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM.

In appointing the Chairman of the EGM as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment for the resolution will be treated as invalid.

3. A member of the Company who is not a Relevant Intermediary entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
4. Where a member who is not a Relevant Intermediary appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
5. A member who is a Relevant Intermediary may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified).
6. Subject to paragraph (9) below, completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the EGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Live Webcast of the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the EGM.
7. The instrument appointing a proxy or proxies must be submitted to the Company in the following manner:

(a) via the following URL: <https://conveneagm.com/sg/mm2asiaegm2022> ("**MM2 EGM Website**"), in the electronic format accessible on the MM2 EGM Website;

(b) if submitted by post, be lodged at the Company's registered office of the Company at 1002 Jalan Bukit Merah, #07-11 Singapore 159456; or

(c) if submitted electronically, be submitted via email at main@zicoholdings.com,

in either case by no later than 1.30 p.m. on 14 December 2022, being seventy-two (72) hours before the time appointed for the EGM.

In the case of submission of the Proxy Form other than via the MM2 EGM Website, a member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the current COVID-19 situation, members are strongly encouraged to submit completed proxy forms electronically either through the MM2 EGM Website or via email to main@zicoholdings.com.

8. In the case of submission of the Proxy Form other than via the MM2 EGM Website, the instrument appointing the proxy or proxies must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing the proxy or proxies is executed by a corporation, it must be executed either under its common seal or signed on its behalf by its attorney duly authorised in writing or by an authorised officer of the corporation. Where the instrument appointing the proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument, failing which the instrument may be treated as invalid.
9. Investor who holds shares under the Central Provident Fund Investment Scheme ("**CPF Investor**") and/or the Supplementary Retirement Scheme ("**SRS Investor**") (as may be applicable) and wishes to appoint the Chairman of the EGM as their proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks and/or SRS Operators to submit their votes at least seven (7) working days before the EGM.

PROXY FORM

* A Relevant Intermediary is:

- (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; or
- (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.

GENERAL:

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 a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY

By submitting an instrument appointing the proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 2 December 2022.