

For Immediate Release

mm2 ASIA REPORTS SUBSTANTIAL JUMP IN REVENUE, GROSS PROFIT AND EBITDA FOR HALF-YEAR ENDED 30 SEPTEMBER 2022

[Singapore, 14 November 2022] **mm2 Asia Ltd.** (“**mm2 Asia**”, “**mm2 全亚影视娱乐有限公司**” or collectively with its subsidiaries, “**the Group**”) today reported its financial results for the half-year ended 30 September 2022 (“1HFY2023”).

“The Group has recorded strong recovery in its financial results for the first half FY2023. This demonstrates that the Group’s businesses are on track to recover to pre-pandemic levels. This is highly encouraging as our cinema and concert businesses did not even operate at full capacity during this period. In addition, the outlook for 2H FY2023 is promising; and in general, the second half of the financial year is expected to perform better than the first,” says Executive Chairman of mm2 Asia, Mr Melvin Ang (洪伟才).

1H FY2023 Financial Summary

- Revenue for the Group were S\$79.0 million, an increase of 71% compared to S\$46.3 million in 1H FY2022
- Gross profit was S\$25.3 million, or 32% of sales, compared to S\$9.4 million, or 20% of sales in 1H FY2022
- EBITDA was S\$17.4 million, compared to S\$11.9 million in 1H FY2022
- Loss before tax was S\$5.3 million, compared to S\$13.0 million in 1H FY2022, an improvement of 59%
- Basic loss per share was S\$0.21, compared to S\$0.51 in 1H FY2022
- Short-term debt decreased by S\$17.3 million or 6% from S\$284.6 million as at 31 Mar 2022 to S\$267.3 million as at 30 Sep 2022
- Current assets increased by S\$8.5 million or 4% from S\$208.3 million as at 31 Mar 2022 to S\$216.8 million as at 30 Sep 2022

Mr Ang adds, “The half-year report is the strongest financial position the Group has been in since the beginning of the pandemic, showing great improvement in all areas. While we are not yet out of the

woods completely, we are proud of the progress of our recovery, and we are optimistic for the future of the content and entertainment industry.”

S\$' Million	1HFY2023	1HFY2022	1HFY2021
Revenue	79.0	46.3	19.9
Gross Profit	25.3	9.4	0.1
Gross Margin (%)	32.0%	20.2%	0.7%
EBITDA *	17.4	11.9	6.2
Net Loss Before Tax	(5.3)	(13.0)	(25.0)
Net Margin (%)	-6.8%	-28.0%	-125.6%
Net Loss To Shareholders	(4.1)	(11.5)	(22.4)
Loss per share (cents)	(0.21)	(0.51)	(1.93)

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

The Group continues with its recovery strategy coming out of COVID-19, growing revenues by approximately S\$32.7 million or 71%, from S\$46.3 million in 1H FY2022 to S\$79.0 million in 1H FY2023. While all segments showed improvement, the increase was driven primarily by the Cinema and Concert businesses, which benefited from the government easing pandemic restrictions such as removing capacity restrictions in cinemas and allowing the resumption of in-person concerts and events.

Cinemas in Singapore and Malaysia have been operating at full capacity since end-April 2022, and audiences returned to cinemas for the summer blockbusters such as *Top Gun: Maverick* and *Marvel Studio's Thor: Love and Thunder*. Revenues from the Group's cinema business grew approximately S\$16.6 million or 164% from \$10.1 million in 1H FY2022 to S\$26.7 million in 1H FY2023.

The easing of pandemic restrictions has also seen a resumption of in-person concerts. In May 2022, UnUsUaL Entertainment announced that Taiwanese singer A-LIN would be the first performing artiste to perform in Singapore since the start of the pandemic. The concert sold out to a limited capacity audience at the Singapore Indoor Stadium. Further restrictions have since been relaxed and all capacity restrictions have since been lifted. The outlook for the concerts and events business looks strong for the rest of FY2023, driven by record demand and spending on experiences.

Segment Revenue*	1H FY2023	1H FY2022	1H FY2021
Core	43.0	32.8	13.4
Post-Production	1.8	1.2	0.3
Cinema	26.7	10.1	3.6
Concert and Events	6.3	0.4	1.1
Others	1.9	1.9	1.6
Elimination	(0.7)	(0.1)	(0.1)

Total	79.0	46.3	19.9
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**Sales to external parties*

The Group’s post-COVID recovery was fueled in part by the S\$19.5 million raised at the beginning of 1H FY2023, via a placement of 390 million shares.

Additionally, the Group has entered into a Bond Subscription Agreement with UOB Kay Hian to raise S\$54 million via a bond deal exchangeable for shares of the Group’s cinema business. This proposed transaction is pending regulatory and shareholders’ approvals, and the conditions precedent to completion.

“Going forward we expect to continue the upward trend, with strong demand for cinema entertainment during the holiday season through to Chinese New Year, as well as ongoing and increasing demand for concerts and live events now that COVID restrictions have been lifted,” says Mr. Ang.

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About mm2 Asia

Headquartered in Singapore, mm2 Asia Ltd. (“mm2 Asia”, or together with its subsidiaries, the “Group”) champions “Content and Media for Asia”, with integrated businesses across the content, entertainment, cinema, event and concert industries in Singapore, Malaysia, Hong Kong, Taiwan, China and the United States of America.

Since our listing on the Catalist Board of SGX-ST in December 2014, and the successful transfer to the Mainboard of SGX-ST in August 2017, mm2 Asia has strengthened its competitive advantage through its acquisitions of a majority stake in an award-winning virtual reality, visual effects and computer-generated imagery studio, Vividthree Holdings Ltd. (SGX Stock Code: OMK), and an event production and concert promotion company, UnUsUaL Limited (SGX Stock Code: 1D1). With the establishment of mmCineplexes and the acquisition of Cathay Cineplexes Pte. Ltd., mm2 Asia is currently one of the key cinema operators in Malaysia and Singapore. (www.mm2asia.com)

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