

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

PROPOSED PLACEMENT OF UP TO 1,875,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY

- ENTRY INTO PLACEMENT AGREEMENT

1. INTRODUCTION

- 1.1. The board of directors (the **"Board"** or **"Directors"**) of mm2 Asia Ltd. (the **"Company"** and together with its subsidiaries, the **"Group"**) wishes to announce that the Company has on 4 July 2025 entered into a placement agreement (the **"Placement Agreement"**) with UOB Kay Hian Private Limited (the **"Placement Agent"**).
- 1.2. On the terms and subject to the conditions set out in the Placement Agreement, the Company has undertaken to offer, by way of a placement, and the Placement Agent has agreed, on a best endeavours basis, to procure subscriptions for, an aggregate of up to 1,875,000,000 fully paid-up ordinary shares (the **"Placement Shares"**) in the capital of the Company (the **"Proposed Placement"**).
- 1.3. The Proposed Placement is not underwritten and will be undertaken by way of an exempt offering in Singapore in accordance with "safe harbour" exemptions under the Securities and Futures Act 2001 of Singapore (the **"SFA"**). Accordingly, no prospectus, offer document or offer information statement will be issued by the Company in connection with the Proposed Placement.

2. THE PROPOSED PLACEMENT

2.1. Placement Price

The placement price (**"Placement Price"**) for each Placement Share shall be the higher of (i) S\$0.008 (**"Minimum Placement Price"**); or (ii) the volume-weighted average price (**"VWAP"**) per ordinary share of the Company (**"Share"**) traded on the Mainboard of the Singapore Exchange Securities Trading Limited (**"SGX-ST"**) over the thirty (30) consecutive trading days immediately preceding the date approval of shareholders of the Company (**"Shareholders"**) is obtained for the Proposed Placement, amounting to an aggregate consideration of up to S\$15.0 million.

The Placement Price was arrived at pursuant to discussions with the Placement Agent, taking into account, amongst others, the prevailing market price of the Shares (i.e. VWAP for trades done on 4 July 2025, being the last full market day on the SGX-ST prior to the execution of the Placement Agreement).

The Minimum Placement Price represents a premium of approximately 14.3% to the VWAP of S\$0.007 for trades done on the SGX-ST for the full market day on 4 July 2025.

2.2. The Placement Shares

- (a) Assuming the successful placement of 1,875,000,000 Placement Shares (“**Maximum Scenario**”), the Placement Shares represent approximately 28.7% of the existing issued and paid-up share capital of the Company comprising 6,535,644,330 Shares (excluding treasury shares and subsidiary holdings) as at the date of this announcement and will represent approximately 22.3% of the enlarged issued and paid-up share capital of the Company of 8,410,644,330 Shares (excluding treasury shares and subsidiary holdings).
- (b) The Placement Shares will be issued free from all claims, pledges, mortgages, charges, liens and encumbrances and shall rank *pari passu* with the then existing issued Shares at the time of the issue except that the Placement Shares will not rank for any dividends, rights, allotments or other distributions, the Record Date for which falls on or before the date of the allotment and issue of the Placement Shares. For the purposes of this paragraph, “**Record Date**” means the date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to or rights of holders of Shares.
- (c) The Placement Shares will not be placed to:
 - (i) any person who is a director or a substantial shareholder of the Company as at the date of this announcement, or any other person in the categories set out in Rule 812(1) of the listing manual (“**Listing Manual**”) of the SGX-ST;
 - (ii) any “interested person” as defined in Chapter 9 of the Listing Manual; and/or
 - (iii) any person whose subscription would result in a transfer of controlling interest as defined in Rule 803 of the Listing Manual,unless such subscription is otherwise agreed to by the Company and the SGX-ST (if required), approved by Shareholders in general meeting, and compliant with the requirements of the Listing Manual.
- (d) In the event that any end-pledgee becomes a substantial shareholder of the Company as a result of the Proposed Placement, a further announcement will be released in accordance with the applicable rules and guidelines of the SGX-ST and the SFA.

2.3. Shareholders’ approval for the issuance of Placement Shares

Pursuant to Section 161 of the Companies Act 1967 of Singapore and Rule 805 of the Listing Manual, the Company will be seeking specific Shareholders’ approval for the allotment and issuance of the Placement Shares at an extraordinary general meeting (“**EGM**”) of the Company to be convened. For the avoidance of doubt, the Company will not be relying on the general share issue mandate approved by Shareholders at the annual general meeting held on 31 July 2024.

3. SALIENT TERMS OF PLACEMENT AGREEMENT

3.1. Placement completion

- (a) Subject to the terms and conditions of the Placement Agreement, completion of the Proposed Placement (the “**Completion**”) shall take place no later than seven (7) business days after the last of the conditions precedent under the Placement Agreement are fulfilled (the “**Completion Date**”), but in any event being a date not later than 30 September 2025 or such other date as the Company and the Placement Agent may mutually agree (the “**Cut-Off Date**”).

- (b) On the Completion Date, against delivery of the relevant documents by the Company in accordance with the terms of the Placement Agreement, the Placement Agent will make payment to the Company of the Net Placement Moneys for all the Placement Shares it procures, by way of wire transfer to a bank account designated by the Company. “**Net Placement Moneys**” refers to the aggregate Placement Price for the Placement Shares, less the commission payable to the Placement Agent and any cost, fees, and expenses reimbursable by the Company to the Placement Agent pursuant to the Placement Agreement.

3.2. **Conditions precedent**

Completion of the Proposed Placement pursuant to the Placement Agreement is conditional upon, *inter alia*, the following conditions:

- (a) the approval in-principle (“**AIP**”) being obtained from the SGX-ST for the dealing in, listing of and quotation for the Placement Shares on the Mainboard of the SGX-ST and not having been revoked or amended and, where the AIP is subject to conditions, to the extent that any conditions for the listing and quotation of the Placement Shares on the SGX-ST are required to be fulfilled on or before Completion Date, they are so fulfilled;
- (b) approval of Shareholders for the Proposed Placement being obtained at the EGM to be convened;
- (c) the “safe harbour” exemptions under the SFA being applicable to the Proposed Placement under the Placement Agreement;
- (d) the allotment, issue and subscription of the Placement Shares not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Placement Agreement by any legislative, executive or regulatory body or authority of Singapore or any other jurisdiction, which is applicable to the Company or the Placement Agent;
- (e) the delivery to the Placement Agent on Completion Date, of a completion certificate, substantially in the form set out in the Placement Agreement, signed on behalf of the Company by its duly authorised officers;
- (f) there not having occurred, in the opinion of the Placement Agent, any Material Adverse Change, or any development reasonably likely to involve a prospective Material Adverse Change, whether or not arising from transactions in the ordinary course of business, subsequent to the date of the Placement Agreement which, in the opinion of the Placement Agent, is or is reasonably likely to be materially adverse in the context of the Proposed Placement or is reasonably likely to prejudice materially the success of the Proposed Placement or dealings in the Placement Shares in the secondary market;
- (g) the representations, warranties and undertakings in the Placement Agreement remaining true and correct in all material respects as at the Completion Date and the Company having performed all of its obligations under the Placement Agreement to be performed on or before the Completion Date; and
- (h) the Placement Agent having received the subscription monies from the subscribers of the Placement Shares in full. In the event that the subscription monies are not received by such a time as stipulated by the Placement Agents, the Placement Agent shall have the discretion to terminate the Placement Agreement and the obligations of the Placement Agent under the Placement Agreement shall cease.

For the purposes of this section 3.2, “**Material Adverse Change**” means any material adverse change, or any development involving a prospective material adverse change, in the condition, financial or otherwise, or in the earnings, results of operations, business, management, prospects, assets, liabilities, or general affairs of the Company and/or the Group taken as a whole, whether or not arising in the ordinary course of business.

The Placement Agent may, and upon such terms as they think fit, waive compliance with any of the conditions contained in the Placement Agreement and any condition so waived shall be deemed to have been satisfied provided always that any such waiver as aforesaid shall be without prejudice to its right to elect to treat any further or other breach, failure or event as releasing and discharging it from its obligations under the Placement Agreement.

If any of the conditions contained in the Placement Agreement has not been satisfied on or before the Cut-Off Date, the Placement Agreement shall automatically terminate and shall be of no further effect and no party to the Placement Agreement shall be under any liability to the other in respect of the Placement Agreement for the relevant Placement Shares save for any antecedent breach thereof and the surviving provisions as specified under the Placement Agreement.

4. RATIONALE OF THE PROPOSED PLACEMENT AND USE OF PROCEEDS

4.1. Rationale

As disclosed in the Company’s earlier announcements, the Group has certain liabilities and financial obligations. The Proposed Placement forms part of the Company’s ongoing efforts to strengthen its financial position and to provide funding for the repayment of the Group’s debts and outstanding liabilities. In addition, the Proposed Placement will improve the Group’s cash flow and support its working capital requirements.

4.2. Use of proceeds

- (a) In the Maximum Scenario at the Minimum Placement Price, the estimated net proceeds from the Proposed Placement, after deducting estimated fees and expenses (including listing and application fees, the commission payable to the Placement Agent, professional fees and other miscellaneous expenses of approximately S\$1,000,000), is approximately S\$14,000,000 (the “**Net Proceeds**”). The Company intends to apply such Net Proceeds in the following estimated proportions:

Use of Net Proceeds	Proportion (%)	Amount of Net Proceeds (S\$)
Repayment of debts and liabilities	53.6	7,500,000
General working capital purposes	46.4	6,500,000
Total	100.0	14,000,000

- (b) In relation to the Net Proceeds to be utilised for general working capital purposes, it is expected to include corporate administrative expenses, operating expenses and other payables of the Group’s various businesses.
- (c) Pending the deployment of the Net Proceeds, such Net Proceeds may be deposited with banks or financial institutions, invested in short-term money market instruments or marketable securities, and/or used for any other purpose on a short-term basis, as the Company may, in its absolute discretion, deem fit from time to time.

- (d) The Company will make periodic announcement(s) as to the use of the Net Proceeds as and when such proceeds are materially 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 Net Proceeds in the Company's interim and full-year financial statements issued under Rule 705 of the Listing Manual and the Company's annual report. Where the Net Proceeds have been used for working capital purposes, the Company will provide a breakdown with specific details on how the Net Proceeds have been applied in the announcements and status report. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation.

5. PRO FORMA FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT

- 5.1. The *pro forma* financial effects of the Proposed Placement on the Company's share capital and the Group's net tangible assets ("**NTA**") per Share and loss per Share ("**LPS**") as set out below are strictly for illustrative purposes and are not indicative of the actual financial position and results of the Group following the completion of the Proposed Placement.
- 5.2. The *pro forma* financial effects have been prepared based on the latest audited financial results of the Group for the financial year ended 31 March 2024 ("**FY2024**"), on the following bases and assumptions:
- (a) the Proposed Placement of all 1,875,000,000 Placement Shares at the Minimum Subscription Price had been completed on 31 March 2024 for the purpose of illustrating the financial effects on the NTA;
 - (b) the Proposed Placement of all 1,875,000,000 Placement Shares at the Minimum Subscription Price had been completed on 1 April 2023 for the purpose of illustrating the financial effects on the LPS;
 - (c) the share capital of the Company as at the date of this announcement comprising 6,535,644,330 Shares, which includes 2,349,730,500 Shares issued by the Company on 1 November 2024 pursuant to a placement exercise¹ ("**Previous Placement**"). Although the Previous Placement was undertaken by the Company after the end of FY2024, for accurate representation, the Company has included these Shares for calculation of the *pro forma* financial effects; and
 - (d) the expenses incurred in connection with the Proposed Placement amount to S\$1,000,000.

5.3. Share capital

	Number of Shares (excluding treasury shares)
As at 31 March 2024	4,185,913,830
As at the date of this announcement	6,535,644,330
After the completion of the Proposed Placement	8,410,644,330

5.4. NTA per Share

Assuming that the Proposed Placement was completed on 31 March 2024, the *pro forma* financial effects on the Group's NTA per Share would be as follows:

	Before the Proposed Placement	After the Proposed Placement
NTA attributable to the owners of the Company (S\$million)	30.62	44.62

¹ Please refer to the Company's circular dated 9 October 2024 for further information on the placement exercise.

	Before the Proposed Placement	After the Proposed Placement
Number of issued ordinary shares in the capital of the Company	6,535,644,330	8,410,644,330
NTA per Share (Singapore cents)	0.47	0.53

5.5. LPS

Assuming that the Proposed Placement was completed on 1 April 2023, the *pro forma* financial effects on the Group's LPS would be as follows:

	Before the Proposed Placement	After the Proposed Placement
Loss after income tax attributable to the owners of the Company (S\$'million)	5.65	5.65
Number of issued ordinary shares in the capital of the Company	6,535,644,330	8,410,644,330
LPS (Singapore cents)	0.09	0.07

6. LISTING AND QUOTATION OF THE PLACEMENT SHARES

The Company will be making an application to the SGX-ST for the dealing in, listing of and quotation for the Placement Shares on the Mainboard of the SGX-ST. The Company will make the necessary announcements in due course upon obtaining the approval in-principle from the SGX-ST.

7. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save for their respective interests arising by way of their directorships and/or shareholdings in the Company and as disclosed in this announcement, none of the Directors or substantial shareholders of the Company and their respective associates has any interest, direct or indirect, in the Proposed Placement.

8. CONFIRMATIONS BY THE PLACEMENT AGENT

The Placement Agent has confirmed, amongst other things, that:

- (a) there are no share borrowing arrangements entered into by the Placement Agent to facilitate the Proposed Placement;
- (b) none of the end-placées will be entitled to any benefit other than by the placement of the Placement Shares to them;
- (c) the Placement Shares offered and placed by the Placement Agent to:
 - (i) any person in the categories set out in Rule 812 of the Listing Manual;
 - (ii) any "interested person" as defined in Chapter 9 of the Listing Manual; and/or
 - (iii) any person which will result in a transfer of controlling interest as defined in Rule 803 of the Listing Manual,

will be subject to, *inter alia*, agreement by the Company and the SGX-ST (if required), approval of Shareholders in general meeting (if applicable) and compliance with the requirements of the Listing Manual;

- (d) in the event the number of Placement Shares placed by the Placement Agent to the end-places results in any end-placee becoming:
 - (i) a substantial shareholder, the Placement Agent will inform the Company in a timely manner so that the Company can make the necessary announcement(s); and
 - (ii) a controlling shareholder (as defined in the Listing Manual), the Placement Agent will inform the Company immediately. For the avoidance of doubt, any potential placements as described in this paragraph will be subject to the approval of Shareholders in general meeting;
- (e) it will obtain confirmations from the end-places that such end-placee is not acting in concert (as defined under the Singapore Code on Take-overs and Mergers) with any other party in their acquisition of the Placement Shares; and
- (f) the commission payable by the Company to the Placement Agent in connection with the Placement will not be shared with any person to whom the Placement Shares are placed to.

9. CIRCULAR TO SHAREHOLDERS

- 9.1. The Company will be seeking specific Shareholders' approval for the Proposed Placement at the EGM to be convened in due course.
- 9.2. The Company, in accordance with the Listing Manual, will also seek specific Shareholders' approval, where applicable, for:
 - (a) issuance of Placement Shares to any persons listed in Rule 812 of the Listing Manual;
 - (b) issuance of Placement Shares to any "interested persons" as defined in Chapter 9 of the Listing Manual; and/or
 - (c) placement of such number of Placement Shares to end-placee(s) which will result in a transfer of controlling interest of the Company.
- 9.3. A circular to Shareholders setting out, among other things, the details of, and other relevant information pertaining to the Proposed Placement, together with the notice of the EGM, will be issued by the Company in due course.

10. NOTIFICATION UNDER SECTION 309B OF THE SFA

The Placement Shares are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and "Excluded Investment Products" (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Placement and the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement 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 announcement in its proper form and context.

12. FURTHER ANNOUNCEMENTS

The Company will make the appropriate announcements as and when there are material developments on the Proposed Placement.

13. CAUTIONARY STATEMENT

Shareholders and investors should note that the Proposed Placement remains subject to, amongst others, the fulfilment of the conditions precedent under the Placement Agreement. There is no certainty or assurance that the conditions precedent for the Proposed Placement can be fulfilled or that the Proposed Placement will be undertaken at all. Shareholders and investors are advised to read this announcement and any past and future announcements by the Company carefully when dealing with the Shares. Shareholders and investors should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take or when dealing with their Shares.

14. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Placement Agreement will be available for inspection during normal business hours for a period of three (3) months commencing from the date of this announcement at the registered office of the Company at 1002 Jalan Bukit Merah, #07-11 Singapore 159456.

BY ORDER OF THE BOARD

Melvin Ang Wee Chye
Executive Chairman
4 July 2025