

MM2 ASIA LTD.

(Incorporated in Singapore)
(Registration No. 201424372N)

UPDATE ANNOUNCEMENT

1. INTRODUCTION

The Board of Directors (the “**Directors**” or “**Board**”) of mm2 Asia Ltd. (the “**Company**” and, together with its subsidiaries, the “**Group**”) refers to its announcement made by the Company on 3 February 2021 in relation to the proposed renounceable underwritten rights issue by the Company.

The Board wishes to announce that the Company has received a non-binding term sheet from a Singapore private equity investor expressing interest in a potential acquisition involving taking a minority stake in one of the Group's core businesses.

The terms of this term sheet are being deliberated by the Board and the term sheet has not been entered into as at the date of this Announcement. The Board may also appoint an independent financial advisor if deemed necessary.

The term sheet, if entered into, would provide the Investor with an exclusive period of 90 days to conduct a preliminary due diligence exercise, and for parties to prepare and negotiate the terms of the binding investment agreements.

It should be noted that these discussions are at a very preliminary stage, and this announcement is being made by the Board in the interest of keeping shareholders updated.

In order for the transaction to proceed, the terms of the term sheet would need to be finalised, approved by the board and entered into by all parties. In addition, any potential transaction would require the binding investment agreements to be negotiated and finalised to the satisfaction of all parties, and there would thereafter be significant conditions to be fulfilled, including the approval of shareholders of the Company. As such, there is no certainty that the investment transaction would proceed, and/or whether the discussions with the potential investor will result in binding agreements being entered into.

Due to the confidentiality undertakings given by the Company, the Company is unable to disclose the identity of the Investor or the other proposed terms at this stage.

2. CAUTIONARY STATEMENT

This announcement is being made by the Company to keep its shareholders and stakeholders informed on the developments in its business and on possible corporate actions, particularly in light of the Company's proposed renounceable underwritten rights issue. The Company will announce any material developments as and when appropriate.

Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company and should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they are in doubt about the actions that they should take.

By Order of the Board

Melvin Ang Wee Chye
Executive Chairman
7 February 2021