

MM2 ASIA LTD.
(Incorporated in Singapore)
(Registration No. 201424372N)

SECURED LOAN FACILITIES OBTAINED BY MM2 ASIA LTD.

The board of directors (the "**Directors**") of mm2 Asia Ltd. (the "**Company**", and, together with its subsidiaries, the "**Group**") refers to the announcements by the Company dated 2 November 2017 and 24 November 2017 in relation to the acquisition of Cathay Cineplexes Pte Ltd (the "**Cathay Cinema Business**"). The Company wishes to announce that it has entered into a S\$115,000,000 facility agreement dated 21 May 2018 with Standard Chartered Bank and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, as mandated lead arrangers, and Standard Chartered Bank (Singapore) Limited, and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, as original lenders, whereunder the lenders will lend S\$115,000,000 to the Company (the "**Loan**"). The Loan will be used for the partial payment of the purchase consideration of the Cathay Cinema Business, which was completed on 24 November 2017. The Loan has a maximum tenor of 6 months and the Company intends to repay the Loan by way of, *inter alia*, a subsequent refinancing which is being discussed with the above banks.

The Loan is secured by guarantees given by various subsidiaries of the Group, namely, 2mm Pte. Ltd., Cathay Cineplexes Pte Ltd, mm Connect Pte. Ltd., mm Plus Pte. Ltd., and mm2 Entertainment Pte. Ltd., as well as by fixed and floating charges. In addition, as an indication of his commitment to the Group and his continued belief in its business, Mr Melvin Ang Wee Chye ("**Mr Ang**"), the Executive Chairman and single largest shareholder of the Company, has provided certain undertakings to the lender banks to ensure the repayment of the Loan in accordance with its terms.

As required under Rule 704(31) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company wishes to announce that it is a term of the facility agreement that the Loan will become immediately due and payable upon a change of control event, which includes where Mr Ang:-

- (a) ceases to hold, directly or indirectly through his wholly-owned entities, and effectively, at least 20 per cent. of the issued share capital of the Company;

- (b) ceases to hold, directly or indirectly through his wholly-owned entities, and effectively, a larger percentage of the issued share capital of the Company than (i) any single shareholder in the Company or (ii) any shareholder in the Company and the Affiliates of such shareholder collectively; or
- (c) ceases to have the power to direct the management and policies of the Company, whether through the ownership of issued share capital of the Company, by contract or otherwise.

In the event that there is a change of control event as stated above, the Loan will be immediately due and payable, and in addition (assuming that such breach will result in cross defaults across various facilities taken by the Group), the aggregate level of the other facilities and borrowings which may be affected is approximately S\$164,000,000 (assuming an exchange rate of MYR2.9503:S\$1.00, excluding interest and fees).

As at the date of this announcement, no change of control event as aforesaid has occurred.

By Order of the Board

Melvin Ang Wee Chye
Executive Chairman
21 May 2018