

**MM2 ASIA LTD.**

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

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**THE ISSUANCE OF UP TO S\$18,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF CONVERTIBLE DEBT SECURITIES BY MMLIVE PTE. LTD., A WHOLLY OWNED SUBSIDIARY OF MM2 ASIA LTD.**

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**1. INTRODUCTION**

- 1.1. The Board of Directors (the "**Board**" or the "**Directors**") of mm2 Asia Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**"), refers to its announcement dated 27 April 2023 in relation to the proposed subscription by Hildrics Asia Growth Fund VCC (acting on behalf of Hildrics Asia Growth Fund 1) ("**Hildrics**") of an aggregate principal amount of up to S\$5,000,000 convertible bonds issued by mmLive Pte. Ltd. ("**mmLive**"), with Hildrics having an option to subscribe for an additional investment amount of up to S\$5,000,000.
- 1.2. The Board wishes to update Shareholders that mmLive is in the process of fundraising through issuance of convertible debt securities ("**mmLive CS**") to raise an aggregate amount of up to S\$18,000,000 (the "**mmLive CS Subscriptions**"). As at the date of this announcement, mmLive has entered into separate subscription agreements ("**Subscription Agreements**") with certain subscribers (including Hildrics) ("**Subscribers**", and each a "**Subscriber**") in connection with mmLive CS Subscriptions. As at the date of this announcement, completion has taken place in respect of S\$12,000,000 in principal amount of the mmLive CS (including S\$5,000,000 from Hildrics).

**2. CONVERSION RIGHTS AND OPTIONS UNDER THE SUBSCRIPTION AGREEMENTS**

- 2.1. The Subscription Agreements signed by the Subscribers are categorised into the following four (4) categories:
- (a) Category 1: In addition to the initial mmLive CS subscribed by the Subscriber, the Subscriber may subscribe for an additional S\$5,000,000 of mmLive CS. Furthermore, up to 100% of the mmLive CS can be converted into new ordinary shares of mmLive ("**mmLive Shares**") during the period commencing at the date of issue of the mmLive CS and ending on the date nine (9) months from the date of issue of the mmLive CS (the "**Initial Conversion Period**");
  - (b) Category 2: Up to 50% of the mmLive CS can be converted into mmLive Shares at the Initial Conversion Period;
  - (c) Category 3: In addition to the initial mmLive CS subscribed by the Subscriber, the Subscriber may subscribe for an additional S\$1,000,000 of mmLive CS. Furthermore, the mmLive CS can only be converted into mmLive Shares upon mmLive's initial public offering ("**IPO**"), and
  - (d) Category 4: The mmLive CS can only be converted into mmLive Shares upon mmLive's IPO.

Further information concerning the four (4) categories are set out in the following subparagraphs.

## 2.2. **Category 1**

Under this category the only Subscriber is Hildrics. The Subscriber has subscribed for an aggregate of S\$5,000,000 in mmLive CS, and may at its sole option subscribe for an additional amount of S\$5,000,000 in mmLive on or before 31 October 2023. The Subscriber may exercise its conversion right and convert its mmLive CS in the following manner:

- (a) During the Initial Conversion Period, the Subscriber has the right to convert all or part of the mmLive CS into new ordinary shares of mmLive. The number of new shares to be allotted and issued to the Subscriber will be determined according to the fixed valuation of mmLive and the principal amount of mmLive CS elected by the Subscriber for conversion.
- (b) After the Initial Conversion Period (and up to the respective Maturity Date of the Category 1 mmLive CS), the Subscriber will continue have the right for the mmLive CS to be converted, only if the conversion is required by applicable rules and regulations. In the event where mmLive undergoes an IPO, the Subscriber has the right to convert mmLive CS into such number of new ordinary shares in mmLive at a 30% discount to the IPO price of mmLive.

## 2.3. **Category 2**

Under this category, the Subscribers have subscribed for an aggregate of up to S\$2,000,000 in mmLive CS. The Subscribers may exercise its respective conversion rights and convert its mmLive CS in the following manner:

- (a) During the Initial Conversion Period, the Subscribers have the right to convert up to 50% of their respective mmLive CS into new ordinary shares of mmLive. The number of new shares to be allotted and issued to the Subscriber will be determined according to the fixed valuation of mmLive and the principal amount of mmLive CS elected by the Subscriber(s) for conversion.
- (b) After the Initial Conversion Period (and up to the respective Maturity Dates of the Category 2 mmLive CS), the Subscribers will continue to have the right for the mmLive CS to be converted, only if the conversion is required by applicable rules and regulations. In the event where mmLive undergoes an IPO, the Subscribers have the right to convert their respective mmLive CS into such number of new ordinary shares in mmLive at a 30% discount to the IPO price of mmLive.

## 2.4. **Category 3**

Under this category, the Subscriber has subscribed for an aggregate of S\$1,000,000 in mmLive CS and may at its sole option subscribe for an additional S\$1,000,000 in mmLive CS on or before 29 December 2023.

The Subscriber can only exercise its conversion rights and convert its mmLive CS if mmLive undergoes an IPO. Should this occur, the Subscriber has the right to convert mmLive CS into such number of new ordinary shares in mmLive at a 30% discount to the IPO price of mmLive.

## 2.5. **Category 4**

Under this category, the Subscribers have subscribed for an aggregate of up to S\$4,000,000 in mmLive CS.

The Subscribers can only exercise its respective conversion rights and convert its mmLive CS if mmLive undergoes an IPO. Should this occur, the Subscribers have the right to convert their respective mmLive CS into such number of new ordinary shares in mmLive at a 30% discount to the IPO price of mmLive.

### **3. OTHER KEY TERMS OF THE SUBSCRIPTION AGREEMENTS**

Save for the conversion rights and the options under the mmLive CS Subscriptions which are different in each of the four (4) categories, the other key terms in the Subscription Agreements are the same and have been outlined in the following sub-paragraphs.

#### **3.1. Coupon and Maturity Date**

The mmLive CS carries a coupon rate of 6% per annum and matures 36 months from their respective dates of issue ("**Maturity Date**").

#### **3.2. Redemption and Early Redemption**

At the Maturity Date, the mmLive CS will be fully redeemed by mmLive within fourteen (14) days. The redemption amount will be equal to the outstanding principal amount of mmLive CS, together with all accrued coupons and any outstanding payables (up to the date which the mmLive CS are fully redeemed), and a redemption premium of 2% per annum on the outstanding principal amount of the mmLive CS.

The mmLive CS will be deemed to expire immediately after the occurrence of certain events described in the Subscription Agreements, and will be fully redeemed by mmLive in a similar manner described in the preceding paragraph.

#### **3.3. Guarantee by the Company**

In consideration of the Subscribers subscribing for the mmLive CS, the Company has provided a continuing guarantee for the due and punctual payment by mmLive of its obligations under the Subscription Agreements.

#### **3.4. No voting rights**

For the avoidance of doubt, the mmLive CS constitute debt instruments and will not carry any voting rights in the Company or the right to participate in any dividend of distribution by the Company.

#### **3.5. Use of proceeds**

The proceeds raised from the issuance of mmLive CS shall be applied towards the proposed business expansion of mmLive (as agreed upon by mmLive with each Subscriber), and the working capital of mmLive.

### **4. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

None of the Directors or, as far as the Directors are aware, controlling shareholders of the Company has any interest, direct or indirect, in the transactions contemplated herein (other than in their capacity as a director or shareholder of the Company).

## 5. 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 transactions above, 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.

By Order of the Board  
**MM2 Asia Ltd.**

Melvin Ang Wee Chye  
Executive Chairman  
29 September 2023