

Press Release

**MM2 ASIA ACHIEVES 65.5% GROWTH
IN NET PROFIT OF S\$33.6 MILLION FOR FY2018**

- Group's FY2018 revenue increased by 100.6% to S\$192.0 million, from FY2017;
- 114.4% growth in Group's core business in North Asia;
- Significant revenue increase from new cinema business in Singapore and new virtual reality ("VR") production business by Vividthree Productions Pte. Ltd. ("Vividthree");
- Strong growth in event production and concert promotion business as UnUsUaL Limited ("UnUsUaL") expands its footprint in China, targeting higher per-show revenue.

SINGAPORE, 29 May 2018 – mm2 Asia Ltd. ("mm2 Asia", "mm2 全亚影视娱乐有限公司" or collectively with its subsidiaries, the "**Group**"), is pleased to announce its financial results for the fourth quarter period ended 31 March 2018 ("**FY2018**"), with its net profit rising 65.5% to S\$33.6 million.

mm2 Asia Executive Chairman, Mr Melvin Ang (洪伟才) commented, "**We are incredibly excited to see strong, across-the-board growth in all of our Group's businesses. Our revenue from North Asian productions has increased and we continue to expect continuous growth in this area. Our event production and concert business arm, UnUsUaL, has also displayed robust growth in terms of show offerings and locations ever since its listing on SGX Catalist. Undoubtedly, our expansion towards North Asia benefits all of our Group's businesses, as we transform ourselves into a strategic co-production and distribution partner for different forms of content, from movies, concerts to VR content. Separately, as Vividthree prepares for its proposed spin-off and listing in the third quarter of FY2019, it has shown significant revenue increase ever since it ventured into the VR production business.**"

Mr. Hock Ong, CEO of mm2 Asia's cinema business, added, "**Since completing the acquisition of Cathay Cineplexes Pte Ltd ("Cathay Cineplexes"), we now have a**

differentiated and important footprint as we are the only cinema operator with a unique presence in both Malaysia and Singapore. We will now embark on the pathway towards integration, further unlocking value from our unique value proposition and scale. More importantly, we are committed to crystallising the strategic value that the cinema business is able to bring to the Group's other businesses. In particular, the cinema business differentiates us as a valuable distribution partner and positions us for more strategic relationships with regional and international studios, and other players along the Media & Entertainment ("M&E") value chain in the region."

FY2018 Financial Highlights

In S\$'million (unless otherwise stated)	FY2018	FY2017	Change
Revenue	192.0	95.7	100.6%
Gross Profit	90.5	45.3	99.8%
Net profit	33.6	20.3	65.5%
Profit Attributable to Shareholders	26.4	17.5	50.9%

Performance Review

The Group's revenue increased by 100% from S\$95.7 million for the financial year ended 31 March 2017 ("FY2017") to S\$192.0 million in FY2018. This increase was mainly due to additional revenue generated from our core business, which recorded revenue of S\$93.6 million, a 65.4% increase from S\$56.6 million in FY2017, as well as additional distribution (cinema business) revenue of S\$32.4 million.

Moreover, revenue from the Group's post-production business, represented by Vividthree, increased by 79.7% from S\$3.5 million in FY2017 to S\$6.3 million in FY2018. Consequently, the Group's FY2017 gross profit increased by 100% from S\$45.3 million in FY2017 to S\$90.5 million in FY2018.

Administrative expenses increased by 139.2% from S\$20.2 million in FY2017 to S\$48.4 million in FY2018. The increase was due to higher employee compensation costs arising from the increase in the number of senior management staff and other employees resulting from the Group's expansion as well as the recent acquisitions of additional cinema businesses i.e. Cathay Cineplexes Pte. Ltd. and cinema business assets from Lotus Fivestar (M) Sdn. Bhd. for the same period.

Finance expenses also increased to S\$1.9 million in FY2018, mainly as a result of increased bank borrowings of S\$61.4 million to finance the acquisitions of cinema businesses during the year.

The Group's net profit for FY2018 increased by 65.5% to S\$33.6 million from S\$20.3 million in FY2017. This translates into a net profit attributable to shareholders of S\$26.4 million for FY2018. The current earnings per share ("EPS") for FY2018 is 2.34 cents per share.

Business Outlook

The majority of the Group's revenue still derives from our core business of producing, distributing and placing products for movies and TV/online content, which stands at approximately 48.8% of the Group's total revenue with S\$93.6 million.

The Group's core business in Singapore continues to show growth, which accelerates at a faster pace in Hong Kong, Taiwan and China. Without a doubt, we expect production revenue in these markets to continue to form a bigger part of our revenue in FY2019.

Vividthree's proposed development of a VR tour show for "*Train To Busan*", a big box office success in more than 100 countries, has received great interest among venue operators throughout the region. The Group is preparing Vividthree for listing on the SGX Catalist.

Event production and concert promotion revenue from UnUsUaL, our year-old-listed subsidiary on SGX Catalist, continues its expansion out of Singapore and Malaysia, and into North Asia. UnUsUaL announced the proposed acquisition of Beijing Wish Entertainment Co Ltd on 20 March 2018, deepening its efforts to move up the value chain and sign a larger number of shows from popular regional artistes. Revenue from this segment contributed 24.2% of the Group's FY2018 revenue.

- End of Press Release -

Note to media Please read this press release in conjunction with the Company's announcement released on SGXnet on the same date.

About mm2 Asia Ltd.

Headquartered in Singapore, mm2 Asia Ltd. champions “Content and Media for Asia”, with businesses in the production and distribution of film, TV and online content, post-production, cinema operation, event production and concert promotion in Singapore, Malaysia, Hong Kong, Taiwan, China and the U.S.

Since being listed on the SGX Catalist in December 2014, mm2 Asia has strengthened its competitive advantage through its acquisition of a majority stake in an award-winning Singaporean 3D animation company, Vividthree Productions, and event-and-concert production 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.

On 7 August 2017, mm2 Asia successfully transferred to the SGX-ST Mainboard (SGX stock code: 1B0), becoming the first Singaporean film production company to achieve this.

For more information, please visit <http://www.mm2asia.com>

For investor relations matters, please kindly email ir@mm2asia.com or contact Lim Liang Chun, Investor and Public Relations Manager at limliangchun@mm2asia.com.