



Press Release

**mm2 Asia Strengthens Its Financial Position;  
Launches Fully Underwritten Rights Issue**

- **Strong pipeline of movie releases and streaming content will drive post-COVID-19 recovery**

**SINGAPORE, 3 February 2021** – mm2 Asia Ltd. (“mm2 Asia”, “mm2 全亚影视娱乐有限公司”, “the **Company**”, or collectively with its subsidiaries, the “**Group**”), has received an in-principle approval from the Singapore Exchange (SGX) on Tuesday 2 February 2021, for its proposed rights issue. The Board of Directors have passed a resolution to call for an extraordinary general meeting to approve the proposed rights issue.

The proposal involves the issuance of one (1) Rights Share for every one (1) existing share held, at S\$0.047 for each Rights Share. Upon the completion of the rights issue, the Company will receive net proceeds of S\$52.15 million, which will be utilized to pay off the medium-term note due on 27 April 2021 and for general working capital and operations of the Group. Mr. Melvin Ang, who is the Founder, Executive Chairman and largest shareholder with about 38.1% of share capital in the Group, has stated his intention to vote in favour of the resolutions to approve the Rights Issue and to subscribe for his pro rata entitlement to the Rights Shares, showing his support and commitment to the Group. The renounceable rights issue is fully underwritten by UOB Kay Hian who is also the lead manager.

Although the media industry has been hit hard by the pandemic globally, mm2 remains well-positioned for recovery post-COVID-19. The Group’s core business in content production and distribution has a strong pipeline of over 20 titles for film, television and online release in FY2022, compared to the typical 14 to 18 annual titles released in previous years. Additionally, mm2 has recently confirmed the interest of internationally renowned cinematic distributors and streaming services in distributing its content, valued at over US\$15 million and slated for release in 2021/2022. This new business relationship is a positive demonstration of mm2’s multi-channel strategy to monetize its production content.



However, the cinema business remains challenging, as safety restrictions and the delayed release of movies keep crowds from returning to theatres. Management has sought rental relief and government support to keep jobs and remain resilient.

***“We are confident of managing the near-term challenges, with tenacity and discipline. Our core production business is enjoying its strongest momentum, principally in the North Asia markets [where the pandemic is being brought under control faster than in the rest of the world]. Our cinemas and concert businesses might have to wait a little longer to resume normal operations, but we have not been inactive. Our digital platforms, mPlay, Cathay CineHome and AsiaOne are well-positioned to support and complement our existing offline businesses,”*** says Mr. Melvin Ang (洪伟才), Executive Chairman of mm2 Asia.

On 21 January 2021, the Company announced that it had sought and secured an extension of the maturity date for the convertible debt securities until the end of 2021. Also, new productions planned for the next 12 months are well sought after and fully funded by both third-party investors and online streaming platforms.

***“Whilst mm2’s financial performance in this financial year is affected by the full-year impact from COVID-19, the Company’s fundamentals remain robust and management is taking pro-active steps to strengthen the group’s balance sheet. Going forward, the outlook for mm2 is very encouraging, as its market position remains strong amongst the top entertainment content producers in Asia,”*** says Mr. Wilhem Lee, Senior Executive Director at UOB Kay Hian.

**– 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 champions “Content and Media for Asia”, with integrated businesses across the content, immersive media, cinema, event and concert industries in Singapore, Malaysia, Hong Kong, Taiwan, China and the U.S.

Since being listed on the SGX Catalist in December 2014 and the successful transfer to the SGX Mainboard in August 2017, mm2 Asia has strengthened its competitive advantage through its acquisitions of a majority stake in an award-winning virtual reality, animation and visual effects studio, Vividthree Holdings Ltd. (SGX stock code: OMK), and event production and concert promotion 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.

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

For investor relations matters, please kindly email [ir@mm2asia.com](mailto:ir@mm2asia.com)

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