

[IMMEDIATE RELEASE]



Movies On-Demand

[Singapore, 24 June 2020] – Singapore-based media group **mm2 Asia** (hereby “**mm2**”; SGX: 1B0) has unveiled plans to launch a new on-demand streaming platform offering movies in Singapore, with plans to expand into regional markets. This platform to be branded **Cathay CineHOME** will provide viewers with access to films immediately after the theatrical window, succeeding the old, proven DVD video rental market. In addition, the platform allows consumers greater opportunity to watch films that had a limited theatrical run, or “online movies” (Chinese: 网络大电影, also known colloquially as “网大”) which are a growing trend in China.

The platform will sit alongside the Cathay Cineplexes brand of cinemas that have been a household name in the Asian entertainment industry for more than eight decades. mm2 Asia acquired Cathay Cineplexes in 2017 which attracts millions of moviegoers annually to its eight outlets islandwide.

“With Cathay CineHOME, mm2 intends to develop a complementary platform to the cinema exhibition business. Many people want to watch the latest movies but maybe unable to find the time to go to the cinema. They used to be able to rent DVDs from the neighbourhood video shop, but the majority of those shops are no longer around. If you miss a film at the cinema, Cathay CineHOME will offer movie lovers an invaluable and flexible option to enjoy their favourite films at their own personal preferred timing. This service will not replace the experience of going out to the cinemas,” says Melvin Ang, Executive Chairman of mm2 Asia.

“We have always wanted a complementary platform to our cinemas to address the needs of movie lovers to achieve our long-announced OTT ambitions. The coronavirus situation has simply accelerated the group’s total digital strategy,” he adds.

The standard release routine for a movie is guided by “release windows”, designed to keep different release formats from competing with each other. This allows the movie to take advantage of different format markets (cinema, airlines, digital VOD, television, etc) at different times, so as to optimise the movie’s commercial value. Therefore, both Cathay Cineplexes and Cathay CineHOME be well aligned to create synergy, to take advantage of the multi-platform release window opportunity.

Cathay CineHOME will be using the Transactional Video on Demand (TVOD) model that allows consumers to watch the movies that they want on a pay-per-view basis. Studies show that consumer acceptance for the TVOD model is growing rapidly. In a Q1 2020 survey of 10,000 US broadband households, the survey shows that TVOD service use doubled from 7% in Q3 2018 to 14% in Q1 2020¹.

¹(Subscription Model Dominates Consumer Entertainment Services, but Transaction Video is on the Rise, 2020)

mm2 has not finalized the business terms and pricing plan for Cathay CineHOME with major studio and producer partners at this time but is targeting the service to be available in the third quarter this year.

To download accompanying visual: <https://bit.ly/37XyGev>

mm2 Asia is Singapore's leading content & entertainment group with integrated businesses across the content, immersive media, cinema, event and concert industries in Singapore, Malaysia, Taiwan, Hong Kong, China and the United States.

mm2 Asia is the first Singaporean production company to be listed on the SGX-ST mainboard (SGX Stock Code: 1B0).

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