



MM2 ASIA LTD.

*(Incorporated in Singapore)
(Registration No. 201424372N)*

RESPONSE TO QUESTIONS FROM SHAREHOLDERS

The board of directors (the “**Board**”) of mm2 Asia Ltd. (the “**Company**” or “**mm2**”, together with its subsidiaries, the “**Group**”) would like to thank the Company’s shareholders (“**Shareholders**”) for submitting their questions in advance of the Company’s Annual General Meeting to be held on 31 July 2024 at 1:30 p.m. Unless otherwise defined, capitalised terms used herein shall have the same meaning as ascribed thereto in the Company’s annual report for the financial year ended 31 March 2024.

The Company wishes to inform shareholders that the Company has made editorial amendments to some of the questions received to ensure that they are clear. For the avoidance of doubt, the editorial amendments do not change the meaning of the questions received by the Company.

The Company’s responses to the questions received from the Shareholders are set out in Appendix A.

It is important to note that these questions and responses should be read in conjunction with the Company’s FY2024 Annual Report and along with the Company’s previous announcements.

By Order of the Board

Melvin Ang Wee Chye
Executive Chairman
25 July 2024

Appendix A
Questions from Shareholders

- (i) **Noted that the Group has been increasing revenue from China over the last 3 years. As of FY2024, China contributed 26% almost on par with Singapore's contribution at 27%. There is currently an economic slowdown in China dragged by real estate "bubbles" bursting. This had in turn affected consumer sentiment in China as well as consumer spending.**

Can the Board/Management share how this may impact the Group for 2024?

Company's Response

Content consumption and sales in China have seen positive growth, and the market is open to collaborations with Southeast Asia. China took approximately RMB54.9b at the box office in 2023, representing an 83% year-on-year increase and the highest cinema admissions in four years. The summer of 2023 was the biggest summer box office ever in the country, with domestic hits such as No More Bets 《孤注一掷》, Lost In The Stars 《消失的她》 and Creation Of The Gods 1: Kingdom of Storms 《神第一部：朝歌风云》.

Source: <https://www.screendaily.com/news/china-box-office-soars-83-and-reaches-77bn-in-2023/5189150.article>

The numbers have been encouraging, and our penetration in the Chinese market will take time, as the market protects its domestic product. However, there are exciting opportunities for the company

- (ii) **Page 3, the increase in Malaysia contribution - is it due to cinema operations?**

Company's Response

The increase in Malaysia's revenue contribution in the Financial Highlights on page 3 is from the Concert & Event Business. The cinema revenues are excluded from Revenue highlights because the cinema group was deconsolidated in FY2023, and now operates as an associated company.

- (iii) **Page 3, the others location in the pie chart will be mainly Thailand?**

Company's Response

The revenue from Others shown in the pie chart on page 3 is primarily driven by the Concert & Event Business and Content Business, particularly from Australia and the United States.

- (iv) **Why did the Group still issue loan notes at 10%? Why not issue convertible securities which are cheaper? With the interest rate expected to drop this year, 10% is too high. The group finance cost is also very high for FY2024.**

Company's Response

The loan notes, which bear an interest rate of 10%, were originally issued in 2019 with a lower interest rate. The Group subsequently entered into supplementary agreements with the loan notes holder to extend the maturity dates. The interest rate increased following general interest rate increases.

The Group is in the process of restructuring its financing, and will be prioritising lower loan interest in the coming year.