



Press Release

## MM2 ASIA REPORTS CONTINUED MOMENTUM IN CORE AND CINEMA BUSINESSES

- Recorded revenue of S\$49.0 million in 1QFY2020 bolstered by steady improvements in core and cinema businesses;
- EBITDA rose significantly by 37.5% Y-O-Y to S\$25.0 million;
- Net profit stood at S\$7.5 million in 1QFY2020;
- Maintained momentum with a solid pipeline of core business projects for FY2020, with a constant lookout for potential stakeholders to invest in the lineup of projects;
- Robust lineup of concerts/theme shows in event and concert business segment for subsequent quarters

S\$' Million	1QFY2020	1QFY2019	Change %
Revenue	49.0	49.0	0.1
Gross Profit	30.2	32.9	-8.3
Gross Profit Margin (%)	61.6%	67.2%	N/A
Net Profit	7.5	9.1	-18.1
Net Profit Margin (%)	15.2%	18.6%	N/A
Net Profit to Shareholders	7.0	7.2	-4.1
EBITDA*	25.0	18.2	37.5
EPS (cents)*	0.60	0.62	-3.2

*\*EBITDA and EPS would have been S\$18.9 million and 0.62 cents respectively, excluding the impact of SFRS(I)16 and EPS*



**SINGAPORE, 14 Aug 2019 – mm2 Asia Ltd.** (“mm2 Asia”, “mm2 全亚影视娱乐有限公司” or collectively with its subsidiaries, the “**Group**”), today announced its financial results for the three months ended 30 June 2019 (“**1QFY2020**”).

Chief Executive Officer of mm2 Asia, Mr Chang Long Jong (章能容), commented on the Group’s results, **“Despite the challenging and onerous business environment, we performed encouragingly in 1QFY2020, with higher revenue contributions from our core and cinema businesses, offset by lower contributions from our event and concert, and post-production segments. We continued to gain positive traction, particularly in our cinema business, with ramped-up marketing efforts and a steady inflow of B2B opportunities, enhancing the Group’s profitability year-on-year. Our key strategy for boosting growth is to leverage the synergy within the ecosystem of the Group’s Out-of-Home Entertainment Platform businesses as we look to maximize shareholder value in the longer term.”**

### **1QFY2020 Financial Overview**

During 1QFY2020, the Group’s revenue increased slightly by 0.1% to S\$49.0 million from its corresponding quarter in FY2019. The Group recorded higher revenue contributions from its core and cinema business segments, with an increase of S\$1.6 million in 1QFY2020 as compared to 1QFY2019. Other business segment registered a slight revenue growth by S\$0.3 million from the corresponding quarter, due to ongoing contributions from the new subsidiary, AsiaOne Online Pte. Ltd., incorporated in 2QFY2019. Nevertheless, the increase was offset by lower revenue from its event and concert, and post-production business segments.

The Group’s gross profit decreased by S\$2.7 million, or 8.2%, from S\$32.9 million in 1QFY2019 to S\$30.2 million in 1QFY2020, mainly due to higher amortisation of film rights. As a result, it recorded a gross profit margin of 61.6% in 1QFY2020 as compared to 67.2% in 1QFY2019.

Earnings Before Interest, Tax, Depreciation and Amortization (“EBITDA”) surged 37.5% to S\$25.0 million in 1QFY2020. Excluding the impact of SFRS(I)16, the Group’s EBITDA would have increased by S\$0.7 million or 3.8% to S\$18.9 million during 1QFY2020. Resultantly, the Group recorded a net profit of S\$7.5 million in 1QFY2020. The Group’s net profit to owners stood at S\$7.0 million during the fiscal quarter.



## **FY2020 Outlook**

Executive Chairman of mm2 Asia, Mr Melvin Ang (洪伟才), annotated, ***“We continue to drive the Group’s performance by leveraging the power of our Out-Of-Home Entertainment platform. We are encouraged by a strong pipeline of our core business projects slated for FY2020, with both UnUsUaL and Vividthree continuing their strong business momentum. UnUsUaL is inclined towards a full year growth with a robust lineup of concerts/theme shows including Westlife, Andy Lau, Kang Daniel, JJ Lin, Disney’s Frozen and Walking with Dinosaurs, contributing from 2QFY2020 onwards, while Vividthree has signed an MOU for the “Doraemon Experience” show. We believe in establishing a solid foundation in all our businesses to become a highly esteemed media and entertainment company across a whole value chain. The Group will continue to look out for opportunities in important strategic businesses to support the growth of our business ecosystem.”***

**– 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 Holdings Ltd. (SGX stock code: OMK), 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>

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