

spackmanentertainmentgroup

NEWS RELEASE

SPACKMAN ENTERTAINMENT GROUP ENTERS INTO MEMORANDUM OF UNDERSTANDING WITH PROJECT TALENT FOR THE DEVELOPMENT OF THE GROUP'S OWN KOREAN ENTERTAINMENT CRYPTOCURRENCY

- Under the Proposed Partnership, Project Talent, a Korean developer of cryptocurrency, plans to partner the Group to develop the Group's own Korean entertainment utility tokens and execute an Initial Coin Offering
- Project Talent, one of the winners of Singapore-based Kyber Network's first-ever developer competition, seeks to establish the cryptocurrency platform and tokens to enable the Group to tokenize the Group's artists, merchandise and premium content
- In collaboration with the Group's associated company, Spackman Media Group Limited, the utility tokens shall grant token holders access to artist and content projects originating from the Group and/or Spackman Media Group

Singapore, 11 April 2018 – Spackman Entertainment Group Limited (“**Spackman Entertainment Group**” or the “**Company**” and together with its subsidiaries, the “**Group**”), one of Korea's leading entertainment production groups created by founder Mr. Charles Spackman, wishes to announce that it has entered into a non-binding memorandum of understanding with Project Talent, a Korean developer of cryptocurrency, for the proposed partnership of the development of the Group's own Korean entertainment utility tokens (“**K Coins**”) (the “**Proposed Partnership**”).

Project Talent was one of the winners of Kyber Network's first developer competition held in Seoul. Kyber Network is a leading decentralized exchange based in Singapore, which raised about US\$60 million for its ICO in September last year.¹

Under the Proposed Partnership, Project Talent plans to collaborate with the Group to develop the cryptocurrency platform and K Coins, which shall serve as cryptocurrency to grant token holders future access to products and services originating from the Group and its associated company, Spackman Media Group Limited (“**Spackman Media Group**”). The Group intends to partner with Spackman Media Group to allow these utility tokens to be used towards the participation and/or purchase of artist-based projects, such as photography works, fan meetings, concerts and merchandise.

Mr. Richard Lee, Interim Chief Executive Officer & Executive Director of Spackman Entertainment Group, said, “The Proposed Partnership with Project Talent shall enable us to leverage on blockchain technology and the Group's content and talent management platform to develop the pre-eminent cryptocurrency in the Korean entertainment sector. In collaboration with Spackman Media Group, the largest

¹ Finance Magnates, Kyber Network ICO Raises About \$60 Million in a Little Over a Day, <https://www.financemagnates.com/cryptocurrency/news/kyber-network-ico-raises-60-million-little-day/>

entertainment agency in Korea in terms of the number of artists, we look forward to offering token holders unparalleled and exclusive access to premium content, merchandise and artist-based projects originating from the Group and its networks.”

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About Spackman Entertainment Group Limited

Spackman Entertainment Group Limited (“**SEGL**” or the “**Company**”), and together with its subsidiaries, (the “**Group**”), a leading entertainment production group created by founder Mr. Charles Spackman, is primarily engaged in the independent development, production, presentation, and financing of theatrical motion pictures in Korea. In addition to our film business, we also make investments into entertainment companies and film funds that can financially and strategically complement our existing core operations. SEGL is listed on the Catalist of the Singapore Exchange Securities Trading Limited under the ticker 40E.

SEGL's Zip Cinema Co., Ltd. (“**Zip Cinema**”) is one of the most recognised film production labels in Korea and has originated and produced some of Korea’s most commercially successful theatrical films, consecutively producing 8 profitable movies since 2009 representing an industry leading track record. Recent theatrical releases of Zip Cinema’s motion pictures include some of Korea’s highest grossing and award-winning films such as *MASTER* (2016), *THE PRIESTS* (2015), *COLD EYES* (2013), and *ALL ABOUT MY WIFE* (2012). For more information on Zip Cinema, do visit <http://zipcine.com>

SEGL also owns Novus Mediacorp Co., Ltd. (“**Novus Mediacorp**”), an investor, presenter, and/or ancillary distributor for a total of 76 films (53 Korean and 23 foreign) including *SECRETLY, GREATLY*, which was one of the biggest box office hits of 2013 starring Kim Soo-hyun of *MY LOVE FROM THE STARS* fame, as well as *FRIEND 2: THE GREAT LEGACY*. In 2012, Novus Mediacorp was also the ancillary distributor of *ALL ABOUT MY WIFE*, a top-grossing romantic comedy produced by Zip Cinema. In 2018, *THE OUTLAWS*, co-presented by Novus Mediacorp broke the all-time highest Video On Demand (“**VOD**”) sales records in Korea. For more information on Novus Mediacorp, do visit <http://novusmediacorp.com>

Our films are theatrically distributed and released in Korea and overseas markets, as well as for subsequent post-theatrical worldwide release in other forms of media, including cable TV, broadcast TV, IPTV, video-on-demand, and home video/DVD, etc. We release all of our motion pictures into wide-theatrical exhibition initially in Korea, and then in overseas and ancillary markets.

We also operate a café-lounge called Upper West, in the Gangnam district of Seoul and own a professional photography studio, noon pictures Co., Ltd..

The Company holds an effective shareholding interest of 33.76% in Spackman Media Group Limited (“**SMGL**”). SMGL, a company incorporated in Hong Kong, together with its subsidiaries, is collectively the largest entertainment talent agency in Korea in terms of the number of artists under management, including some of the top names in the Korean entertainment industry. SMGL operates its talent management business through renowned agencies such as MS Team Entertainment Co., Ltd., UAA & Co Inc., Fiftyone K Inc., SBD Entertainment Inc., and Kook Entertainment Co., Ltd. Through these full-service talent agencies in Korea, SMGL represents and guides the professional careers of a leading roster of award-winning actors/actresses in the practice areas of motion pictures, television, commercial endorsements, and branded entertainment. SMGL leverages its unparalleled portfolio of artists as a platform to develop, produce, finance and own the highest quality of entertainment content projects, including theatrical motion pictures, variety shows, and TV dramas. This platform also creates and derives opportunities for SMGL to make strategic investments in development stage businesses that can collaborate with SMGL artists. SMGL is an associated company of the Company.

On 31 March 2017, the Group completed the acquisition of 100% equity interest in Frame Pictures Co., Ltd. (“**Frame Pictures**”). Frame Pictures is a leader in the movie/drama equipment leasing business in Korea. Established in 2014, Frame Pictures has worked with over 25 top directors and provided the camera and lighting equipment for some of Korea’s most notable drama and movie projects including *THE LEGEND OF THE BLUE SEA* (2016) featuring Jeon Ji-hyeon and Lee Min-ho, as well as *VETERAN* (2015), the number one movie at the Korean box office in 2015 starring Yoo Ah-in.

On 27 October 2017, the Company completed the acquisition of 100% equity interest in Take Pictures Pte. Ltd. (“**Take Pictures**”) which owns a strong lineup of 10 film projects including the co-production with Zip Cinema for *THE PRIESTS 2*.

On 26 January 2018, the Company completed the acquisition of 100% equity interest in Constellation Agency Pte. Ltd. (“**Constellation Agency**”). Constellation Agency, which owns The P Factory Co., Ltd. (“**The P Factory**”) and Platform Media Group Co., Ltd. (“**PMG**”), is primarily involved in the business of overseas agency for Korean artists venturing into the overseas market. The P Factory is an innovative marketing solutions provider specializing in event and branded content production. PMG is a talent management agency which represents and manages the careers of major artists in film, television, commercial endorsements, and branded entertainment.

For more details, do visit <http://www.spackmanentertainmentgroup.com/>

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*This press release has been prepared by the Company and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**"), for compliance with the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this press release.*

This press release has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this press release including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this press release.

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