

spackmanentertainmentgroup

NEWS RELEASE

SPACKMAN ENTERTAINMENT GROUP ENTERS INTO BUSINESS PARTNERSHIP AGREEMENT WITH HONG KONG-LISTED NATIONAL ARTS ENTERTAINMENT AND CULTURE GROUP LIMITED

- *Collaboration with Chinese partner set to create business opportunities and growth of the Group's business in China*

Singapore, 14 July 2015 – Spackman Entertainment Group Limited (“**Spackman Entertainment Group**” or the “**Company**” and together with its subsidiaries, the “**Group**”), announced that the Company has on 14 July 2015 entered into a Business Partnership Agreement (“**Agreement**”) with National Arts Entertainment and Culture Group Limited (“**NAE**”), with a common objective to collaborate on and promote each other’s entertainment-related businesses.

NAE (Stock code: 8228) is a Hong Kong-based investment holding company listed on the Growth Enterprise Market of the Hong Kong Stock Exchange. NAE and its subsidiaries (collectively, the “**NAE Group**”) are principally engaged in the production and distribution of theatrical films, artiste management, and the operation of hotels and a film studio. NAE has produced/co-produced theatrical films including *THE LEGEND IS BORN – IP MAN* (2010), *IP MAN: THE FINAL FIGHT* (2013) and *GOLDEN BROTHER* (2014).

Through this partnership, the Group and the NAE Group plans to jointly collaborate in the production of Chinese and Korean language movies and other entertainment content for the People’s Republic of China (“**PRC**”) and Korea markets, as well as English language films for the global market. This co-production of films will provide the Group with an additional avenue into the Chinese market.

The Agreement also provides for collaboration between both parties on cross-border distribution of theatrical films and other entertainment content. The Group will hence be able to distribute Korean theatrical films and other entertainment content that are produced, distributed, financed and/or sourced by the Group in the PRC. Furthermore, both parties will seek opportunities to invest in each other’s film production projects, and look to establish a film fund, which is to be co-managed by the Company and NAE.

The NAE Group owns the Xiqiao National Arts Film Studio located in Foshan city, PRC. Under the Agreement, the Group will seek opportunities to use the film studio owned by NAE to film its movies.

Apart from theatrical films, both parties will also collaborate in other entertainment-related businesses and projects in the PRC and Korea, which shall include but not be limited to talent management, television show production and other media-related businesses.

In connection with the above, the Company and NAE plan to form a 50:50 joint venture company (“**JVCo**”) to be incorporated in a jurisdiction to be agreed upon, with operations and offices in the PRC and Korea. Terms of the JVCo shall be set forth in definitive agreements.

Mr. Charles Spackman, Executive Chairman of Spackman Entertainment Group, said: “We are delighted to announce this collaboration with our new Chinese partner. With this partnership, both parties will be able to leverage on each other’s expertise in our domestic markets, and we envisage that this partnership with NAE will bring more opportunities for the Group to further grow and establish its presence in the Chinese market.”

The Agreement is not expected currently to have any material impact on the earnings per share or the net tangible assets per share of the Group for the financial year ending 31 December 2015.

Save for their shareholdings in the Company, none of the Directors or substantial shareholders of the Company have any interest, directly or indirectly, in the Agreement.

The Company shall make further announcement(s) as and when there are material developments.

About Spackman Entertainment Group Limited

Spackman Entertainment Group Limited (“**SEGL**”), and together with its subsidiaries, (the “**Group**”) is a leading entertainment production company that 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: we own one of Korea’s leading talent management agencies, UAA Korea Co., Ltd., which represents Hallyu stars Song Hye-kyo (*THE CROSSING; MY BRILLIANT LIFE; THE GRANDMASTER; HWANG JIN YI; THE QUEENS*), Gang Dong-won (*MY BRILLIANT LIFE; KUNDO; HAUNTERS*), and Yoo Ah-in (*ELEGANT LIES; PUNCH*); operate a café-lounge called Upper West, in the Gangnam district of Seoul; own a professional photography studio, noon pictures Co., Ltd.; and produce documentary programmes for broadcast and cable TV through Film Auteur Co., Ltd. SEGL is listed on the Catalist of the Singapore Exchange Securities Trading Limited under the ticker 40E.

Our three motion picture production and financing subsidiaries, namely, Zip Cinema Co., Ltd. ("**Zip Cinema**"), Opus Pictures Limited Liability Company ("**Opus Pictures**"), and Novus Mediacorp Co., Ltd. ("**Novus Mediacorp**") are three of the most recognized film production labels in Korea, and have originated, produced, and financed some of Korea's most commercially successful theatrical films for the past 7 years. 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.

Zip Cinema and Opus Pictures have produced/presented and released a total of 18 theatrical motion pictures since their incorporation, the majority of which were profitable and some of which were among the top grossing films in Korea in recent years. Recent theatrical releases of our motion pictures include some of Korea's highest grossing and award-winning films such as *SNOWPIERCER* (2013-2014), *COLD EYES* (2013), and *ALL ABOUT MY WIFE* (2012). In addition, for the past 5 years, Novus Mediacorp was the investor, presenter, and/or ancillary distributor for a total of 55 films (36 Korean and 19 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 was also the ancillary distributor of *ALL ABOUT MY WIFE*, a top-grossing romantic comedy produced by Zip Cinema.

The Group holds its peripheral assets under Spackman Media Group Pte. Ltd. ("**Spackman Media Group**"), an associated company of SEGL. Spackman Media Group owns an 88.89% interest in Delmedia Co., Ltd. ("**Delmedia**"), a leading variety show production company, which has produced some of Korea's most popular variety shows such as MBC *I AM A SINGER*, MBC *EVERY1 INFINITE GIRLS* and MBC *STAR AUDITION: THE GREAT BIRTH*. Since its founding in November 2003, Delmedia has produced more than 120 variety shows, TV dramas and documentaries.

On 11 May 2015, the Company entered into a novation and share transfer agreement with Spackman Media Group for the transfer of the definitive agreement to acquire a 51.0% majority stake in Breakfastfilm Co., Ltd. ("**Breakfastfilm**"), a leading marketing and media company that specializes in the production of TV/new media commercials and K-pop music videos in Korea, in favour of Spackman Media Group. Founded in 2004, Breakfastfilm has produced some of Korea's most well-known TV commercials for major multinational clients such as Samsung, Hyundai Motors, LG, Coca-Cola, McDonald's, Adidas as well as other major Korean corporate brands. Moreover, as a leading producer of K-pop music videos, Breakfastfilm has produced many of Korea's most popular music videos including Wonder Girls' *Nobody*, Girls Generation's *Genie*, 2PM's *Without You*, Miss A's *Breathe*, Rain's *I'm Coming*, Super Junior's *Bonamana*, Shinee's *Everybody*, and JYP's *No Love No More*. (www.breakfastfilm.com)

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

Important Notice

The Company was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 22 July 2014. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor").

This news release has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this news release.

This news 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 news release, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this news release.

The contact person for the Sponsor is Ms Keng Yeng Pheng, Associate Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.

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