

Media Release

GHY to make strategic investment in Clover Films to increase production and distribution capacity in Southeast Asia

- Committed to strengthening its presence in Southeast Asia by expanding its foothold in Singapore
- GHY to hold majority shareholding interest in home-grown Clover Films Group
- Enhances GHY's ability to capitalise on growth opportunities and its value proposition in the industry ecosystem

Singapore, 16 June 2021 – G.H.Y Culture & Media Holding Co., Limited (“GHY”, and together with its subsidiaries and associated companies, the “**Group**”), a leading player in the media and entertainment industry, has entered into a non-binding memorandum of understanding (“**MOU**”) with Mr. Lim Teck and Ms. Paulyn Chua Nga-Lim (the “**Existing Shareholders**”), the shareholders of Clover Films Pte. Ltd., Clover Films Distribution Pte. Ltd., and Clover Films Sdn Bhd (collectively, the “**Clover Films Group**”) for the proposed investment by G.H.Y Culture & Media (Singapore) Pte. Ltd. (or its nominee), a wholly-owned subsidiary of GHY, in each of the entities within the Clover Films Group or their holding company.

The proposed strategic investment in home-grown Clover Films Group is part of GHY's growth strategy as it enhances its geographical footprint in Singapore and Southeast Asia. The Group is expected to hold 51% shareholding interest in each of the entities within the Clover Films Group, with the Existing Shareholders retaining the remaining 49% shareholding interest in each of the entities within the Clover Films Group.

The Clover Films Group was first established in Singapore in 2009, and later expanded into Malaysia in 2014. The Clover Films Group is primarily engaged in the business of distribution of international movies in Singapore, Malaysia and other Southeast Asian countries. It has handled more than 300 movies since its inception, including the Korean blockbuster *Train To Busan* and its sequel *Peninsula*, the Academy Award Best Picture and Cannes Palme d'Or winner *Parasite*, Andy Lau's *Shockwave 2* and Jackie Chan's *CZ12*, among other notable titles. The Clover Films Group is also actively involved in the production of local movies in Singapore and Malaysia, including Jack Neo's *Ah Boys To Men* series, Eric Khoo's *Ramen Teh* and Adrian Teh's *Wira*. The Clover Films Group is also a key curator of content in the region for international over-the-top (“**OTT**”) platforms and has been developing content for OTT platforms and broadcasters since 2020.

DBS Bank Ltd. and UOB Kay Hian Private Limited are the joint issue managers and global coordinators (the “**Joint Issue Managers and Global Coordinators**”) for the initial public offering of shares in, and listing of, G.H.Y Culture & Media Holding Co., Limited on the Main Board of the Singapore Exchange Securities Trading Limited. The Joint Issue Managers and Global Coordinators assume no responsibility for the contents of this media release.

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Mr. Guo Jingyu (郭靖宇), Executive Chairman and Group CEO, said, “We are excited to undertake this proposed investment and look forward to the potential opportunity to work closely with the Clover Films Group. Given our vast industry experience and end-to-end production capabilities, we are confident of adding strategic value to the existing production and distribution competencies of the Clover Films Group. We believe this strategic investment will further enlarge our footprint in Southeast Asia by opening up new opportunities for GHY to work with other distributors and producers in the region and accelerate our growth trajectory.”

Mr. Lim Teck, Managing Director of the Clover Films Group, said, “The Clover Films Group is continuously focused on producing and distributing quality content in Singapore and Southeast Asia to meet the strong demand by savvy consumers. We believe strongly in the filmmaking talent of our region and will work with our filmmakers to develop and create good quality content out of Southeast Asia for the wider global audience. We are excited to be partnering with GHY and we believe that both the Clover Films Group and GHY can leverage on our identified synergies and tap on our combined resources to expand both our content distribution and production businesses.”

The proposed strategic investment will enhance GHY’s production capabilities and uptake to meet the growing demand for quality entertainment content. In Southeast Asia, 180 million viewers consume 8 billion hours of OTT content over the internet every month¹. OTT penetration levels are averaging 31% in the region and is expected to accelerate with 72% of the survey respondents planning to maintain or increase OTT viewing in the future. Imported Asian content from China also draws eyeballs where one in five tunes in to Chinese programmes. This secular trend is in line with the high internet penetration rate seen in China with the web series market expected to post a 11.1% CAGR to hit RMB30.5 billion in the next four years².

Mr. Guo Jingyu added, “Looking ahead, we will continue to tap on our extensive business network to form strategic partnerships to strengthen our position as a leading player in the media and entertainment industry. Supported by the industry tailwinds, we are well-placed to further grow across the business value chain and strengthen our presence in Southeast Asia.”

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¹ “The Future of TV, A report on the state of OTT in Southeast Asia – The Trade Desk and Kantar, 2020

² Frost and Sullivan, Independent Market Research on Video Content Market and Concert Market in China, Singapore and Malaysia



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About G.H.Y Culture & Media Holding Co. Ltd.

G.H.Y Culture & Media Holding Co., Limited (“GHY”) is an entertainment business that focuses on the production and promotion of dramas, films and concerts in the Asia-Pacific region. GHY has produced several dramas and films in the PRC, Singapore and Malaysia that have been broadcasted and/or distributed on major TV networks and leading video streaming platforms in the PRC. The Group has also undertaken the production of concerts for well-known international artistes in Singapore, with upcoming concerts to be held in Malaysia and Australia.

GHY has strong in-house production teams, with scriptwriters, directors and producers who have been involved in various notable dramas and films. The production teams have consistently produced quality dramas and films and the Group also possesses expertise and capabilities across the business value chain.

Currently headquartered in Singapore and the PRC, with over 160 employees across Singapore, Malaysia, the PRC and Australia, the Group also engages in concert production, talent management services, and costumes, props and make-up services.

For more information, please visit <https://ghyculturemedia.com/>

The information on the Clover Films Group in this media release was provided by the Existing Shareholders.