

spackmanentertainmentgroup
SPACKMAN ENTERTAINMENT GROUP LIMITED
(Company Registration No.: 201401201N)
(Incorporated in the Republic of Singapore on 10 January 2014)

**RESPONSE TO SGX QUERY ON NON-BINDING MEMORANDUM OF UNDERSTANDING WITH
SUNWOO PRODUCE INC. AND ENTRY INTO NON-BINDING LETTER OF INTENT WITH CHARM
ACCOUNTING CORPORATION**

Unless otherwise defined, all capitalised terms used herein shall bear the meanings ascribed to them in the Company's press release dated 5 November 2019 and the Company's announcement dated 7 July 2020.

The Board of Directors (the “**Board**”) of Spackman Entertainment Group Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) would like to provide the following information in response to query from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) in respect of the Company’s press release, dated 5 November 2019, on the non-binding memorandum of understanding (“**MOU**”) with Sunwoo Produce Inc. (“**Sunwoo Produce**”) and the Company’s announcement, dated 7 July 2020, on the entry into non-binding letter of intent (“**LOI**”) with CHARM Accounting Corporation (“**CHARM**”).

Query of the SGX-ST & Company’s Response

1. MOU with Sunwoo Produce as announced on 5 November 2019:
 - The Company announced that it has entered into a non-binding MOU with Sunwoo Produce to collaborate in opportunities for overseas production, investment and distribution of various entertainment-related content and businesses by utilizing the Group’s global networks.
 - The MOU of the Proposed Partnership shall be terminated if a definitive agreement is not executed by 31 December 2019, unless extended by mutual written agreement.

(i) Has the MOU lapsed since the deadline of 31 Dec 2019 has passed?

(ii) What are the Company’s plans on the Partnership?

Following discussions with Sunwoo Produce on several potential business partnerships such as US film production and investment, there was no material progress and Sunwoo Produce had not given an update or reply in this aspect of collaboration. Accordingly, the MOU had lapsed and no extension was entered into in respect of the non-binding MOU.

2. Non-binding LOI with CHARM as announced on 7 July 2020:

- Based on the LOI, the Company entered into a non-binding LOI with CHARM to purchase a major asset of the Company (the “**Proposed Sale**”).
- Based on the LOI, the Purchaser agrees to use its reasonable best efforts to negotiate in good faith with a view to execute a definitive agreement on or before 31 Dec 2020.

(i) Can the Company update whether the negotiations with CHARM still ongoing? If so, please provide updates.

The Company wishes to update that the negotiation with CHARM on the Proposed Sale to the listed Korean content production company is still on-going. Through CHARM, both the Purchaser and the Company are in the midst of discussing the preliminary terms and conditions of the Proposed Sale.

If there is any material update to the non-binding LOI with CHARM, the Company shall make the necessary update and disclosure.

BY ORDER OF THE BOARD

Na Kyoungwon
Chief Operating Officer, President and Executive Director
17 September 2020

*This announcement has been prepared by the Company and its contents have been reviewed by the Company’s Sponsor, RHT Capital Pte. Ltd. (“**Sponsor**”) for compliance with the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalyst. The Sponsor has not independently verified the contents of this announcement.*

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

The contact person for the Sponsor is: -

Name: Mr Mah How Soon, Registered Professional, RHT Capital Pte. Ltd.

Address: 9 Raffles Place #29-01, Republic Plaza Tower 1, Singapore 048619

Tel: 6381 6966