

spackmanentertainmentgroup

NEWS RELEASE

SPACKMAN ENTERTAINMENT GROUP'S FILM, *DEFAULT*, GROSSES US\$20 MILLION IN BOX OFFICE REVENUE, SURPASSING BREAK-EVEN POINT OF 2.6 MILLION TICKETS WITHIN 12 DAYS

- *DEFAULT*, the highest November opening in the history of the Korean box office, regained #1 position and crossed its break-even point within 12 days since its first day of release on 28 November 2018
- *DEFAULT*, which is anticipated to continue its run for another three weeks, has accumulated gross box office revenue of US\$20 million and total ticket admissions of 2,723,607 as of 9 December 2019
- As the producer and one of the investors of *DEFAULT*, the Group expects the film to start contributing positively to the Group's upcoming financial performance from now onwards

Singapore, 10 December 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 founded by international investor Charles Spackman, wishes to announce that the Group's upcoming film, *DEFAULT*, produced by the Company's indirect wholly-owned subsidiary, Zip Cinema Co., Ltd. (“**Zip Cinema**”), has grossed US\$20 million in box office revenue and has accumulated 2,723,607 admissions, crossing its break-even point of 2.6 million tickets within 12 days since its official wide release in Korea on 28 November 2018.

DEFAULT, the highest November opening in the history of the Korean box office, regained the #1 position last Saturday and Sunday, after occupying #2 last Wednesday, Thursday and Friday.

Based on the latest statistics from the Korean Film Council *DEFAULT* captured an average of at least 35% of the nation's market share of box office revenue as of 9 December 2018. As the highest November opening in the history of the Korean box office, *DEFAULT* continues to occupy an average of at least 1,080 screens daily.¹ The financial thriller film is anticipated to continue its run for another three weeks leading to the Christmas holiday period.

In addition to being the producer of *DEFAULT*, the Group invested 10% of the film's total production budget. The estimated total production budget for *DEFAULT*,

¹ Korean Film Council,
http://www.koreanfilm.or.kr/eng/news/boxOffice_Daily.jsp?mode=BOXOFFICE_DAILY

including prints and advertising costs, is approximately KRW 9.7 billion (or USD 8.6 million).

The film is expected to start contributing positively to the Group's upcoming financial performance from now onwards.

The latest daily statistics from the Korean Film Council on the performance of *DEFAULT* are updated on the Group's website at <http://www.spackmanentertainment.com>.

DEFAULT has been presold to 17 countries including Canada, Italy, Japan, China (Hong Kong & Macau), Taiwan, Singapore, Indonesia, Malaysia, Brunei, the Philippines and the United States.

CJ Entertainment is the overseas distributor of *DEFAULT*. Clover Films Pte. Ltd., a Singapore-based film distributor, purchased the theatrical distribution rights in Hong Kong, Macau, Singapore and Taiwan.

Headlined by Korean superstar Yoo Ah-in of UAA & Co Inc., a subsidiary of the Group's associated company, Spackman Media Group Limited, *DEFAULT* depicts the behind-the-scenes story of the tumultuous week leading up to the rescue package agreed upon between the International Monetary Fund ("IMF") and the Republic of Korea to prevent bankruptcy during the 1997 Asian Financial Crisis.

The film also stars veteran actress Kim Hye-soo, Heo Jun-ho, Jo Woo-jin and French actor Vincent Cassel.

In *DEFAULT*, Yoo Ah-in plays a mega investor betting against the country's fortunes. Kim Hye-Soo acts as the leader of the monetary policy team at the Bank of Korea, and French actor Vincent Cassel takes on the role of the managing director of IMF. The film marks the first South Korean project of Vincent Cassel, who starred in French independent films *LA HAINE* and *L'APPARTMENT*, as well as Hollywood movies *OCEAN'S TWELVE*, *OCEAN'S THIRTEEN* and *BLACK SWAN*.

Directed by Choi Kook-hee, *DEFAULT* was previously screened at the 71st Cannes International Film Festival in May 2018.

For more information on *DEFAULT* and its English trailer, visit the Group's website at <http://www.spackmanentertainmentgroup.com/default-1.html>.

Recent media coverage on *DEFAULT* can also be found at <http://www.spackmanentertainmentgroup.com/news.html>.

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About Spackman Entertainment Group Limited

Spackman Entertainment Group Limited (“**SEGL**” or the “**Company**”), and together with its subsidiaries, (the “**Group**”), one of Korea’s leading entertainment production groups founded by investment veteran, Mr. Charles Spackman, is primarily engaged in the independent development, production, presentation, and financing of theatrical motion pictures in Korea. In order to diversify our revenue streams, in the second half of 2018, we will to expand our business portfolio to include the production of Korean television dramas. In addition to our content 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 post-theatrical distributor for a total of 76 films (53 Korean and 23 foreign) including *ROSE OF BETRAYAL*, *THE OUTLAWS* and *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 post-theatrical rights 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. Novus Mediacorp is currently in the process of seeking a listing on the Singapore Stock Exchange. 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 43.88% in Spackman Media Group Limited (“**SMGL**”). SMGL, a company incorporated in Hong Kong,

together with its subsidiaries, is collectively one of the largest entertainment talent agencies 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.

The Group owns a 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 upcoming Korean film *GIRL COPS* (2018) featuring rising star Wi Ha-jun of SMGL and *THE GREATEST DIVORCE* (2018) starring Bae Doona of SMGL. In 2018, Frame Pictures has also won contracts to supply equipment to *THE BEAUTY INSIDE* (2018), *HUNDRED MILLION STARS FROM THE SKY* (2018), *LOVELY HORRIBLY* (2018), *THE GUEST* (2018), historical Korean movie *MALMOI, SUITS* (2018) featuring Park Hyung-sik of SMGL, *MISTRESS* (2018), *LIFE* (2018), *LIVE* (2018) starring Lee Kwang-soo of *RUNNING MAN*, *MY MISTER* (2018) and Netflix's first Korean original production *LOVE ALARM* (2018). Frame Pictures and Novus Mediacorp are currently seeking to list on the Singapore Stock Exchange.

The Company owns a 100% equity interest in Take Pictures Pte. Ltd. ("**Take Pictures**") which has a strong lineup of 10 film projects including *STONE SKIPPING* and the co-production with Zip Cinema for *THE PRIESTS 2*.

The Company owns a 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.

The Company owns a 100% equity interest in Greenlight Content Limited which is mainly involved in the business of investing into dramas and movies, as well as providing consulting services for the production of Korean content.

On 7 May 2018, the Company announced that it would spin-off Novus Mediacorp and Frame Pictures into a combined entity to seek listing on the Catalist Board of the Singapore Exchange Securities Trading Limited to exploit the growing post-theatrical and camera equipment leasing markets. 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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