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Spackman Equities Group Inc. Enters Reverse-Takeover with Crystal Planet Limited

TORONTO, ONTARIO (February 6, 2023) - Spackman Equities Group Inc. (TSX VENTURE: SQG) (“**SQG**” or the “**Company**”) and Crystal Planet Limited (“**CPL**”) are pleased to announce the entering into of a definitive share exchange agreement on February 6, 2023 (the “**Agreement**”) pursuant to which SQG will acquire all of the issued and outstanding shares in the capital of CPL from Spackman Media Group Limited (the “**Vendor**”). The transaction will constitute a “Reverse Takeover” (“**RTO**”) transaction under the policies of the TSX Venture Exchange (the “**TSXV**”).

CPL is a private company incorporated under the laws of Hong Kong with two wholly-owned subsidiaries, SBD Entertainment Inc. and MSteam Entertainment Co., Ltd. that operate full-service talent agencies, representing some of the top artists in the Korean entertainment industry. CPL leverages its portfolio of artists as a platform to develop, produce, finance, and own the highest quality of entertainment content projects, including theatrical motion pictures and TV dramas. This platform also creates and derives opportunities to provide entertainment media consulting services as well as to make strategic investments in development stage businesses that can collaborate with represented artists.

SQG is a Canadian-based investment holding company that invests into and develops small/medium-sized growth companies that possess industry-specific know-how or proprietary technologies, primarily in Asia. SQG also makes investments in selected publicly-traded companies that SQG believes are attractive investment propositions. The objectives of SQG are to (i) invest in or acquire businesses with compelling growth potential at attractive valuations, (ii) build a diversified and balanced portfolio of investments and (iii) deliver the collective value derived from the performance of its portfolio of investments to its shareholders. SQG is currently a reporting issuer in each of the provinces of Canada and is listed on the TSX Venture Exchange under the symbol “SQG”.

The RTO will be completed pursuant to the terms of the Agreement, which will result in CPL becoming a wholly-owned subsidiary of SQG. Upon completion of the RTO, SQG will own all of the issued and outstanding shares of CPL (the “**Resulting Issuer**”) and the Vendor will receive such number of common shares of SQG to be determined based on the following formula:

$$\begin{array}{l} \text{Number of common shares of} \\ \text{SQG issued} = \end{array} \frac{\text{USD29,886,943} \times \text{CAD/USD exchange rate as at the date of} \\ \text{the Agreement}}{\text{Price per common share of SQG immediately before the date} \\ \text{of the Agreement, on a post-Consolidation (as defined} \\ \text{below) basis}}$$

The RTO involves share-based consideration only. Prior to completion of the RTO, SQG will complete a share consolidation on the basis of five (5) pre-consolidation common shares for every one (1) post-consolidation common share (the “**Consolidation**”).

After completion of the RTO, the Resulting Issuer will carry on the business currently carried on by CPL, as described above. The Agreement contains customary representations and warranties for a transaction of this kind and was approved by the Board of Directors of each of SQG, CPL and the Vendor.

It is expected that immediately prior to the closing of the RTO, the Board of Directors of SQG will appoint individuals designated by the Vendor as directors of the Resulting Issuer, and any remaining directors of SQG will resign. Depending on the number of directors proposed by the Vendor and applicable corporate law requirements a shareholder meeting may be required for election of such directors. The Agreement also provides that prior to or concurrent with the date of closing of the RTO, SQG will have completed a private placement of common shares of SQG for a minimum amount of US\$500,000.

It is anticipated that the RTO will be subject to TSXV escrow restrictions.

RTO Process and Next Steps

The RTO may be considered a Related Party Transaction (as defined in TSXV Policy 1.1), in which case the RTO will require the approval of shareholders of SQG in accordance with TSX-V Policy 5.2

A subsequent news release will be disseminated in accordance with TSXV Policy 5.2 once additional information with respect to the RTO is available, including without limitation financial information relating to the target business, information relating to the Principals (as defined in TSXV Policy 1.1) of the Resulting Issuer. The full particulars of the RTO, the transferred assets and the Resulting Issuer will be described in the information circular to be prepared in accordance with the policies of the TSXV. A copy of the circular will be available electronically on SEDAR (www.sedar.com) under SQG’s issuer profile in due course.

Completion of the RTO is subject to a number of conditions, including but not limited to, TSXV acceptance and, if applicable, disinterested shareholder approval. Where applicable, the RTO cannot close until the required shareholder approval is obtained, in addition to required regulatory and other approvals. There can be no assurance that the RTO will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular to be prepared in connection with the RTO, any information released or received with respect to the RTO may not be accurate or complete and should not be relied upon. Trading in the securities of SQG should be considered highly speculative.

The TSXV has in no way passed upon the merits of the RTO and has neither approved nor disapproved the contents of this news release.

Trading in the common shares of SQG is currently halted and it is not anticipated that trading in the common shares of SQG will resume prior to the completion of the RTO.

On behalf of the Board of Directors of Spackman Equities Group Inc.:

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accept responsibility for the adequacy or accuracy of this news release.

Forward-Looking Statements

Except for statements of historical fact, this news release contains certain “forward-looking information” within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate” and other similar words, or statements that certain events or conditions “may” or “will” occur. In particular, forward-looking information in this press release includes, but is not limited to, statements with respect to the timing and completion of the RTO and the Consolidation; satisfaction of the conditions precedent to the completion of the RTO and the anticipated business of the Resulting Issuer following the completion of the RTO.

Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance, or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information.

Forward-looking information is based on the opinions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors could cause results to differ materially from those expressed in the forward-looking statements which include, but are not limited to risks relating to: general economic conditions in Canada, the United States and globally; the Covid-19 pandemic; industry conditions; the need to obtain all third party consents and corporate approvals necessary to complete the RTO and the Consolidation, as well as shareholder approval if required; the need to fulfil or obtain the approval of the TSXV for an exemption from the sponsorship requirement; the potential occurrence of changes described in the Agreement relating to the business, affairs, financial condition or operations of SQG or CPL after December 31, 2021; unanticipated operating events; competition for and/or inability to retain services and inputs; the potential that capital may not be available on acceptable terms; the need to obtain required approvals from regulatory authorities and the TSXV relating to the RTO; stock market volatility; volatility in market prices for commodities; changes in tax laws and incentive programs; and the

other factors described in our public filings available at www.sedar.com. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking information contained in this news release is expressly qualified by this cautionary statement. We undertake no duty to update any of the forward-looking information to conform such information to actual results or to changes in our expectations except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

There can be no assurance that the RTO will be completed as proposed or at all.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed RTO and has neither approved nor disapproved the contents of this press release.