

Spackman Equities Group Inc. Announces Closing of its Reverse Takeover with Crystal Planet Limited and Completion of Share Consolidation

TORONTO, ONTARIO (December 5, 2024) - Spackman Equities Group Inc. (TSX VENTURE: SQG) (“**SQG**” or the “**Company**”) is pleased to announce that, further to its press releases dated February 6, 2023, August 4, 2023, January 10, 2024, March 8, 2024, May 21, 2024, August 26, 2024, and November 29, 2024, it has completed its previously announced reverse takeover (the “**RTO**”) with Crystal Planet Limited (“**CPL**”) and consolidation (the “**Consolidation**”) of its outstanding common shares (“**Common Shares**”).

Reverse Takeover

In connection with the RTO, all of the issued and outstanding ordinary shares of CPL were exchanged for Common Shares. SQG issued a total of 249,136,884 Common Shares in connection with the completion of the RTO. Full details of the RTO and certain other matters are set out in the Company’s information circular dated March 28, 2024, a copy of which can be found under SQG’s SEDAR+ profile at www.sedarplus.ca. Pursuant to the RTO, CPL became a wholly-owned subsidiary of SQG, and will continue to carry on its business in the Korean talent management industry.

There will be no changes to SQG’s current board of directors (the “**Board**”) resulting from the RTO. SQG’s Board is comprised of the following individuals: Richard Lee, William Hale, Kyoungwon Na, and Kun Hyok Yim. Richard Lee is also the Company’s Chief Executive Officer and Alex Falconer is the Company’s Chief Financial Officer. CPL’s operating subsidiaries will retain their current management structure.

Final acceptance of the RTO will occur upon the issuance of the Final Exchange Bulletin by the Exchange. SQG’s Common Shares are expected to resume trading on the Exchange on or about December 11, 2024.

Escrowed Securities

As described below, as a result of the RTO, Spackman Media Group Limited (“**SMGL**”) holds approximately 79% of the issued and outstanding Common Shares. SMGL has entered into a surplus securities escrow agreement in accordance with TSXV Form 5D (the “**Escrow Agreement**”) with respect to its Common Shares. The Escrow Agreement provides for a 36-month escrow release mechanism with 5% of the escrowed Common Shares being releasable on the date the Final Exchange Bulletin is issued by the TSXV with respect to the RTO (the “**Bulletin Date**”), 5% of the escrowed Common Shares being releasable six months after the Bulletin Date, 10% of the escrowed Common Shares being releasable 12 months after the Bulletin Date, 10% of the escrowed Common Shares being releasable 18 months after the Bulletin Date, 15% of the escrowed Common Shares being releasable 24 months after the Bulletin Date, 15% of the escrowed Common Shares being releasable 30 months after the Bulletin Date, and 40% of the escrowed Common Shares being releasable 36 months after the Bulletin Date.

Conversion of Subscription Receipts

As previously announced, the Company completed a subscription receipt financing led by Hampton Securities Limited, as agent pursuant to which it issued 2,520,000 subscription receipts (the

“**Subscription Receipts**”) at a price of \$0.20 per Subscription Receipt for aggregate gross proceeds of \$504,000.00 (the “**Financing**”). As per the terms of the Financing, in connection with the completion of the RTO, each outstanding Subscription Receipt will be automatically converted into one unit of the Company (an “**Underlying Unit**”) prior to the resumption of trading of the Common Shares. Each Underlying Unit consists of one Common Share and one half of one common share purchase warrant (each whole common share purchase warrant, a “**Warrant**”), with each Warrant exercisable to acquire one Common Share at an exercise price of \$0.30 for a period of 36 months. The Company may, in its sole discretion, accelerate the expiry date of the Warrants if, at any time following the four (4) month anniversary of the date of issuance, the volume weighted average price of the Common Shares on the TSX Venture Exchange (“**Exchange**”) is greater than \$0.50 for any 30 consecutive trading days.

The Common Shares and Warrants issued upon conversion of the Subscription Receipts are subject to a hold period ending on the date that is four months plus a day from the date the Subscription Receipts were issued in accordance with the resale rules of applicable securities legislation.

The issuance of the Subscription Receipts by the Company comprised a portion of the concurrent financing completed in connection with the RTO. As part of the concurrent financing, CPL also completed a non-brokered private placement pursuant to which it issued ordinary shares for gross proceeds of \$6,896,099 USD.

Further, upon conversion of the Subscription Receipts, the Company will issue 151,200 compensation warrants. Each compensation warrant is exercisable for one Common Share at an exercise price of \$0.30 for a period of 36 months from the date of issuance.

Consolidation

Effective November 29, 2024, the Company completed the Consolidation on the basis of five pre-consolidation common shares for every one post-Consolidation common share (each post-Consolidation common share, a “**Post-Consolidation Common Share**” and collectively, the “**Post-Consolidation Common Shares**”) such that, immediately after giving effect to the Consolidation but prior to the completion of the RTO, there were 2,977,994 Post-Consolidation Common Shares issued and outstanding. On resumption of trading, the Company’s new CUSIP number for its Post-Consolidation Common Shares will be 846311306 and its new ISIN will be CA8463113065. Shareholders of the Company who hold shares electronically through a Direct Registration System advice (DRS) or through a broker are not required to take any further action with respect to the Consolidation. Any shareholders who hold a certificated position will be required to submit such certificate to SQG’s transfer agent, Computershare Investor Services Inc. (“**Computershare**”), alongside a Letter of Transmittal, to obtain their Post-Consolidation Common Shares. The Letter of Transmittal has been filed on the Company’s SEDAR+ profile at www.sedarplus.ca and will be mailed as necessary as soon as the Canada Post strike ends. Computershare will send registered shareholders a new DRS representing the number of Post-Consolidation Common Shares held by such shareholders.

All Common Shares issued in connection with the RTO have been issued on a post-Consolidation basis.

Early Warning Disclosure

SMGL, a Hong Kong company with its head office located at 1/F, Hing Lung Commercial Building,

68-74 Bonham Strand, Sheung Wan, Hong Kong, received 200,347,125 Common Shares, representing approximately 79% of the outstanding Common Shares, as a shareholder of CPL pursuant to the RTO. SMGL currently owns 200,347,125 Post-Consolidation Common Shares, representing approximately 79% of the outstanding Post-Consolidation Common Shares, assuming the conversion of the Subscription Receipts. Prior to the RTO, SMGL did not hold any Common Shares. SMGL currently does not have any plan to acquire or dispose of additional securities of SQG, however, SMGL may acquire additional securities of SQG, dispose of some or all of the existing or additional securities it holds or will hold, or may continue to hold its current position, depending on market conditions, reformulation of plans and/or other relevant factors.

The foregoing disclosure regarding SMGL is being disseminated pursuant to National Instrument 62-103 *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*. A copy of the early warning report with respect to the foregoing will appear on SQG's SEDAR+ profile located at www.sedarplus.ca and may also be obtained by contacting SQG's Chief Financial Officer, Alex Falconer at falconer@faai.ca or 905 339 7079.

For additional information concerning the RTO and the foregoing matters in connection therewith, please refer to SQG's press releases and information circular noted herein, all of which are available under SQG's SEDAR+ profile located at www.sedarplus.ca.

Additional Information

Investors are cautioned that, except as disclosed in the information circular filed 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.

All information contained in this press release with respect to SQG and CPL was supplied by the respective parties, for inclusion herein, and each party and its directors and officers have relied on the other party for any information concerning the other party.

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

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

Richard Lee, Chief Executive Officer and Director
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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 final approval of the Exchange of the RTO, the conversion of the Subscription Receipts, the timing for the resumption of trading of the Common Shares and the business, plans and operations of the Company after giving effect to 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; industry conditions; the potential occurrence of changes relating to the business, affairs, financial condition or operations of SQG or CPL; 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 final approvals from the Exchange relating to the RTO; uncertainty relating to the timing and completion of conversion of the subscription receipts described herein; stock market volatility; changes in tax laws and incentive programs; and the other factors described in our public filings available at www.sedarplus.ca. 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.