

IFA to G.H.Y Culture & Media Holding Co., Limited in relation to the IPT General Mandate

On 18 December 2020, G.H.Y Culture & Media Holding Co., Limited (the “**Company**”) was successfully listed on the Main Board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), with a market capitalisation of S\$708.7 million. The Company, its subsidiaries and PRC Affiliated Entities (collectively, the “**Group**”) is an entertainment business that focuses on the production and promotion of dramas, films and concerts in the Asia-Pacific region. The Group has produced TV and web dramas and films in the PRC, Singapore and Malaysia which have been broadcasted and/or distributed on TV networks, such as China Central Television, and video streaming platforms in the PRC, such as iQIYI and YOUKU. The Group has also started production of its first online short drama series in October 2020. The Group has undertaken the production of concerts for well-known international artistes in Singapore, with upcoming concerts to be held in Singapore, Malaysia and Australia. In addition, the Group also provides talent management services and costumes, props and make-up services in the PRC and Singapore.

The Group has on-going transactions with Ms. Yue Lina and Mr. Yang Zhigang, associates of Mr. Guo Jingyu, and Sure Legend International Limited (“**Sure Legend**”), associate of Mr. Yang Jun Rong. Ms. Yue Lina and Mr. Yang Jun Rong are directors of the Company, and Mr. Guo Jingyu is a director and controlling shareholder of the Company, and are deemed to be “interested persons” under Chapter 9 of the Listing Manual of the SGX-ST (the “**Listing Manual**”). Mr. Yang Zhigang is the brother of Mr. Guo Jingyu and is therefore an associate of Mr. Guo Jingyu and an interested person. Sure Legend is 45.0% owned by Mr. Yang Jun Rong and is therefore an associate of Mr. Yang Jun Rong and an interested person. Accordingly, transactions entered into by the Group with each of Ms. Yue Lina, Mr. Yang Zhigang and Sure Legend (collectively, the “**Mandated Interested Persons**”) constituted interested person transactions under Chapter 9 of the Listing Manual.

The Group envisaged that in the ordinary course of business, the following transactions between the Group and the Mandated Interested Persons were likely to occur from time to time:

- (a) provision of talent management services by the Group to Ms. Yue Lina and Mr. Yang Zhigang;
 - (b) provision of acting services by Ms. Yue Lina and Mr. Yang Zhigang to the Group; and
 - (c) grant of rights by Sure Legend to the Group to undertake the production of concerts for artistes managed by Sure Legend (whether by way of concert organisation or concert management),
- (collectively, the “**Mandated Transactions**”).

Pursuant to Rule 920(2) of the Listing Manual, the Company may treat a general mandate as having been obtained from the shareholders of the Company (the “**Shareholders**”) for it to enter into the Mandated Transactions with the Mandated Interested Persons, if the information required under Rule 920(1)(b) of the Listing Manual is included in the prospectus issued by the Company dated 11 December 2020 (the “**Prospectus**”) in connection with the proposed listing of the Company on the Main Board of the SGX-ST (the “**IPT General Mandate**”). By subscribing for and/or purchasing the Offering Shares and the Cornerstone Shares (each as defined in the Prospectus), new Shareholders are deemed to have approved the IPT General Mandate.

SAC Capital was appointed as the independent financial adviser (“**IFA**”) to the Audit and Risk Management Committee of the Company to provide an opinion, for the purposes of Chapter 9 of the Listing Manual, in relation to the IPT General Mandate. Having considered, among others, the rationale for and benefits of the IPT General Mandate, the guidelines and review procedures for determining transaction prices of the Mandated Transactions and the role of the Audit and Risk Management Committee in enforcing the IPT General Mandate, and subject to the qualifications and assumptions set out herein, SAC Capital is of the opinion that the guidelines and review procedures for determining transaction prices of the Mandated Transactions under the IPT General Mandate, if adhered to, are sufficient to ensure that the Mandated Transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

For more information on our past transactions, click [here](#)

About SAC Capital

SAC Capital enjoys a long-standing reputation as a specialist in corporate finance, and we have been a trusted advisor to our clients and partners since 2004.

As an expert in the small-medium enterprise space across various disciplines – Initial Public Offerings (IPOs), mergers and acquisitions (M&As), corporate transactions for listed companies, underwriting and share placement, fund raising and Catalyst Sponsorship – we understand our clients’ needs very well, and we are able to steer them in the right direction.

Financial Advisory - acting as FA and IFA

We provide financial advisory services for corporate exercises, taking into account the various compliance requirements, working alongside our clients to achieve their objectives.

Acting as Financial Adviser or Independent Financial Adviser, we have wide ranging experiences spanning Reverse Takeovers, General Offers, Interested Person Transactions and Delistings. The accumulated experiences from all the advisory engagements completed since 2004, numbering in excess of 150, gives us in depth knowledge of a broad spectrum of corporate advisory services.

Fundraising, M&A and Underwriting

Our Capital Markets (CM) unit assists our clients in fund-raising activities in both private and public equity markets. Our services include IPOs, secondary placements, rights issues, convertible bonds, pre-IPO financing, strategic equity and M&A. We deal with each client’s specific requirements and provide customised capital markets solutions.

We are a leading placement agent and underwriter of equity and equity-linked offerings in Singapore, having completed offerings in the Lifestyle, Consumers, Healthcare, Technology, Media and Telecom (TMT), Real Estate, Manufacturing, Mineral, Oil and Gas (MOG) and Specialised Engineering sectors. Notwithstanding the above, the CM unit is sector agnostic with a wide range of expertise. CM unit also assists our clients in their communications with the equity markets.

Mainboard & Catalyst Listing

We advise our clients on equity fund raising which includes IPOs. Our work involves advising on, amongst others, restructuring exercises and compliance requirements of the Singapore Exchange and other regulatory authorities for the purpose of equity fund raising.

We also advise on Reverse Takeovers and secondary listings. We seek to understand our client's long term business plan and strategy so as to provide the appropriate advice to tailor to their needs and requirements.

Catalist Sponsorship

We are one of the leaders in the market in the Catalist Sponsorship space, with a view to support the growth of our sponsored issuers. Our principal scope of services as a Catalist Sponsor is to advise and guide our sponsored issuers in relation to their continuing listing obligations, on an ongoing basis under the Catalist Rules. Our experienced team of professionals work closely with the directors and management team of the sponsored issuers and assist them in disclosure and compliance matters for corporate actions and developments.

Research

With comprehensive knowledge of the local capital market, our experience and access to information means that the company is well placed to produce research reports. We seek to fill the gap in the industry where there is minimal research coverage for small and medium enterprises (SMEs) listed on the SGX. SAC Capital aims to provide a platform which assists investors in making informed decision when investing in these high-growth small/medium companies while promoting awareness and educating the general public of the merits of investing in listed SMEs.

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