

Project TCI

Target Overview:

- The Target is a contents production company called "C Story" whose main contents include script drama, non-script shows, etc.
- "Mr. Bang", the sole shareholder owning 100% of the Target, is a direct family member of one of the largest media group in Korea called "Chosun Media Group"
- Due to external factors (e.g. THAAD), the Target's financial position has been weakened (currently in capital impairment), resulting in a window of opportunity for BRV to invest

Investment Highlight:

- Rapid topline growth is expected during the next 4-5 years
 - The authorities have instructed Chosun Media Group to spend at the minimum of KRW [•] bn per annum for the next [•] years on contents production as a prerequisite for the further extension of its cable license; Chosun Media Group is planning to fully utilize C Story during the process
- Favorable investment structure with strong downside protection
 - Guaranteed IRR of around 15% for the investment period of 4.6 years (currently under SPA negotiation)

Investment Structure:

- Pre-money equity valuation of KRW10 bn
- Total expected deal size is around KRW20 bn (including Co-investment)
 - 1st close: BRV's investment amount of KRW10 bn (BRV pro forma stake: 50%)
 - 2nd close: Global investor's expected co-investment amount of KRW10 bn (BRV pro forma stake: 33.3%)
- Investment security: RCPS (mandatory redemption after 4 years at target IRR of 15%)
- Minimum guaranteed investment return of 15% (for the investment period of 4.6 years)