



## MEMORANDUM

**TO:** Shareholders

**FROM:** Bob Maerz

**DATE:** August 2016

**RE:** ASG Entertainment Corporate Update

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It is with great pleasure and enthusiasm that we have signed a Letter of Intent to sell ASG Entertainment (ASGE) to Hollywall Entertainment (HWAL). We are very excited about this opportunity and the prospects not only for the future of ASGE but for the enhanced success of the joined companies. HWAL made the announcement on August 15, 2016, which can be viewed at <http://www.otcmarkets.com/stock/HWAL/news?id=138248>. You can also find this Press Release on HWAL's website at [www.hollywallentertainment.com](http://www.hollywallentertainment.com) and our website at [www.asgentertainment.com](http://www.asgentertainment.com). We are endeavoring to complete the acquisition over the coming months in a series of transactions. The management of ASG Entertainment will be assuming similar roles with the merged companies. Once completed, we feel that we will have an emerging media powerhouse with media assets valued in excess of \$50 million, and an enhanced valuation in excess of the present value reflected.

Over the last 2 quarters we have been negotiating this transaction with HWAL but we have also continued to move forward and make progress with our proprietary projects. Our movie *Bordercross* is nearing completion of post-production and we are in the final developmental stages of our marketing, release and premiere strategy. We have had much interest from distributors and will be finalizing several agreements prior to its release. We are expectant of controlling much of the distribution ourselves and consequently garnering a much larger revenue share. Ronnie King, our Music Supervisor is doing a phenomenal job with the *Bordercross* soundtrack, which will enhance the overall revenues. You can learn more about Ronnie King [www.asgentertainment.com/leadership](http://www.asgentertainment.com/leadership). We also expect to optimize our social media campaigns utilizing the services of MegaWorld Media.

We have continued with the development of our television show *Night and Day* and have added several new joint venture partners to our team for the Virtual Reality production and creation of Virtual Reality Gaming Apps. With our new alignment with HWAL, and their tremendous history, experience and success within the music industry, the television show *Legends and Lyrics* is a natural fit for taking this delightful show to the next level for many seasons to come. We have also been working on our *Treasure Within* planned family film slate and have a number of tremendous scripts under consideration.

The acquisition calls for ASGE shareholders to receive the equivalent share price of \$0.75 per share. The company will also be receiving capital, which will be paid in the form of working capital. As we approach the closing later this fall, you will be contacted by us with

instructions on where to send your ASGE shares that will then be exchanged for HWAL shares. Your HWAL shares will initially be restricted but you will be provided with “registration rights” that upon approval of the registration statement, your shares can become free trading. Although HWAL is presently publicly traded on the OTC Pink Sheets under the symbol HWAL, we will be working together to enable an enhanced listing on the NASDAQ and at that time to facilitate a large capital raise. To accomplish this, we will be composing a comprehensive S-1 filing with the SEC and ultimately qualification and clearance to list on the NASDAQ. Our goal is to file the S-1 sometime in the 1<sup>st</sup> quarter of 2017. We anticipate that this offering will be facilitated through the collective efforts of several Investment Banks.

Needless to say, we are very excited working with the wonderful people at Hollywall Entertainment and are thankful for this great new platform of media assets. As always, we are grateful for your support, confidence and patience throughout this entire journey.

Best Regards,



ROBERT MAERZ  
CHAIRMAN & CEO  
ASG ENTERTAINMENT