spackmanentertainmentgroup

SPACKMAN ENTERTAINMENT GROUP LIMITED
(Company Registration No.: 201401201N)
(Incorporated in the Republic of Singapore on 10 January 2014)

MATERIAL VARIANCES BETWEEN UNAUDITED FINANCIAL STATEMENTS AND THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

The Board of Directors (the "**Board**") of Spackman Entertainment Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the announcement on the unaudited full year financial statements for the financial year ended 31 December 2025 ("**FY2025**") dated 30 April 2026 ("**Announcement**").

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Board wishes to announce certain material adjustments made to the unaudited full-year financial statements for the financial year ended 31 December 2025 following the finalisation of the audit and issuance of the independent auditor's report for FY2025 dated 14 June 2026 by the Company's external auditors, Messrs Baker Tilly TFW LLP (the **"Independent Auditor's Report"**).

Details and clarifications of the material variances are set out in the explanatory notes below.

Consolidated Statement of Financial Position of the Group as at 31 December 2025

US$	**Audited**	**Unaudited**	**Variance**	**%**	**Note**
Non-current assets					
Intangible assets	204,123	441,755	(237,632)	(116.42)	A
Investment in associated companies	7,543,252	7,833,585	(290,333)	(3.85)	B
Film production inventories	363,362	336,753	26,609	7.32	C
Current assets					
Trade and other receivables	1,450,528	1,787,341	(336,813)	(23.22)	D
Equity					
Other reserves	2,393,346	201,965	2,191,381	91.56	E
Accumulated losses	(66,039,737)	(63,023,529)	3,016,208	4.57	F

Notes:

A Variance due to the finalisation of the carrying amounts of intangible assets, mainly arising from the recognition of impairment loss on goodwill of Take Pictures Pte Ltd ("**Take Pictures**") and amortisation charges on other intangible assets, resulting in a decrease of USD 237,632.

B Variance due to the finalisation of the carrying amount of the Group's investment in its associated company, Spackman Media Group Limited ("**SMGL**"), mainly arising from the adjustment for estimated costs of disposal in the fair value less costs of disposal assessment, resulting in a decrease of USD 290,333.

C Variance due to an increase of USD 26,609 in film production inventories following the finalisation of the carrying amounts of film projects.

D Variance due to a decrease of USD 336,813 in trade and other receivables, mainly arising from the write-off of loan receivables following the assessment of their recoverability.

E Variance due to the finalisation of reserve movements relating to the disposal of Zip Cinema (HK) Limited, resulting in an increase of USD 2,191,381 in other reserves.

F Variance due to the cumulative impact of the adjustments set out in Notes A to E above and other immaterial adjustments, resulting in an increase of USD 3,016,208 in accumulated losses.

<u>Consolidated Statement of Profit or Loss and Other Comprehensive Income of the Group for FY2025</u>

<table>
<tr><th>US$</th><th>Audited</th><th>Unaudited</th><th>Variance</th><th>%</th><th>Note</th></tr>
<tr><td>Other income and gains</td><td>398,386</td><td>326,546</td><td rowspan="2">114,503</td><td rowspan="2">25.96</td><td rowspan="2">G</td></tr>
<tr><td>Gain on disposal of subsidiaries</td><td>42,663</td><td>–</td></tr>
<tr><td>Net impairment loss on financial assets</td><td>736,962</td><td>407,874</td><td>329,088</td><td>44.65</td><td>H</td></tr>
<tr><td>Other expenses</td><td>699,131</td><td>10,968,170</td><td rowspan="3">662,974</td><td rowspan="3">5.30</td><td rowspan="3">J</td></tr>
<tr><td>(Impairment)/reversal of impairment loss on investment in associate</td><td>11,053,830</td><td>–</td></tr>
<tr><td>Share of loss of associated companies</td><td>760,651</td><td>882,468</td></tr>
</table>

Notes:

G Variance due to the finalisation of other income and gains, mainly arising from foreign exchange and other adjustments, resulting in an increase of USD 71,840, together with the separate presentation of gain on disposal of subsidiaries of USD 42,663.

H Variance due to an increase of USD 329,088 in net impairment loss on financial assets, mainly arising from the recognition of impairment loss on loan receivables following the assessment of their recoverability.

J Variance mainly due to the separate presentation of impairment loss on the Group's investment in its associated company, SMGL, and the recognition of additional impairment loss of USD 555,592 following the finalisation of the fair value less costs of disposal assessment. This was partially offset by a decrease of USD 121,817 in share of loss of SMGL. The remaining variance of USD 229,199 mainly arose from impairment loss on goodwill of Take Pictures and other immaterial adjustments, including foreign exchange differences.

BY ORDER OF THE BOARD

Lau Rui Sheng, Ian
Non-Executive & Independent Chairman

14 June 2026

This announcement has been reviewed by the Company's Sponsor, Evolve Capital Advisory Private Limited (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange"), and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

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