

# 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 2021

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 2021 (“**FY2021**”) dated 28 February 2022 (“**Announcement**”).

The Board wishes to clarify the material differences between the unaudited full year financial statements in the Announcement and the audited financial statements for FY2021. Details of the material variances and reasons for such variances are set out in the explanatory notes below.

### Consolidated Statement of Financial Position of the Group as at 31 December 2021

<i>US\$'000</i>	<b>Unaudited FY2021</b>	<b>Audited FY2021</b>	<b>Variance</b>	<b>Note</b>
<b>Non-current assets</b>				
Investment in associated companies	12,925	12,839	(86)	A
<b>Non-current liabilities</b>				
Borrowings	1,110	266	(844)	B
<b>Current liabilities</b>				
Borrowings	1,890	2,734	844	B

Notes:

- A Variance due to higher share of loss from its associated company, Spackman Media Group Limited, which amount to US\$107,182. The loss is partially offset by foreign currency translation gain from revaluation US\$21,148.
- B Due to reclassification of US\$843,526 from long-term borrowings to short-term borrowings as the debenture matures within the next twelve months after year-end.

**Consolidated Statement of Profit or Loss and Other Comprehensive Income of the Group for FY2021**

<i>US\$'000</i>	<b>Unaudited FY2021</b>	<b>Note C</b>	<b>Note D</b>	<b>Note E</b>	<b>Note F</b>	<b>Audited FY2021</b>
<b>Continuing operation</b>						
Revenue	3,177	–	11,756	–	–	14,933
Cost of sales	(2,440)	–	(10,516)	–	–	(12,956)
Gross profit	737	–	1,240	–	–	1,977
Other income and gains	10,397	–	772	(1,818)	(94)	9,257
Net impairment gains on financial assets	–	–		–	10	10
Interest income	73	–	29	–	9	111
<b>Expenses</b>						
Selling expenses	(391)	–	(20)	–	–	(411)
General and administrative expenses	(4,645)	–	(1,306)	–	84	(5,867)
Finance costs	(143)	–	(19)	–	(9)	(171)
Other expenses	(948)	–	(150)	–	–	(1,098)
Share of results of associate companies	(982)	(107)	–	–	–	(1,089)
Profit before tax	4,098	(107)	546	(1,818)	–	2,719
Tax expense	(2,074)	–	12	–	–	(2,062)
Profit after tax for the financial year from continuing operation	2,024	(107)	558	(1,818)	–	657
<b>Discontinued operations</b>						
Profit after tax for the financial year from discontinued operation	(666)	–	(558)	1,818	–	594
<b>Profit for the financial year</b>	<b>1,358</b>	<b>(107)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1,251</b>

Notes:

- C Variance due to higher share of loss from its associated company, Spackman Media Group Limited, which amount to US\$107,182.
- D Reclassification of the financial performance of the disposed subsidiary Zip Cinema Co Ltd from discontinued operation to continuing operation as the Group will still continue to produce films and dramas via subsidiaries in same geographical region.
- E Reclassification of the US\$1,818,387 gain from disposal of subsidiary, Frame Pictures Co Ltd, from other income and gains to discontinued operation.
- F Reclassification of the gain from reversal of allowance for bad debts from other income and gain of US\$94,489 to net impairment gains on financial assets US\$10,601 and general and administrative expenses US\$83,888. Along with the reclassification of loan interest of US\$9,297 from finance cost to interest income.

BY ORDER OF THE BOARD

**John Ko, Jihwan**  
**Chief Executive Officer**

14 April 2022

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**"), for compliance with the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

*This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.*

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