

# SPACKMAN ENTERTAINMENT GROUP LIMITED

Company registration number – 201401201N

## Condensed Interim Financial Statements For the Six Months and Full Year Ended 31 December 2024

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

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## CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		The Group					
		Six Months Ended 31 December			Twelve Months Ended 31 December		
Note	2024 US\$'000	2023 US\$'000	Change %	2024 US\$'000	2023 US\$'000	Change %	
<b>Continuing operations</b>							
	4	142	63	125	186	82	127
		(112)	(18)	522	(143)	(21)	581
		<b>30</b>	<b>45</b>	(33)	<b>43</b>	<b>61</b>	(30)
		6,519	31	N.M.	6,564	38	N.M.
		39	69	(43)	92	106	(13)
<b>Expenses</b>							
		(132)	(183)	(28)	(235)	(374)	(37)
		(1,309)	(1,666)	(21)	(2,358)	(2,957)	(20)
		(485)	–	N.M.	(485)	–	N.M.
		(25)	(36)	(31)	(50)	(49)	2
		(1,905)	(2,495)	(24)	(2,749)	(2,847)	(3)
		(336)	(1,124)	(70)	(473)	(999)	(53)
	6	<b>2,396</b>	<b>(5,359)</b>	(145)	<b>349</b>	<b>(7,021)</b>	(105)
		–	–		–	–	
		<b>2,396</b>	<b>(5,359)</b>	(145)	<b>349</b>	<b>(7,021)</b>	(105)
<b>Discontinued operations<sup>1</sup></b>							
		362	(1,218)	(130)	128	(1,661)	(108)
		<b>2,758</b>	<b>(6,577)</b>	(142)	<b>477</b>	<b>(8,682)</b>	(105)
<b>Profit/(loss) for the period attributable to:</b>							
Equity holders of the Company							
	8	2,396	(5,359)	(145)	349	(7,021)	(105)
		243	(730)	(133)	40	(1,030)	(104)
		<b>2,639</b>	<b>(6,089)</b>	(143)	<b>389</b>	<b>(8,051)</b>	(105)
Non-controlling interests							
		119	(488)	(124)	88	(631)	(114)
		<b>2,758</b>	<b>(6,577)</b>	(142)	<b>477</b>	<b>(8,682)</b>	(105)
<b>Profit/(loss) per share attributable to the equity holders of the Company:</b>							
Basic and fully diluted (USD in cents)							
	8	0.13	(0.29)		0.02	(0.38)	
		0.01	(0.04)		–	(0.06)	
		<b>0.14</b>	<b>(0.33)</b>		<b>0.02</b>	<b>(0.44)</b>	

<sup>1</sup> – Discontinued operations arises from the disposal of Upper West Inc, Noon Pictures Co.,Ltd, and Novus Mediacorp Co., Ltd. whose results have been represented in accordance with SFRS(I) 5 Non-Current Assets Held for Sale and Discontinued Operations.

N.M. – Not meaningful

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## CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D)

	The Group					
	Six Months Ended			Twelve Months Ended		
	2024	2023	Change	2024	2023	Change
US\$'000	US\$'000	%	US\$'000	US\$'000	%	
<b>Other comprehensive income/(loss)</b>						
<u>Items that are or may be reclassified</u>						
<u>subsequently to profit or loss:</u>						
Currency translation difference arising from consolidation	33	(131)	(125)	606	47	1,189
Share of other comprehensive income/(loss) of associated company	1,928	272	609	2,358	176	1,240
<u>Items that will not be reclassified</u>						
<u>subsequently to profit or loss:</u>						
Currency translation difference arising from consolidation	45	(3)	(1,600)	76	(9)	(944)
<b>Total comprehensive income/(loss) for the year</b>	<b>4,764</b>	<b>(6,439)</b>	<b>(174)</b>	<b>3,517</b>	<b>(8,468)</b>	<b>(142)</b>
<b>Total comprehensive income/(loss) for the year attributable to:</b>						
Equity holders of the Company						
-Continuing operations	4,357	(5,218)	(183)	3,313	(6,798)	(149)
-Discontinued operations	243	(730)	(133)	40	(1,030)	(104)
	4,600	(5,948)	(177)	3,353	(7,828)	(143)
Non-controlling interests						
- Discontinued operations	164	(491)	(133)	164	(640)	(126)
<b>Total comprehensive income/(loss) for the year</b>	<b>4,764</b>	<b>(6,439)</b>	<b>(174)</b>	<b>3,517</b>	<b>(8,468)</b>	<b>(142)</b>

<sup>1</sup> – Discontinued operations arises from the disposal of Upper West Inc, Noon Pictures Co.,Ltd, and Novus Mediacorp Co., Ltd. whose results have been represented in accordance with SFRS(I) 5 Non-Current Assets Held for Sale and Discontinued Operations.

N.M. – Not meaningful

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## CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION (GROUP AND COMPANY)

	Note	Group		Company	
		31 December 2024	31 December 2023	31 December 2024	31 December 2023
		US\$'000	US\$'000	US\$'000	US\$'000
<b>Assets</b>					
Property, plant and equipment	12	168	552	33	77
Intangible assets	11	563	1,765	–	–
Film production inventories		579	1,034	–	–
Deferred tax assets		–	18	–	–
Investment in subsidiaries		–	–	283	10,572
Investment in associated company		19,414	11,569	20,078	12,463
Trade and other receivables		50	342	–	–
<b>Non-current assets</b>		<b>20,774</b>	<b>15,280</b>	<b>20,394</b>	<b>23,112</b>
Film production inventories		2,673	997	–	–
Loan to subsidiaries		–	–	–	952
Inventories		–	5	–	–
Financial assets at fair value through profit or loss	10	–	808	–	–
Trade and other receivables		2,552	5,489	339	1,272
Cash and cash equivalents		97	802	11	145
<b>Current assets</b>		<b>5,322</b>	<b>8,101</b>	<b>350</b>	<b>2,369</b>
<b>Total assets</b>		<b>26,096</b>	<b>23,381</b>	<b>20,744</b>	<b>25,481</b>
<b>Liabilities</b>					
Borrowings	13	331	419	325	975
Other non-current liabilities		–	162	–	–
<b>Non-current liabilities</b>		<b>331</b>	<b>581</b>	<b>325</b>	<b>975</b>
Contract liabilities		501	482	–	–
Trade and other payables		798	1,629	544	728
Borrowings	13	1,306	2,494	227	7,459
Film obligation and production loans		1,945	497	–	–
<b>Current liabilities</b>		<b>4,550</b>	<b>5,102</b>	<b>771</b>	<b>8,187</b>
<b>Total liabilities</b>		<b>4,881</b>	<b>5,683</b>	<b>1,096</b>	<b>9,162</b>
<b>Net assets</b>		<b>21,215</b>	<b>17,698</b>	<b>19,648</b>	<b>16,319</b>
<b>Share capital and reserves</b>					
Share capital	14	70,007	70,007	70,007	70,007
Treasury shares	14	(915)	(915)	(915)	(915)
Other reserves		30	(2,934)	–	–
Accumulated losses		(47,187)	(48,001)	(49,444)	(52,773)
Equity attributable to equity holders of the Company, total		21,935	18,157	19,648	16,319
Non-controlling interests		(720)	(459)	–	–
<b>Total equity</b>		<b>21,215</b>	<b>17,698</b>	<b>19,648</b>	<b>16,319</b>

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## CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Group	
		Twelve Months Ended	
		31 December	
		2024	2023
		US\$'000	US\$'000
<b>Cash flows from operating activities</b>			
Loss before tax from continuing operations		349	(7,021)
Loss before tax from discontinued operations	7	128	(1,661)
Loss before tax		477	(8,682)
<b>Adjustments for:</b>			
Depreciation of property, plant and equipment		314	493
Interest income		(92)	(115)
Interest expense		111	113
Share of results of associated company		473	999
Amortisation of intangible assets		96	91
Allowance for impairment for receivables		539	258
Fair value loss on investments in financial assets at FVTPL		430	1,185
Impairment loss on investment in associates		–	48
Impairment loss on goodwill		1,003	1,851
Impairment loss on film production inventories		178	213
Gain on disposal of property, plant and equipment		(10)	–
Gain on termination of right-of-use assets		(2)	–
Gain on disposal of subsidiaries		(1,554)	–
Reversal of Impairment loss on Investment in associate		(5,959)	–
Reversal of Impairment loss on Investment in project		(2)	–
<b>Operating loss before working capital changes</b>		<b>(3,998)</b>	<b>(3,546)</b>
<b>Working capital changes</b>			
Inventories and copyrights		4	1
Film production inventories		(2,124)	(412)
Receivables and contract assets		440	499
Payables and contract liabilities		275	(2,160)
Currency translation adjustments		1,751	102
Cash used in operations		(3,652)	(5,516)
Interest received		18	43
<b>Net cash used in operating activities</b>		<b>(3,634)</b>	<b>(5,473)</b>

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## CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

	Group	
	Twelve Months Ended 31 December	
	2024 US\$'000	2023 US\$'000
	Note	
<b>Investing activities</b>		
Proceeds from disposal of property, plant and equipment	27	–
Disposal of Intangible asset	26	–
Purchases of property, plant and equipment	(31)	(48)
Purchases of intangible asset	–	(7)
Purchases of investments	–	(306)
Proceeds from disposal of investments	126	196
Additional short-term loans	(76)	(166)
Short-term loan to associated company	(5)	(91)
Repayment of short-term loans	1,037	9
Advances given to associated company	(84)	(682)
Repayment from associated company	357	414
<b>Net cash generated from/(used in) investing activities</b>	<b>1,377</b>	<b>(681)</b>
<b>Financing activities</b>		
Interest paid	(111)	(113)
Repayment of borrowings	(529)	(480)
Proceeds from borrowings	775	1,651
Loan received from associated company	–	74
Loan received from director	332	–
Advances received from directors of subsidiaries	236	73
Repayment of advances received from directors of subsidiaries	(198)	(3)
Proceeds from film obligations and production loans	1,665	77
Repayment of film obligations and production loans	(17)	(238)
Repayment of lease liabilities	(224)	(345)
Net decrease in leasehold deposits	61	64
<b>Net cash generated from financing activities</b>	<b>1,990</b>	<b>760</b>
<b>Net change in cash and cash equivalents</b>	<b>(267)</b>	<b>(5,394)</b>
Cash and cash equivalents at beginning of financial year	802	6,209
Effect of exchange rate changes	(438)	(13)
<b>Cash and cash equivalents at end of the financial year</b>	<b>97</b>	<b>802</b>

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## CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

The Group	Share capital US\$'000	Treasury shares US\$'000	Other reserve US\$'000	Accumulated losses US\$'000	Total US\$'000	Non-controlling interests US\$'000	Total equity US\$'000
<b>2024</b>							
<b>Balance as at 1 January 2024</b>	<b>70,007</b>	<b>(915)</b>	<b>(2,934)</b>	<b>(48,001)</b>	<b>18,157</b>	<b>(459)</b>	<b>17,698</b>
Loss for the financial year	–	–	–	814	814	(337)	477
<u>Other comprehensive income for the year</u>							
Share of other comprehensive income of associated company	–	–	2,358	–	2,358	–	2,358
Currency translation difference on consolidation	–	–	606	–	606	76	682
	–	–	2,964	–	2,964	76	3,040
<b>Balance as at 31 December 2024</b>	<b>70,007</b>	<b>(915)</b>	<b>30</b>	<b>(47,187)</b>	<b>21,935</b>	<b>(720)</b>	<b>21,215</b>
<b>2023</b>							
<b>Balance as at 1 January 2023</b>	<b>70,007</b>	<b>(915)</b>	<b>(3,157)</b>	<b>(39,950)</b>	<b>25,985</b>	<b>181</b>	<b>26,166</b>
Loss for the financial year	–	–	–	(8,051)	(8,051)	(631)	(8,682)
<u>Other comprehensive income/(loss) for the year</u>							
Share of other comprehensive loss of associated company	–	–	176	–	176	–	176
Currency translation difference on consolidation	–	–	47	–	47	(9)	38
	–	–	223	–	223	(9)	214
<b>Balance as at 31 December 2023</b>	<b>70,007</b>	<b>(915)</b>	<b>(2,934)</b>	<b>(48,001)</b>	<b>18,157</b>	<b>(459)</b>	<b>17,698</b>



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## CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)

The Company	Share capital US\$'000	Treasury shares US\$'000	Accumulated losses US\$'000	Total US\$'000
<b>2024</b>				
Balance as at 1 January 2024	70,007	(915)	(52,773)	16,319
Loss for the financial year	–	–	3,329	3,329
<b>Balance as at 31 December 2024</b>	<b>70,007</b>	<b>(915)</b>	<b>(49,444)</b>	<b>19,648</b>
<b>2023</b>				
Balance as at 1 January 2023	70,007	(915)	(47,974)	21,118
Loss for the financial year	–	–	(4,799)	(4,799)
<b>Balance as at 31 December 2023</b>	<b>70,007</b>	<b>(915)</b>	<b>(52,773)</b>	<b>16,319</b>

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## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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### 1. Corporate information

Spackman Entertainment Group Limited (the “**Company**”) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Catalist of the Singapore Exchange. The registered office of the Company is at 16 Collyer Quay, #17-00, Singapore 049318. The principal place of business of the Company is at 111 Somerset Road, #05-13, 111 Somerset, Singapore 238164.

These condensed interim consolidated financial statements as at and for the six months and full year ended 31 December 2024 comprise the Company and its subsidiaries (collectively, the “**Group**”). The principal activity of the Company is an investment holding company and its subsidiaries’ principal activities are film production, film distribution for post-theatrical market, film and talent management.

### 2. Basis of Preparation

The condensed interim financial statements for the six months and full year ended 31 December 2024 have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and the performance of the Group since the last annual financial statements for the year ended 31 December 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements of the Group and the Company are presented in United States dollar (“**USD**”), which is the Company’s functional currency.

#### 2.1 New and revised standards

In the current reporting period, the Group has adopted all new and revised SFRS(I) and SFRS(I) Interpretations (“**SFRS(I) INT**”) that are relevant to its operations and effective for the current financial year. The application of these new and revised SFRS(I) and SFRS(I) INT do not have a material effect on the financial statements.

New standards, amendments to standards and interpretations that have been issued at the balance sheet date but are not yet effective for the financial year ended 31 December 2024 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group and the Company.

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## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

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### 2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2024.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Note 10 – Impairment test of intangible assets and goodwill

### Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the Group assesses and documents the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of SFRS(I)s, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. The tables below analyse the fair value measurements by the levels in the fair value hierarchy based on the inputs to the valuation techniques. The different levels are defined as follows:

- a) Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.
- b) Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (i.e., derived from prices).
- c) Level 3 - input for the asset or liability that are not based on observable market data (Unobservable inputs)

## 2.2 Use of estimates and judgements (Cont'd)

### Measurement of fair values (Cont'd)

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

## 3. Seasonal operations

As the global economy moves at a slower pace, the Group faces stagnant growth in the Korean entertainment sector. Some of the Group's film and drama projects continue to face some delays in the production and distribution of its content projects. However, the Group's businesses are not affected by any other seasonal or cyclical factors during the financial year.

## 4. Segment and revenue information

The Group is organised into the following business segments:

- Distribution of films;
- Production of films;
- Talent management;
- Restaurant sales and café lounge;
- Consulting services; and
- Others

These operating segments are reported in a manner consistent with internal reporting provided to the Executive Director and interim Chief Executive Officer, who is responsible for allocating resources and assessing the performance of the operating segments.

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## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

### 4. Segment and revenue information (Cont'd)

#### 4.1 Reportable segments

In US\$'000	The Group					Total
	Six months ended 31 December 2024					
	Distribution of films	Production of films	Talent management	Consulting services	Others	
Revenue	2	113	–	20	7	142
Cost of sales	–	(112)	–	–	–	(112)
Share of results of associated companies	–	–	(336)	–	–	(336)
Fair value on loss on investment in financial assets of FVTPL	(430)	–	–	–	–	(430)
Gain/(loss) on disposal of subsidiary	–	538	–	(71)	8	475
Impairment loss on film production inventories	–	(167)	–	–	–	(167)
Impairment loss on intangible assets	–	(25)	–	–	–	(25)
<b>Segment gross results</b>	<b>(428)</b>	<b>347</b>	<b>(336)</b>	<b>(51)</b>	<b>15</b>	<b>(453)</b>
Selling and general & administrative expenses	(25)	(830)	–	(149)	(368)	(1,372)
Impairment loss on goodwill	–	(1,003)	–	–	–	(1,003)
Reversal of Impairment loss in associated companies	–	–	5,959	–	–	5,959
<b>Segment net results</b>	<b>(453)</b>	<b>(1,486)</b>	<b>5,623</b>	<b>(200)</b>	<b>(353)</b>	<b>3,131</b>
<b>Unallocated other income:</b>						
Other income and gains						84
Interest income						39
<b>Unallocated expenses:</b>						
Depreciation and amortisation						(70)
Other expenses						(763)
Finance costs						(25)
<b>Loss before tax</b>						<b>2,396</b>
Tax expenses						–
<b>Loss for the period from continuing operation</b>						<b>2,396</b>
<b>Profit for the period from discontinued operation</b>						<b>362</b>
<b>Loss for the period</b>						<b>2,758</b>
<b>Segment assets</b>	<b>48</b>	<b>5,059</b>	<b>19,414</b>	<b>789</b>	<b>786</b>	<b>26,096</b>
Total assets						26,096
<b>Segment liabilities</b>	<b>15</b>	<b>2,928</b>	<b>–</b>	<b>87</b>	<b>214</b>	<b>3,244</b>
Unallocated liabilities						1,637
Total liabilities						4,881

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## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

### 4. Segment and revenue information (Cont'd)

#### 4.1 Reportable segments (Cont'd)

In US\$'000	The Group					Total
	Six months ended 31 December 2023					
	Distribution of films	Production of films	Talent management	Consulting services	Others	
Revenue	13	36	–	5	9	63
Cost of sales	–	(18)	–	–	–	(18)
Share of results of associated companies	–	–	(1,124)	–	–	(1,124)
Impairment loss on film production inventories	–	(88)	–	–	–	(88)
Impairment loss on intangible assets	–	(171)	–	–	–	(171)
<b>Segment gross results</b>	<b>13</b>	<b>(241)</b>	<b>(1,124)</b>	<b>5</b>	<b>9</b>	<b>(1,338)</b>
Selling and general & administrative expenses	(674)	(761)	–	(115)	(216)	(1,766)
Impairment loss on goodwill	–	(631)	–	(1,220)	–	(1,851)
Impairment loss in associated companies	–	–	(48)	–	–	(48)
<b>Segment net results</b>	<b>(661)</b>	<b>(1,633)</b>	<b>(1,172)</b>	<b>(1,330)</b>	<b>(207)</b>	<b>(5,003)</b>
<b>Unallocated other income:</b>						
Other income and gains						31
Interest income						69
<b>Unallocated expenses:</b>						
Depreciation and amortisation						(84)
Other expenses						(336)
Finance costs						(36)
<b>Loss before tax</b>						<b>(5,359)</b>
Tax expenses						–
<b>Loss for the period from continuing operation</b>						<b>(5,359)</b>
<b>Loss for the period from discontinued operation</b>						<b>(1,218)</b>
<b>Loss for the period</b>						<b>(6,577)</b>
<b>Segment assets</b>	<b>1,612</b>	<b>3,585</b>	<b>11,569</b>	<b>941</b>	<b>762</b>	<b>18,466</b>
Unallocated assets						553
Assets held for sale						4,362
Total assets						23,381
<b>Segment liabilities</b>	<b>287</b>	<b>977</b>	<b>–</b>	<b>49</b>	<b>92</b>	<b>1,405</b>
Unallocated liabilities						1,103
Liabilities held for sale						3,175
Total liabilities						5,683

# spackmanentertainmentgroup

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

### 4. Segment and revenue information (Cont'd)

#### 4.1 Reportable segments (Cont'd)

In US\$'000	The Group					Total
	Twelve months ended 31 December 2024					
	Distribution of films	Production of films	Talent management	Consulting services	Others	
Revenue	3	113	–	20	50	186
Cost of sales	–	(113)	–	–	(30)	(143)
Share of results of associated companies	–	–	(473)	–	–	(473)
Fair value on loss on investment in financial assets of FVTPL	(430)	–	–	–	–	(430)
Gain on disposal of property, plant and equipment	–	–	–	–	10	10
Gain/(loss) on disposal of subsidiary	–	538	–	(71)	8	475
Impairment loss on film production inventories	–	(167)	–	–	–	(167)
Impairment loss on intangible assets	–	(105)	–	–	–	(105)
<b>Segment gross results</b>	<b>(427)</b>	<b>266</b>	<b>(473)</b>	<b>(51)</b>	<b>38</b>	<b>(647)</b>
Selling and general & administrative expenses	(45)	(1,479)	–	(266)	(657)	(2,447)
Impairment loss on goodwill	–	(1,003)	–	–	–	(1,003)
<i>Reversal of Impairment loss in associated companies</i>	–	–	5,959	–	–	5,959
<b>Segment net results</b>	<b>(472)</b>	<b>(2,216)</b>	<b>5,486</b>	<b>(317)</b>	<b>(619)</b>	<b>1,862</b>
<b>Unallocated other income:</b>						
Other income and gains						120
Interest income						92
<b>Unallocated expenses:</b>						
Depreciation and amortisation						(146)
Other expenses						(1,529)
Finance costs						(50)
<b>Loss before tax</b>						<b>349</b>
Tax expenses						–
<b>Loss for the period from continuing operation</b>						<b>349</b>
<b>Profit for the period from discontinued operation</b>						<b>128</b>
<b>Loss for the year</b>						<b>477</b>
<b>Segment assets</b>	<b>48</b>	<b>5,059</b>	<b>19,414</b>	<b>789</b>	<b>786</b>	<b>26,096</b>
Total assets						26,096
<b>Segment liabilities</b>	<b>15</b>	<b>2,928</b>	<b>–</b>	<b>87</b>	<b>214</b>	<b>3,244</b>
Unallocated liabilities						1,637
Total liabilities						4,881

# spackmanentertainmentgroup

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

### 4. Segment and revenue information (Cont'd)

#### 4.1 Reportable segments (Cont'd)

In US\$'000	The Group					Total
	Twelve months ended 31 December 2023					
	Distribution of films	Production of films	Talent management	Consulting services	Others	
Revenue	31	36	–	5	10	82
Cost of sales	(2)	(19)	–	–	–	(21)
Share of results of associated companies	–	–	(999)	–	–	(999)
Impairment loss on film production inventories	–	(88)	–	–	–	(88)
Impairment loss on intangible assets	–	(211)	–	–	–	(211)
<b>Segment gross results</b>	<b>29</b>	<b>(282)</b>	<b>(999)</b>	<b>5</b>	<b>10</b>	<b>(1,237)</b>
Selling and general & administrative expenses	(1,186)	(1,340)	–	(202)	(381)	(3,109)
Impairment loss on goodwill	–	(631)	–	(1,220)	–	(1,851)
Impairment loss in associated companies	–	–	(48)	–	–	(48)
<b>Segment net results</b>	<b>(1,157)</b>	<b>(2,254)</b>	<b>(1,047)</b>	<b>(1,417)</b>	<b>(371)</b>	<b>(6,245)</b>
<b>Unallocated other income:</b>						
Other income and gains						38
Interest income						106
<b>Unallocated expenses:</b>						
Depreciation and amortisation						(222)
Other expenses						(648)
Finance costs						(50)
<b>Loss before tax</b>						<b>(7,021)</b>
Tax expenses						
<b>Loss for the period from continuing operation</b>						<b>(7,021)</b>
<b>Loss for the period from discontinued operation</b>						<b>(1,661)</b>
<b>Loss for the year</b>						<b>(8,682)</b>
<b>Segment assets</b>	<b>1,612</b>	<b>3,585</b>	<b>11,569</b>	<b>941</b>	<b>762</b>	<b>18,466</b>
Unallocated assets						553
Assets held for sale						4,362
Total assets						23,381
<b>Segment liabilities</b>	<b>287</b>	<b>977</b>	<b>–</b>	<b>49</b>	<b>92</b>	<b>1,405</b>
Unallocated liabilities						1,103
Liabilities held for sale						3,175
Total liabilities						5,683



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## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

### 4. Segment and revenue information (Cont'd)

#### 4.2 Disaggregation of revenue

In US\$'000	The Group				Total
	Distribution of films	Production of films	Consulting services	Others	
<b>Type of revenue:</b>					
Distribution of films and others	2	–	–	–	2
Production of films	–	113	–	–	113
Consulting services	–	–	20	–	20
Others	–	–	–	7	7
<b>Total revenue</b>	<b>2</b>	<b>113</b>	<b>20</b>	<b>7</b>	<b>142</b>
<b>Timing of revenue recognition:</b>					
Over time	2	113	20	7	142
<b>Total revenue</b>	<b>2</b>	<b>113</b>	<b>20</b>	<b>7</b>	<b>142</b>
<b>Geographical information:</b>					
South Korea	2	113	20	7	142
<b>Total revenue</b>	<b>2</b>	<b>113</b>	<b>20</b>	<b>7</b>	<b>142</b>

In US\$'000	The Group				Total
	Distribution of films	Production of films	Consulting services	Others	
<b>Type of revenue:</b>					
Distribution of films and others	13	–	–	–	13
Production of films	–	36	–	–	36
Consulting services	–	–	5	–	5
Others	–	–	–	9	9
<b>Total revenue</b>	<b>13</b>	<b>36</b>	<b>5</b>	<b>9</b>	<b>63</b>
<b>Timing of revenue recognition:</b>					
Over time	13	36	5	9	63
<b>Total revenue</b>	<b>13</b>	<b>36</b>	<b>5</b>	<b>9</b>	<b>63</b>
<b>Geographical information:</b>					
South Korea	13	36	5	9	63
<b>Total revenue</b>	<b>13</b>	<b>36</b>	<b>5</b>	<b>9</b>	<b>63</b>

# spackmanentertainmentgroup

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

### 4. Segment and revenue information (Cont'd)

#### 4.2 Disaggregation of revenue (Cont'd)

In US\$'000	The Group				
	Distribution of films	Production of films	Consulting services	Others	Total
<b>Type of revenue:</b>					
Distribution of films and others	3	–	–	–	3
Production of films	–	113	–	–	113
Consulting services	–	–	20	–	20
Sales of content	–	–	–	43	43
Others	–	–	–	7	7
<b>Total revenue</b>	<b>3</b>	<b>113</b>	<b>20</b>	<b>50</b>	<b>186</b>
<b>Timing of revenue recognition:</b>					
Over time	3	113	20	50	186
<b>Total revenue</b>	<b>3</b>	<b>113</b>	<b>20</b>	<b>50</b>	<b>186</b>
<b>Geographical information:</b>					
South Korea	3	113	20	50	186
<b>Total revenue</b>	<b>3</b>	<b>113</b>	<b>20</b>	<b>50</b>	<b>186</b>

In US\$'000	The Group				
	Distribution of films	Production of films	Consulting services	Others	Total
<b>Type of revenue:</b>					
Distribution of films and others	31	–	–	–	31
Production of films	–	36	–	–	36
Consulting services	–	–	5	–	5
Others	–	–	–	10	10
<b>Total revenue</b>	<b>31</b>	<b>36</b>	<b>5</b>	<b>10</b>	<b>82</b>
<b>Timing of revenue recognition:</b>					
Over time	31	36	5	10	82
<b>Total revenue</b>	<b>31</b>	<b>36</b>	<b>5</b>	<b>10</b>	<b>82</b>
<b>Geographical information:</b>					
South Korea	31	36	5	10	82
<b>Total revenue</b>	<b>31</b>	<b>36</b>	<b>5</b>	<b>10</b>	<b>82</b>

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## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

### 5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group:

	Note	The Group		The Company	
		31 December 2024 US\$'000	31 December 2023 US\$'000	31 December 2024 US\$'000	31 December 2023 US\$'000
<b>Financial Assets</b>					
Financial assets at fair value through profit or loss	10	–	808	–	–
Cash and bank		97	802	11	145
Trade and other receivables (Amortised cost) #		2,180	3,886	286	2,150
		<b>2,277</b>	<b>5,496</b>	<b>297</b>	<b>2,295</b>
<b>Financial liabilities</b>					
Financial liabilities at fair value through profit or loss		1,945	497	–	–
Trade and other payables (Amortised cost) *		2,432	4,498	1,096	9,162
		<b>4,377</b>	<b>4,995</b>	<b>1,096</b>	<b>9,162</b>

# Excludes prepayments and advance payments

\* Excludes deferred income and advance received

### 6. Loss before tax

The following significant items have been included in arriving at loss before tax:

	Group			
	Six Months Ended 31 December 2024 US\$'000	Six Months Ended 31 December 2023 US\$'000	Twelve Months Ended 31 December 2024 US\$'000	Twelve Months Ended 31 December 2023 US\$'000
<b>Income</b>				
Interest income	39	69	92	106
Gain on disposal of property, plant and equipment	–	–	10	–
Gain on disposal of subsidiaries	475	–	475	–
Reversal of Impairment loss on Investment in associate	5,959	–	5,959	–
<b>Expenses</b>				
Amortisation of intangible assets	16	47	96	91
Depreciation on property, plant and equipment	139	84	146	218
Fair value loss on investments in financial assets at FVTPL	–	510	–	510
Interest expense	25	36	50	49
Impairment loss on investment in associates	–	48	–	48
Impairment loss on goodwill	1,003	1,851	1,003	1,851
Impairment loss on film production inventories	177	213	177	213
Foreign exchange loss, net	568	(174)	1,291	129

# spackmanentertainmentgroup

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

### 7. Discontinued operations

On 20 December 2024, as part of an internal restructuring exercise, the Group entered into a sale and purchase agreement to dispose Spackman Equities Limited (“SEL”), which following the restructuring, included Upper West Inc. (“UW”), Noon Pictures Co.,Ltd (“Noon”), Novus Mediacorp Co., Ltd (“Novus”), Constellation Agency Pte. Ltd.(“CAPL”) and Simplex Films Limited (“Simplex”). Among these entities, UW, Noon, and Novus were classified as discontinued operations.

	2024 US\$	2023 US\$
<b>Loss from discontinued operations</b>	(951,071)	(1,661,122)
<b>Gain on disposal of subsidiaries</b>	1,078,913	–
<b>Profit/(loss) from discontinued operations</b>	<b>127,842</b>	<b>(1,661,122)</b>

### Income statement disclosures

The results of SEL Group’s discontinued operations for the twelve months ended 27 December 2024 and 2023 are presented as follows (excluding the gain on disposal):

	2024 US\$	2023 US\$
Revenue	875,443	769,647
Cost of sales	(232,854)	(352,192)
<b>Gross profit</b>	<b>642,589</b>	<b>417,455</b>
Other income and gains	29,814	81,441
Interest income	49	9,155
<b>Expenses</b>		
Selling expenses	(102,326)	(120,971)
General and administrative expenses	(940,255)	(1,048,356)
Finance costs	(60,539)	(63,402)
Other expenses	(520,383)	(937,848)
<b>Loss before tax from discontinued operations</b>	<b>(951,051)</b>	<b>(1,662,526)</b>
Tax (expenses)/credit	(20)	1,404
<b>Loss from discontinued operations</b>	<b>(951,071)</b>	<b>(1,661,122)</b>

# spackmanentertainmentgroup

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

### 7. Discontinued operations (cont'd)

#### Balance sheet disclosures

The major classes of assets and liabilities of SEL Group are as follows:

	2024 US\$	2023 US\$
<b>Assets</b>		
Property, plant and equipment	189,365	347,381
Intangible assets	58,929	1,097,266
Film production inventories	339,912	378,121
Trade and other receivables	220,685	286,190
<b>Non-current assets</b>	<b>808,891</b>	<b>2,108,958</b>
Inventories	1,107	5,530
Financial assets at fair value through profit or loss	211,307	808,251
Contract assets	46,912	–
Trade and other receivables	577,725	1,262,715
Cash and cash equivalents	1,752,445	176,234
<b>Current assets</b>	<b>2,589,496</b>	<b>2,252,730</b>
<b>Total assets</b>	<b>3,398,387</b>	<b>4,361,688</b>
<b>Non-current liabilities</b>		
Borrowings	57,369	87,101
Other non-current liabilities	151,296	162,636
<b>Total non-current liabilities</b>	<b>208,665</b>	<b>249,737</b>
<b>Current liabilities</b>		
Trade and other payables	2,703,311	877,553
Contract liabilities	113,357	249,504
Film obligations and production loans	68,027	77,555
Borrowings	1,340,041	1,720,482
<b>Total current liabilities</b>	<b>4,224,736</b>	<b>2,925,094</b>
<b>Total liabilities</b>	<b>4,433,401</b>	<b>3,174,831</b>
<b>Net (liabilities)/assets</b>	<b>(1,035,014)</b>	<b>1,186,857</b>

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## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

### 8. Loss per share

Basic and diluted loss per share is calculated by dividing the loss for the period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period.

The following tables reflect the income and share data used in the computation of basic and diluted loss per share for the end of the period.

	Group			
	Six Months Ended		Twelve Months Ended	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	US\$'000	US\$'000	US\$'000	US\$'000
Loss for the year attributable to equity holders of the Company from				
- Continuing operations	2,396	(5,359)	349	(7,021)
- Discontinued operations	243	(730)	40	(1,030)
	2,639	(6,089)	389	(8,051)
Weighted average number of ordinary shares in issue applicable to basic and diluted earnings per share computation	1,836,391,319	1,836,391,319	1,836,391,319	1,836,391,319

### 9. Net asset value

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	US\$	US\$	US\$	US\$
	US\$	US\$	US\$	US\$
Net asset value	21,214,719	17,697,751	19,648,428	16,319,465
Net asset value per ordinary share	0.012	0.010	0.011	0.009

Net asset value per ordinary share is computed based on the number of shares in issue (excluding treasury shares) of 1,836,391,319 (FY2023: 1,836,391,319).

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## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

### 10. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss comprise the following:

	Group		Company	
	31 December 2024 US\$'000	31 December 2023 US\$'000	31 December 2024 US\$'000	31 December 2023 US\$'000
<b>Current</b>				
Investment in film funds	–	341	–	–
Investment in theatrical projects	–	467	–	–
	–	<b>808</b>	–	–

Investment in film funds represents the Group's interest in private equity funds that focus on investments in the entertainment industry in Korea. The Group expects to earn returns on the investment by way of distribution of dividends. This fair value measurement is categorised in Level 3 of the fair value hierarchy.

Investment in theatrical projects represents the Group's financing of production and marketing expenditure that are associated with specific film titles. The fair value of investment in theatrical projects is determined based on the stage of production of the underlying films. The remaining amounts relate to film which have been released in the theatres and the fair values are determined based on the future cash flows expected to be received by the Group. The fair value measurement is categorised in Level 3 of the fair value hierarchy.

	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
<b>The Group – 31 December 2024</b>				
<b>Financial assets</b>				
Financial assets at fair value through profit or loss	–	–	–	–
<b>The Group – 31 December 2023</b>				
<b>Financial assets</b>				
Financial assets at fair value through profit or loss	–	–	808	808

# spackmanentertainmentgroup

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

### 11. Intangible assets

Group	Acquired libraries US\$'000	Software US\$'000	Goodwill US\$'000	Customer contracts US\$'000	Customer relationships US\$'000	Copyrights US\$'000	Total US\$'000
<b>As at 31 December 2024</b>							
Cost	28	21	11,535	693	244	681	13,202
Accumulated amortisation and disposal	(28)	(21)	(11,339)	(693)	(244)	(314)	(12,639)
<b>Net book amount</b>	<b>–</b>	<b>–</b>	<b>196</b>	<b>–</b>	<b>–</b>	<b>367</b>	<b>563</b>
<b>As at 31 December 2023</b>							
Cost	28	21	11,535	693	244	674	13,195
Addition	–	–	–	–	–	7	7
Accumulated amortisation and disposal	(28)	(21)	(10,336)	(693)	(244)	(115)	(11,437)
<b>Net book amount</b>	<b>–</b>	<b>–</b>	<b>1,199</b>	<b>–</b>	<b>–</b>	<b>566</b>	<b>1,765</b>

### 12. Property, plant and equipment

The Group's property, plant and equipment amounted to US\$167,981 (31 December 2023: US\$551,541) and the Company's plant and equipment amounted to US\$33,088 (31 December 2023: US\$77,359). The decrease was mainly attributable to the disposal of property, plant and equipment of subsidiaries and depreciation charged during FY2024.

### 13. Borrowings

	Group		Company	
	31 December 2024 US\$'000	31 December 2023 US\$'000	31 December 2024 US\$'000	31 December 2023 US\$'000
<b>Amount repayable within one year or less, or on demand</b>				
Unsecured loans	698	1,952	227	7,459
Secured loans <sup>(1)</sup>	608	542	–	–
	1,306	2,494	227	7,459
<b>Amount repayable after one year</b>				
Unsecured loans	272	310	325	975
Secured loans	59	109	–	–
	331	419	325	975
<b>Total loans and borrowings</b>	<b>1,637</b>	<b>2,913</b>	<b>552</b>	<b>8,434</b>

Notes:

(1) The Group's short-term borrowings are secured by guarantees from Korea Technology Finance Corporation and Korea Credit Guarantee Fund.



**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

**14. Share capital and treasury shares**

	Group and Company			
	Number of ordinary shares		Amount	
	Share capital	Treasury shares	Share capital	Treasury shares
<b>2024</b>				
Beginning and end of financial year	1,949,225,819	(112,834,500)	70,007,456	(914,565)
<b>2023</b>				
Beginning and end of financial year	1,949,225,819	(112,834,500)	70,007,456	(914,565)

All issued shares are fully paid ordinary shares with no par value.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares rank equally in regard to the Company's residual assets. All ordinary shares carry one vote per share without restrictions.

Treasury shares

The Company did not have any outstanding options or convertibles as at 31 December 2024 and 31 December 2023.

There are no subsidiary holdings during and as at end of the current financial year reported on.

**15. Subsequent events**

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

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## OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES

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1. **Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The condensed interim consolidated statement of financial position of Spackman Entertainment Group Limited and its subsidiaries as at 31 December 2024 and the related condensed interim consolidated statement of profit or loss and other comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six-month period then ended and full year and certain explanatory notes have not been audited or reviewed.

2. **Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-**

- a) **Updates on the efforts taken to resolve each outstanding audit issue.**
- b) **Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

**This is not required for any audit issue that is a material uncertainty relating to going concern.**

Not applicable.

3. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**

- a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

# spackmanentertainmentgroup

## OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES (CONT'D)

### Consolidated Statement of Profit or Loss and Other Comprehensive Income

#### a) Revenue

	Group			
	6M Ended December 2024 US\$ million	6M Ended December 2023 US\$ million	12M Ended December 2024 US\$ million	12M Ended December 2023 US\$ million
Production of films	0.11	0.03	0.11	0.03
Distribution of films and others	–	0.01	0.01	0.03
Sales of content	–	–	0.04	–
Consulting services	0.02	0.01	0.02	0.01
Others	0.01	0.01	0.01	0.01
	<b>0.14</b>	<b>0.06</b>	<b>0.19</b>	<b>0.08</b>

Revenue increased by US\$0.11 million or 127% year-on-year (“YoY”) to US\$0.19 million in FY2024. The increase was mainly driven by higher percentage-of-completion (“POC”) revenue of US\$0.11 million generated in FY2024 for a project currently under the working title *THE MANIPULATED*. Meanwhile, in FY2023, US\$0.03 million of production revenue was recognized from the post-production work of *A MAN OF REASON*. Additionally, there was an increase in sales of content by US\$0.04 million and consulting services by US\$0.01 million.

The Group recorded lower revenue from distribution of films and others in FY2024 as compared to the previous year.

#### b) Cost of sales

	Group			
	6M Ended December 2024 US\$ million	6M Ended December 2023 US\$ million	12M Ended December 2024 US\$ million	12M Ended December 2023 US\$ million
Production of films	0.11	0.02	0.11	0.02
Sales of content	–	–	0.03	–
	<b>0.11</b>	<b>0.02</b>	<b>0.14</b>	<b>0.02</b>

Cost of sales increased by US\$0.12 million or 581% YoY in FY2024. The increase was primarily driven by higher production costs of US\$0.11 million incurred in FY2024 for a project currently under the working title *THE MANIPULATED*. Meanwhile, in FY2023, *A MAN OF REASON* incurred US\$0.02 million in production costs. Additionally, there was an increase of US\$0.03 million from sales of content.

#### c) Gross profit

The Group registered a gross profit of US\$0.04 million in FY2024, which was US\$0.02 million or 30% lower as compared to FY2023.

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## OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES (CONT'D)

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### Consolidated Statement of Profit or Loss and Other Comprehensive Income (cont'd)

d) Other income and gains

Other income and gains increased by US\$6.53 million YoY to US\$6.56 million in FY2024. The increase was mainly driven by the reversal of an impairment loss on the share of results of associated company SMGL by US\$5.96 million, a gain of US\$0.48 million from the disposal of subsidiaries classified under continuing operations, miscellaneous income of US\$0.06 million, a foreign currency gain of US\$0.02 million, and a gain on the disposal of property, plant, and equipment of US\$0.01 million.

e) Selling expenses

Selling expenses decreased by US\$0.14 million or 37% YoY to US\$0.24 million in FY2024. The decrease was mainly due to a decrease in business travel numbers.

f) General and administrative expenses

General and administrative expenses decreased by US\$0.60 million or 20% YoY to US\$2.36 million in FY2024. This was mainly attributable to the decrease in professional service fees of US\$0.39 million, rent of US\$0.06 million, and depreciation and amortisation of US\$0.08 million.

g) Other expenses

Other expenses decreased by US\$0.10 million or 3% YoY to US\$2.75 million in FY2024. The decrease is primarily attributable to impairment loss on goodwill of US\$0.85 million, fair value on loss on investments in financial assets of US\$0.51, impairment loss on investment in associates of US\$0.05 million, and impairment loss on film production inventories of US\$0.03 million. This is partially offset by higher foreign currency losses of US\$1.19 million and miscellaneous expenses of US\$0.15 million.

h) Share of results of associate

The share of results of associate recorded a loss of US\$0.47 million in FY2024, improving from a loss of US\$1 million in FY2023, reflecting the performance of the Group's 43.88% owned associated company, Spackman Media Group Limited ("SMGL"). SMGL's talent management revenue declined in FY2024 due to a lower percentage of completion in filming and endorsement projects for several artists. However, its overall loss narrowed from US\$2.29 million in FY2023 to US\$1.07 million in FY2024, as the absence of an impairment loss on goodwill US\$0.86 million and valuation losses on investments US\$1.22 million offset the impact of lower revenue. Additionally, a gain of US\$0.27 million from the disposal of subsidiaries further reduced its losses.

i) Profit after tax for the year

As a result of the above, the Group recorded a profit after tax of US\$0.35 million in FY2024 as compared to a loss after tax of US\$7.02 million in FY2023.

j) Discontinued operations

The Group disposed of its subsidiaries during the year, resulting in a net profit from discontinued operations of US\$0.13 million. This was driven by a gain of US\$1.08 million on the disposal of subsidiaries, which was offset by a loss of US\$0.95 million from discontinued operations during the year.

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## OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES (CONT'D)

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### Consolidated Statement of Financial Position

The Group's non-current assets as of 31 December 2024 was US\$20.77 million, which increased by US\$5.49 million or 36% from US\$15.28 million as compared to 31 December 2023. This was mainly due to the following:

- i) increase in investment in the associated company by US\$7.84 million, which was primarily due to US\$5.96 million reversal of impairment loss in investment, US\$0.47 million loss in the share of results of associate for the year and US\$2.36 million in other comprehensive gain from Crystal Planet Limited's ("CPL") capital increase and foreign exchange variation; and
- ii) partially offset by the decrease in property, plant and equipment and intangible assets by US\$0.38 million mainly attributable to the disposal of property, plant and equipment of subsidiaries by US\$0.19 million and depreciation charged during FY2024;
- iii) decrease in intangible assets by US\$1.20 million was mainly due to the impairment loss on goodwill of US\$1 million;
- iv) decrease in film production inventories by US\$0.11 million;
- v) decrease in other non-current assets attributed from the disposal of subsidiaries in film production inventories of US\$0.34 million, trade and other receivables of US\$0.22 million and intangible assets of US\$0.06 million.

The Group's current assets decreased by US\$2.78 million from US\$8.10 million as of 31 December 2023 to US\$5.32 million as of 31 December 2024. This was mainly due to the decrease in cash and cash equivalents of US\$0.71 million as explained in the consolidated statement of cash flow below and the decrease in financial assets at fair value through profit or loss of US\$0.81 million and decrease in trade and other receivables of US\$2.94 million. This was partially offset by the increase in film production inventories of US\$1.68 million.

The Group's non-current liabilities decreased by US\$0.25 million from US\$0.58 million as of 31 December 2023 to US\$0.33 million as of 31 December 2024. This was mainly due to a decrease in other non-current liabilities of US\$0.15 million and non-current borrowings of US\$0.06 million, resulting from the disposal of subsidiaries.

The Group's current liabilities amounted to US\$4.55 million as of 31 December 2024 as compared to the current liabilities of US\$5.10 million as of 31 December 2023. This was mainly due to the decrease in trade and other payables of US\$0.83 million and borrowings of US\$1.19 million. This was partially offset by an increase in film obligation and production loan of US\$1.45 million.

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## OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES (CONT'D)

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### Consolidated Statement of Cash Flow

As of 31 December 2024, the Group had cash and cash equivalents amounting to US\$0.10 million as compared to cash and cash equivalents amounting to US\$0.80 million as of 31 December 2023.

The significant cash movements during FY2024 as compared to FY2023 can be summarised as follows:

Cash flow used in operating activities for FY2024 amounted to US\$3.63 million as compared to cash flow used in operating activities of US\$5.47 million for FY2023. The cash flow used in operating activities for FY2024 was mainly attributable to the operating loss before working capital changes of US\$4 million, film production inventories of US\$2.12 million. This was partially offset by receivables and contract assets of US\$0.44 million, payables and contract liabilities of US\$0.28 million and the currency translation gain of US\$1.75 million.

Cash flow generated from investing activities for FY2024 was US\$1.38 million as compared to cash flow used in investing activities of US\$0.68 million for FY2023. The cash flow generated from investing activities was mainly due to the proceeds from disposal of property, plant and equipment of US\$0.03 million, disposal of intangible asset of US\$0.03 million, proceeds from the settlement of investments in project of US\$0.13 million, proceeds from the repayment of short-term loans of US\$1.04 million and net repayment from associated company of US\$0.27 million. This was partially offset by purchases of property, plant and equipment of US\$0.03 million and additional short-term loans of US\$0.08 million.

Cash flow generated from financing activities was US\$1.99 million for FY2024 as compared to cash flow generated from financing activities of US\$0.76 million for FY2023. The cash flow generated from financing activities for FY2024 was mainly due to the proceeds from borrowings of US\$0.78 million, loan received from director of US\$0.33 million, net advances received from directors of subsidiaries of US\$0.04 million, net proceeds from film obligations and production loans of US\$1.65 million and net decrease in leasehold deposits of US\$0.06 million. This was partially offset by the repayment of borrowings of US\$0.53 million and the repayment of lease liabilities of US\$0.22 million.

#### **4. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

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## OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES (CONT'D)

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**5. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group's wholly-owned indirect subsidiary Studio Take Co., Ltd. ("**Studio Take**") has released the Korean adaptation of the Taiwanese hit *YOU ARE THE APPLE OF MY EYE* on 21 February 2025 at the Korean theatres. The romance film remake originally premiered at the 29<sup>th</sup> Busan International Film Festival in October 2024. Studio Take plans to release an upcoming budget film project named *THE GUEST* as well. The film is based on the short film with the same title directed by Yeon Je-gwang, which was invited to the 2016 Cannes Film Festival. *THE GUEST* is currently at the post-production stage and tentatively scheduled to be released in the second half of 2025 or in 2026.

Presently, the Korean film sector is not in a favourable condition as it faces stagnant growth, rising production costs and stiffer competition in securing quality projects. This resulted in a slowdown of content projects, with the Group having lower film and drama production activities. To sustain the Group's business operations, the Group will need to streamline its existing operations and, considering the less sanguine outlook of the Korean entertainment sector, explore new business initiatives to complement its ongoing business operations.

Following the disposal of its lossmaking entities at the end of FY2024, the Group needs to shift its business focus to other viable growth options. The Group plans to look out for strategic alternatives including synergistic M&A and partnerships.

As announced on 6 December 2024, the proposed transaction by SMGL, which constitutes a reverse-takeover transaction under the policies of the TSX Venture Exchange (the "**TSXV**") (the "**RTO**"), has been completed.

From the Group's understanding from SMGL, the RTO allows SMGL's artists to be better positioned to enter the North American film market by leveraging on the geographical advantage of being listed on the TSXV, having more opportunities to obtain financing for growth from the capital market in Canada.

As for upcoming content production projects or partnerships, the Group will announce if there are any material updates or if definitive agreements have been entered into, as and when necessary.

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## OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES (CONT'D)

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### 6. Dividend Information

- a) *Current Financial Period Reported on:* Any dividend declared for the current financial period reported on?  
No dividend is declared.
- b) *Corresponding Period of the Immediately Preceding Financial Year:* Any dividend declared for the corresponding period of the immediately preceding financial year?  
No.
- c) Date payable: Not applicable
- d) Record date: Not applicable

### 7. If no dividend has been declared/recommended, a statement to that effect and reason(s) for the decision.

No dividend is recommended for the full year ended 31 December 2024 (31 December 2023: Nil) as the Group intends to conserve cash for working capital use.

### 8. If the group has obtained a general mandate from shareholders for interested person transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders for interested person transactions.

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and conducted under shareholders' mandate pursuant to Rule 920) (S\$'000)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) (S\$'000)
None	Not applicable	Not applicable



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## OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES (CONT'D)

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### 9. Additional information required pursuant to Rule 706A

The Company had on 27 December 2024 announced the completion of the disposal of the entire shareholding interest in Spackman Equities Limited. Following, Spackman Equities Limited ("SEL") has ceased to be a subsidiary of the Group. For the purpose of the disposal, the Company commissioned Hanul LLC (Crowe Horwath Korea) (the "Independent Valuer") to conduct an independent valuation of SEL following the Proposed Restructuring and to assess and determine the value of the Sale Shares. Based on the valuation report issued by the Independent Valuer dated 9 December 2024 (the "Valuation Report"), SEL was assessed to have a negative net asset value of US\$(680,472) (or equivalent to approximately S\$(925,714) based on an exchange rate of US\$1 : S\$1.3604 as at 20 December 2024, extracted from the MAS website). The Independent Valuer observed that utilising the income approach and market approach valuation methods to value SEL was inapplicable, given its significant ongoing operational losses over the years and the challenges in projecting future profit generation. Consequently, the adjusted net asset method was adopted for the valuation. As such, the consideration was US\$1.

### 10. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7H under Rule 720(1) of the Listing Manual of the SGX-ST.

### 11. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement

Pursuant to Rule 704(10) of the Listing Manual Section B: Rules of Catalist of SGX-ST, the Company confirms that there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a Director, Chief Executive Officer or substantial shareholder of the Company.

### 12. Negative Assurance Confirmation on Interim Financial Results Pursuant to Rule 705(5) of the Listing Manual

We, the undersigned, hereby confirm to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the condensed interim financial results for the full year ended 31 December 2024 to be false or misleading in any material aspect.

#### BY ORDER OF THE BOARD

Lau Rui Sheng, Ian  
Non-Executive & Independent Chairman

Anthony Wei Kit Wong  
Executive Director & Interim Chief Executive Officer

Date: 28 February 2025