

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

POSITIVE PROFIT GUIDANCE FOR THE FIRST QUARTER ENDED 31 MARCH 2017

The Board of Directors (the “**Board**”) of Spackman Entertainment Group Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) wishes to announce that based on the preliminary review of the draft unaudited consolidated financial results for the Group’s first quarter ended 31 March 2017 (“**1QFY2017**”), the Group is expected to report a net profit for 1QFY2017 as compared to a net loss for the same quarter of the financial year ended 31 December 2016 (“**FY2016**”). The Group had also reported a net loss in FY2016 mainly as a result of lower revenue from the distribution of films, higher cost of sales and unrecognized revenue from share of profit for acting as the producer in FY2016 for *MASTER* due to the timing of its theatre release in late December 2016.

The turnaround and results improvement for 1QFY2017 was mainly due to the revenue and earnings recognition from the film, *MASTER*, which Zip Cinema Co., Ltd. (a wholly owned subsidiary of the Company) acted as the producer, production revenue from the Group’s upcoming manhunt thriller movie, *GOLDEN SLUMBER* and lower operating expenses without Opus Pictures Limited Liability Company (“**Opus Pictures**”), which the Group had disposed of on 12 August 2016.

FY2017 will be the first fiscal year without Opus Pictures. Without this loss-making entity, the Group expects to reduce its fixed overheads and operating expenses significantly.

The above guidance is based on a preliminary assessment made by the Company. The Company is in the process of finalising the Group’s unaudited results for 1QFY2017 which will be announced by 15 May 2017.

Shareholders are advised to act cautiously when dealing with their shares in the Company. If in doubt, about the action that they should take, shareholders should seek advice from their stockbrokers, bankers, solicitors, accountants, tax advisers or other professional advisers.

BY ORDER OF THE BOARD

Charles Choi Spackman
Executive Chairman and Chief Executive Officer

10 APRIL 2017

*This announcement has been prepared by the Company and its contents have been reviewed by the the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. ("**Sponsor**") for compliance with the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume 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.

The contact person for the Sponsor is Ms. Keng Yeng Pheng, Associate Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.