

SPACKMAN EQUITIES GROUP INC.

**UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(PREPARED BY MANAGEMENT)
FOR THE THREE AND NINE MONTH PERIODS ENDED SEPTEMBER 30, 2025 AND 2024
(In US Dollars)**

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited interim condensed consolidated financial statements of Spackman Equities Group Inc. were prepared by management in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board. The most significant of these accounting principles have been disclosed in the notes to the unaudited interim condensed consolidated financial statements. Management acknowledges responsibility for the preparation and presentation of the unaudited interim condensed consolidated financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances.

Management has established processes, which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the unaudited interim condensed consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited interim condensed consolidated financial statements and (ii) the unaudited interim condensed consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the unaudited interim condensed consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited interim condensed consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited interim condensed consolidated financial statements together with other financial information of the Company for issuance to the shareholders. These unaudited interim condensed consolidated financial statements were authorized for issuance by the Board on November 30, 2025.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

Notice of no auditor review of interim financial statements:

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim financial statements they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying interim unaudited condensed financial statements of the Company have been prepared by, and are the responsibility of, the Company's management.

The Company's independent auditor has not performed a review of these interim financial statements in accordance with standards established by the Institute of Chartered Public Accountants for a review of interim financial statements by an entity's auditor.

"Kyoungwon Na"
Chief Executive Officer

"Alex Falconer"
Chief Financial Officer

November 30, 2025

SPACKMAN EQUITIES GROUP INC.**UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Expressed in US Dollars)

AS AT

	Notes	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
ASSETS			
Current			
Cash and cash equivalents	3	\$ 1,921,153	\$ 2,960,693
Pledged bank deposits	4	35,658	54,422
Trade receivable and others	5	4,366,723	1,773,890
Tax recoverable		18,065	1,347
Loans to third parties	8	81,619	-
Other financial assets	6	1,868,624	1,782,438
		8,291,842	6,572,790
Long term			
Deposits		143	12,279
Property and equipment	9	164,547	101,329
Right-of-use assets	10	171,061	172,618
Other non-current financial assets	7	-	953,341
Intangible assets	11	587,066	603,205
Goodwill	12	1,360,544	1,297,793
Investments in theatrical films	13	1,278,941	1,106,047
Investment in shares of private company	14	3,653,500	-
		7,215,802	4,246,612
Total assets		\$ 15,507,644	\$ 10,819,402
LIABILITIES			
Current			
Trade and other payables	15	\$ 4,566,386	\$ 2,598,107
Lease liabilities	16	27,318	88,589
Loan from third parties	18	298,585	211,587
Loan from related parties	17	460,666	82,000
Tax payable		76	3,337
		5,353,031	2,983,620
Long term			
Lease liabilities	16	147,627	89,939
Provision		1,504	4,939
Deferred tax liability		14,901	14,214
		164,032	109,092
Total liabilities		5,517,063	3,092,712

The accompanying notes to the unaudited interim condensed consolidated financial statements are an integral part of these statements.

SPACKMAN EQUITIES GROUP INC.**UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Expressed in US Dollars)

AS AT

	Notes	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
SHAREHOLDERS' EQUITY			
Share capital	19	12,919,547	9,266,047
Reserve		(121,621)	(121,621)
Accumulated other comprehensive loss		(1,050,270)	(1,289,534)
Accumulated earnings (deficit)		(1,757,075)	(128,202)
Total shareholders' equity		9,990,581	7,726,690
Total shareholders' equity and liabilities		\$ 15,507,644	\$ 10,819,402

Nature of operations and Going concern (Note 1)

Approved on Behalf of the Board on November 30, 2025

'Richard Lee' Director'Kyoungwon Na' Director

The accompanying notes to the unaudited interim condensed consolidated financial statements are an integral part of these statements.

SPACKMAN EQUITIES GROUP INC.

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Expressed in US Dollars)

FOR THE THREE AND NINE MONTH PERIODS ENDED

	Notes	Three Months September 30,		Nine Months September 30,	
		2025	2024	2025	2024
Revenue					
Revenue	20	\$ 2,416,118	\$ 1,289,217	\$ 5,712,885	\$ 5,425,363
Cost of services		(1,925,545)	(841,229)	(4,513,216)	(4,036,558)
Gross profit		490,573	447,988	1,199,669	1,388,805
Expenses					
Other income and gains	21	(2,276)	17,684	(18,667)	(48,752)
Selling expense		31,377	33,671	119,495	115,518
General and administrative expenses		386,309	337,089	1,590,086	1,172,758
Other operating expenses		(1,203)	431	18,746	951
Impairment loss recognized on financial assets measured at FVTPL		-	-	1,098,910	-
Income(loss) from operations		76,366	59,113	(1,608,901)	148,330
Finance costs		9,584	(2,935)	(52,606)	(19,074)
Accretion expense		(3,752)	-	(4,642)	-
Fair value adjustment on loans payable		23,748	-	37,276	-
Income(loss) before income tax		105,946	56,178	(1,628,873)	129,256
Tax provision		-	(5,561)	-	(12,796)
Income(loss) for the period		105,946	50,617	(1,628,873)	116,460
Other comprehensive expense					
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translating foreign operations		(178,620)	266,017	239,264	(201,713)
Net loss and comprehensive loss for the period		\$ (72,674)	\$ 316,634	\$ (1,389,609)	\$ (85,253)
Net loss per share					
Basic and fully diluted loss per share		\$ 0.000	\$ 0.000	\$ (0.006)	\$ 0.001
Weighted average number of shares outstanding basic and fully diluted		253,627,640	200,347,125	253,243,381	200,347,125

The accompanying notes to the unaudited interim condensed consolidated financial statements are an integral part of these statements.

SPACKMAN EQUITIES GROUP INC.

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Expressed in US Dollars)

FOR THE THREE AND NINE MONTH PERIODS ENDED SEPTEMBER 30, 2025 AND 2024

	Share capital		Accumulated earnings (deficit)	Accumulated other comprehensive loss	Reserve	Total Shareholders' Equity
	Common shares	Amount				
Balance, January 1, 2024	200,347,125	\$ 2,513,095	\$ 2,644,369	\$ (429,066)	\$ (121,621)	\$ 4,606,777
Other comprehensive loss	-	-	-	(201,713)	-	(201,713)
Income for the period	-	-	116,460	-	-	116,460
Balance, September 30, 2024	200,347,125	\$ 2,513,095	\$ 2,760,829	\$ (630,779)	\$ (121,621)	\$ 4,521,524
Balance, January 1, 2025	252,114,862	\$ 9,266,047	\$ (128,202)	\$ (1,289,534)	\$ (121,621)	\$ 7,726,690
Shares issued (Note 19(b)(i))	2,500,000	3,653,500	-	-	-	3,653,500
Other comprehensive loss	-	-	-	239,264	-	239,264
Loss for the period	-	-	(1,628,873)	-	-	(1,628,873)
Balance, September 30, 2025	254,614,862	\$ 12,919,547	\$ (1,757,075)	\$ (1,050,270)	\$ (121,621)	\$ 9,990,581

The accompanying notes to the unaudited interim condensed consolidated financial statements are an integral part of these statements.

SPACKMAN EQUITIES GROUP INC.
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in US Dollars)
FOR THE THREE AND NINE MONTH PERIODS ENDED

	<u>Notes</u>	Nine Months September 30,	
		2025	2024
OPERATING ACTIVITIES			
Net income(loss) for the period before tax		\$ (1,628,873)	\$ 129,256
Adjustments not affecting cash:			
Finance costs		26,939	18,450
Interest income		(7,008)	(14,801)
Depreciation of property and equipment		31,941	23,742
Depreciation of right-of-use assets		89,136	121,093
Amortization of intangible assets		108,366	117,728
Gain on disposal of property and equipment		(7,754)	(14,110)
Gain on disposal of right-of-use assets		(1,456)	(133)
Accretion expense		4,642	-
Fair value adjustment on loans		(37,276)	-
Foreign exchange gain		75,180	(96,846)
Fair value losses on financial assets measured at FVTPL		1,098,910	-
Loss on disposal of financial assets at FVTPL		17,810	-
		(229,443)	284,379
Changes in non-cash working capital			
Trade receivable and others		(2,553,900)	999,704
Inventory		-	(42,872)
Deposits		12,635	(50,842)
Trade and other payables		2,181,467	(2,903,791)
Provisions		(3,647)	(4,280)
Income tax paid		(19,436)	31,836
Cash used in operating activities		(612,324)	(1,685,866)
INVESTING ACTIVITIES			
Interest received		5,459	10,749
Property and equipment acquired		(75,312)	(1,538)
Purchases of other non-current financial assets		(518,446)	-
Purchases of investments in theatrical films		(142,960)	(37,000)
Payments for intangible assets		(75,000)	-
Proceeds on disposal of property and equipment		7,756	14,112
Proceeds on disposal of other financial assets	6	355,067	403,446
Loan receivables		(81,165)	(294,000)
Cash (used in) provided by investing activities		(524,601)	95,769

The accompanying notes to the unaudited interim condensed consolidated financial statements are an integral part of these statements.

SPACKMAN EQUITIES GROUP INC.
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in US Dollars)
FOR THE THREE AND NINE MONTH PERIODS ENDED
(Unaudited)

	<u>Notes</u>	Nine Months September 30,	
		2025	2024
FINANCING ACTIVITIES			
Interest paid		(379)	-
Issue of share capital		-	1,658,823
Proceeds from loans		244,465	-
Decrease in pledged time deposits		21,235	-
Repayment of loans		(71,286)	(1,238,003)
Capital element of lease rentals paid		(89,977)	(122,527)
Interest element of lease rentals paid		(6,673)	(7,268)
Cash provided by financing activities		97,385	291,025
Net changes in cash		(1,039,540)	(1,299,072)
Cash and cash equivalents, beginning of period		2,960,693	2,596,280
Cash and cash equivalents, end of period		\$ 1,921,153	\$ 1,297,208

The accompanying notes to the unaudited interim condensed consolidated financial statements are an integral part of these statements.

SPACKMAN EQUITIES GROUP INC.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in US Dollars)

FOR THE THREE AND NINE MONTH PERIODS ENDED SEPTEMBER 30, 2025 AND 2024

1. NATURE OF OPERATIONS AND GOING CONCERN

Cyrstal Planet Limited ("CPL") is a private limited company incorporated in Hong Kong. The address of Company's registered office is located at 1/F., Hing Lung Commercial Building, 68-74 Bonham Strand, Sheung Wan, Hong Kong.

Spackman Equities Group Inc. (the "Company" or "SQG") was incorporated on May 18, 2006 under the Canada Business Corporations Act and its shares are publicly traded on the TSX Venture Exchange ("TSXV") under the symbol SQG.

The Company and CPL entered into a definitive share exchange agreement on February 6, 2023 (the "Agreement") pursuant to which the Company will acquire all of the issued and outstanding shares in the capital of CPL from Spackman Media Group Limited (the "Vendor"). The Transaction involves share-based consideration only.

On December 4, 2024, CPL completed a reverse takeover ("RTO") of the Company through a share exchange agreement ("Agreement"). Under this arrangement, CPL shareholders exchanged their shares for newly issued shares of SQG, effectively making CPL the accounting acquirer in accordance with IFRS 2 - Share-based Payment (the "Transaction" or "RTO").

Effective December 4, 2024, the Transaction closed whereby the Company issued 200,347,125 common shares to former shareholders of CPL along with a concurrent financing issuing 48,789,759 shares with the closing of the Transaction.

Management determined that the Transaction constituted a reverse acquisition for accounting purposes whereby CPL acquired the Company. For accounting purposes, CPL is treated as the accounting acquirer (legal subsidiary), and the Company is treated as the accounting acquiree (legal parent) in these consolidated financial statements. As CPL was deemed to be the acquirer for accounting purposes, its assets, liabilities, and operations since incorporation are included in these financial statements at their historical carrying values. Spackman Equities Group Inc.'s results of operations are included from the transaction date, December 4, 2024. The comparative figures are those of CPL prior to the reverse acquisition.

CPL carries on the business of identifying and investing into or acquiring small/medium sized growth companies. The Company focuses on investing into or acquiring growth companies in Asia, principally in the Republic of Korea ("Korea"). The principal activities of the CPL and its subsidiaries ("the Group") are investment holding, talent management agency services, developing, producing and investing into entertainment content projects.

These unaudited interim condensed consolidated financial statements have been prepared on a going concern basis, which contemplates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company has accumulated deficit of \$(1,757,075) as at September 30, 2025 (December 31, 2024 - \$(128,202)). While management has been historically successful in raising the necessary capital, it cannot provide assurance that it will be able to execute on its business strategy or be successful in future financing activities. These events represent material uncertainties which may cast significant doubt on the Company's ability to continue as a going concern. As at September 30, 2025, the Company had current assets of \$8,291,842 (December 31, 2024 - \$6,572,790) to cover current liabilities of \$5,353,031 (December 31, 2024 - \$2,983,620).

SPACKMAN EQUITIES GROUP INC.
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in US Dollars)
FOR THE THREE AND NINE MONTH PERIODS ENDED SEPTEMBER 30, 2025 AND 2024

2. BASIS OF PRESENTATION

Statement of compliance

The unaudited interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34, “Interim Financial Reporting” (“IAS 34”), as issued by the International Accounting Standards Board (“IASB”) and therefore, do not contain all disclosures required by International Financial Reporting Standards (“IFRS”) for annual financial statements. Accordingly, these unaudited interim condensed consolidated financial statements should be read in conjunction with the Company’s most recently prepared audited annual financial statements for the fiscal year ended December 31, 2024.

The policies applied in these unaudited interim condensed consolidated financial statements are consistent with the policies disclosed in Notes 2 and 4 of the audited annual financial statements for the year ended December 31, 2024.

The unaudited interim condensed consolidated financial statements were authorized for issue by the Board of Directors on November 30, 2025.

Basis of measurement and functional currency

The unaudited interim condensed consolidated financial statements are presented in US dollars and have been prepared on the historical cost basis except for financial instruments measured at fair value through profit or loss. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The Company's functional currency is Canadian dollar and its subsidiaries' functional currency is the US dollar and Korean Won.

Basis of consolidation

These unaudited interim condensed consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries (the "Group"). All intercompany transactions and balances are eliminated on consolidation. Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

These financial statements incorporate the accounts of the Company and the following subsidiaries:

Name of subsidiary	Abbreviation	Country of incorporation	Percentage ownership	Functional currency	Principal activity
SEGI Investments Limited	SEGI	BVI	100%	USD	Inactive
Crystal Planet Limited	CPL	Hong Kong	100%	HKD	Talent management
MSTeam Entertainment Co., Ltd.	MST	South Korea	100%	KRW	Talent management
SBD Entertainment Inc.	SBD	South Korea	100%	KRW	Talent management

SPACKMAN EQUITIES GROUP INC.
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in US Dollars)
FOR THE THREE AND NINE MONTH PERIODS ENDED SEPTEMBER 30, 2025 AND 2024

3. CASH AND CASH EQUIVALENTS

The Company's cash consist of the following:

	September 30, 2025	December 31, 2024
Cash held in banks and in hand	<u>\$ 1,921,153</u>	<u>\$ 2,960,693</u>

4. PLEDGED BANK DEPOSITS

As at September 30, 2025, such bank balances amounting \$35,658 (December 31, 2024: \$54,422) were pledged to banks for securing credit facilities granted to the Group. The pledged deposits carry fixed interest rate of 2.05% (December 31, 2024: 3.37%).

5. TRADE RECEIVABLE AND OTHERS

	September 30, 2025	December 31, 2024
Trade receivables	\$ 1,120,656	\$ 291,353
Less: expected credit loss allowance	-	-
Trade receivables, net	<u>1,120,656</u>	<u>291,353</u>
Work-in-progress	243,884	39,456
Prepayments	181,524	166,157
Deposits	160,475	208,298
Interest receivable from bank	7,313	6,948
Advances paid	2,574,493	996,016
Other receivables	474	2,759
Amount due from intermediate parent company	77,904	62,904
	<u>\$ 4,366,723</u>	<u>\$ 1,773,891</u>

The aging analysis of the carrying amounts of trade receivables that are not considered to be impaired is as follows

	September 30, 2025	December 31, 2024
Neither past due nor impaired	<u>\$ 1,120,656</u>	<u>\$ 291,353</u>

Receivables that were neither past due nor impaired relate to customers have no recent history of default. Receivables that were past due but not impaired relate to customers that have a good track record with the Group. Based on past experience, management believes that no expected credit loss allowance is necessary in respect of these balances as there has not been a significant increase in credit risk and the balances are expected to be fully recoverable.

SPACKMAN EQUITIES GROUP INC.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in US Dollars)

FOR THE THREE AND NINE MONTH PERIODS ENDED SEPTEMBER 30, 2025 AND 2024

6. OTHER FINANCIAL ASSETS

	September 30,	December 31,
	2025	2024
Classified under current assets		
Time deposits in insurance companies (a)	<u>\$ 1,868,624</u>	<u>\$ 1,782,438</u>

(a) Time deposits in insurance companies

				September 30,	December 31,	
				2025	2024	
	Deposits	Maturity date	Interest rate	Interest	Interest	Terms of the deposits
MSTeam (i)	\$ 1,511,026	June 23, 2024	2.80%	\$ 28,496	\$ 37,995	redeemable upon maturity
MSTeam	357,598	September 11, 2026	2.67%	3,132	1,044	redeemable upon maturity
	<u>\$ 1,868,624</u>			<u>\$ 31,628</u>	<u>\$ 39,039</u>	

(i) The maturity date refers to the payment due date, after which termination is permitted at the Company's discretion. As of March 31, 2024, this deposit has reached its maturity but has not been terminated and is still being held.

7. OTHER INVESTMENTS AND OTHER NON-CURRENT FINANCIAL ASSETS

	September 30,	December 31,
	2025	2024
Financial assets at fair value		
Quoted equity instruments	<u>\$ -</u>	<u>\$ 953,341</u>

The fair values of the investments are determined based on the quoted market price in an active market. \$1,098,910 has been recorded as a fair value loss on financial assets measured at FVTPL on the consolidated statements of loss and comprehensive loss for the period ended June 30, 2025 (December 31, 2024: \$104,878).

A \$0.33 million reclassification of non-current financial assets into current other investments, as these assets are now expected to be realized within the next twelve months.

8. LOANS TO THIRD PARTIES

	September 30,	December 31,
	2025	2024
Loan to a third party	<u>\$ 81,619</u>	<u>\$ -</u>

The loans are unsecured, interest bearing at 4.6% per annum (December 31, 2024: \$nil).

SPACKMAN EQUITIES GROUP INC.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in US Dollars)

FOR THE THREE AND NINE MONTH PERIODS ENDED SEPTEMBER 30, 2025 AND 2024

9. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvement	Furniture, fixtures and equipment	Motor vehicles	Total
Cost				
Balance at January 1, 2023	\$ 97,609	\$ 52,762	\$ 187,461	\$ 337,832
Additions	19,102	4,202	107,432	130,736
Disposals	(74,842)	-	(103,899)	(178,741)
Exchange realignment	(2,366)	(853)	(98)	(3,317)
Balance at December 31, 2023	\$ 39,503	\$ 56,111	\$ 190,896	\$ 286,510
Additions	-	-	15,461	15,461
Disposals	-	-	(55,835)	(55,835)
Exchange realignment	(4,853)	(6,893)	(20,540)	(32,286)
Balance at December 31, 2024	\$ 34,650	\$ 49,218	\$ 129,982	\$ 213,850
Additions	-	-	88,823	88,823
Disposals	-	-	(21,051)	(21,051)
Exchange realignment	1,675	2,379	6,804	10,858
Balance at September 30, 2025	\$ 36,325	\$ 51,597	\$ 204,558	\$ 292,480

	Leasehold improvement	Furniture, fixtures and equipment	Motor vehicles	Total
Accumulated depreciation				
Balance at January 1, 2023	\$ (59,061)	\$ (44,122)	\$ (150,663)	\$ (253,846)
Depreciation for the period	(2,729)	(3,662)	(11,027)	(17,418)
Disposals	37,421	-	73,863	111,284
Exchange realignment	1,444	712	3,363	5,519
Balance at December 31, 2023	\$ (22,925)	\$ (47,072)	\$ (84,464)	\$ (154,461)
Depreciation for the period	(3,656)	(2,900)	(24,528)	(31,084)
Disposals	-	-	55,834	55,834
Exchange realignment	3,080	5,993	8,117	17,190
Balance at December 31, 2024	\$ (23,501)	\$ (43,979)	\$ (45,041)	\$ (112,521)
Depreciation for the period	(2,647)	(1,619)	(27,674)	(31,940)
Disposals	-	-	21,049	21,049
Exchange realignment	(1,156)	(2,139)	(2,226)	(5,521)
Balance at September 30, 2025	\$ (27,304)	\$ (47,737)	\$ (53,892)	\$ (128,933)

Net Book Values				
As at December 31, 2023	\$ 16,578	\$ 9,039	\$ 106,432	\$ 132,049
As at December 31, 2024	\$ 11,149	\$ 5,239	\$ 84,941	\$ 101,329
As at September 30, 2025	\$ 9,021	\$ 3,860	\$ 150,666	\$ 163,547

SPACKMAN EQUITIES GROUP INC.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in US Dollars)

FOR THE THREE AND NINE MONTH PERIODS ENDED SEPTEMBER 30, 2025 AND 2024

11. INTANGIBLE ASSETS

	Contracts	Intellectual property	Membership	Total
Cost				
Balance at January 1, 2023	\$ 626,156	\$ -	\$ 254,146	\$ 880,302
Additions	418,028	-	-	418,028
Write-off	(502,726)	-	-	(502,726)
Exchange realignment	(1,906)	-	(4,356)	(6,262)
Balance at December 31, 2023	\$ 539,552	\$ -	\$ 249,790	\$ 789,342
Additions	-	230,000	-	230,000
Exchange realignment	(66,288)	-	(30,689)	(96,977)
Balance at December 31, 2024	\$ 473,264	\$ 230,000	\$ 219,101	\$ 922,365
Additions	-	75,000	-	75,000
Write-off	(35,391)	-	-	(35,391)
Exchange realignment	22,616	-	10,594	33,210
Balance at September 30, 2025	\$ 460,489	\$ 305,000	\$ 229,695	\$ 995,184
Accumulated depreciation				
Balance at January 1, 2023	\$ (553,816)	\$ -	\$ -	\$ (553,816)
Amortization for the period	(152,047)	-	-	(152,047)
Write-off	502,726	-	-	502,726
Exchange realignment	3,969	-	-	3,969
Balance at December 31, 2023	\$ (199,168)	\$ -	\$ -	\$ (199,168)
Amortization for the period	(155,690)	-	-	(155,690)
Exchange realignment	35,698	-	-	35,698
Balance at December 31, 2024	\$ (319,160)	\$ -	\$ -	\$ (319,160)
Amortization for the period	(108,366)	-	-	(108,366)
Write-off	35,391	-	-	35,391
Exchange realignment	(15,983)	-	-	(15,983)
Balance at September 30, 2025	\$ (408,118)	\$ -	\$ -	\$ (408,118)
Net Book Values				
As at December 31, 2023	\$ 340,384	\$ -	\$ 249,790	\$ 590,174
As at December 31, 2024	\$ 154,104	\$ 230,000	\$ 219,101	\$ 603,205
As at September 30, 2025	\$ 52,371	\$ 305,000	\$ 229,695	\$ 587,066

12. GOODWILL

	September 30, 2025	December 31, 2024
Acquisition of subsidiaries		
Balance at beginning	\$ 1,297,793	\$ 1,479,568
Exchange realignments	62,751	(181,775)
Balance at ending	1,360,544	1,297,793
Less: Impairment loss	-	-
	\$ 1,360,544	\$ 1,297,793

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12. GOODWILL (Cont'd)

The Group tests for impairment of goodwill annually and in the financial year in which the acquisition takes place, or more frequently if there are indications that goodwill might be impaired.

For the purposes of impairment testing, the carrying value of the goodwill set out above has been allocated to the respective CGUs which all provide talent management agency services.

As at September 30, 2025, goodwill of approximately \$1,360,544 (December 31, 2024: \$1,297,793) is allocated to the different cash generating units (“CGUs”). The recoverable amounts of the individual CGUs have been determined based on the value in use calculations of each of the CGUs using the following assumptions for the period and in last year:

Period of cash flow projections	5 years (2023: 5 years)
Growth rate within 5-year period in the financial budgets approved by the management	0.7%-2.7% (2023: 0.4%-2.4%)
Growth rate beyond 5-year period extrapolated in the financial budgets approved by the management	1.7% (2023: 1.4%)
Discount rate	11.4% (2023: 10.1%)

This growth rate within the 5-year projection period of 0.7%-2.7% (December 31, 2024: 0.7%-2.7%) is based on the relevant industry growth forecast and does not exceed the average long-term growth rate for the relevant industry. Another key assumption for the value in use calculation is the budgeted gross margin, which is determined based on the respective CGU’s past performance and management’s expectations for the market development. No impairment loss is identified for the goodwill acquired during the financial year.

13. INVESTMENT IN THEATRICAL FILMS

	September 30,	December 31,
	2025	2024
Theatrical film projects	\$ 1,278,941	\$ 1,106,047

Investment in theatrical films production represents fund advanced to licensed production houses for co-financing the production of films. The investment is governed by the relevant investment agreement entered into between the Group and the production house whereby the Group is entitled to benefits generated from the distribution of the related film. The amount will be recoverable by the Group from a pre-determined share of the net distribution revenue of the respective co-financed film to be provided and confirmed by the relevant production house.

All investments which do not entitle the Company to receive cash flows that are not solely payments of principal and interest are carried at fair value through profit or loss.

During the period ended September 30, 2025, the cost of these investments is deemed to be a fair approximation of their fair value at September 30, 2025.

At September 30, 2025, the investment in theatrical films of \$1,278,941 (December 31, 2024: \$1,106,047) is denominated in Korean Won.

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14. INVESTMENT IN SHARES OF PUBLIC COMPANY

	September 30, 2025	December 31, 2024
SPX Management Limited ("SPX")	\$ 3,653,500	\$ -

On July 9, 2024, the Company completed the acquisition of 2,500,000 common shares (the "SPX Shares") of SPX Management Limited ("SPX") at a deemed price of USD\$1.46 per SPX Share, pursuant to a share sale and purchase agreement between the Company and a shareholder of SPX (the "Vendor") by issuing 2,500,000 shares of the Company. SPX is a company incorporated in Hong Kong which, together with its subsidiaries, provides full-service sports representation, marketing and sports event management in the Republic of Korea.

15. TRADE AND OTHER PAYABLES

	September 30, 2025	December 31, 2024
Trade payables	\$ 973,899	\$ 434,823
Accrued expenses	317,637	443,010
Interest payable to fellow subsidiaries	-	6,971
Advances received from customers	2,852,416	1,546,870
Other payables	422,434	166,433
	\$ 4,566,386	\$ 2,598,107

Accounts payable and accrued liabilities are current obligations expected to be settled in the normal course of operations.

16. LEASE LIABILITIES

The analysis of expense items in relation to lease liabilities recognised in profit or loss is as follows:

	September 30, 2025	December 31, 2024
Balance at beginning	\$ 178,528	\$ 265,249
Capital element of lease rentals paid	(121,334)	(206,391)
Interest element of lease rentals paid	(6,673)	(9,702)
	50,521	49,156
Add: new lease	117,751	119,670
Interest expenses	6,673	9,702
Balance at ending	\$ 174,945	\$ 178,528

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17. LOAN FROM RELATED PARTIES

As as September 30, 2025, the loan of \$460,666 (December 31, 2024: \$82,000) is unsecured, interest bearing at 2% (December 31, 2024: 2%) per annum and repayable by December 31, 2026 (December 31, 2024: December 31, 2025).

	Three Months September 30,		Nine Months September 30,	
	2025	2024	2025	2024
Interest expenses to a related party(a)	-	585	405	11,057
Interest expenses to a related party(b)	-	4	-	133
Interest expenses to a related party(c)	558	-	697	-
Interest expenses to a related party(d)	3,685	-	3,685	-
	<u>\$ 4,243</u>	<u>\$ 589</u>	<u>\$ 4,787</u>	<u>\$ 11,190</u>

(a) Spackman Media Group Pte. Ltd.

(b) Spackman Media Korea Inc.

(c) Spackman Media Group Limited (SMGL)

The interest rate for the SMGL loans payable were determined to be below market. Fair value has been calculated as the present value of the expected future cash flows discounted using a market-related interest rate in accordance with IFRS 9 (Financial Instruments). The initial fair value of the SMGL loans payable obtained during 2025 was \$140,455 which was determined using an estimated discount rate of 17%. The difference between the principal and the fair value of the loans of \$37,276 has been recorded as an unrealized gain from fair value change in loans cost of the loans obtained during 2025 on the consolidated statements of loss and comprehensive loss for the period ended September 30, 2025. Accretion expense was \$3,753 and \$4,642 for the three months and nine months ended September 30, 2025, respectively.

(c) Spackman Entertainment Korea Inc.

18. LOAN FROM THIRD PARTIES

The following table shows the remaining loan from an unrelated third parties, on an unsecured basis for a term of one (1) year or less at an interest rate of 4% to 5% per annum at the end of the reporting period:

Interest Rate	Maturity date	Balance at September 30,2025
5%	August 8, 2026	\$ 25,000
4%	December 31, 2025	99,334
5%	December 31, 2025	17,833
5%	December 31, 2025	74,418
2%	December 31, 2025	82,000
		<u>\$ 298,585</u>

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19. SHARE CAPITAL

(a) Authorized:

An unlimited number of common shares

(b) Issued and outstanding

	Number of Shares	Amounts
Balance, December 31, 2022	197,052,866	\$ 2,012,903
Issued for cash	3,294,259	500,192
Balance, December 31, 2023	200,347,125	2,513,095
Issued for cash, net of share issue costs (ii)	48,789,759	6,305,922
Shares issued for RTO	2,977,978	447,030
Balance, December 31, 2024	252,114,862	\$ 9,266,047
Shares issued (i)	2,500,000	3,653,500
Balance, September 30, 2025	254,614,862	\$ 12,919,547

(i) On July 9, 2024, the Company completed the acquisition of 2,500,000 common shares (the "SPX Shares") of SPX Management Limited ("SPX") at a deemed price of USD\$1.46 per SPX Share, pursuant to a share sale and purchase agreement between the Company and a shareholder of SPX (the "Vendor") by issuing 2,500,000 shares of the Company (note 14).

(ii) On December 4, 2024, the Company closed a first tranche, issuing 46,269,759 common shares at a price of \$0.15 (CAD \$0.20) per share for net proceeds of \$5,993,354. Share issuance costs consisted of \$448,985. And a second tranche issuing 2,520,000 units at a price of \$0.15 (CAD \$0.20) per units for net proceeds of \$312,568. Each unit consists of one common share and one half warrant, with each warrant entitling the holder to purchase one additional share at an exercise price of \$0.21 (CAD \$0.30) for a period of 36 months from the date of the closing of the issuance. Share issuance costs consisted of \$46,432 paid in cash and 151,000 broker warrants valued at Nil with an exercise price of \$0.21 for a period of 36 months from the date of the closing of the issuance.

(c) Stock options

The Company has an incentive stock option plan for the officers and directors enabling them to purchase common shares. Each option granted under the plan is for a maximum term of 5 years. The exercise price is determined by the Company's board of directors at the time the option is granted, subject to regulatory approval, and may not be less than the most recent closing price of the common shares at the date of grant. Vesting provisions are also determined at the time of grant by the Company's board of directors.

During the period ended September 30, 2025 and year ended December 31, 2024, no options were granted.

(d) Warrants

The warrants activity during the nine month period ended September 30, 2025 and year ended December 31, 2024 is as follows:

	Number of Warrants	Exercise price
Balance at December 31, 2023 and 2022	-	\$ -
Issued	1,411,200	0.21
Expired	-	-
Balance at December 31, 2024 and September 30, 2025	1,411,200	\$ 0.21

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19. SHARE CAPITAL (Cont'd)

At September 30, 2025, the following warrants were outstanding. The warrants entitle the holders to purchase the stated number of common shares at the exercise price on or before the expiry date:

Warrants	Exercise Price	Expiry date	Weighted average life remaining (in years)
1,260,000	\$ 0.21	December 4, 2027	2.18
151,200	\$ 0.21	December 4, 2027	2.18
1,411,200			

20. REVENUE AND SEGMENT INFORMATION

	Three Months		Nine Months	
	September 30,		September 30,	
Revenue from contracts with customers	2025	2024	2025	2024
Talent management income				
Advertisements	\$ 745,120	\$ 415,072	\$ 2,545,065	\$ 3,766,472
TV dramas	1,028,612	-	1,900,792	680,637
Movies	519	524,022	48,840	561,072
Other appearance	641,867	350,123	1,218,188	417,182
Others	-	-	-	-
Total	\$ 2,416,118	\$ 1,289,217	\$ 5,712,885	\$ 5,425,363

21. OTHER INCOME AND GAIN

	Three Months		Nine Months	
	September 30,		September 30,	
	2025	2024	2025	2024
Bank interest income	\$ 1,595	\$ -	\$ 5,841	\$ 11,483
Interest income from a third party	294	1,520	1,167	3,318
Gain on disposal of property, plant and equipment	82	6,027	7,754	14,110
Gain on disposal of right of use assets	43	133	1,456	133
Net foreign exchange gain	-	(27,286)	-	13,955
Sundry income	262	1,922	2,449	5,753
	\$ 2,276	\$ (17,684)	\$ 18,667	\$ 48,752

22. RELATED PARTY TRANSACTIONS

Key management personnel are those individuals having authority and responsibility for planning, directing and controlling the activities of the Company and its subsidiary including the Company's Board of Directors. The Company considers key management to be the members of the Board of Directors, the Chief Executive Officer and the Chief Financial Officer. Transactions with related parties are incurred in the normal course of operations and initially recorded at fair value.

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22. RELATED PARTY TRANSACTIONS (Cont'd)

The following related party transactions occurred and were reflected in general and administrative expense in the consolidated financial statements during the periods ended September 30, 2025 and 2024 as follows:

REMUNERATION OF KEY PERSONNEL

	Three Months September 30,		Nine Months September 30,	
	2025	2024	2025	2024
Management consulting fees and interest (a)	\$ 14,739	\$ -	\$ 53,180	\$ -
Management salaries and benefits (b)	65,765	89,972	221,245	292,822
Interest expenses to a fellow subsidiary(c)	-	585	405	11,057
Interest expenses to a fellow subsidiary(d)	-	-	-	129
Interest expenses to a related party(e)	558	-	697	-
Interest expenses to a related party(f)	3,685	-	3,685	-
Service fee paid to a related company(d)	-	13,239	-	39,916
Service fee paid to a related company(e)	162,000	-	162,000	-
Service fee paid to a related company(f)	-	220	-	665
	<u>\$ 246,747</u>	<u>\$ 104,016</u>	<u>\$ 441,212</u>	<u>\$ 344,589</u>

- (a) Spackman Equities Group Inc.
- (b) The Group
- (c) Spackman Media Group Pte. Ltd.
- (d) Spackman Media Korea Inc.
- (e) Spackman Media Group Limited
- (f) Spackman Entertainment Korea Inc.

As at December 31, 2024, the Company had fees payable to an officer of the Company totaling US \$54,962 (2023 – \$nil). These amounts relate to professional services provided and remain unpaid at year-end. For the year ended December 31, 2024, the Company recognized interest expense of US \$4,163 on the related party balance. Including accrued interest, the total amount payable to an officer at year end was \$59,124.

The related party balance is unsecured, bears interest at 12% per annum, and has no fixed terms of repayment.

23. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's significant financial instruments comprise of cash and cash equivalents, trade receivables, other financial assets, investments in theatrical films, investments in shares of public companies, loans payable and accounts payable and accrued liabilities.

The Company classifies financial instruments in accordance with a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability;

Level 3 Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

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23. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Cont'd)

The following table shows the Levels within the hierarchy of financial assets and liabilities measured at fair value at the various reporting dates:

September 30, 2025

Recurring fair value measurements	Level 1	Level 2	Level 3	Total
Financial assets measured at FVTPL	\$ -	\$ -	\$ 1,278,941	\$ 1,278,941

December 31, 2024

Financial assets measured at FVTPL	\$ 953,000	\$ -	\$ 1,106,047	\$ 2,059,047
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During the period ended September 30, 2025, there were no transfers between level 1 and level 2, or transfers into or out of level 3.

Various factors were considered in making these investments, and this approach aligns with common practices in the entertainment industry.

As at September 30, 2025, the costs of the investments in theatrical films of \$1,278,941 approximate the fair value which is estimated based on the stage of the films and changes from the initial recognition dates during the period ended September 30, 2025 (December 31, 2024: \$1,106,047).

All financial instruments are carried at amounts not materially different from their fair values as at September 30, 2025.

Risk management

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company has exposure to the following risks from its use of financial instruments:

(a) Market risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The value of the financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity prices. The Company is exposed to market risk in trading its investments, and unfavourable market conditions could result in dispositions of investments at less than favourable prices.

(b) Credit risk

Credit risk arises from trade and other receivables and bank balances.

In respect of trade receivables, all talent agency income and sales made to customers have credit terms. Trade receivables are due within 30 days to 1 year from the date of billing. The Group has policies in place for the control and monitoring of its credit risk such as granting credit limits only to customers with an appropriate credit history. The Group makes evaluations of the credit risk of its customers from time to time or when the credit risk has significantly increased since recognition. These evaluations are made on an expected credit loss ("ECL") basis over the lifetime of the receivable and focus on information such as the customer's past history of making payments when due and financial ability to pay, information specific to the customer as well as pertaining to the economic environment in which the customer operates.

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23. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Cont'd)

These ECL rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables. Accordingly, the directors are of the opinion that the related credit risk to the Group is low.

The credit risk on liquid funds is limited because they are placed with reputable financial institutions with high credit ratings and no history of default.

In respect of other receivables due from third parties, the Group reviews the exposures and manages them based on the need of operation

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

(c) Liquidity risk

The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and long terms.

(d) Foreign exchange risk

Foreign currency exchange risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate as a result of changes in foreign exchange rates. The Company currently has financial instruments denominated in US dollars("USD"), Singapore dollars("SGD"), Hong Kong dollars("HKD") and Korean Won. The currency giving rise to this risk is primarily Korean Won ("KRW").

(e) Concentration risk

The Company is exposed to the possible risk inherent in the concentration of the investment portfolio in a small number of industries or investment sectors. As at September 30, 2025 and 2024, the percentages of the Company's investment in each industry sector were as follows:

Sector	As a % of Total Investments	
	September 30, 2025	September 30, 2024
Media / Entertainment	99.9	99.9
Other	0.1	0.1
Total	100.0	100.0

24. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to continue its business and maintain a flexible capital structure, which optimizes the costs of capital at an acceptable risk. The Company's capital includes the components of its shareholders' equity.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue new debt, acquire or dispose of assets, or adjust the amount of cash. In order to preserve cash, the Company does not pay any dividends.

The Company is not subject to any externally imposed capital requirements. There were no changes in management's approach to capital management during to the period ended September 30, 2025, compared to the year ended as at December 31, 2024.