



**MAIN EVENT ENTERTAINMENT GROUP LIMITED**

**UNAUDITED RESULTS**

**SIX (6) MONTHS ENDED APRIL 30, 2017**

## REPORT TO STOCK HOLDERS

### Six Months Ended April 30, 2017

The Board of Directors is pleased to report the unaudited results of the Company for the six (6) month period ending April 30, 2017.

#### Performance Highlights

---

- Revenues of \$652.152M. An increase of \$49.161M or 8%
  - Gross Profit of \$304.426M. An increase of \$66.641M or 28%
  - Net Profit of \$74.860M, representing a \$10.459M increase, or 16%
  - Earnings Per Share of \$0.25. An increase of \$0.04
- 

In the first six months of the 2017 financial year, sales increased by \$49.161 million or 8% over the corresponding period last year. The growth in revenue reflects increased sales in all three segments of the business, with the most significant contributions from the Entertainment and Promotions segment, which is up 6% or \$28.764 million and the Digital Signage segment, up 32% or \$13.513million.

Gross profit reported for the period was \$66.641 million or 28% above the \$237.785 million reported for the similar period in 2016. The margin was positively influenced by the continuing investment in fleet and transportation solutions, general and rental equipment and human resources.

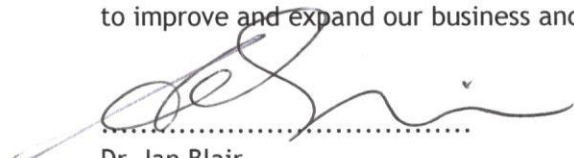
Administrative, selling and distribution costs combined increased by \$56.83 million or 34%. The major contributing factors were increased transportation and fleet management costs, marketing expenses, staff costs and depreciation charges.

Finance costs remained stable, increasing by 1% from \$7.626 million in corresponding period to \$7.689 million.

Net profit recorded for the six-month period was \$74.860 million, representing a \$10.459 million or 16% increase over the corresponding period in 2016, when net profit of \$64.401 million was reported.

Total Assets less Current liabilities was \$548.236 million, which represents growth of \$201.426 million or 58% when compared to the similar period last year. This increase was driven by growth in non-current assets, trade receivables, cash and cash equivalents.

We wish to thank our shareholders, employees, customers and other stakeholders for their support as we work to improve and expand our business and bring greater value to all parties.

  
.....  
Dr. Ian Blair  
Chairman, Finance Committee  
.....  
Richard Bair  
Chief Operations Officer

**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
(unaudited)  
**AS AT APRIL 30, 2017**

|                                     | Unaudited<br>April 30,<br>2017<br>\$'000 | Unaudited<br>April 30,<br>2016<br>\$'000 | Audited<br>October 31,<br>2016<br>\$'000 |
|-------------------------------------|--|--|--|
| <b>ASSETS</b>                       |  |  |  |
| <b>Non-current Assets</b>           |  |  |  |
| Property, plant and equipment       | 429,792                                  | 311,653                                  | 365,901                                  |
| Deferred tax asset                  | 13,481                                   | 13,230                                   | 13,481                                   |
|                                     | <u>443,273</u>                           | <u>324,883</u>                           | <u>379,382</u>                           |
| <b>Current Assets</b>               |  |  |  |
| Construction in progress            | 4,303                                    | -  | -  |
| Receivables                         | 243,862                                  | 166,306                                  | 156,262                                  |
| Due from related parties            | 11,470                                   | 9,590                                    | 8,621                                    |
| Taxation recoverable                | 280                                      | 777                                      | -  |
| Cash and bank balances              | 65,031                                   | 9,239                                    | 18,843                                   |
|                                     | <u>324,946</u>                           | <u>185,912</u>                           | <u>183,726</u>                           |
| <b>Total Assets</b>                 | <u><u>768,219</u></u>                    | <u><u>510,795</u></u>                    | <u><u>563,108</u></u>                    |
| <b>EQUITY AND LIABILITIES</b>       |  |  |  |
| <b>Equity</b>                       |  |  |  |
| Share capital                       | 103,015                                  | 0  | 0  |
| Retained earnings                   | 317,093                                  | 250,135                                  | 242,233                                  |
|                                     | <u>420,108</u>                           | <u>250,135</u>                           | <u>242,233</u>                           |
| <b>Non-current Liabilities</b>      |  |  |  |
| Related party loans                 | 100,781                                  | 72,706                                   | 97,311                                   |
| Loans                               | 11,051                                   | 11,455                                   | 6,203                                    |
| Finance lease obligation            | 16,297                                   | 12,513                                   | 7,400                                    |
|                                     | <u>128,129</u>                           | <u>96,674</u>                            | <u>110,914</u>                           |
| <b>Current Liabilities</b>          |  |  |  |
| Payables                            | 117,386                                  | 99,678                                   | 115,646                                  |
| Due to related parties              | 62,714                                   | 38,126                                   | 46,992                                   |
| Bank overdraft                      | 31,802                                   | 20,288                                   | 25,905                                   |
| Current portion of loans            | 4,364                                    | 5,361                                    | 16,660                                   |
| Finance lease obligation            | 3,716                                    | 533                                      | 3,484                                    |
| Taxation                            | -  | -  | 1,274                                    |
|                                     | <u>219,982</u>                           | <u>163,986</u>                           | <u>209,961</u>                           |
| <b>Total Equity and Liabilities</b> | <u><u>768,219</u></u>                    | <u><u>510,795</u></u>                    | <u><u>563,108</u></u>                    |

Approved and signed on behalf of the Board by:

Director

Director

**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**(unaudited)**  
**FOR SIX (6) MONTHS ENDED APRIL 30, 2017**

|   | Unaudited<br>Six (6) Months<br>Ended April 30,<br>2017<br>\$'000 | Unaudited<br>Six (6) Months<br>Ended April 30,<br>2016<br>\$'000 | Unaudited<br>Quarter Ended<br>April 30,<br>2017<br>\$ | Unaudited<br>Quarter Ended<br>April 30,<br>2016<br>\$ | Audited<br>Year ended<br>October 31,<br>2016<br>\$'000 |
|---|--|--|---|---|--|
| <b>Revenues</b>   | <b>652,152</b>   | 602,991  | <b>319,330</b>  | 318,708   | 1,131,941  |
| Cost of sales   | <u>(347,726)</u>   | <u>(365,206)</u>   | <u>(146,893)</u>                                      | <u>(185,743)</u>                                      | <u>(703,870)</u>                                       |
| <b>Gross profit</b>   | <b>304,426</b>   | 237,785  | <b>172,437</b>  | 132,965   | 428,071  |
| Other operating income  | <u>437</u>   | <u>(273)</u>   | <u>250</u>  | <u>(553)</u>  | <u>538</u>   |
|   | <b>304,863</b>   | 237,512  | <b>172,687</b>  | 132,412   | 428,609  |
| <b>EXPENSES</b>   |  |  |   |   |  |
| Administrative and general  | <u>177,999</u>   | <u>131,807</u>   | <u>91,678</u>   | <u>66,501</u>   | <u>284,240</u>   |
| Selling and promotion   | <u>7,134</u>   | <u>4,798</u>   | <u>3,782</u>  | <u>2,657</u>  | <u>11,558</u>  |
| Depreciation  | <u>37,181</u>  | <u>28,879</u>  | <u>22,248</u>   | <u>18,039</u>   | <u>57,764</u>  |
|   | <u>222,314</u>   | <u>165,484</u>   | <u>117,708</u>  | <u>87,197</u>   | <u>353,562</u>   |
| <b>OPERATING PROFIT</b>   | <b>82,549</b>  | 72,028   | <b>54,979</b>   | 45,215  | 75,047   |
| Finance costs   | <u>(7,689)</u>   | <u>(7,627)</u>   | <u>(3,644)</u>  | <u>(3,956)</u>  | <u>(15,200)</u>  |
| <b>PROFIT BEFORE TAXATION</b>   | <b>74,860</b>  | 64,401   | <b>51,335</b>   | 41,259  | 59,847   |
| Taxation  | <u>-</u>   | <u>-</u>   | <u>-</u>  | <u>-</u>  | <u>(3,348)</u>   |
| <b>NET PROFIT, BEING TOTAL<br/>COMPREHENSIVE INCOME FOR THE YEAR</b>                    | <b>74,860</b>  | 64,401   | <b>51,335</b>   | 41,259  | 56,499   |
| <b>Earnings per share for profit attributable to the equity holders of the company:</b> |  |  |   |   |  |
| Number of shares ('000)   | 300,005  | 300,005  | 300,005   | 300,005   | 300,005  |
| Earnings per share (\$)   | <u>0.25</u>  | <u>0.21</u>  | <u>0.17</u>   | <u>0.14</u>   | <u>0.19</u>  |

**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' NET EQUITY**  
**(unaudited)**  
**FOR SIX (6) MONTHS ENDED APRIL 30, 2017**

|   | Share<br>Capital<br>\$'000 | Retained<br>Earnings<br>\$'000 | Total<br>\$'000 |
|---|----------------------------|--------------------------------|-----------------|
| <b>Balance at October 31, 2016</b>        | -                          | 242,233                        | 242,233         |
| Shares issued and paid in full            | 120,002                    | -                              | 120,002         |
| Shares issue costs                        | (16,987)                   |                                | (16,987)        |
| Total comprehensive income for the period | <u>-</u>                   | <u>74,860</u>                  | <u>74,860</u>   |
| <b>Balance at April 30, 2017</b>          | <u>103,015</u>             | <u>317,093</u>                 | <u>420,108</u>  |
|   |                            |                                |                 |
| <b>Balance at October 31, 2015</b>        | -                          | 185,734                        | 185,734         |
| Shares issued and paid in full            | -                          | -                              | -               |
| Shares issue costs                        | -                          | -                              | -               |
| Total comprehensive income for the period | <u>-</u>                   | <u>64,401</u>                  | <u>64,401</u>   |
| <b>Balance at April 30, 2016</b>          | <u>-</u>                   | <u>250,135</u>                 | <u>250,135</u>  |



**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**STATEMENT OF CASH FLOWS**  
**(unaudited)**  
**FOR SIX (6) MONTHS ENDED APRIL 30, 2017**

|  | Unaudited<br>Six (6) Months<br>Ended April 30,<br>2017<br>\$'000 | Unaudited<br>Six (6) Months<br>Ended April 30,<br>2016<br>\$'000 | Audited<br>Year ended<br>October 31,<br>2016<br>\$'000 |
|--|--|--|--|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>              |  |  |  |
| Net profit   | 74,860   | 64,401   | 56,499   |
| Items not affecting cash resources -                     |  |  |  |
| Depreciation   | 37,181   | 28,879   | 57,764   |
| Interest expense   | 5,875  | 5,559  | 11,811   |
| Interest income  | (46)   | -  | (16)   |
| Exchange loss / (gain) on foreign balances               | (1,004)  | (266)  | 2,202  |
| Taxation (credit) / charge                               | -  | -  | 3,348  |
| Loss / (gain) on disposal of equipment                   | 170  | (246)  | (776)  |
| Operating cash flows before movements in working capital | 117,036  | 98,327   | 130,832  |
| Changes in operating assets and liabilities              |  |  |  |
| Receivables  | (87,600)   | 34,488   | 50,151   |
| Related party balances                                   | 13,439   | (16,918)   | 4,062  |
| Payables and accruals                                    | 1,740  | (17,549)   | (3,671)  |
|  | 44,615   | 98,349   | 181,374  |
| Taxation paid  | (1,555)  | (4,792)  | (6,340)  |
| Cash provided by operating activities                    | 43,060   | 93,557   | 175,034  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>             |  |  |  |
| Construction in progress                                 | (4,303)  | -  | -  |
| Purchase of property, plant and equipment                | (102,710)  | (60,839)   | (144,122)  |
| Proceeds from disposal of property, plant and equipment  | 1,469  | 246  | 926  |
| Interest received  | 46   | -  | 16   |
| Net cash used in investing activities                    | (105,498)  | (60,593)   | (143,180)  |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>             |  |  |  |
| Net capital paid in, from initial public offering (ipo)  | 103,015  | -  | -  |
| Loans received   | 19,587   | -  | 12,900   |
| Loan repayments  | (14,436)   | (18,225)   | (19,714)   |
| Interest paid  | (5,875)  | (5,559)  | (11,811)   |
| Net cash provided by / (used in) financing activities    | 102,291  | (23,784)   | (18,625)   |
| NET INCREASE IN CASH AND BANK BALANCES                   | 39,853   | 9,180  | 13,229   |
| Exchange loss on foreign cash balances                   | 438  | 266  | 204  |
| Cash and cash equivalents at beginning of year           | (7,062)  | (20,495)   | (20,495)   |
| CLOSING CASH AND BANK BALANCES                           | 33,229   | (11,049)   | (7,062)  |
| <b>REPRESENTED BY:</b>                                   |  |  |  |
| Cash and bank deposits                                   | 65,031   | 9,239  | 18,843   |
| Bank overdraft   | (31,802)   | (20,288)   | (25,905)   |
|  | 33,229   | (11,049)   | (7,062)  |

**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**(unaudited)**  
**FOR SIX (6) MONTHS ENDED APRIL 30, 2017**

---

**1. IDENTIFICATION AND PRINCIPAL ACTIVITIES:**

- (a) Main Event Entertainment Group Limited is a limited liability company incorporated and domiciled in Jamaica. The registered office of the company is 70-72 Lady Musgrave Road, Kingston 10.
- (b) The principal activities of the company are to carry on the business of entertainment promoter, agent and manager.
- (c) The majority of the company's issued share capital is held by MEEG Holdings Limited, a company incorporated and domiciled in Saint Lucia.

**2. REPORTING CURRENCY:**

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operated ('the functional currency'). These financial statements are presented in Jamaican dollars, which is considered the company's functional and presentation currency.

**3. SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of presentation**

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and have been prepared in accordance with requirements of the Jamaican Companies Act.

All policies are consistent with those presented in the last audited financial statements.

**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
(unaudited)  
**FOR SIX (6) MONTHS ENDED APRIL 30, 2017**

**4. MOVEMENT IN FIXED ASSETS**

|                                 | <u>Equipment</u> | <u>Leasehold</u> | <u>Furniture &amp;</u> | <u>Computer</u> | <u>Audio and</u> | <u>Motor</u>  | <u>Total</u>          |
|---------------------------------|------------------|------------------|------------------------|-----------------|------------------|---------------|-----------------------|
|                                 | \$               | \$               | \$                     | \$              | \$               | \$            | \$                    |
| <b>At Cost/Valuation</b>        |                  |                  |                        |                 |                  |               |                       |
| Beginning of period             | 143,283          | 6,122            | 5,671                  | 30,932          | 339,003          | 61,609        | <b>586,620</b>        |
| Current period Additions        | 46,023           | -                | 370                    | 2,538           | 50,378           | 3,400         | <b>102,710</b>        |
| Current period Disposals        | -                | -                | -                      | (301)           | -                | (2,489)       | <b>(2,790)</b>        |
| End of Period                   | <u>189,306</u>   | <u>6,122</u>     | <u>6,041</u>           | <u>33,170</u>   | <u>389,381</u>   | <u>62,520</u> | <u><b>686,540</b></u> |
| <b>Accumulated Depreciation</b> |                  |                  |                        |                 |                  |               |                       |
| Beginning of year               | 41,518           | 1,281            | 2,404                  | 22,266          | 127,970          | 25,280        | <b>220,719</b>        |
| Charge for period               | 11,788           | 337              | 242                    | 1,535           | 20,120           | 3,159         | <b>37,181</b>         |
| Disposals                       | -                | -                | -                      | (53)            | -                | (1,099)       | <b>(1,152)</b>        |
| End of period                   | <u>53,306</u>    | <u>1,618</u>     | <u>2,646</u>           | <u>23,748</u>   | <u>148,090</u>   | <u>27,340</u> | <u><b>256,748</b></u> |
| <b>Net Book Value</b>           |                  |                  |                        |                 |                  |               |                       |
| End of period                   | <u>136,000</u>   | <u>4,504</u>     | <u>3,395</u>           | <u>9,422</u>    | <u>241,291</u>   | <u>35,180</u> | <u><b>429,792</b></u> |
| End of prior period             | <u>101,765</u>   | <u>4,841</u>     | <u>3,267</u>           | <u>8,666</u>    | <u>211,033</u>   | <u>36,329</u> | <u><b>365,901</b></u> |

Assets are depreciated on the straight line basis to depreciate items over their useful lives.



**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**(unaudited)**  
**FOR SIX (6) MONTHS ENDED APRIL 30, 2017**

**5. SHARE CAPITAL**

|  | Unaudited<br>April 30,<br>2017<br>\$'000 | Unaudited<br>April 30,<br>2016<br>\$'000 | Audited<br>October 31,<br>2016<br>\$'000 |
|--|--|--|--|
| Authorized share capital                   | <u>103,015</u>                           | <u>0</u>                                 | <u>0</u>                                 |
| Issued share capital                       | <u>103,015</u>                           | <u>0</u>                                 | <u>0</u>                                 |
|  | # of shares                              | # of shares                              | # of shares                              |
| Authorized ordinary shares of no par value | <u>300,005,000</u>                       | <u>200</u>                               | <u>200</u>                               |
| Issued ordinary shares of no par value     | <u>300,005,000</u>                       | <u>200</u>                               | <u>200</u>                               |

**6. EARNINGS PER SHARE**

The earnings per share were calculated in accordance with IAS 33.

Prior periods, October 31, 2016 and April 30, 2016 were re-stated based on the new issue of ordinary shares amounting to 300,004,800 shares.

## SHAREHOLDINGS OF TOP TEN (10) STOCKHOLDERS AND DIRECTORS

AS AT APRIL 30, 2017

---

### Top (10) Stockholders

### Number of Shares Held

|                                      |             |
|--------------------------------------|-------------|
| Meeg Holdings Limited                | 240,004,000 |
| Mayberry West Indies Limited         | 30,018,643  |
| Konrad Berry                         | 1,439,250   |
| Bamboo Group Holdings Limited        | 1,439,250   |
| Ian Blair                            | 1,220,085   |
| Lannaman & Morris (Shipping) Limited | 1,039,505   |
| Wakefield Farms Limited              | 1,037,881   |
| Owen Sharpe                          | 1,000,000   |
| Hugh Graham                          | 976,376     |
| Duncan P. Stewart                    | 865,866     |

### Directors

### Number of Shares Held

|                      |  |             |
|----------------------|--|-------------|
| Richard Bair         | [Meeg Holdings Limited - 120,002,000]          | 120,002,000 |
| Solomon Sharpe       | [Meeg Holdings Limited - 120,002,000]          | 120,002,000 |
| Donna R. Waithe      | [Owen Sharpe - 1,000,000]                      | 1,847,763   |
| Ian Blair            |  | 1,220,085   |
| Harry Maragh         | [Lannaman & Morris (Shipping) Ltd - 1,039,505] | 1,039,505   |
| Hugh Graham          |  | 976,376     |
| Tania Waldron-Gooden |  | 263,712     |