



**MAIN EVENT ENTERTAINMENT GROUP LIMITED**

**UNAUDITED RESULTS**

**FOR SIX MONTHS ENDED APRIL 30, 2023**



## REPORT TO STOCKHOLDERS

### Six Months Ended April 30, 2023 (Q2)

The Board of Directors of Main Event Entertainment Group Limited presents the Company's unaudited financial statements for the quarter ended April 30, 2023 (Q2).

#### Performance Highlights:

	Quarter Ended April 30, 2023	Quarter Ended April 30, 2022	Six (6) Months April 30, 2023	Six (6) Months April 30, 2022	2nd Quarter Year Over Year		Audited, Year Ended October 31, 2022
					\$	%	
Revenues	\$ 531.888 M	\$ 290.819 M	\$ 1,158.875 M	\$ 492.535 M	\$ 241.069 M	83%	\$ 1,549.003 M
Gross Profit	\$ 302.733 M	\$ 134.162 M	\$ 615.344 M	\$ 213.159 M	\$ 168.571 M	126%	\$ 754.822 M
Net Profit	\$ 74.429 M	\$ 20.806 M	\$ 192.378 M	\$ (19.837) M	\$ 53.623 M	258%	\$ 151.249 M
Earnings Per Share (EPS)	25 cents	7 cents	64 cents	(7) cents	18 cents	257%	50 cents
Total Assets	\$ 1,253.271 M	\$ 827.082 M	\$ 1,253.271 M	\$ 827.082 M	\$ 426.189 M	52%	\$ 1,094.673 M
Shareholder's Equity	\$ 863.375 M	\$ 529.911 M	\$ 863.375 M	\$ 529.911 M	\$ 333.464 M	63%	\$ 670.997 M

The company's performance for the second quarter ended April 30, 2023, reflects the company's continued resurgence following the inactivity which plagued the entertainment sector from the start of 2020 to the first quarter of 2022. The company produced net profits of \$74.429 million for the quarter ended April 30, 2023; an increase of 258% or \$53.623 million over the corresponding period. This brings the company's six months performance to a net profit of \$192.378M and represents a \$212.215 million increase over the corresponding six-month period ended April 30, 2022.

Revenue rose by \$241.069 million or 83% to \$521.888 million when compared to the second quarter of 2022. This was achieved through strong growth in our core business activities as we continue to improve through innovation and brand alignment. Year-to-date revenue stands at \$1,158.875 million, increasing by 189% over the \$492.535 million earned over the prior year six months period.

**REPORT TO STOCKHOLDERS**  
**Six Months Ended April 30, 2023 (Q2)**

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Gross profit for the quarter was \$302.733 million. Compared to the second quarter of 2022, this represents an increase of 126%. This result improved our gross margins for the half year to 53%, as the company strives to achieve growth through innovation and efficiency. Gross profit for the six months ended April 30, 2023, improved to \$615.344 million, surpassing the \$213.159 million recorded for the first six months of the 2022 financial year.

Administrative and general expenses for the quarter increased by 142% or \$110,833 million over the corresponding period. This year-over-year increase in expenses was anticipated and is driven primarily by an increase in staff and other activity-related costs resulting from increased executions in response to customer demands.

Finance costs show a 37% decline to \$1.974 million for the quarter, as the company intentionally reduced its debt exposure. Taxation charges show a significant increase of \$15.833 million over the corresponding quarter ended April 30, 2022. The company's remission of income tax was reduced from 100% over its first five years on the Junior Market, to 50% effective February 2022.

The company's asset base grew by \$426.189 million or 52% to \$1,253.271 million, compared to \$827.082 million as at April 30, 2022. This was due to an increase in our receivables of \$262.117 million or 152%: and an increase in cash and short-term deposits of \$176.682 million or 83% to \$389.258 million. This shows a strong performance in business activities year-over-year. These business activities led to cash generated from operating activities of \$131.727 million versus the \$53.007 million generated in the first six months of the 2022 financial year.

Loans decreased by \$42.178 million or 43%, while payables have increased by \$104.424 million or 103% as a result of increased operating activities when compared to the six months ended April 30, 2022.

For the second quarter ended April 30, 2023, earnings per share improved from \$0.07 in the corresponding period to \$0.25 per share; an increase of 257%. This improved earnings per share to \$0.64 for the half year, representing a 1,014% or \$0.71 per share increase over the six months ended April 30, 2022. Shareholder's equity stands at \$863.375 million as at April 30, 2023, an increase of \$333.464 million or 63% compared to the prior year.

REPORT TO STOCKHOLDERS  
Six Months Ended April 30, 2023 (Q2)

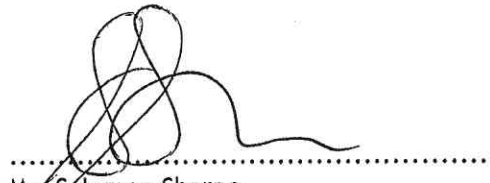
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We are grateful to our entire team, who continue to be the driving force behind our strong recovery and success.

We thank our stakeholders and our clients for their continued support, confidence, and loyalty in making us their partner of choice for delivering exceptional experiences.



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Dr. Ian Blair  
Chairman, Finance Committee



.....  
Mr. Solomon Sharpe  
President and CEO

**MAIN EVENT ENTERTAINMENT GROUP LIMITED**

**UNAUDITED FINANCIAL STATEMENTS**

**SIX (6) MONTHS ENDED APRIL 30, 2023 (Q2)**

**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**SIX (6) MONTHS ENDED APRIL 30, 2023 (Q2)**

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**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
(unaudited)  
**SIX (6) MONTHS ENDED APRIL 30, 2023 (Q2)**

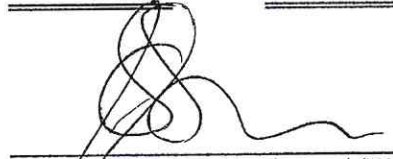
	Unaudited Quarter Ended April 30, 2023 \$'000	Unaudited Quarter Ended April 30, 2022 \$'000	Unaudited Six Months April 30, 2023 \$'000	Unaudited Six Months April 30, 2022 \$'000	Audited Year ended October 31, 2022 \$'000
REVENUE	531,888	290,819	1,158,875	492,535	1,549,003
Direct expenses	<u>(229,155)</u>	<u>(156,657)</u>	<u>(543,531)</u>	<u>(279,376)</u>	<u>(794,181)</u>
Gross profit	302,733	134,162	615,344	213,159	754,822
Other operating income	<u>6,149</u>	<u>131</u>	<u>9,196</u>	<u>197</u>	<u>2,540</u>
	308,882	134,293	624,540	213,356	757,362
EXPENSES					
Administrative and general	<u>(189,148)</u>	<u>(78,315)</u>	<u>(333,301)</u>	<u>(162,095)</u>	<u>(446,810)</u>
Selling and promotion	<u>(5,049)</u>	<u>(1,035)</u>	<u>(11,566)</u>	<u>(2,439)</u>	<u>(9,787)</u>
Depreciation	<u>(20,812)</u>	<u>(28,738)</u>	<u>(51,309)</u>	<u>(57,508)</u>	<u>(109,728)</u>
Amortisation	<u>(2,487)</u>	<u>(3,106)</u>	<u>(4,974)</u>	<u>(6,212)</u>	<u>(12,425)</u>
	<u>(217,496)</u>	<u>(111,194)</u>	<u>(401,150)</u>	<u>(228,254)</u>	<u>(578,750)</u>
OPERATING PROFIT / (LOSS)	91,386	23,099	223,390	(14,898)	178,612
Finance costs	<u>(1,974)</u>	<u>(3,143)</u>	<u>(4,493)</u>	<u>(6,547)</u>	<u>(11,387)</u>
PROFIT / (LOSS) BEFORE TAXATION	89,412	19,956	218,897	(21,445)	167,225
Taxation	<u>(14,983)</u>	<u>850</u>	<u>(26,519)</u>	<u>1,608</u>	<u>(15,976)</u>
Net profit / (loss)	74,429	20,806	192,378	(19,837)	151,249
Other Comprehensive Income:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET PROFIT / (LOSS), BEING TOTAL COMPREHENSIVE INCOME	<u><u>74,429</u></u>	<u><u>20,806</u></u>	<u><u>192,378</u></u>	<u><u>(19,837)</u></u>	<u><u>151,249</u></u>
Earnings per share for profit attributable to the equity holders of the company:					
Number of shares	300,005	300,005	300,005	300,005	300,005
Earnings per share	<u><u>0.25</u></u>	<u><u>0.07</u></u>	<u><u>0.64</u></u>	<u><u>(0.07)</u></u>	<u><u>0.50</u></u>

**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
(unaudited)  
**AS AT APRIL 30, 2023**

	Unaudited April 30, 2023 \$'000	Unaudited April 30, 2022 \$'000	Audited October 31, 2022 \$'000
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS:</b>			
Property, plant and equipment	335,587	408,205	376,679
Deferred tax asset	2,213	3,977	2,213
Deposit - long term	22,286	-	21,928
Right of use assets	24,869	6,214	29,842
	<u>384,955</u>	<u>418,396</u>	<u>430,662</u>
<b>CURRENT ASSETS:</b>			
Receivables	434,310	172,193	355,737
Due from related parties	40,686	21,764	29,527
Taxation recoverable	4,062	2,154	-
Deposit - short term	226,154	-	150,814
Cash and bank balances	163,104	212,575	127,933
	<u>868,316</u>	<u>408,686</u>	<u>664,011</u>
<b>Total Assets</b>	<u><u>1,253,271</u></u>	<u><u>827,082</u></u>	<u><u>1,094,673</u></u>
<b>EQUITY AND LIABILITIES:</b>			
<b>Equity</b>			
Share capital	103,652	103,652	103,652
Retained earnings	759,723	426,259	567,345
	<u>863,375</u>	<u>529,911</u>	<u>670,997</u>
<b>Non-current Liabilities</b>			
Loans	54,752	99,183	68,564
Lease liabilities	16,861	1,046	22,818
	<u>71,613</u>	<u>100,229</u>	<u>91,382</u>
<b>Current Liabilities</b>			
Payables	232,036	127,612	248,829
Due to related parties	28,220	29,487	34,492
Taxation payable	19,161	-	13,627
Current portion of loans	24,138	22,885	21,768
Current portion of lease liabilities	14,728	16,959	13,578
	<u>318,283</u>	<u>196,942</u>	<u>332,294</u>
<b>Total Equity and Liabilities</b>	<u><u>1,253,271</u></u>	<u><u>827,082</u></u>	<u><u>1,094,673</u></u>

Approved and signed on behalf of the Board on June 13, 2023 by:

  
Dr. Ian Blair - Chairman, Finance Committee

  
Mr. Solomon Sharpe - President and CEO



**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' NET EQUITY**  
 (unaudited)  
**SIX (6) MONTHS ENDED APRIL 30, 2023 (Q2)**

	Share Capital \$'000	Retained Earnings \$'000	Total \$'000
BALANCE AT OCTOBER 31, 2022	103,652	567,345	670,997
TOTAL COMPREHENSIVE INCOME:			
Net profit	-	192,378	192,378
BALANCE AT APRIL 30, 2023	103,652	759,723	863,375
BALANCE AT OCTOBER 31, 2021	103,652	446,096	549,748
TOTAL COMPREHENSIVE INCOME:			
Net loss	-	(19,837)	(19,837)
BALANCE AT APRIL 30, 2022	103,652	426,259	529,911

**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**STATEMENT OF CASH FLOWS**  
(unaudited)  
**SIX (6) MONTHS ENDED APRIL 30, 2023 (Q2)**

	Unaudited Six Months April 30, 2023 \$'000	Unaudited Six Months April 30, 2022 \$'000	Audited Year ended October 31, 2022 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net profit / (loss)	192,378	(19,837)	151,249
Items not affecting cash resources -			
Depreciation	51,309	57,508	109,728
Interest expense	4,493	6,547	11,387
Interest income	(9,196)	(197)	(1,223)
Exchange loss/(gain) on foreign balances	1,538	(542)	276
Taxation expense	26,519	(1,608)	15,976
Right-of-use amortisation	4,974	6,212	12,425
Gain on disposal of assets	-	-	(425)
<b>Operating cash flows before movements in working capital</b>	<b>272,015</b>	<b>48,083</b>	<b>299,393</b>
Changes in operating assets and liabilities			
Receivables	(78,573)	(76,346)	(259,890)
Related party balances	(17,431)	28,019	25,261
Payables	(16,793)	26,867	173,897
Deferred revenues	-	26,546	-
	159,218	53,169	238,661
Taxation paid	(27,491)	(162)	(201)
<b>Cash provided by operating activities</b>	<b>131,727</b>	<b>53,007</b>	<b>238,460</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of property, plant and equipment	(10,217)	(11,322)	(32,017)
Proceeds from disposal of property, plant and equipment	-	-	426
Interest received	9,196	197	-
Long term deposit	-	-	(21,519)
Short term deposit	(70,000)	-	(150,000)
<b>Cash used in investing activities</b>	<b>(71,021)</b>	<b>(11,125)</b>	<b>(203,110)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Loan repayments	(11,442)	(11,232)	(42,968)
Lease repayments	(4,807)	(7,093)	(19,268)
Interest paid	(9,467)	(6,547)	(10,660)
Dividends payment	-	-	(30,000)
<b>Cash used in financing activities</b>	<b>(25,716)</b>	<b>(24,872)</b>	<b>(102,896)</b>
<b>NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>34,990</b>	<b>17,010</b>	<b>(67,546)</b>
Exchange gain on foreign cash balances	181	542	457
<b>Cash and cash equivalents at beginning of year</b>	<b>127,933</b>	<b>195,023</b>	<b>195,022</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>163,104</b>	<b>212,575</b>	<b>127,933</b>

**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**(unaudited)**  
**SIX (6) MONTHS ENDED APRIL 30, 2023 (Q2)**

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**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 7-9 Ardenne Road, Unit 2, Kingston 10.
- (b) The principal activities of the company are to carry on the business of entertainment promoter, agent and manager.
- (c) The company is a subsidiary of MEEG Holdings, a company incorporated and domiciled in Saint Lucia.
- (d) The company was listed on the Junior Market of the Jamaica Stock Exchange on 8 February 2017.

**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)  
**SIX (6) MONTHS ENDED APRIL 30, 2023 (Q2)**

**4. MOVEMENT IN FIXED ASSETS**

	<u>Equipment</u>	<u>Building</u>	<u>Leasehold</u>	<u>Furniture &amp;</u>	<u>Computer</u>	<u>Audio &amp;</u>	<u>Rentals,</u>	<u>Motor</u>	<u>Total</u>
	\$	\$	Improvements	Fixtures	Equipment	Filming	Tent Fittings	Vehicles	\$
<b>At Cost/Valuation</b>									
Beginning of period	321,677	40,610	5,028	12,145	67,969	550,926	137,284	89,421	1,225,060
Current period additions	897	-	329	512	4,229	2,511	1,739	-	10,217
<b>End of Period</b>	<b>322,574</b>	<b>40,610</b>	<b>5,357</b>	<b>12,657</b>	<b>72,198</b>	<b>553,437</b>	<b>139,023</b>	<b>89,421</b>	<b>1,235,277</b>
<b>Accumulated</b>									
<b>Depreciation</b>									
Beginning of period	246,960	5,310	2,045	7,583	55,840	373,512	95,265	61,866	848,381
Charge for period	14,004	708	265	431	3,111	19,988	9,186	3,617	51,309
<b>End of period</b>	<b>260,964</b>	<b>6,018</b>	<b>2,310</b>	<b>8,014</b>	<b>58,951</b>	<b>393,500</b>	<b>104,451</b>	<b>65,483</b>	<b>899,690</b>
<b>Net Book Value</b>									
End of period	<u>61,610</u>	<u>34,592</u>	<u>3,047</u>	<u>4,643</u>	<u>13,247</u>	<u>159,937</u>	<u>34,572</u>	<u>23,938</u>	<u>335,587</u>
End of prior period	<u>74,717</u>	<u>35,300</u>	<u>2,983</u>	<u>4,562</u>	<u>12,129</u>	<u>177,414</u>	<u>42,019</u>	<u>27,555</u>	<u>376,679</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)  
**SIX (6) MONTHS ENDED APRIL 30, 2023 (Q2)**

**5. SHARE CAPITAL**

	Unaudited April 30, 2023 \$'000	Unaudited April 30, 2022 \$'000	Audited October 31, 2021 \$'000
Authorized ordinary shares of no par value	<u>103,652</u>	<u>103,652</u>	<u>103,652</u>
Issued ordinary shares of no par value	<u>103,652</u>	<u>103,652</u>	<u>103,652</u>
	# of shares	# of shares	# of shares
Authorized ordinary shares of no par value	<u>320,004,000</u>	<u>320,004,000</u>	<u>320,004,000</u>
Issued ordinary shares of no par value	<u>300,005,000</u>	<u>300,005,000</u>	<u>300,005,000</u>

**6. LOANS**

	Unaudited April 30, 2023 \$'000	Unaudited April 30, 2022 \$'000	Audited October 31, 2022 \$'000
National Commercial Bank - Amortised Loan	-	20,588	-
Sagicor Bank Jamaica Limited - JMD Loan	78,890	101,480	90,332
	<u>78,890</u>	<u>122,068</u>	<u>90,332</u>
Less Current portions	<u>(24,138)</u>	<u>(22,885)</u>	<u>(21,768)</u>
Non-Current portions	<u>54,751</u>	<u>99,183</u>	<u>68,564</u>

**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
(unaudited)  
**SIX (6) MONTHS ENDED APRIL 30, 2023 (Q2)**

**7. LEASES**

## i) Amounts recognized in the statement of financial position

The statement of financial position shows the following amount relating to leases:

	Unaudited April 30, 2023 \$'000	Unaudited April 30, 2022 \$'000	Audited October 31, 2022 \$'000
<b>Right-of-use assets:</b>			
Buildings	24,869	6,213	29,842
<b>Property, plant and equipment:</b>			
Motor vehicles acquired under finance lease	<u>9,090</u>	<u>11,519</u>	<u>10,574</u>
	<u><u>33,959</u></u>	<u><u>17,732</u></u>	<u><u>40,416</u></u>
<b>Lease liabilities:</b>			
Current portion	14,728	16,959	13,578
Non-current portion	<u>16,861</u>	<u>1,046</u>	<u>22,818</u>
	<u><u>31,589</u></u>	<u><u>18,005</u></u>	<u><u>36,396</u></u>

## ii) Amounts recognized in the statement of profit or loss:

	Unaudited April 30, 2023 \$'000	Unaudited April 30, 2022 \$'000	Audited October 31, 2022 \$'000
<b>Depreciation charge of right-of-use assets:</b>			
Buildings	4,974	6,212	12,425
Motor vehicles	<u>997</u>	<u>1,485</u>	<u>2,429</u>
	<u><u>5,971</u></u>	<u><u>7,697</u></u>	<u><u>14,854</u></u>



**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
(unaudited)  
**SIX (6) MONTHS ENDED APRIL 30, 2023 (Q2)**

**8. PAYABLES:**

	Unaudited April 30, 2023 \$'000	Unaudited April 30, 2022 \$'000	Audited October 31, 2022 \$'000
Trade payables	68,219	39,342	53,753
GCT payables	11,547	8,048	29,110
Statutory payables	4,865	2,410	6,562
Accruals and other payables	74,186	46,742	74,555
Deferred income	21,142	26,546	63,055
Credit card payables	52,077	4,524	21,794
	<u>232,036</u>	<u>127,612</u>	<u>248,829</u>

**9. TAXATION EXPENSE:**

- (a) Taxation is computed on the profit for the year, adjusted for tax purposes, and comprises income tax at 25%.

	Unaudited June 30, 2023 \$'000	Unaudited June 30, 2022 \$'000	Audited October 31, 2022 \$'000
Current taxation	26,519	-	15,820
Deffered tax	-	(1,608)	156
	<u>26,519</u>	<u>(1,608)</u>	<u>15,976</u>

**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
(unaudited)  
**SIX (6) MONTHS ENDED APRIL 30, 2023 (Q2)**

9. TAXATION EXPENSE (CONT'D):

- (b) The tax on the profit before taxation differs from the theoretical amount that would arise using the applicable tax rate of 25%, as follows:

	Unaudited June 30, 2023 \$'000	Unaudited June 30, 2022 \$'000	Audited October 31, 2022 \$'000
Profit / (Loss) before taxation	<u>218,897</u>	<u>(41,401)</u>	<u>167,225</u>
Tax calculated at 25%	54,724	(10,350)	41,806
Expenses not deductible for tax purposes	11,994	11,871	29,467
Remission of taxes (note (c) below)	(26,519)	14,341	(11,300)
Net effect of other charges and allowances	<u>(13,680)</u>	<u>(17,470)</u>	<u>(43,997)</u>
Taxation charge	<u><u>26,519</u></u>	<u><u>(1,608)</u></u>	<u><u>15,976</u></u>

- (C) Remission of income tax:

On 8 February 2017, the company's shares were listed on the Junior Market of the Jamaica Stock Exchange. Consequently, the company is entitled to a remission of income tax for ten (10) years in the proportions set out below, provided the shares remain listed for at least 15 years.

Years 1 to 5 100%

Years 6 to 10 50%

The financial statements have been prepared on the basis that the company will have the full benefit of the tax remissions.