

Minutes of the Annual General Meeting  
Main Event Entertainment Group Limited  
Held at Knutsford Court Hotel 09/04/18  
Scheduled start time – 10:30 a.m.

**Welcome & Call to Order:** The meeting was called to order by Chairman Maragh at 10:35 a.m.

**Prayer:** Mrs. Findley-Moulton (HR Coordinator) blessed the day's proceedings.

**IN ATTENDANCE WERE:**

Mr. Harriat Maragh - Chairman  
Mr. Solomon Sharpe/CEO  
Mr. Richard Bair/COO  
Ms. Donna Waithe/Dir  
Dr. Ian Blair/Dir  
Mr. Hugh Graham/Dir  
Mrs. Tania Waldron-Gooden/Dir  
Ms. Sonia McFarlene – BDO Representative

No apologies were given.

**Reading of Proxies:** One proxy was confirmed in favor of Mr. David Rose of St. James

**Financial Report:** Dr. Ian Blair indicated that the performance of Main Event reported on the Junior Stock Exchange returned 55.33% in 2017 relative to 44.8% reported in 2016. The Main Index closed at 50% in 2017 relative to 27% in 2016. Profits earned over the period 2015 to 2017 were \$60 million, \$56 million and \$101 million respectively. Earnings per share were 34% with a Net Book Value of \$1.46 per share. The IPO closed at \$5.62 with total assets declared at \$24.4 billion, up by 11.58% over the year. An increase of 29.18% saw Total Equity at \$9.36 billion.

Dr. Blair further stated that Main Event's proceeds from IPO and international sources resulted in total assets increasing from \$565 million in 2016 to \$718 million in 2017 and total Equity in 2017 were approximately \$446 million.

Milestones accomplished by Main Event included being the first entertainment company listed on the Stock Exchange, first IPO on the JSE and the first to double stock price as it was listed. Stock opened on February 7 at \$2.00, closed on February 10 at \$4.90 and ended the financial year at \$5.62. Dr. Blair went on to say our strategic goals and priorities are clear and ME has been performing despite the environment in which it is operating, and that growth is the best protection. During the financial year 2016 -17 ME has increased its equipment offerings which has reduced our reliance on third parties. This has resulted in more affordable costs to customers.

With regards to the 1<sup>st</sup> Quarter of 2018, Dr. Blair stated that the company recorded a 40% increase in net profit with shares at \$11.11 per share. The NBV is \$479 million with share value at \$1.60.

**CEO Report:** Mr. Sharpe expressed gratitude to all present and promised to keep the company growing as was initially conveyed to shareholders. He placed emphasis on the efficiency of the company by pinpointing the work done by the team and how ME has been making a significant contribution to the country at large. The offerings of ME have grown beyond just offering party planning and set up to involve more corporate

entities which, through our help, has tailored their customer programs. The growth of the ME brand has moved from carnivals and street dances to execution of corporate events to include board meetings. Mr. Sharpe also shared that all amenities for events are now at little to no cost to the company as ME has acquired a wide array of items to fit the different programs being requested by customers. Mr. Sharpe introduced a new department namely "M Style", for which they have secured a property from which operations will be conducted. The launch of the showroom for this department will be delayed until all necessary facets have been put in place and that the transition will be a smooth one.

Further to the launch of M Style's showroom, Mr. Sharpe shared his plan of becoming a part of the western market; this too, he said, will be done as time progresses as he wants the brand to stick and not be one which only existed briefly. Mr. Sharpe also spoke of partnerships which, he and his team, have been trying to build with Chukka Tours to ensure that ME is their first choice for all events being planned by the company.

As far as Corporate Social Responsibility is concerned, Mr. Sharpe states that ME has considered starting a foundation in the years to come, but currently the team has contributed about 70% of the Father Ho Lung projects and feeding of the needy. Other projects that ME has assisted with include Fire & Safety Prevention Week, Jamaica Moves and Ms. Kitty Blood Drive.

**Auditor's Report:** This was read by BDO representative Ms. Sonia McFarlene. Ms. McFarlene went on to say that the audit of the financials of ME were carried out under IFRS and other international standards which gave a true picture of the financial position of the company. In the report it was stated that at the end of the financial year October 2017, Trade Receivables were \$171 million with an impairment provision of \$9.8 million; this represents 22% of total assets. This, she said, may not be recoverable due to the change in profile of the aged receivable.

**Discussion and Questions:** Mr. Staple began the Q&A session by expressing his satisfaction with how the company has been conducting its operations and asked that the other shareholders join him in expressing same. Mr. Staple first pointed out that there were no Director's evaluation present in the 2016/2017 annual report and indicated that this should be included in the 2017/18 report. Mr. Staple further went on to say that more information on the strategies, market and financial risks are to be included in the management discussions and analysis when next the annual report becomes due. The company was encouraged to continue its corporate social responsibility path which will continue to enable youth development.

Mr. Staple's first question was directed to Ms. McFarlene (BDO rep) whom he asked what the suggestion to management from the auditors point-of-view, as to why \$9.8 million of total trade receivables were impaired and why the auditors believe that this amount will not be recoverable. Ms. McFarlene responded stating that it is not the auditors position to tell management what to do. It is the auditor's responsibility to test the effectiveness of strategies implemented by management. Dr. Blair added that these monies are owed by the biggest companies who have the problem of getting approval for payments from their head offices. Mr. Staple emphasized that business is a two-way street and that the company should be able to collect from services offered.

Page 9 of the annual report also sparked interest as Mr. Staple questioned what resulted in a \$17.8 million deficit in 2017 over a \$53 million reported in 2016. Mr. Blair said that this was so because receivables had increased over the period. Mr. Staple went on further to say that given the receivables figures from 2016 to

2017 it was evident that expenses were properly controlled. Another concern was the way in which discounts were recorded. Mr. Sharpe outlined that this is a market strategy geared towards building longstanding relationships with customers. One such partnership is with Dream Entertainment which, Mr. Sharpe states, will generate some amount of revenue for ME. Ms. Vilia Thomas added that that ME's association with DE is one which one need not worry about.

A reduction in management remuneration was questioned as the annual report showed that these were reduced in 2017 compared to what was extended in 2016. Mr. Blair stated that the Compensation Committee met and discussed the salaries of the CEO and COO and that the report shows what was the amount decided on for both individuals.

Mr. Michael Edwards asked Mr. Sharpe (CEO) what is ME's strategic competitive advantage which sets it apart from others in the market. Mr. Bair (COO) was asked what the company's sales approach was to gain new clients. Mr. Sharpe indicated that he would respond to both questions however would not divulge much as it relates to the strategic plans of the company since the meeting is being held in a public space. Mr. Sharpe stated that the ME team is very confident in who they are and what they do and acknowledged the efforts of the members of his team.

M Style was revisited as Mr. Stephen Jackson asked what this area of the business was. Mr. Sharpe responded by saying that M Style is tasked with providing the necessary furnishing for any event that is being asked by ME to execute. Innovation from the ideas of individuals bringing the product to the market and exclusivity as M Style being able to provide needed tools for its events rather than relying on third party entities were pointed out by Dr. Blair.

Ms. Kerina Bennet of The Observer focused her questions on the intended launch date for M Style, the financial investment involved and how M Style will help to build the current client base. Mr. Sharpe tackled her questions by saying that M Style will not be launched until it is ready and as far as investment goes it is just to ensure that when M style is launched it will be as successful as any other event.

Ms. April Walters posed the question to Mr. Sharpe as to how management plans to tackle receivables and increase the cashflow of the company. Dr. Blair attributed the status of receivables versus revenue to the environment in which ME operates. He also stated that seasonality of the business was another contributing factor.

Proposed Resolutions to be passed:

1. To resolve the Annual Report of the Board of Directors and Financial Statements

This was proposed by Chairman Maragh and Second by Mr. Staple. With all in favor the resolution was carried.

2. Retirement and re-appointment of Directors

The re-appointment of Mr. Solomon Sharpe as a Director of the Board of the company was proposed by Chairman Maragh and second by Mr. Staple. With all in favor the resolution was carried.

3. Re-appointment of Mr. Richard Bair as a Director of the Board, proposed by Chairman Maragh and second by Ms. Kadian Norman. With all in favor the resolution was carried.
4. Re-appointment of Ms. Donna Waithe as a Director of the Board, proposed by Chairman Maragh and second by Mr. Stephen Jackson. With all in favor the resolution was carried.
5. Re-appointment of Dr. Ian Blair as a Director of the Board, proposed by Chairman Maragh and second by Ms. Vilia Thomas. With all in favor the resolution was carried.
6. Re-appointment of Mr. Harriat Maragh as a Director of the Board, proposed by Dr. Ian Blair and second by Mr. Staple. With all in favor the resolution was carried.
7. Re-appointment of Mr. Hugh Graham as a Director of the Board, proposed by Chairman Maragh and second by Ms. Vilia Thomas. With all in favor the resolution was carried.
8. Re-appointment of Mrs. Tania Waldron-Gooden as a Director of the Board, proposed by Chairman Maragh and second by Mr. Stephen Jackson. With all in favor the resolution was carried.
9. Director's Remuneration - proposed by Chairman Maragh and second by Ms. Kadian Datadeen. With all in favor the resolution was carried.
10. Re-appointment and Remuneration of Auditors - - proposed by Chairman Maragh and second by Mrs. Charmaine Maragh. With all in favor the resolution was carried.
11. Other Routine Business - - proposed by Chairman Maragh and second by Mr. Staple. With all in favor the resolution was carried.

Introduction to members of the Management team

- Donna Hussey – Corporate Affairs Manager
- Geordi Duncan – Manager, Digital Signage
- Emiel Datadeen – AV Technical Services Manager

Managers of the Business development & Optimization Unit (Operations)

- Kadian Datadeen
- Sasha Forester
- Kim-Natalie Moodie

With no further business to be discussed Chairman Maragh adjourned the meeting at 12:24pm.