



REPORT TO STOCK HOLDERS Year Ended October 31, 2018

The Board of Directors of Main Event Entertainment Group Limited is pleased to present the Company's audited financial statements for the year ended October 31, 2018.

Performance Highlights:

• Revenues of	\$1,397.253M	An increase of \$221.827M or 19%
• Gross Profit of	\$640.116M	An increase of \$74.951M or 13%
• Net Profit of	\$94.657M	A decrease of \$6.390M or 6%
• Earnings Per Share of	\$0.32	A decrease of \$0.03

The Company has delivered a good performance, driven by strong sales growth, new product offerings, and the ongoing implementation of operational improvements.

This year, we continued to pursue our growth strategy and are pleased to report that the financial year has delivered revenue growth of 19%.

We continued to invest in the development of the business with a steady focus on identifying new and emerging trends, as well as bringing new brands and concepts to our customers. We acquired \$186.179 million in capital assets; with more than 50% of this spend being targeted toward the development of our M-Style product offering. Funding secured at the end of the current year will facilitate our continuing capital expenditure.

We have expanded our operations and increased our reach. The Company acquired its first real property in the current year and negotiated leases for over 3000 square feet of additional operational space. We recently secured our base in the west, with space in Montego Bay, St. James. We have increased our thrust to seek new opportunities in the west; and are encouraged by the interest and feedback we have received so far. We are keen to becoming a positive influence on the trends and entertainment value in the Jamaican tourism product.

M-Style has been well received and has contributed positively to the growth in the top line. This was made possible with increased media visibility and some promotional concessions.

REPORT TO STOCK HOLDERS
Year Ended October 31, 2018

Cont'd

We have faced some challenges in controlling third party service costs, particularly during the second half of the year. The gross profit margin show the impact, having contracted by two percentage points from 48% in the prior year to 46%. We have made strategic long-term choices to strengthen our internal resources in response to these increasing service cost elements.

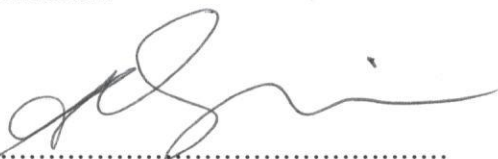
The 2018 financial year was also a transformative one for our people. We re-tooled and reinforced our management and productive teams; committing to significant coaching and research & development costs. We are confident that this year's spend is molding the leadership team required to maximize our growth opportunities and to successfully implement our plans.

The year has closed with a net profit of \$94.657 million; a 6% reduction from \$101.047 million in the 2017 financial year. Profit levels show the impact of the increasing direct cost rates, higher depreciation of our growing asset base; increased investments in our people; and higher levels of marketing, research and development.

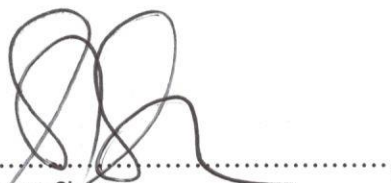
The strength of the Company is due in large part to our employees' skills, experience and dedication. The Board would like to thank all of our employees for their contribution during the year. Our team continues to rise to challenges; work hard to reduce costs; and at the same time strive to maintain the outstanding service that we are known for.

The Board looks forward to delivering another solid performance in the year ahead. We remain committed to long-term value creation and will continue to pursue top line growth whilst working on improving our operating profit margin.

We would like to thank our shareholders and stakeholders for their continued support and confidence in our direction.



.....
Dr. Ian Blair
Chairman, Finance Committee



.....
Mr. Solomon Sharpe
Chief Executive Officer