



**MAIN EVENT ENTERTAINMENT GROUP LIMITED**

**UNAUDITED RESULTS**

**FOR SIX MONTHS ENDED APRIL 30, 2022**



## REPORT TO STOCKHOLDERS

### Six Months Ended April 30, 2022 (Q2)

The Board of Directors of Main Event Entertainment Group Limited presents the Company's unaudited financial statements for the period ended April 30, 2022 (Q2).

#### Performance Highlights:

	Six Months Ended April 30, 2022	Six Months Ended April 30, 2021	Year Over Year		Audited, Year Ended October 31, 2021
			\$	%	
Revenues	\$ 492.535 M	\$ 349.382 M	\$ 143.153 M	41%	\$ 758.393 M
Gross Profit	\$ 213.159 M	\$ 191.024 M	\$ 22.135 M	12%	\$ 454.388 M
Net Profit / (Loss)	\$ (19.837) M	\$ (19.511) M	\$ (0.326) M	-4%	\$ 16.138 M
Earnings Per Share (EPS)	(7) cents	(7) cents	0 cents	- %	5 cents
Total Assets	\$ 827.082 M	\$ 813.330 M	\$ 13.752 M	2%	\$ 791.255 M
Shareholder's Equity	\$ 529.911 M	\$ 514.100 M	\$ 15.811 M	3%	\$ 549.748 M

The company's recorded net profit of \$20.806M for the second quarter ended April 30, 2022. These results represent an improvement over the net loss of \$40.643 million suffered in the previous quarter driven by a much-improved performance across our core business lines.

Revenues of \$290.819M for the quarter represents a 44% growth over the previous quarter and marks the third consecutive quarterly growth and the largest quarter revenue since the quarter ended January 30, 2020. Importantly, the last six (6) weeks of the quarter saw improved sales in the company's core divisions and signals a rise in interest in our services. Gross profit for the quarter improved by 67% when compared to the previous quarter. Administrative and general expenses for the quarter increased by 5% or \$5.866M over the first quarter and fell by 5% or \$5.723M when compared to the second quarter ended April 30, 2021. With the improved second quarter performance, the company recorded a net loss of \$19.837M for the six months ended April 30, 2022.

**REPORT TO STOCKHOLDERS**  
**Six Months Ended April 30, 2022 (Q2)**

Cont'd

As the effects of the pandemic recede, the company delivered a 41% or \$141.153M increase in revenue for the six months when compared to the previous year. This coincided with the lifting of the DRMA measures which affected the entertainment industry.

Gross profit for the six months ended April 30, 2022 improved by \$22.135M or 12% over the previous year. Of note, gross margin of 43%, was mainly as a result of the type of event executions that were managed by Main Event. The company is expecting improved margins in the coming periods owing to improved cost control measures and a return to pre pandemic type event executions.

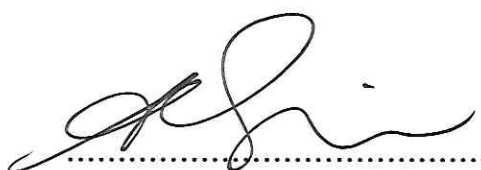
Operating expenses amounted to \$228.254M and represents an increase of \$21.414M or 10% over the previous year as the company cautiously positions itself to take advantage of the business opportunities that may arise as the country rebounds and clients plan initiatives to re-engage target markets.

The company's asset base grew by \$13.752M or 2% as at April 30, 2022. This was due to an increase in our cash resources of \$65.881M or 45%. Receivables increased by 138% or \$99.821M because of major events executed towards the end of the quarter. The company continues to rely on strong cash management strategies which allows MEEG to be responsive to new business opportunities.

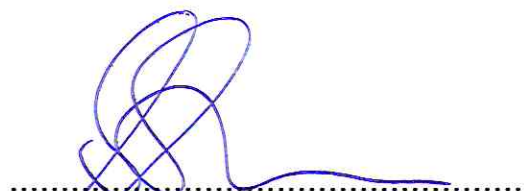
Loans and lease liabilities decreased by \$92.370M or 40% as the company continues its debt-reduction strategy. Conversely, payables have increased by \$38.083M or 60% because of event close-out costs related to events executed in the final month of the quarter.

We are grateful also to our team, who again extended themselves to care for our customers while being there for each other and extend special commendations to each, for once again being nimble, and levelling up to the new challenges.

We thank you, our stakeholders for their continued support. With the lifting of DRMA restrictions, the company positions itself to be the partner of choice for delivering exceptional experiences to all our clients.



Dr. Ian Blair  
Chairman, Finance Committee



Mr. Solomon Sharpe  
Chief Executive Officer

**MAIN EVENT ENTERTAINMENT GROUP LIMITED**

**UNAUDITED FINANCIAL STATEMENTS**

**SIX (6) MONTHS ENDED APRIL 30, 2022 (Q2)**

MAIN EVENT ENTERTAINMENT GROUP LIMITED  
UNAUDITED FINANCIAL STATEMENTS  
SIX (6) MONTHS ENDED APRIL 30, 2022 (Q2)

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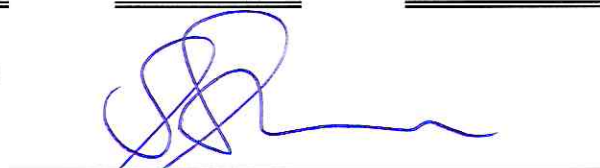


**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
(unaudited)  
**AS AT APRIL 30, 2022**

	Unaudited April 30, 2022 \$'000	Unaudited April 30, 2021 \$'000	Audited October 31, 2021 \$'000
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS:</b>			
Property, plant and equipment	408,205	515,986	454,391
Deferred tax asset	3,977	3,887	2,369
Right of use assets	6,213	44,458	12,425
	<u>418,396</u>	<u>564,331</u>	<u>469,185</u>
<b>CURRENT ASSETS:</b>			
Receivables	172,193	72,372	95,847
Due from related parties	21,764	28,775	29,209
Taxation recoverable	2,154	1,158	1,992
Cash and bank balances	212,575	146,694	195,022
	<u>408,686</u>	<u>248,999</u>	<u>322,070</u>
<b>Total Assets</b>	<u><u>827,082</u></u>	<u><u>813,330</u></u>	<u><u>791,255</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	103,652	103,652	103,652
Retained earnings	426,259	410,447	446,096
	<u>529,911</u>	<u>514,099</u>	<u>549,748</u>
<b>Non-current Liabilities</b>			
Related party loans	-	22,260	-
Loans	99,183	108,629	110,415
Lease liabilities	1,046	35,937	8,136
	<u>100,229</u>	<u>166,826</u>	<u>118,551</u>
<b>Current Liabilities</b>			
Payables	101,066	62,983	74,199
Deferred revenues	26,546	-	-
Due to related parties	29,487	4,075	8,913
Current portion of loans	22,885	38,876	22,885
Current portion of lease liabilities	16,959	26,471	16,959
	<u>196,942</u>	<u>132,405</u>	<u>122,956</u>
<b>Total Equity and Liabilities</b>	<u><u>827,082</u></u>	<u><u>813,330</u></u>	<u><u>791,255</u></u>

Approved and signed on behalf of the Board on June 13, 2022 by:

  
Dr. Ian Blair  
Director

  
Mr. Solomon Sharpe  
Director

**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
(unaudited)  
**SIX (6) MONTHS ENDED APRIL 30, 2022 (Q2)**

	Unaudited Quarter Ended April 30, 2022 \$'000	Unaudited Quarter Ended April 30, 2021 \$'000	Unaudited Six Months April 30, 2022 \$'000	Unaudited Six Months April 30, 2021 \$'000	Audited Year ended October 31, 2021 \$'000
REVENUE	290,819	173,544	492,535	349,382	758,393
Direct expenses	(156,657)	(93,249)	(279,376)	(158,358)	(304,005)
Gross profit	134,162	80,295	213,159	191,024	454,388
Other operating income	131	17	197	33	2,193
	134,293	80,312	213,356	191,057	456,581
EXPENSES					
Administrative and general	78,315	68,640	162,095	132,363	279,480
Selling and promotion	1,035	876	2,439	1,706	4,436
Depreciation	28,738	30,780	57,508	62,421	121,990
Amortisation	3,106	5,175	6,212	10,350	17,821
	111,194	105,471	228,254	206,840	423,727
OPERATING PROFIT / (LOSS)	23,099	(25,159)	(14,898)	(15,783)	32,854
Finance costs	(3,143)	(2,493)	(6,547)	(4,869)	(16,339)
(LOSS) / PROFIT BEFORE TAXATION	19,956	(27,652)	(21,445)	(20,652)	16,515
Taxation	850	69	1,608	1,141	(377)
Net (loss) / profit	20,806	(27,583)	(19,837)	(19,511)	16,138
Other Comprehensive Income:					
	-	-	-	-	-
NET (LOSS) / PROFIT, BEING TOTAL COMPREHENSIVE INCOME	20,806	(27,583)	(19,837)	(19,511)	16,138
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	0.07	(0.09)	(0.07)	(0.07)	0.05

MAIN EVENT ENTERTAINMENT GROUP LIMITED  
STATEMENT OF CHANGES IN SHAREHOLDERS' NET EQUITY  
(unaudited)  
SIX (6) MONTHS ENDED APRIL 30, 2022 (Q2)

	Share Capital \$'000	Retained Earnings \$'000	Total \$'000
BALANCE AT OCTOBER 31, 2021	103,652	446,096	549,748
TOTAL COMPREHENSIVE INCOME:			
Net loss	-	(19,837)	(19,837)
TRANSACTIONS WITH OWNERS:			
Dividends	-	-	-
	-	(19,837)	(19,837)
BALANCE AT APRIL 30, 2022	103,652	426,259	529,911
BALANCE AT OCTOBER 31, 2020	103,652	429,958	533,610
Effects of change in accounting policy - IFRS 9 Financial Instruments	-	-	-
	103,652	429,958	533,610
TOTAL COMPREHENSIVE INCOME:			
Net loss	-	(19,511)	(19,511)
TRANSACTIONS WITH OWNERS:			
Dividends	-	-	-
	-	(19,511)	(19,511)
BALANCE AT APRIL 30, 2021	103,652	410,447	514,099



**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**STATEMENT OF CASH FLOWS**  
(unaudited)  
**SIX (6) MONTHS ENDED APRIL 30, 2022 (Q2)**

	Unaudited Six Months April 30, 2022 \$'000	Unaudited Six Months April 30, 2021 \$'000	Audited Year ended October 31, 2021 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net (loss) / profit	(19,837)	(19,511)	16,139
Items not affecting cash resources -			
Depreciation	57,508	62,421	121,990
Interest expense	6,547	4,869	16,339
Interest income	(197)	(31)	(1,676)
Exchange (gain)/loss on foreign balances	(542)	4,435	289
Taxation expense	(1,608)	(1,141)	377
Right-of-use amortisation	6,212	10,350	17,821
Loss on disposal of assets	-	-	2,807
Operating cash flows before movements in working capital	48,083	61,392	174,086
Changes in operating assets and liabilities			
Receivables	(76,346)	(3,261)	(26,736)
Related party balances	28,019	(13,975)	(31,832)
Payables	26,867	(10,631)	586
Deferred revenues	26,546	-	-
	53,169	33,525	116,104
Taxation paid	(162)	-	(834)
Cash provided by operating activities	53,007	33,525	115,270
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of property, plant and equipment	(11,322)	-	(1,232)
Proceeds from disposal of property, plant and equipment	-	-	451
Interest received	197	31	1,676
Cash (used in) / provided by investing activities	(11,125)	31	895
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Loans received	-	-	122,610
Loan repayments	(11,232)	(3,658)	(134,428)
Lease repayments	(1,923)	(6,952)	(6,729)
Lease liabilities repayments	(5,170)	(5,116)	(18,090)
Interest paid	(6,547)	(4,869)	(16,339)
Dividends payment	-	-	-
Cash used in financing activities	(24,872)	(20,595)	(52,976)
NET INCREASE IN CASH AND CASH EQUIVALENTS	17,010	12,961	63,189
Exchange gain on foreign cash balances	542	1,610	(289)
Cash and cash equivalents at beginning of year	195,023	132,123	132,123
CASH AND CASH EQUIVALENTS AT END OF YEAR	212,575	146,694	195,023

**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**(unaudited)**  
**SIX (6) MONTHS ENDED APRIL 30, 2022 (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, 2022 (Q2)**

**4. MOVEMENT IN FIXED ASSETS**

	<u>Equipment</u>	<u>Building</u>	<u>Leasehold</u> <u>Improvements</u>	<u>Furniture &amp;</u> <u>Fixtures</u>	<u>Computer</u> <u>Equipment</u>	<u>Audio &amp;</u> <u>Filming</u> <u>Equipment</u>	<u>Rentals,</u> <u>Décor &amp;</u> <u>Tent Fittings</u>	<u>Motor</u> <u>Vehicles</u>	<u>Total</u>
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>At Cost/Valuation</b>									
Beginning of period	311,382	40,610	4,646	12,101	63,388	547,641	132,154	84,159	1,196,081
Current period additions	-	-	248	44	710	1,334	3,724	5,262	11,322
End of Period	<u>311,382</u>	<u>40,610</u>	<u>4,894</u>	<u>12,145</u>	<u>64,098</u>	<u>548,975</u>	<u>135,878</u>	<u>89,421</u>	<u>1,207,403</u>
<b>Accumulated Depreciation</b>									
Beginning of period	220,193	3,894	1,556	6,444	49,571	332,721	73,237	54,074	741,690
Charge for period	<u>13,015</u>	<u>704</u>	<u>233</u>	<u>496</u>	<u>3,034</u>	<u>21,296</u>	<u>11,632</u>	<u>7,098</u>	<u>57,508</u>
End of period	<u>233,208</u>	<u>4,598</u>	<u>1,789</u>	<u>6,940</u>	<u>52,605</u>	<u>354,017</u>	<u>84,869</u>	<u>61,172</u>	<u>799,198</u>
<b>Net Book Value</b>									
End of period	<u>78,174</u>	<u>36,012</u>	<u>3,105</u>	<u>5,205</u>	<u>11,493</u>	<u>194,958</u>	<u>51,009</u>	<u>28,249</u>	<u>408,205</u>
End of prior period	<u>91,189</u>	<u>36,716</u>	<u>3,090</u>	<u>5,657</u>	<u>13,817</u>	<u>214,920</u>	<u>58,917</u>	<u>30,085</u>	<u>454,391</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, 2022 (Q2)**

**5. SHARE CAPITAL**

	Unaudited January 31, 2022 \$'000	Unaudited January 31, 2021 \$'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, 2022 \$'000	Unaudited April 30, 2021 \$'000	Audited October 31, 2021 \$'000
Bank of Nova Scotia Limited - Amortised Loan	-	-	-
MEEG Holdings Limited - Related Party Loan	-	22,260	-
National Commercial Bank - Amortised Loan	20,588	21,517	21,065
Sagicor Bank Jamaica Limited - USD Loan	-	125,988	-
Sagicor Bank Jamaica Limited - JMD Loan	101,480	-	112,235
Sagicor Bank Jamaica Limited - Other Loans	-	-	-
	<u>122,069</u>	<u>169,765</u>	<u>133,300</u>
Less Current portion:	<u>(22,885)</u>	<u>(38,876)</u>	<u>(22,885)</u>
Non-Current portion	<u>99,183</u>	<u>130,889</u>	<u>110,415</u>

**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
(unaudited)  
**SIX (6) MONTHS ENDED APRIL 30, 2022 (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, 2022 \$'000	Unaudited April 30, 2021 \$'000	Audited October 31, 2021 \$'000
<b>Right-of-use assets:</b>			
Buildings	6,213	44,458	12,425
<b>Property, plant and equipment:</b>			
Motor vehicles acquired under finance lease	11,519	18,378	13,003
	<u>17,732</u>	<u>62,836</u>	<u>25,428</u>
<b>Lease liabilities:</b>			
Current portion	16,959	26,471	16,959
Non-current portion	1,046	35,937	8,136
	<u>18,005</u>	<u>62,408</u>	<u>25,095</u>

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

	Unaudited April 30, 2022 \$'000	Unaudited April 30, 2021 \$'000	Audited October 31, 2021 \$'000
<b>Depreciation charge of right-of-use assets:</b>			
Buildings	6,212	10,350	17,821
Motor vehicles	1,485	990	4,534
	<u>7,697</u>	<u>11,340</u>	<u>22,355</u>