



**MAIN EVENT ENTERTAINMENT GROUP LIMITED**

**UNAUDITED RESULTS**

**FOR NINE MONTHS ENDED JULY 31, 2022**



## REPORT TO STOCKHOLDERS

### Nine Months Ended July 31, 2022 (Q3)

The Board of Directors of Main Event Entertainment Group Limited presents the Company's unaudited financial statements for the period ended July 31, 2022 (Q3).

#### Performance Highlights:

	Quarter Ended July 31, 2022	Quarter Ended July 31, 2021	Nine (9) Months July 31, 2022	Nine (9) Months July 31, 2021	3rd Quarter Year Over Year \$	%	Audited, Year Ended October 31, 2021
Revenues	\$601.528 M	\$243.352 M	\$1,094.063 M	\$592.734 M	\$358.176 M	147%	\$758.393 M
Gross Profit	\$297.988 M	\$152.954 M	\$511.147 M	\$343.977 M	\$145.034 M	95%	\$454.388 M
Net Profit	\$123.778 M	\$28.684 M	\$103.941 M	\$9.171 M	\$95.094 M	332%	\$16.138 M
Earnings Per Share (EPS)	41 cents	10 cents	35 cents	3 cents	31 cents	310%	5 cents
Total Assets	\$987.245 M	\$856.420 M	\$987.245 M	\$856.420 M	\$130.825 M	15%	\$791.255 M
Shareholder's Equity	\$653.689 M	\$542.781 M	\$653.689 M	\$542.781 M	\$110.908 M	20%	\$549.748 M

The Company continued its positive momentum from the second quarter with an even stronger third quarter, contributing to net profit of \$103.941M for the nine months ended July 31, 2022. Net profit for the quarter shows an increase of \$95.094M or 332% over the corresponding period in 2021. The improved performance this quarter is underpinned by increased activity in our core business. The entertainment industry has seen a strong return to outdoor events and lifestyle experiences after a 2-year hiatus. The quarter is a historic one and reinforces our optimism for a sustainable shift following the Pandemic.

Revenue of \$1,094.063M represents an increase of \$501.329M or 85% for the nine months ended July 31, 2022. Revenues of \$601.528M for the quarter represents growth of 147% over the \$243.352M recorded in the third quarter of 2021. This marks the fourth consecutive quarter of top line growth and the highest revenue recorded in a quarter.

**REPORT TO STOCKHOLDERS**  
**Nine Months Ended July 31, 2022 (Q3)**

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Gross profit for the quarter improved by 95% when compared to the third quarter of 2021. Administrative and general expenses for the quarter increased by 35% or \$40.233M over the corresponding period. This was largely due to increases in fuel and energy costs, as well as revisions to compensation packages implemented at the start of this quarter. Margins earned for the nine months ended July 31, 2022, improved by \$167.170M or 49%. Of note, gross profit margin of 50% and 47% for the quarter and nine months respectively, represents an improvement over the 39% recorded at the end of the first quarter ended January 31, 2022.

The company's asset base grew by \$130.825M or 15% as at July 31, 2022. This was due to an increase in our receivables by \$254.191M or 169%. The increase was driven by major events executed at the end of the quarter. Our current assets increased to \$581.101M from \$330.875 in the prior year; an increase of 76%.

Loans and lease liabilities decreased by \$82.534M or 43%, with the prepaying its amortised loan used to purchase its commercial property. Payables have increased by \$63.958M or 64% as a result of activities executed at the end of the quarter.

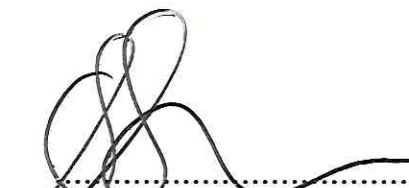
For the quarter ended July 31, 2022, earnings per share improved from \$0.10 per share in 2021 to \$0.41 per share; an increase of 310%. For the nine months ended July 31, 2022, earnings per share improved by 1,066% or \$0.32. Shareholder's equity totalled \$653.689M, an increase of \$110.908M or 20% compared to the prior year.

Our team continues to deliver solid results for our clients, and we are grateful to every member of our team, whose sacrifices make us the company of choice for extraordinary experiences.

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.



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



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

**MAIN EVENT ENTERTAINMENT GROUP LIMITED**

**UNAUDITED FINANCIAL STATEMENTS**

**NINE (9) MONTHS ENDED JULY 31, 2022 (Q3)**

**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**NINE (9) MONTHS ENDED JULY 31, 2022 (Q3)**

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**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**(unaudited)**  
**NINE (9) MONTHS ENDED JULY 31, 2022 (Q3)**

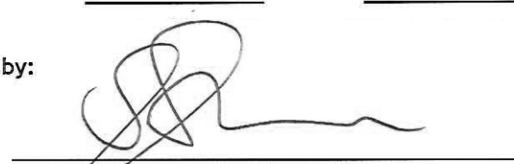
	Unaudited Quarter Ended July 31, 2022 \$'000	Unaudited Quarter Ended July 31, 2021 \$'000	Unaudited Nine Months July 31, 2022 \$'000	Unaudited Nine Months July 31, 2021 \$'000	Audited Year ended October 31, 2021 \$'000
REVENUE	601,528	243,352	1,094,063	592,734	758,393
Direct expenses	<u>(303,540)</u>	<u>(90,398)</u>	<u>(582,916)</u>	<u>(248,757)</u>	<u>(304,005)</u>
Gross profit	297,988	152,954	511,147	343,977	454,388
Other operating income	<u>60</u>	<u>16</u>	<u>257</u>	<u>49</u>	<u>2,193</u>
	<b>298,048</b>	<b>152,970</b>	<b>511,404</b>	<b>344,026</b>	<b>456,581</b>
EXPENSES					
Administrative and general	<u>121,476</u>	<u>79,656</u>	<u>283,571</u>	<u>212,019</u>	<u>279,480</u>
Selling and promotion	<u>2,389</u>	<u>1,437</u>	<u>4,828</u>	<u>3,142</u>	<u>4,436</u>
Depreciation	<u>28,740</u>	<u>30,524</u>	<u>86,248</u>	<u>92,946</u>	<u>121,990</u>
Amortisation	<u>3,106</u>	<u>3,861</u>	<u>9,318</u>	<u>14,211</u>	<u>17,821</u>
	<u>155,711</u>	<u>115,478</u>	<u>383,965</u>	<u>322,318</u>	<u>423,727</u>
OPERATING PROFIT	142,337	37,492	127,439	21,708	32,854
Finance costs	<u>(3,015)</u>	<u>(7,815)</u>	<u>(9,562)</u>	<u>(12,684)</u>	<u>(16,339)</u>
PROFIT BEFORE TAXATION	139,322	29,677	117,877	9,024	16,515
Taxation	<u>(15,544)</u>	<u>(993)</u>	<u>(13,936)</u>	<u>147</u>	<u>(377)</u>
Net profit	123,778	28,684	103,941	9,171	16,138
Other Comprehensive Income:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET PROFIT, BEING TOTAL COMPREHENSIVE INCOME	<u><u>123,778</u></u>	<u><u>28,684</u></u>	<u><u>103,941</u></u>	<u><u>9,171</u></u>	<u><u>16,138</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>0.41</u></u>	<u><u>0.10</u></u>	<u><u>0.35</u></u>	<u><u>0.03</u></u>	<u><u>0.05</u></u>

**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
(unaudited)  
**AS AT JULY 31, 2022**

	Unaudited July 31, 2022 <u>\$'000</u>	Unaudited July 31, 2021 <u>\$'000</u>	Audited October 31, 2021 <u>\$'000</u>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS:</b>			
Property, plant and equipment	400,669	482,205	454,391
Deferred tax asset	2,369	2,893	2,369
Right of use assets	3,106	40,447	12,425
	<u>406,144</u>	<u>525,545</u>	<u>469,185</u>
<b>CURRENT ASSETS:</b>			
Receivables	404,371	150,180	95,847
Due from related parties	44,634	25,745	29,209
Taxation recoverable	-	1,158	1,992
Cash and bank balances	132,096	153,792	195,022
	<u>581,101</u>	<u>330,875</u>	<u>322,070</u>
<b>Total Assets</b>	<u><u>987,245</u></u>	<u><u>856,420</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	550,037	439,129	446,096
	<u>653,689</u>	<u>542,781</u>	<u>549,748</u>
<b>Non-current Liabilities</b>			
Related party loans	-	13,446	-
Loans	74,756	116,297	110,415
Lease liabilities	6,047	37,495	8,136
	<u>80,803</u>	<u>167,238</u>	<u>118,551</u>
<b>Current Liabilities</b>			
Payables	163,782	99,824	74,199
Deferred revenues	26,546	-	-
Due to related parties	20,884	7,273	8,913
Current portion of loans	21,200	22,468	22,885
Current portion of lease liabilities	8,559	16,836	16,959
Taxation	11,782	-	-
	<u>252,753</u>	<u>146,401</u>	<u>122,956</u>
<b>Total Equity and Liabilities</b>	<u><u>987,245</u></u>	<u><u>856,420</u></u>	<u><u>791,255</u></u>

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

  
\_\_\_\_\_  
Dr. Ian Blair  
Director

  
\_\_\_\_\_  
Mr. Solomon Sharpe  
Director

**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' NET EQUITY**  
 (unaudited)  
 NINE (9) MONTHS ENDED JULY 31, 2022 (Q3)

	Share Capital \$'000	Retained Earnings \$'000	Total \$'000
BALANCE AT OCTOBER 31, 2021	103,652	446,096	549,748
<b>TOTAL COMPREHENSIVE INCOME:</b>			
Net profit	-	103,941	103,941
BALANCE AT JULY 31 2022	103,652	550,037	653,689
BALANCE AT OCTOBER 31, 2020	103,652	429,958	533,610
<b>TOTAL COMPREHENSIVE INCOME:</b>			
Net profit	-	9,171	9,171
BALANCE AT JULY 31, 2021	103,652	439,129	542,781



**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**STATEMENT OF CASH FLOWS**  
(unaudited)  
**NINE (9) MONTHS ENDED JULY 31, 2022 (Q3)**

	Unaudited Nine Months July 31, 2022 \$'000	Unaudited Nine Months July 31, 2021 \$'000	Audited Year ended October 31, 2021 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net profit	103,941	9,171	16,139
Items not affecting cash resources -			
Depreciation	86,248	92,946	121,990
Interest expense	9,562	12,684	16,339
Interest income	(257)	(47)	(1,676)
Exchange (gain)/loss on foreign balances	(542)	1,034	289
Taxation expense	13,936	(147)	377
Right-of-use amortisation	9,318	14,211	17,821
Loss on disposal of assets	-	1,807	2,807
Operating cash flows before movements in working capital	<u>222,206</u>	<u>131,659</u>	<u>174,086</u>
Changes in operating assets and liabilities			
Receivables	(308,524)	(81,069)	(26,736)
Related party balances	(3,454)	(16,562)	(31,832)
Payables	89,583	26,211	586
Deferred revenues	26,546	-	-
	<u>26,357</u>	<u>60,239</u>	<u>116,104</u>
Taxation paid	1,992	-	(834)
Cash provided by operating activities	<u>28,349</u>	<u>60,239</u>	<u>115,270</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of property, plant and equipment	(32,526)	-	(1,232)
Proceeds from disposal of property, plant and equipment	-	1,450	451
Interest received	257	47	1,676
Cash (used in) / provided by investing activities	<u>(32,269)</u>	<u>1,497</u>	<u>895</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Loans received	-	-	122,610
Loan repayments	(35,659)	(5,213)	(134,428)
Lease repayments	(3,839)	(10,658)	(6,729)
Lease liabilities repayments	(10,489)	(9,487)	(18,090)
Interest paid	(9,562)	(12,684)	(16,339)
Cash used in financing activities	<u>(59,549)</u>	<u>(38,042)</u>	<u>(52,976)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	<u>(63,469)</u>	<u>23,694</u>	<u>63,189</u>
Exchange gain on foreign cash balances	542	(2,025)	(289)
Cash and cash equivalents at beginning of year	<u>195,023</u>	<u>132,123</u>	<u>132,123</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>132,096</u></u>	<u><u>153,792</u></u>	<u><u>195,023</u></u>

**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**(unaudited)**  
**NINE (9) MONTHS ENDED JULY 31, 2022 (Q3)**

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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)  
**NINE (9) MONTHS ENDED JULY 31, 2022 (Q3)**

**4. MOVEMENT IN FIXED ASSETS**

	<u>Equipment</u>	<u>Building</u>	<u>Leasehold Improvements</u>	<u>Furniture &amp; Fixtures</u>	<u>Computer Equipment</u>	<u>Audio &amp; Filming Equipment</u>	<u>Rentals, Décor &amp; Tent Fittings</u>	<u>Motor 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	<u>15,720</u>	<u>-</u>	<u>291</u>	<u>44</u>	<u>4,547</u>	<u>2,012</u>	<u>4,650</u>	<u>5,262</u>	<u>32,526</u>
End of Period	<u>327,102</u>	<u>40,610</u>	<u>4,937</u>	<u>12,145</u>	<u>67,935</u>	<u>549,653</u>	<u>136,804</u>	<u>89,421</u>	<u>1,228,607</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>24,752</u>	<u>1,062</u>	<u>349</u>	<u>771</u>	<u>4,604</u>	<u>31,834</u>	<u>17,443</u>	<u>5,433</u>	<u>86,248</u>
End of period	<u>244,945</u>	<u>4,956</u>	<u>1,905</u>	<u>7,215</u>	<u>54,175</u>	<u>364,555</u>	<u>90,680</u>	<u>59,507</u>	<u>827,938</u>
<b>Net Book Value</b>									
End of period	<u>82,157</u>	<u>35,654</u>	<u>3,032</u>	<u>4,930</u>	<u>13,760</u>	<u>185,098</u>	<u>46,124</u>	<u>29,914</u>	<u>400,669</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)  
**NINE (9) MONTHS ENDED JULY 31, 2022 (Q3)**

**5. SHARE CAPITAL**

	Unaudited July 31, 2022 \$'000	Unaudited July 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>
	<b># of shares</b>	<b># of shares</b>	<b># of shares</b>
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 July 31, 2022 \$'000	Unaudited July 31, 2021 \$'000	Audited October 31, 2021 \$'000
MEEG Holdings Limited - Related Party Loan	-	13,446	-
National Commercial Bank - Amortised Loan	-	21,294	21,065
Sagicor Bank Jamaica Limited - JMD Loan	<u>95,956</u>	<u>117,470</u>	<u>112,235</u>
	<u>95,956</u>	<u>152,210</u>	<u>133,300</u>
Less Current portions	<u>(21,200)</u>	<u>(22,468)</u>	<u>(22,885)</u>
Non-Current portions	<u>74,756</u>	<u>129,742</u>	<u>110,415</u>

**MAIN EVENT ENTERTAINMENT GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
(unaudited)  
**NINE (9) MONTHS ENDED JULY 31, 2022 (Q3)**

**7. LEASES****i) Amounts recognized in the statement of financial position**

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

	Unaudited July 31, 2022 \$'000	Unaudited July 31, 2021 \$'000	Audited October 31, 2021 \$'000
Right-of-use assets:			
Buildings	3,106	40,447	12,425
Property, plant and equipment:			
Motor vehicles acquired under finance lease	<u>10,777</u>	<u>16,785</u>	<u>13,003</u>
	<u><u>13,883</u></u>	<u><u>57,232</u></u>	<u><u>25,428</u></u>
Lease liabilities:			
Current portion	8,559	16,836	16,959
Non-current portion	<u>6,047</u>	<u>37,495</u>	<u>8,136</u>
	<u><u>14,606</u></u>	<u><u>54,331</u></u>	<u><u>25,095</u></u>

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

	Unaudited July 31, 2022 \$'000	Unaudited July 31, 2021 \$'000	Audited October 31, 2021 \$'000
Amortisation charge of right-of-use assets:			
Buildings	9,318	14,211	17,821
Motor vehicles	<u>2,227</u>	<u>2,970</u>	<u>4,534</u>
	<u><u>11,545</u></u>	<u><u>17,181</u></u>	<u><u>22,355</u></u>