



FINANCIAL PERFORMANCE

Supreme Ventures Limited is pleased to report a net profit of \$426 million for the three months ended September 30, 2022.

Traditionally the 3rd Quarter has been a challenge to the Group with the effects of major sporting competitions being on their annual break plus prioritised expenditures on back-to-school commitments combining to post challenges re the dollar spend. Additionally, the fall out of the current harsh economic climate and the overseas conflict continue to affect the spending ability of our customers. That being stated, SVL has shown tremendous versatility and sustainability in our financial results when compared to the same period last year.

The Group's continued focus on change management and embodied in our theme '**Winning @ supreme Speed**', continues to enhance our agility and ability to meet and respond to customer needs and stakeholder requirements.

QUARTER RESULTS

The Group's unaudited financial statements are presented for the three months ended September 30, 2022. The period's net profit of \$426 million represents an increase of \$113.7 million or 36.4 percent when compared to the same period in 2021.

Total gross ticket sales for the quarter amounted to \$26.6 billion, representing an increase of 26 percent over the corresponding period in 2021, as customers continue to support new initiatives that positively impact their pockets during stringent economic times. Total Gaming income of \$12.1 billion, represents an increase of \$1.9 billion, or 18.7 percent, when compared to the prior period in 2021, driven largely by lottery sales with strong performances from Cash Pot and Instants. Direct expenses amounted to \$9.8 billion, \$1.8 billion, or 22 percent, higher than the same period prior year. This continues to demonstrate our commitment to higher pay-out amounts to our key partners and regulators during the quarter, as prize pay-outs trended higher for some games compared to corresponding to same period last year. The Group continues to plough back more than 97% of its earnings into the Jamaican economy via prizes, fees, taxes and operational payments.

Gross profit for the quarter amounted to \$2.31 billion, representing an increase of \$142.1 million or 7% when compared to the 2nd quarter of 2021. This is as a direct result of the higher revenue amounts recorded during the quarter.

Earnings per share for the quarter is 15.84 cents (2021: 11.80 cents). The dividend approved is 14.54 cents per share.

2021 Total Assets \$17.2 Billion



2022 Total Assets \$17.2 Billion



The Group's assets at the end of the quarter stood at \$17.2 billion, representing a decrease of \$57.6 million or 0.3% when compared to the position as at December 31, 2021. It should be noted that total assets increased by \$2.0 billion or 13.1% when compared to the corresponding period in 2021.

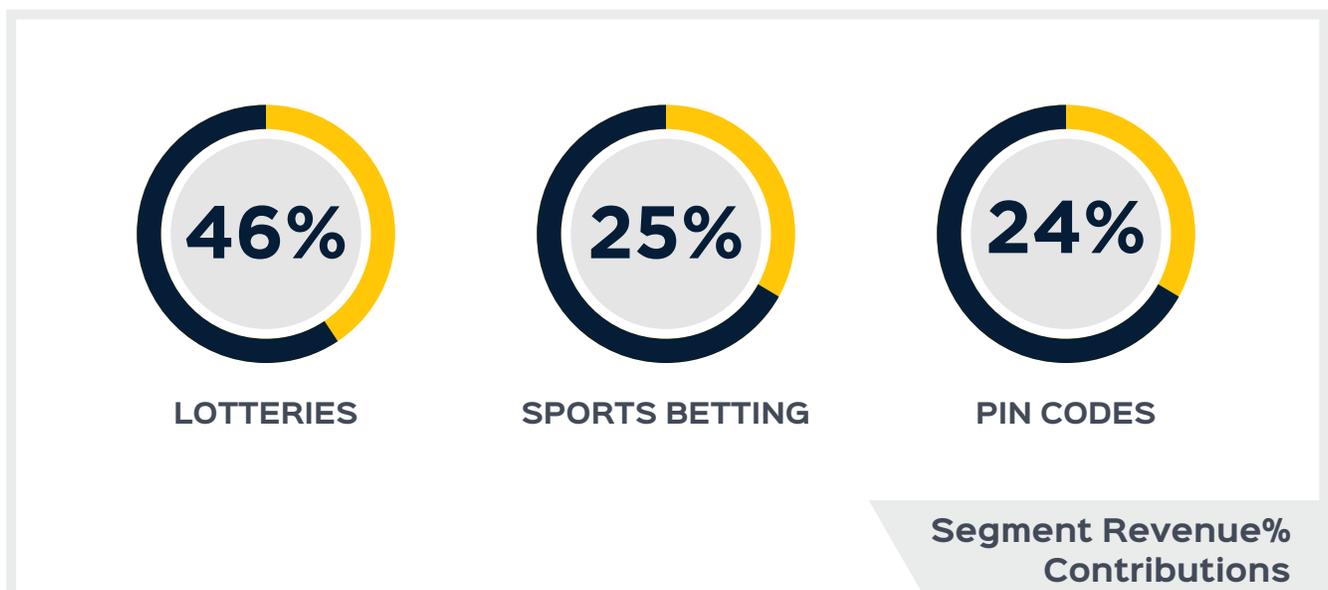
YEAR TO DATE SEGMENT RESULTS

The respective business segments contributed an uplift of \$5.8 billion or 18.3% to achieve gaming income of \$37.5 billion year to date ending September 30, 2022.

The Lotteries segment reported gaming income of \$17.4 billion and achieved results of \$2.7 billion. This represents an increase of \$3.0 billion, or 20.9 percent, on gaming income while the segment results showed an increase of \$453.0 million, or 19.9 percent.

The Sports Betting segment reported increased results of \$745.6 million or 146% when compared to last year. Gaming income of \$9.3 billion, represented an increase of \$809.2 million, or 9.6 percent, when compared to the prior year's gaming income. This improved performance was expected somewhat with the resumption of the major sporting football leagues like the EPL and Champions League. Continued improvement is expected in all product lines as the World Cup qualifiers are in full gear and the tournament itself taking place in November-December in Q4.

PIN codes sales saw an increase of \$639.4 million or 7.5% over the corresponding period of 2021, achieving segment results of \$205.9 million, an increase of \$66.9 million or 48.2%. Our partnerships with our main distributors continue to bear rich dividends and this momentum will continue as we focus on ensuring maximum convenience for the end consumers. We continue to push the envelope in the enhancement of Greenfield retailers, all in the effort to beef up our network of "ChargeUp" terminals.



CORPORATE SOCIAL RESPONSIBILITY

During the summer months, the philanthropic efforts of the Supreme Ventures Foundation (SVF) were fully focused on the youth.

After a two-year hiatus due to the pandemic, the SVF Junior Creators Robotics Camp had a triumphant return in August.

The rebooted camp, that was again staged in partnership with Halls of Learning, was held over five days at the Ardenne High School. The camp saw over 80 children at the primary level-ages 8–11 years of age-exposed to the design, creation, and operation of Lego and robotic engineering while learning the value and enjoyment of teamwork. The 2022 edition of the camp was extra special as the cohort included children from state care in addition to students from the Independence City, Waterford and St. Francis Primary Schools.

Not only were the children engaged in the STEM fields of Robotics, Coding, Engineering, and Computer Science but also in life-changing sessions with SV's responsible gaming partner, RISE Life Management, who conducted a self-empowering session with the campers. Also, JustBet ambassador and Jamaican racing driver Fraser McConnell, made a special visit during which he interacted with the campers and delivered a short motivational message to them.

The camp ended with an award ceremony where campers received recognition for excellence in varying categories. The categories included best pair, best attitude, camper award, and finally the Super Achievers who received educational grants valued at \$200,000 from the Supreme Ventures Foundation.

The SVF continues to invest in the camp as the Board recognises the importance of keeping young people aware and interested in current technological advancement while ensuring the development of their interpersonal and other 'soft' skills.

The summer months also meant that our 2021 scholarship recipients were gearing up to start the second year of their degree programmes. The SVF team, in honouring our commitment to the scholars, conducted administrative responsibilities to ensure their smooth return to school. Tuition, school supplies and accommodation costs were managed ahead of the 2022/2023 academic year.

The SVF underscored its support of youth development by being the main sponsor of the 2022 National Children's Summit staged by the Child Protection and Family Services Agency (CPFSA).

CORPORATE SOCIAL RESPONSIBILITY CONT'D

Held under the theme 'Beat the Odds, Chart your Destiny!', the two-day summit provided an opportunity for hundreds of children selected from the child protection sector, special children's groups and faith-based organisations Islandwide to express their views and wishes about their development and that of their country.

The Foundation's flagship capacity building programme for micro and small entrepreneurs, Supreme Heroes, also kickstarted in Q3. Nominations were opened and the team has identified the shortlisted candidates for the 2022 cohort. The shortlisted candidates will among other things, be assisted with the registration of their business and non-profits, financial accounting, and taxation through a training programme that will be facilitated by the Mona Entrepreneurial and Commercialization Centre (MECC) based at the UWI Mona Campus. The ultimate Supreme Hero will be selected at the end of that programme.

The SVF is gearing up to finish the year with a strong push geared towards uplifting and transforming lives in our core strategic focus areas, community sustainability and children in state care.



SVL Executive Chairman Gary Peart and Halls of Learning Founder Marvin Hall pose for a celebratory photo with some of the participants on the last day of SVF Junior Creator Robotics Camp 2022.



SVF Junior Creator Robotics Camp participants Sophia White and Demario Marriot along with SVL Sponsorship & Events Officer Gabrielle Waite give the thumbs up to Jamaican race car champion and JustBet ambassador Fraser McConnell (2nd left) after his inspiring session with the campers.



Robeano Davis (centre) joined by SVL Exec Chairman Gary Peart and Halls of Learning Founder Marvin Hall, jubilantly displays the four awards he copped at the prize giving ceremony held to close out the SVF Junior Creator Robotics Camp 2022. Robeano was awarded Best Attitude; Best Boy Camper; Best Pair, a joint award with his partner, Chaequan Stewart; and named one of four Super Achievers, which earned him a \$50,000 educational grant.



SVL Social and Digital Media Asst. Manager, Precianne Miller (middle), sits in with the excited students of Independence Primary School (from left to right): Katalina Baroo, Javaughn Dixon, and Norman Reid. The students were among the 80+ participants in the 2022 SVF Junior Creators Robotics Camp staged on the grounds of the Ardenne High School.

OUTLOOK

Once more, the Supreme Ventures Group is humbled and indeed grateful at the extent of customer loyalty. We hold this dear to our heart and do not take it for granted. Our commitment to provide excellent customer service to all our stakeholders occupy pride of place in all our deliberations and endeavours.

The Group looks forward to the continuation of improvements, the launch of key initiatives and products through our retail channel, the continued drive to grow our mobile channels through increased penetration across our gaming segments, the continued build out of our business in Guyana and the improvement in the horse racing product through technological and new product initiatives. Our lottery portfolio continues to be a primary focus while improving and strengthening our internal infrastructure and capabilities.

We thank our stockholders, retailers and customers for their demonstrated commitment and confidence they place in us.



Gary Peart (Mr.)
EXECUTIVE CHAIRMAN
SUPREME VENTURES LIMITED



Nine Months Ended September 30, 2022

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SUPREME VENTURES LIMITED
Consolidated Statement of Profit or Loss and Other Comprehensive Income
Period Ended September 30, 2022
(Expressed in thousands of Jamaica dollars unless otherwise indicated)

	Unaudited Nine Months Ended September 30, 2022	Unaudited Nine Months Ended September 30, 2021	Unaudited Three Months Ended September 30, 2022	Unaudited Three Months Ended September 30, 2021
Revenue - Non-fixed odd wagering games, horse racing and pin codes	21,885,969	19,259,074	7,361,147	6,307,342
Income from fixed odd wagering games, net of prizes	15,634,886	12,449,382	4,688,370	3,841,948
Total Gaming Income	37,520,855	31,708,456	12,049,517	10,149,290
Interest revenue	23,528	-	9,875	-
Direct Costs	(29,954,225)	(25,168,024)	(9,751,361)	(7,983,404)
Gross Profit	7,590,158	6,540,432	2,308,030	2,165,886
Other (Expenses) / Income	66,280	102,254	30,697	28,865
Selling, general and administrative expenses	(4,907,867)	(4,476,936)	(1,726,646)	(1,604,721)
Operating Profit	2,748,571	2,165,750	612,081	590,030
Finance costs	(233,980)	24,819	(31,305)	(57,191)
Other gains	137,102	23,400	27,001	(34,501)
Profit before taxation	2,651,693	2,213,969	607,777	498,338
Taxation	(593,128)	(673,306)	(181,771)	(186,037)
Profit for the period	2,058,566	1,540,663	426,006	312,301
Currency translation differences	(91,020)	-	(100,559)	-
Total Comprehensive Income for the period	1,967,546	1,540,663	325,448	312,301
Net Profit for the period attributable to:				
Stockholders of the parent company	2,041,402	1,520,428	417,796	311,256
Non-controlling interest	17,164	20,235	8,210	1,045
	2,058,566	1,540,663	426,006	312,301
Total Comprehensive Income for the period attributable to:				
Stockholders of the parent company	1,953,673	1,518,227	322,157	301,509
Non-controlling interest	13,873	22,436	3,291	9,747
	1,967,546	1,540,663	325,448	311,256
Earnings per stock unit attributable to owners of the parent during the period				
Basic and fully diluted	<u>77.41 cents</u>	<u>57.65 cents</u>	<u>15.84 cents</u>	<u>11.80 cents</u>

SUPREME VENTURES LIMITED
Consolidated Statement of Financial Position
As at September 30, 2022

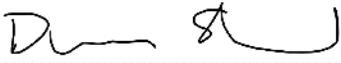
(Expressed in thousands of Jamaica dollars unless otherwise indicated)

	Unaudited Nine Months Ended September 30, 2022	Audited Year Ended December 31, 2021	Unaudited Nine Months Ended September 30, 2021
ASSETS			
Non-current assets			
Property and equipment	4,949,001	4,199,401	4,163,843
Biological asset	14,530	225	225.00
Investment properties	848,257	848,257	867,000
Goodwill and Intangible assets	4,251,871	4,247,733	3,588,099
Loans and advances	18,432	18,432	-
Long-term receivables	24,013	26,288	26,744
Financial assets at amortised cost	1,883	1,883	1,883
Financial assets at fair value	426,384	135,002	-
Deposit on investment	-	-	150,437
Other investments	16,341	16,341	144,743
Deferred tax assets	443,992	188,753	-
	<u>10,994,704</u>	<u>9,682,315</u>	<u>8,942,974</u>
Current assets			
Inventories	235,195	301,658	130,122
Trade and other receivables	3,625,441	2,570,418	2,147,908
Loans and advances - Current portion	315,980	189,896	-
Current portion of long-term receivables	1,117	1,117	1,117
Taxation recoverable	33,202	64,997	33,481
Debt service reserve	52,932	52,932	52,932
Cash and cash equivalents	1,918,517	4,371,216	3,873,913
	<u>6,182,384</u>	<u>7,552,234</u>	<u>6,239,473</u>
Current liabilities			
Prize liabilities	1,540,572	774,785	773,187
Contract liabilities	11,052	19,485	12,371
Trade and other payables	2,839,724	3,493,093	2,484,453
Dividend payable	13,679	-	-
Current portion of lease liabilities	175,834	220,376	94,943
Current portion of long-term loans	129,790	306,307	169,053
Income tax payable	301,824	336,915	159,009
	<u>5,012,474</u>	<u>5,150,961</u>	<u>3,693,016</u>
Net current assets	<u>1,169,910</u>	<u>2,401,273</u>	<u>2,546,457</u>
	<u>12,164,614</u>	<u>12,083,588</u>	<u>11,489,431</u>
Equity			
Attributable to Shareholders of the Company			
Share capital	1,967,183	1,967,183	1,967,183
Capital reserves	62,485	62,486	62,486
Other reserve	(25,631)	(105,208)	49,258
Retained earnings	2,243,900	2,303,150	1,802,368
	<u>4,247,937</u>	<u>4,227,611</u>	<u>3,881,295</u>
Non-controlling interests	<u>1,722,601</u>	<u>1,719,573</u>	<u>1,627,126</u>
	<u>5,970,538</u>	<u>5,947,184</u>	<u>5,508,421</u>
Non-current liabilities			
Long-term payables	5,243,883	5,107,910	5,127,100
Lease liabilities	741,575	819,873	777,743
Deferred tax liability	208,618	208,621	76,167
	<u>6,194,076</u>	<u>6,136,404</u>	<u>5,981,010</u>
	<u>12,164,614</u>	<u>12,083,588</u>	<u>11,489,431</u>

Approved and authorized for issue by the Board of Directors on 20th October, 2022 and signed on its behalf by:



 Gary Peart – Chairman



 Duncan Stewart

SUPREME VENTURES LIMITED
Consolidated Statement of Changes in Equity
Period Ended September 30, 2022

(Expressed in thousands of Jamaica dollars unless otherwise indicated)

	Number of <u>shares</u> 000	Share <u>capital</u> \$'000	Capital <u>reserves</u> \$'000	Other <u>reserves</u>	Retained <u>earnings</u> \$'000	Controlling <u>interest</u> \$'000	<u>Total</u> \$'000
Unaudited Nine Months Ended September 30, 2022							
Balance as at December 31, 2021	2,637,255	1,967,183	62,486	(105,208)	2,303,150	1,719,573	5,947,184
Profit for the period	-	-	-	-	2,041,402	17,164	2,058,566
Currency translation differences	-	-	-	10,669	-	-	10,669
Employee share scheme	-	-	-	11,066	-	-	11,066
Transactions with stockholders							
Distributions	-	-	-	-	(1,596,491)	-	(1,596,491)
Balance as at September 30, 2022	2,637,255	1,967,183	62,486	(83,473)	2,748,061	1,736,737	6,430,994
Unaudited Nine Months Ended September 30, 2021							
Balance as at December 31, 2020	2,637,255	1,967,183	62,486	45,987	2,122,083	1,773,600	5,971,339
Profit for the period	-	-	-	-	1,520,428	20,235	1,540,663
Other currency translation differences	-	-	-	(17,166)	-	-	(17,166)
Acquisition of additional shares in subsidiary	-	-	-	-	-	(166,709)	(166,709)
Transactions with stockholders							
Distributions	-	-	-	-	(1,819,706)	-	(1,819,706)
Balance as at September 30, 2021	2,637,255	1,967,183	62,486	28,821	1,822,805	1,627,126	5,508,421

SUPREME VENTURES LIMITED
Consolidated Statement of Cash Flows
Period Ended September 30, 2022

(Expressed in thousands of Jamaica dollars unless otherwise indicated)

	Unaudited Nine Months Ended September 30, 2022	Audited Year Ended December 31, 2021	Unaudited Nine Months Ended September 30, 2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period	2,058,566	2,325,731	1,540,663
Adjustments for:			
Depreciation of property and equipment	511,371	605,605	432,053
Amortisation of intangible assets	234,639	342,996	188,990
Write off of property and equipment	-	7,424	-
Share based options	96,784	24,711	16,784
Gain on disposal of property and equipment	(0)	(5,094)	(4,800)
Gain on fair value adjustment on held for trading shares	(137,102)	(30,001)	(23,400)
Revaluation loss on investment property	-	18,743	-
Bad debts recognised	83,357	120,226	84,557
Net foreign exchange gain on cash and cash equivalents	25,714	(71,574)	(217,724)
Interest income	(12,119)	(63,881)	(57,200)
Interest expense	309,363	404,135	302,073
Taxation	593,128	951,378	673,306
Operating cash flow before movement in working capital	<u>3,763,700</u>	<u>4,630,399</u>	<u>2,935,302</u>
Change in non-cash working capital balances			
Inventories	66,463	33,532	205,068
Trade and other receivables	(1,138,708)	(1,239,264)	(881,047)
Loans and advances	(126,084)	(208,328)	-
Trade and other payables	(646,659)	681,391	(352,456)
Prizes liabilities	765,787	174,330	172,732
Other Investments	-	-	128,402
Cash generated by operations	<u>2,684,499</u>	<u>4,072,060</u>	<u>2,208,001</u>
Taxation paid, net	(770,751)	(909,275)	(739,576)
Interest paid	(327,904)	(413,116)	(311,401)
Cash provided by operating activities	<u>1,585,844</u>	<u>2,749,669</u>	<u>1,157,024</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for acquisition of subsidiary, net of cash acquired	-	(26,353)	(374,330)
Payment for additional shares in subsidiary	(201,492)	(374,330)	-
Payment for financial assets at fair value through profit or loss	(154,280)	(105,001)	-
Acquisition of biological asset	(13,931)	(225)	(225)
Acquisition of property and equipment	(1,601,517)	(1,850,768)	(1,742,200)
Acquisition of intangible assets	(296,455)	(869,173)	(74,046)
Proceeds on disposal of property and equipment	-	12,544	-
Long-term receivables	2,275	1,671	1,214
Interest received	12,447	66,389	58,098
Cash used in investing activities	<u>(2,252,953)</u>	<u>(3,145,246)</u>	<u>(2,131,489)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Distributions	(1,596,491)	(2,109,804)	(1,819,706)
Long term liabilities, net	(40,545)	494,962	382,384
Addition of long-term liabilities	-	-	-
Finance lease, net	(122,840)	29,484	(49,592)
Cash used in financing activities	<u>(1,759,876)</u>	<u>(1,585,358)</u>	<u>(1,486,914)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(2,426,986)</u>	<u>(1,980,935)</u>	<u>(2,461,379)</u>
Cash and cash equivalents at the beginning of the year	4,371,216	6,255,623	6,255,623
Effect of exchange rate changes on the balance of cash held in foreign currency	(25,714)	96,528	79,670
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	<u>1,918,517</u>	<u>4,371,216</u>	<u>3,873,913</u>

**SUPREME VENTURES LIMITED
AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
UNAUDITED NINE MONTHS ENDED SEPTEMBER 30, 2022**
(Expressed in thousands of Jamaica dollars unless otherwise indicated)

1. Identification

Supreme Ventures Limited (the Company) is a public limited liability company which is listed on the Jamaica Stock Exchange. The Company's registered office is located at 9A Retirement Crescent, Kingston 5, Jamaica, W.I.

The Company and its subsidiaries are collectively referred to as "the Group". The main activities of the Group comprise micro-financing, betting, gaming and lottery operations. The main activity of the Company is the management of its subsidiary companies ("subsidiaries").

The subsidiaries that are consolidated and their principal activities are as follows:

Name of company	Principal activity	Country of Incorporation	Percentage Ownership 2022	Percentage Ownership 2021
			%	%
Supreme Ventures Gaming Limited (formerly Prime Sports (Jamaica) Limited) and its subsidiaries:	Betting, gaming and lottery operations licensed by the Betting Gaming and Lotteries Commission (BGLC)	Jamaica	100	100
Supreme Route Limited (formerly Bingo Investments Limited)	Gaming operations licensed by the BGLC	Jamaica	80	51
Chillout Ventures Limited	Not trading	Jamaica	100	100
SV REIT Limited (formerly Supreme Ventures Lotteries Limited)	Real Estate	Jamaica	100	100
McKayla Financial Services Limited	Micro-financing		51	51
Transtel Jamaica Limited	Not trading	Jamaica	100	100
Supreme Ventures Services Limited (formerly Big "A" Track 2003 Limited)	Pin code sales and shared services	Jamaica	100	100
Supreme Ventures Racing and Entertainment Limited	Betting and horse-racing operations licensed by BGLC and Jamaica Racing Commission (JRC)	Jamaica	100	100
Jamaica Lottery Company Holdings Limited	Not trading	Jamaica	100	100
Supreme Group Incorporated	Holding Company	St. Lucia	100	100
Supreme Guyana Incorporated	Holding Company	St. Lucia	100	100
Supreme Ventures Guyana Holdings Inc	Holding Company	Guyana	100	100
Supreme Ventures Enterprise Inc	Betting & Gaming	Guyana	100	100
Postopost Betting Limited	Betting & Gaming	Jamaica	80	80
Supreme Ventures Fintech Limited (formerly Supreme Ventures Financial Services Limited) and its subsidiary:	Sale of charge up and micro-financing	Jamaica	100	100

The shareholdings for all subsidiaries are the same as they were in the prior year except for Supreme Route Limited which was 51%. On March 1, 2022, Supreme Ventures Lotteries Limited was reactivated and renamed to SV REIT Limited. The main activity of this subsidiary is Real Estate.

**SUPREME VENTURES LIMITED
AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
UNAUDITED NINE MONTHS ENDED SEPTEMBER 30, 2022**
(Expressed in thousands of Jamaica dollars unless otherwise indicated)

2. Statement of compliance and basis of preparation

(a) Statement of Compliance

These unaudited interim financial statements have been prepared in accordance with IAS 34, *Interim Financial Reporting*, and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended December 31, 2021. They do not include all of the information required for a complete set of International Financial Reporting Standards (IFRS) financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements. The accounting policies followed in these interim financial statements are consistent with those used in the audited financial statements as at and for the year ended December 31, 2021, and corresponding interim reporting period.

(b) Basis of measurement

The financial statements are prepared on the historical cost basis, except for the inclusion of available-for-sale investments and investment property at fair value.

(c) Functional and presentation currency

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which each entity operates ('the functional currency'). The consolidated financial statements are presented in Jamaican Dollars, which is the company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. At the Statement of Financial Position date, monetary assets and liabilities denominated in foreign currencies are translated using the weighted average closing exchange rate. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting period end exchange rates, of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with IFRS requires management to make estimates, assumptions and judgments that affect the application of accounting policies and the reported amounts of, and disclosures relating to, assets, liabilities, contingent assets and contingent liabilities at the reporting date and the income and expenses for the period ended. Although these estimates are based on management's best knowledge of current events and actions, actual amounts could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended December 31, 2021.

**SUPREME VENTURES LIMITED
AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
UNAUDITED NINE MONTHS ENDED SEPTEMBER 30, 2022**
(Expressed in thousands of Jamaica dollars unless otherwise indicated)

2. Statement of compliance and basis of preparation (Continued)

- (e) Where necessary, comparative amounts have been reclassified to conform with changes in the presentation in the current reporting period.

3. Acquisitions

On February 23, 2022, the Group through its subsidiary, Prime Sports (Jamaica) Limited acquired an additional twenty-nine percent (29%) of the shares in Supreme Route Limited. This transaction will be settled with a step consideration of \$806 million and increases SVL shares to eighty percent (80%) ownership.

In February 2022 the Group purchased a stake in Keo World, a BNPB digital solutions company for a cash consideration of \$154 million.

4. Significant events and transactions

Management believes that the Group is well positioned to overcome the challenges brought forth within the current economic climate. Factors contributing to the Group's strong position are:

- a) The Group does not expect to need additional borrowing facilities in the next 12 months to support its current business activities, as a result of its existing facilities and strong liquidity reserves. The Group has headroom to comply with all debt covenants.
- b) The Group's major customers have not experienced financial difficulties that will impact their obligations to SVL Group. Credit quality of trade receivables as at June 30, 2022 remains good.

Overall, the Group is in a strong position and has sufficient capital and liquidity to service its operating activities and debt. The Group's objectives and policies for managing capital, credit risk and liquidity risk are described in its recent annual financial statements.

**SUPREME VENTURES LIMITED
AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
UNAUDITED NINE MONTHS ENDED SEPTEMBER 30, 2022**
(Expressed in thousands of Jamaica dollars unless otherwise indicated)

5. Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's results are reviewed regularly to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The Group has five main operating segments: Lotteries, Gaming, Horseracing, Sports Betting and Pin Codes.

Segment results are reported to the Group's executive management (collectively considered the chief operating decision maker) which includes items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The format of the segment report was changed during the prior year to include Horseracing and Video Lottery Terminals as part of Sports Betting. Each area now has a General Manager with responsibility for tracking performance against targeted objectives and reporting such performance to the Executive Chairman.

Segment performance is determined by recognizing income and expenses directly associated with each segment. The segment result is adjusted for intersegment revenue and costs, taxes, and finance cost to arrive at a final position.

	2022				
	Lottery	Sports Betting	Pin Codes	Other	Group
Non-fixed odd wagering games	2,689,430	8,322,193	9,172,944	1,701,402	21,885,969
Other revenue	14,673,739	961,147	-	-	15,634,886
Total revenue	17,363,169	9,283,340	9,172,944	1,701,402	37,520,855
Result					
Segment result	2,734,219	1,254,939	205,927	(1,536,322)	2,658,763
Loan interest revenue					43,282
Interest income					12,373
Other gains					187,656
Net foreign exchange gain					49,749
Finance costs					(300,130)
Gain on fair value adjustment on financial					
Gain on acquisition of subsidiary					
Revaluation loss in investment property					-
Profit before taxation					2,651,693
Taxation					(593,129)
Profit for the year					2,058,565
Other information					
Capital expenditure	235,633	1,298,653	-	363,686	1,897,972
Depreciation, amortisation and write-offs property, plant and equipment	171,259	388,635	-	186,116	746,010
Segment assets	3,929,169	8,330,072	675,498	4,242,349	17,177,088
Segment liabilities	5,891,859	1,367,581	1,044,896	2,902,213	11,206,549

SUPREME VENTURES LIMITED
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5. Segment reporting (continued)

	2021				
	Lottery	Sports Betting	Pin Codes	Other	Group
Non-fixed odd wagering games	2,764,491	7,617,587	8,533,569	343,426	19,259,074
Other revenue	11,592,810	856,572			12,449,382
Total revenue	14,357,302	8,474,159	8,533,569	343,426	31,708,456
Result					
Segment result	2,281,208	509,314	138,989	(873,074)	2,056,437
Interest income					57,199
Net foreign exchange loss					326,892
Other gains					52,112
Impairment Loss					-
Finance costs					(302,073)
Revaluation loss in investment property					-
Revaluation gain on held for trading shares					23,400
Other gains and losses					-
Profit before taxation					2,213,969
Taxation					(673,306)
Profit for the year					1,540,663
Other information					
Capital expenditure	32,234	1,440,040	-	130,093	1,602,367
Depreciation, amortisation and write-offs property, plant and equipment	78,553	210,217	-	103,950	392,720
Segment assets	2,831,021	8,205,345	805,815	3,633,195	15,475,377
Segment long-term liabilities	1,972,201	1,417,135	1,162,770	5,179,541	9,731,647



**SUPREME
VENTURES**
GROUP

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