

THE LIMNERS AND BARDS LIMITED

Key Performance Highlights

Year Ended October 31, 2022

On behalf of the Board of Directors, we are pleased to present the audited financial statements of the Limners and Bards Limited for the year ended October 31, 2022, which have been prepared in accordance with International Financial Reporting Standards (IFRS).

Key Performance Highlights:

	Year Ended October 31 2022 \$	Year Ended October 31 2021 \$	Year over year	
			Change \$	Percentage %
Revenue	1,344,781,456	1,227,208,331	117,573,125	9.6%
Gross Profit	474,306,292	375,806,982	98,499,310	26.2%
Net Profit	144,038,991	155,550,600	- 11,511,609	-7.4%
Earnings per Share	\$ 0.15	\$ 0.16		
Total Assets	892,084,284	806,232,489	85,851,795	10.6%
Shareholders' equity	574,328,316	515,723,248	58,605,068	11.4%

For the year ended October 31, 2022, the Company performed in accordance with budget showing a growth in revenue. This was a year of building the leadership team and retooling in preparation for the new initiatives to come.

Revenue for the year was \$1.3 billion, up 9.6% relative to the prior year. The revenue growth is attributable to increased performance in the company's core business lines: production (up \$48.4 million or 12.7%), media placement (up \$51.2 million or 7.7%) and advertising agency (up \$17.9 million or 9.9%), when compared to prior year. Gross profit margin improved to 35.3% compared to 30.6% in the previous year. This is a result of a shift in revenue mix and tighter cost management.

Net profit decreased by \$11.5 million, or 7.4% when compared to the previous year due to higher administration expenses. Administration expenses increased by \$82.4 million, or 35.3% primarily as a result of higher staff costs. Staff costs was impacted by additional hires, inflationary salary increases and new benefits. The consolidated performance was also affected by a \$2.9 million loss recorded by Scope Caribbean. Scope, which was in its first full year of operations, experienced a take up for services offered while it continues to explore other revenue streams.

Finance income fell to \$7.0 million compared to \$25.8 million recorded in the previous year due to currency revaluation. For a fair comparison, if we were to exclude Scope and finance income the adjusted net profit would be \$139.6 million versus \$135.8 million, a 2.8% increase over the prior year.

The consolidated balance sheet shows total assets increasing by \$85.8 million, or 10.6% to \$892.0 million compared to the previous period. Current assets increased by \$77.5 million primarily because of increases in receivables (an increase of \$130.8 million). Cash and cash equivalent decreased by \$62.4 million to \$352.8 million mainly due to capital purchases and payment of dividend during the year.

Outlook

The LAB continues to explore avenues to increase shareholders value in spite of the global and macroeconomic head winds

While we continue with our work from home program, our team members are regularly engaged with inhouse activities in order to build team spirit and productivity.

We commend the efforts of our Management and Team at The LAB for their commitment and dedicated service over the years. We are most appreciative of our clients who continue to trust us with their brands.



Steven Gooden
Chairman



Kimala Bennett
Chief Executive Officer