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## **iCreate Limited**

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Unaudited Financial Statements  
For the First Quarter Ended March 31, 2023

# Executive Summary

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The Board of Directors of iCreate Limited (the Company), is pleased to present the unaudited financial statements for the first quarter, ended March 31, 2023.

## Overview

Despite a challenging first quarter, the Company made certain strategic strides which will yield tangible results going forward. Meanwhile, the Company continued to focus on the growth initiatives which were earlier communicated to our shareholders, including sales expansion through widening the client base and pursuit of a M&A strategy.

## Revenue

The Company recorded Revenue of \$28.9 million for the first quarter of 2023, which was below the corresponding period in 2022. Revenue for the first quarter of 2022 was boosted by the recognition of a new major corporate contract. The corporate market segment is significant and important to the company but revenue is seasonal.

## Profitability

Net profit for the quarter under review was \$2.51 million, compared to the \$10.1 million generated in Q1, 2022, which was helped by the large contract recognised in the prior year. Also, during the current quarter, additional investments were made to further strengthen our human capital; the company appointed a new Deputy CEO & COO. This strategic appointment better positions the Company for future growth, succession and capacity expansion.

## Balance Sheet

Total Assets were \$708.2 million at the end of March 2023, representing a marginal increase over the value as at December 31, 2022. However, total assets grew significantly over \$52.7 million as at March 31, 2022. The Company successfully raised additional capital in November 2022, to support its M&A strategy. Shareholders' equity, therefore, remained fairly flat when compared to the previous quarter, December 2022. With the additional equity raised, the company remains well-capitalised, carrying a low debt-to-equity funding mix.

## Outlook

The Company renewed a significant education partnership during the first quarter of 2023. Additionally, we anticipate the completion of at least one major corporate contract during the second quarter. We continue to invest in our people as we position the company for both organic and acquired growth.

The Company remains engaged in the process of acquiring Visual Vibe Limited. Activities are advanced and the transaction is expected to close in the second quarter. The Company's acquisition of Visual Vibe is central to our growth strategy as it will extend operations into a new adjacent market and materially increase the Company's overall financial results.

We offer thanks to our many Shareholders, our Directors, our Team Members and our Client Base for their continued support and belief in us; while we chart the way forward as a progressive digital and creative group of companies.

Approved for issue by the Board of Directors May 15, 2023 and signed on its behalf by:



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Ivan Carter  
Audit Committee Chairman



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Tyrone Wilson  
President & CEO

# iCREATE LIMITED

## UNAUDITED STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2023

All figures stated in Jamaican Dollars

|  | UNAUDITED<br>MARCH 31, 2023 | UNAUDITED<br>MARCH 31, 2022 | UNAUDITED<br>DECEMBER 31, 2022 |
|--|-----------------------------|-----------------------------|--------------------------------|
| <b>ASSETS</b>                          |                             |                             |                                |
| Accounts Receivable                    | 73,327,059                  | 14,337,219                  | 76,776,786                     |
| Other Current Assets                   | 48,715,168                  | 9,856,356                   | 38,893,634                     |
| Cash Resources                         | 492,439,734                 | 1,595,652                   | 487,858,237                    |
| <b>Total Current Assets</b>            | <b>614,481,961</b>          | <b>25,789,227</b>           | <b>603,528,657</b>             |
| Property, Plant and Equipment          | 3,773,334                   | 5,176,479                   | 4,225,446                      |
| Real Estate Under Development          | 80,000,000                  | -                           | 80,000,000                     |
| Investments & Other Non-Current Assets | 9,934,771                   | 21,725,040                  | 10,179,534                     |
| <b>Total Non-Current Assets</b>        | <b>93,708,105</b>           | <b>26,901,519</b>           | <b>94,404,980</b>              |
| <b>Total Assets</b>                    | <b>708,190,066</b>          | <b>52,690,746</b>           | <b>697,933,637</b>             |
| <b>LIABILITIES</b>                     |                             |                             |                                |
| Short Term Debt                        | -                           | 1,555,327                   | -                              |
| Accounts Payable & Accruals            | 47,089,238                  | 8,993,733                   | 39,959,924                     |
| Other Current Liabilities              | 105,000,000                 | 461,953                     | 105,000,000                    |
| <b>Total Current Liabilities</b>       | <b>152,089,238</b>          | <b>11,011,013</b>           | <b>144,959,924</b>             |
| Long-Term Loans                        | 35,071,784                  | 22,007,648                  | 34,455,346                     |
| <b>Total Non-Current Liabilities</b>   | <b>35,071,784</b>           | <b>22,007,648</b>           | <b>34,455,346</b>              |
| <b>Total Liabilities</b>               | <b>187,161,022</b>          | <b>33,018,661</b>           | <b>179,415,270</b>             |
| <b>EQUITY</b>                          |                             |                             |                                |
| Issued Share Capital                   | 610,741,070                 | 124,616,070                 | 610,741,070                    |
| Retained Earnings                      | (96,782,973)                | (112,014,932)               | (99,293,650)                   |
| Revaluation Surplus                    | 7,070,947                   | 7,070,947                   | 7,070,947                      |
| <b>Total Equity</b>                    | <b>521,029,044</b>          | <b>19,672,085</b>           | <b>518,518,367</b>             |
| <b>Total Liabilities &amp; Equity</b>  | <b>708,190,066</b>          | <b>52,690,746</b>           | <b>697,933,637</b>             |



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Ivan Carter  
Audit Committee Chairman



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Tyrone Wilson  
President & CEO

# iCREATE LIMITED

## UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 2023

All figures stated in Jamaican Dollars

|  | UNAUDITED<br>3 MONTHS ENDED<br>MARCH 31, 2023 | UNAUDITED<br>3 MONTHS ENDED<br>MARCH 31, 2022 | UNAUDITED<br>YEAR ENDED<br>DECEMBER 31, 2022 | 12-MONTHS<br>VARIANCE |
|--|---|---|--|-----------------------|
| Revenue  | 29,807,901                                    | 46,389,904                                    | 136,053,135                                  | -35.7%                |
| Cost of Sales                                    | 8,662,620                                     | 21,107,871                                    | 48,057,083                                   | -186.6%               |
| <b>Gross Profit</b>                              | <b>21,145,281</b>                             | <b>25,282,033</b>                             | <b>87,996,052</b>                            | <b>-16.4%</b>         |
| Other Income                                     | 93,397  | 8,051   | 744,314                                      | 1060.1%               |
| Admin & General Expense                          | 17,414,688                                    | 13,743,291                                    | 60,168,502                                   | 26.7%                 |
| Depreciation & Amortization                      | 696,875                                       | 696,857                                       | 2,787,427                                    | 0.0%                  |
| <b>Operating Profit/(Loss)</b>                   | <b>3,127,115</b>                              | <b>10,849,936</b>                             | <b>25,784,437</b>                            | <b>-71.2%</b>         |
| Finance Cost                                     | 616,438                                       | 739,726                                       | 2,952,945                                    | -16.7%                |
| <b>Profit/(Loss) Before Taxation</b>             | <b>2,510,677</b>                              | <b>10,110,210</b>                             | <b>22,831,492</b>                            | <b>-75.2%</b>         |
| Tax Expenses/(Credit)                            |   |   |  |                       |
| <b>Net Profit/(Loss) for the period</b>          | <b>2,510,677</b>                              | <b>10,110,210</b>                             | <b>22,831,492</b>                            | <b>-75.2%</b>         |
| Other Comprehensive Income<br>to profit or loss: |   |   |  |                       |
| <b>Total Comprehensive Income</b>                | <b>2,510,677</b>                              | <b>10,110,210</b>                             | <b>22,831,492</b>                            | <b>-75.2%</b>         |
| <b>Earnings Per Shares</b>                       | <b>0.01</b>                                   | <b>0.05</b>                                   | <b>0.07</b>                                  |                       |

# iCREATE LIMITED

## UNAUDITED STATEMENT OF CASH FLOWS

FOR 3 MONTHS ENDED MARCH 31, 2023

All figures stated in Jamaican Dollars

|   | UNAUDITED<br>3 MONTHS ENDED<br>MARCH 31, 2023 | UNAUDITED<br>3 MONTHS ENDED<br>MARCH 31, 2022 | UNAUDITED<br>YEAR ENDED<br>DECEMBER 31, 2022 |
|---|---|---|--|
| <b>OPERATING ACTIVITIES</b>                       |   |   |  |
| <b>Total Comprehensive Income/(Loss)</b>          | <b>2,510,677</b>                              | <b>10,110,210</b>                             | <b>22,831,492</b>                            |
| Adjustment for:                                   |   |   |  |
| Depreciation and amortisation                     | 696,875                                       | 696,857                                       | 2,787,427                                    |
| Interest Expense                                  | 616,438                                       | 739,726                                       | 2,952,945                                    |
|   | 3,823,990                                     | 11,546,793                                    | 28,571,864                                   |
| Change in Accounts Payable                        | 7,745,752                                     | (28,665,569)                                  | 2,300,622                                    |
| Change in Other Current Liabilities               | (616,438)                                     | (3,728,265)                                   | 20,732,864                                   |
| Change in Accounts Receivable                     | 3,449,727                                     | (7,874,001)                                   | (70,313,568)                                 |
| Change in Other Current Assets                    | (9,821,534)                                   | (1,477,968)                                   | (30,515,246)                                 |
| Interest Paid                                     | -   | (739,726)                                     | (2,876,027)                                  |
| <b>Cash Flow Used in Operating Activities</b>     | <b>4,581,497</b>                              | <b>(30,938,736)</b>                           | <b>(52,099,491)</b>                          |
| <b>INVESTING ACTIVITIES</b>                       |   |   |  |
| Change in Fixed Assets (ex. Depn and Amort)       | -   | -   | (897,821)                                    |
| Change in Investments or Other Non-Current Assets | -   | (13,998,790)                                  | (2,695,000)                                  |
| <b>Cash Flow Used Investing Activities</b>        | <b>-</b>                                      | <b>(13,998,790)</b>                           | <b>(3,592,821)</b>                           |
| <b>FINANCING ACTIVITIES</b>                       |   |   |  |
| Increase in Share Capital                         | -   | -   | 486,125,000                                  |
| Change in Short Term Debt                         | -   | 1,555,327                                     | -  |
| Change in Long Term Debt                          | -   | (1,992,352)                                   | 10,455,346                                   |
| <b>Cash Flow From Financing Activities</b>        | <b>-</b>                                      | <b>(437,025)</b>                              | <b>496,580,346</b>                           |
| <b>Change in Cash &amp; Equivalents</b>           | <b>4,581,497</b>                              | <b>(45,374,551)</b>                           | <b>440,888,034</b>                           |
| Cash & Equivalents, Opening Balance               | 487,858,237                                   | 46,970,203                                    | 47,116,587                                   |
| Cash & Equivalents, Closing Balance               | <b>492,439,734</b>                            | <b>1,595,652</b>                              | <b>488,004,621</b>                           |
| <b>REPRESENTED BY:</b>                            |   |   |  |
| Cash and bank deposit                             | 492,439,734                                   | 1,595,652                                     | 488,004,621                                  |
| Bank overdraft                                    | -   | -   | (146,384)                                    |
|   | <b>492,439,734</b>                            | <b>1,595,652</b>                              | <b>487,858,237</b>                           |

# iCREATE LIMITED

## UNAUDITED STATEMENT OF CHANGES IN EQUITY

FOR THE THREE MONTHS ENDED MARCH 31, 2023

All figures stated in Jamaican Dollars

|  | Share capital      | Revaluation<br>Surplus | Retained<br>earnings | Total              |
|--|--------------------|------------------------|----------------------|--------------------|
| <b>Balance as 31 December 2021</b>     | <b>124,616,070</b> | <b>7,070,947</b>       | <b>(122,125,142)</b> | <b>9,561,875</b>   |
| Additional Shares Issued               | 486,125,000        | -                      | -                    | 486,125,000        |
| Net loss for the period                | -                  | -                      | 22,831,492           | 22,831,492         |
| <b>Balance as at December 31, 2022</b> | <b>610,741,070</b> | <b>7,070,947</b>       | <b>(99,293,650)</b>  | <b>518,518,367</b> |
| Net profit for the period              | -                  | -                      | 2,510,677            | 2,510,677          |
| <b>Balance as at March 31, 2023</b>    | <b>610,741,070</b> | <b>7,070,947</b>       | <b>(96,782,973)</b>  | <b>521,029,044</b> |

# Notes to the Financial Statements

## **Identification and Principal Activities**

iCreate Limited is a limited liability Company incorporated and domiciled in Jamaica. The registered office of the Company is 34 Lady Musgrave Road, Kingston 6.

iCreate Limited is a digital and creative company, aimed at fueling growth of the digital and creative economy in the Caribbean and Latin America.

The Company also owns 51% of Get Paid Limited and fully owns Vertical Creative Limited.

## **Basis of Preparation**

The Company's financial statements have been prepared in accordance and comply with International Financial Reporting Standards (IFRS) and the relevant requirements of the Jamaican Companies Act.

The condensed unaudited consolidated financial statements for the three (3) months ended March 31, 2023, have been prepared in accordance with IAS 34, Interim financial reporting and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and have been prepared under the historical cost convention. They were also prepared in accordance with provisions of the Jamaican Companies Act.

## **Accounting Policies**

During the period, there were no changes in the accounting policies used in the preparation of the Company's last audited financial statements.

# iCreate Limited

## SHAREHOLDINGS OF DIRECTORS

As at March 31, 2023

| Ordinary Stocks Units of no par value      | Total              | Direct      | Connected Parties | % Ownership |
|--|--------------------|-------------|-------------------|-------------|
| Tyrone Wilson                              | 499,907,472        | 397,641,129 | 102,266,343       | 53.5475     |
| Ivan Carter                                |                    |             |                   |             |
| Daina-Joy Wint                             |                    |             |                   |             |
| Arlene Martin                              |                    |             |                   |             |
| Larren Peart                               | 137,223            | 137,223     | -                 | 6.9450%     |
| Ricardo Allen                              |                    |             |                   |             |
| Stephen Hector                             |                    |             |                   |             |
| <b>Total Issued Capital</b>                | <b>949,685,242</b> |             |                   |             |
| <b>Total Capital Owned by Directors</b>    | <b>500,044,695</b> |             |                   |             |
| <b>Total Percentage Owned by Directors</b> | <b>52.6537%</b>    |             |                   |             |

## SHAREHOLDINGS OF SENIOR MANAGERS

As at March 31, 2023

| Ordinary Stocks Units of no par value            | Total              | Direct      | Connected Parties | % Ownership |
|--|--------------------|-------------|-------------------|-------------|
| Tyrone Wilson                                    | 499,907,472        | 397,641,129 | 102,266,343       | 53.5475     |
| Toni Cooke                                       |                    |             |                   |             |
| Chadwick Bennett                                 |                    |             |                   |             |
| Declan Tully                                     |                    |             |                   |             |
| <b>Total Issued Capital</b>                      | <b>949,685,242</b> |             |                   |             |
| <b>Total Capital Owned by Senior Managers</b>    | <b>499,907,472</b> |             |                   |             |
| <b>Total Percentage Owned by Senior Managers</b> | <b>52.6393%</b>    |             |                   |             |

## TOP 10 SHAREHOLDINGS

As at March 31, 2023

| Ordinary Stocks Units of no par value                                     | Connected Party | Volume             | % Ownership |
|---|-----------------|--------------------|-------------|
| KINTYRE HOLDINGS LIMITED  | Tyrone Wilson   | 397,641,129        | 41.8708%    |
| EMEDIA INTERACTIVE GROUP LIMITED  | Tyrone Wilson   | 100,000,000        | 10.5298%    |
| AHL (SPV) LIMITED   |                 | 100,000,000        | 10.5298%    |
| DEQUITY CAPITAL MANAGEMENT LIMITED  |                 | 78,054,167         | 8.2190%     |
| JPS CO. LTD.(ORIGINAL 1973) - EMPL.<br>PENSION PLAN - PAM - FUND MANAGERS |                 | 75,000,000         | 7.8974%     |
| PAM - POOLED EQUITY FUND  |                 | 40,139,852         | 4.2266%     |
| ANDREW PAIRMAN  | Paula Pairman   | 34,269,314         | 3.6085%     |
| DANE WARREN   |                 | 17,587,103         | 1.8519%     |
| SAGICOR INVESTMENTS JAMAICA LIMITED                                       |                 | 16,964,237         | 1.7863%     |
| MS KERRY-ANN SPENCER  |                 | 15,000,000         | 1.5795%     |
| <b>Total Issued Capital</b>   |                 | <b>949,685,242</b> |             |
| <b>Total Capital Owned by Top 10 Shareholders</b>                         |                 | <b>874,655,802</b> |             |
| <b>Total Percentage Owned by Top 10 Shareholders:</b>                     |                 | <b>92.0995%</b>    |             |