

## FINANCIAL PERFORMANCE

The Board of Directors is pleased to present the financial performance of Supreme Ventures Limited for Q3 ended September 30, 2023. The Group reported a net profit of \$408 million which represents a small decrease of \$18 million or 4% compared to the same period in 2022. The lower profits were due primarily to increases in selling, general and admin expenses of \$364 million and finance costs of \$158 million. The Group's investments in shares in Main Event Entertainment Group and Dolla Financial Services, continue to bear positive fruit to the tune of \$113.5 million for Q3 and \$333.2 million for the nine months ended September 2023.

The Group recognized Gross revenues of \$12.8 billion, an increase of \$755 million or 6% over Q3 2022, facilitated by the introduction of world class and exciting new promotions such as the Supreme Haval, Monsta Ball, Money Time and Supa-Train. We are happy that our money train promotion was well received, which also contributed to the improved gross sales for the quarter.

## QUARTER RESULTS

Direct costs amounted to \$10.2 billion, an increase of \$424 million or 4% over Q3 2022 and in line with the increased gross revenues of 6% over Q3 2022. Our customer winnings have exceeded expectations for the quarter, due to a higher-than-average prize liability ratio, which was the main driver for the increased direct costs. Total costs for Q3 include contributions to government agencies and related bodies of over \$2.38 billion. Supreme Ventures Limited continues to be one of the largest contributors to the government coffers at multiple times our profitability.

The earnings per share of 14.99 cents for Q3 ending September 30, 2023, enabled the Group to propose interim dividends to external shareholders of 9.36 cents for the nine months ending September 30, 2023. Total assets ended the quarter at \$20.59 billion.

Total operating segments year to date recorded results of \$2.89 billion, an increase of \$227 million or 9% compared with 2022, largely led by solid performance of the lottery segment. Our customers continue to achieve record winnings as we focus on increasing customer engagement across the base. This investment will result in long-term customer loyalty and positive results in the medium to long term.

The Group generated positive cash flows from operations of \$682 million to close on September 30, 2023, with a balance of \$3.05 billion, representing an increase of \$83 million compared to year end 2022. The Group met all requirements and covenants under the terms of agreement with bondholders and other credit facilities during the quarter.

## QUARTER RESULTS

Selling general and administrative expenses (including depreciation and amortization) for the 9 months ending September 2023 were \$1.08 billion above the same period in 2022. The main drivers were staffing costs, foreign travel, marketing & business development, professional services, bad debt expenses and subscriptions & donations. Much of this expenditure was directly linked to our expansion into other territories and automation projects being implemented to drive the digitization of the Group. We have prudently increased our bad debt provision to safeguard against an increase in trade accounts receivable, however collection efforts remain a focus of the Group and recoveries are expected as the measures implemented continue to make an impact.

As Supreme Ventures continues to further its geographic expansion strategy, we are pleased to report that we have digitally launched Pick 4 in Ghana through our operating partner, Game Park Limited. The team is also in the early planning stages of our terrestrial or brick and mortar roll out across the country's major population centers. The pilot is set to launch in the market in Q4 2023, with a mass build out scheduled for early December based on the market's reaction to the channel. Our strategy over the next 12-months will focus on customer acquisition, conversion, retention, and retailer training.

Continuous innovation of our online gaming platforms remains a priority. We have embarked on a project to create a single sign-on for our online lottery platform SV Games that will also provide customers with access

to sports betting through Just Bet Mobile and horseracing through MBet. All those mobile channels, as well as the online casino gaming platform Acropolis Online, continue to grow.

We continue to put back over 93.00% of our earnings into the Jamaican economy via prizes, fees, taxes, and operational payments. Today, we can proudly say that since 2004 we have contributed \$26.3 billion to the government for good causes.



SVL Director Chris Berry and SVL Executive Chairman Gary Peart were present in Ghana for the official launch of Game Park Limited.



SVSL CEO Clair Ann Kennedy and Game Park Limited General Manager Bibi Bright were all smiles at the official launch of Game Park Limited. Supreme Ventures Limited is the technical services provider to the Ghanaian company.

## CORPORATE SOCIAL RESPONSIBILITY

In line with our commitment to corporate social responsibility (CSR), Supreme Ventures Limited amped up its initiatives in the summer months. These initiatives demonstrate our dedication to making a positive impact on society and fostering meaningful connections within our community.

We kicked off an activity filled August with our annual Supreme Ventures Foundation Junior Creators Robotics Camp. The Camp was staged in partnership with Halls of Learning, providing over 100 young participants, including over 40 children who reside within state care facilities overseen by the Child Protection and Family Services Agency (CPFSA), with a week-long immersion in robotics, coding and Lego engineering. The Foundation continues to invest in the Camp as the Board believes that exposure to robotics, coding and the other elements of the curriculum is a great way to stimulate interest in STEM in the next generation of Jamaica's leaders and innovators. By extending this opportunity to children in state care, the SVF strives to empower them with skills and experiences that can significantly impact their personal growth and future success regardless of their circumstances. SVF and Halls of Learning have added another layer of learning to the children's experience – each participant was provided with one month free access to online game-based lessons in Coding.

The camp culminated with an awards ceremony where each child received a backpack with school supplies and the four top performers were awarded a education grant of J\$50,000 for their achievements.

Supporting children in state care remains high on the priority focus areas of the SVF. This year in a bid to introduce and implement another impactful initiative for these students, the SVF partnered with Dent-Care Smile Clinic to give more than 100 children in state care a great start to the school year with sparkling smiles as part of its back-to-school initiative. The children residing in CPFSA-operated homes Summerfield Children's Home in Clarendon and Homestead Place of Safety in St. Andrew all received teeth cleaning and fluoride treatment. Beyond the dental care that was provided, each child received book vouchers valued at J\$10,000 and essential school supplies to help ease the inevitable back to school expenses.

Supreme Ventures has been proud sponsors of major Sports in Jamaica, including netball, for almost two decades. It was therefore an easy decision to participate in a reward programme for the Netball World Championship bronze medal winning team whose performance brought pride and joy to a nation. Each Sunshine Girl was rewarded with a J\$1 Million Dollar Investment account at Mayberry Investments. This account was partially funded by the Supreme Ventures Foundation. The Sunshine Girls were also invited to Caymanas Park as special guests and were honoured with a race named after them, the Sunshine Sprint, sharing the focus on the 10-race card honouring Winston "Fanna" Griffiths, the Caribbean's winningest jockey.

## CORPORATE SOCIAL RESPONSIBILITY

Meanwhile, the local Netball Major and Minor Leagues sponsored by Supreme Ventures culminated in July. SVL congratulates the winning teams Upsetter A and Raven B in the Major League and Minor League, respectively.

The SVF flagship fire safety programme also continued with the installation of the fire detection and alarms systems being completed at three homes with installation underway at another three.

In addition, SVF made donations to and supported various NGOs and nonprofit groups to enhance their community outreach activities. Some of the notable contributions included:

- **Donation to Chain of Hope Jamaica**
- **Contribution to Father Ho Lung And Friends Music Ministry**
- **Contribution to Reggae Girls Pre-Game Show**

As we enter the final quarter of the year, we remain fully committed to uplifting the communities in which we operate. Our dedication to improving lives and making a positive impact will continue to guide our actions.



**Gary Peart (Mr.)**

EXECUTIVE CHAIRMAN | SUPREME VENTURES LIMITED



# CORPORATE SOCIAL RESPONSIBILITY



Dr. Randolph Morgan was a picture of focus while cleaning teeth inside the DentCare state of the art mobile unit



Gabrielle Waite, Sponsorship and Events Manager presented book vouchers to Marlon Robinson, Assistant Manager Summerfield Child Care Facility



Jamaica's Senior Netball Team, the Sunshine Girls and Winston 'Fanna' Griffiths at Caymanas Park. The Girls were honoured with a race called 'The Sunshine Sprint'



Gary Peart (second left), executive chairman of Supreme Ventures Limited (SVL), pumps fists with Zuri Patterson from Little Leaders Prep during the Supreme Ventures Foundation Junior Creators Robotics Camp. Looking on are Heather Goldson, director of Supreme Ventures Foundation, (left), and Adorae McCormack.



SVL Director Heather Goldson and Halls of Learning founder Marvin Hall celebrated with Nathaneal Pengelley, Thiago Thompson, Xolani Thomas and Kalilah Matthews the top achievers of the 2023 SVF Junior Creators Robotics Camp.



**SUPREME  
VENTURES**  
GROUP

**Nine Months Ended September 30, 2023**

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**SUPREME VENTURES LIMITED**  
**Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
**Nine Months Ended September 30, 2023**  
*(Expressed in thousands of Jamaica dollars unless otherwise indicated)*

	Unaudited Nine Months Ended September 30, 2023	Unaudited Nine Months Ended September 30, 2022	Unaudited Three Months Ended September 30, 2023	Unaudited Three Months Ended September 30, 2022
Revenue - Non-fixed odd wagering games, horse racing and pin codes	23,654,526	21,885,969	7,602,148	7,361,147
Income from fixed odd wagering games, net of prizes	16,249,796	15,634,886	5,202,573	4,688,370
<b>Total Gaming Income</b>	<b>39,904,322</b>	<b>37,520,855</b>	<b>12,804,721</b>	<b>12,049,517</b>
<b>Interest revenue</b>	<b>158,638</b>	<b>23,528</b>	<b>62,761</b>	<b>9,875</b>
Direct Costs	(31,055,625)	(29,954,225)	(10,175,650)	(9,751,361)
<b>Gross Profit</b>	<b>9,007,334</b>	<b>7,590,158</b>	<b>2,691,832</b>	<b>2,308,030</b>
Other (Expenses) / Income	375,203	203,382	200,776	57,698
Selling, general and administrative expenses	(5,985,403)	(4,907,867)	(2,090,899)	(1,726,646)
<b>Operating Profit</b>	<b>3,397,134</b>	<b>2,885,673</b>	<b>801,709</b>	<b>639,082</b>
Finance costs	(495,677)	(233,980)	(189,436)	(31,305)
<b>Profit before taxation</b>	<b>2,901,457</b>	<b>2,651,693</b>	<b>612,273</b>	<b>607,778</b>
Taxation	(791,504)	(593,128)	(204,174)	(181,771)
<b>Profit for the period</b>	<b>2,109,953</b>	<b>2,058,565</b>	<b>408,099</b>	<b>426,006</b>
<b>Currency translation differences</b>	<b>13,899</b>	<b>(91,020)</b>	<b>898</b>	<b>(100,559)</b>
<b>Total Comprehensive Income for the period</b>	<b><u>2,123,852</u></b>	<b><u>1,967,546</u></b>	<b><u>408,997</u></b>	<b><u>325,448</u></b>
<b>Net profit, being Total Comprehensive Income for the year is</b>				
<b>Net Profit for the period attributable to:</b>				
Stockholders of the parent company	2,069,956	2,041,402	394,436	417,796
Non-controlling interest	39,997	17,164	13,664	8,210
	<b><u>2,109,953</u></b>	<b><u>2,058,566</u></b>	<b><u>408,099</u></b>	<b><u>426,006</u></b>
<b>Total Comprehensive Income for the period attributable to:</b>				
Stockholders of the parent company	2,083,855	1,953,673	395,334	322,157
Non-controlling interest	39,997	13,873	13,664	3,291
	<b><u>2,123,852</u></b>	<b><u>1,967,546</u></b>	<b><u>408,997</u></b>	<b><u>325,448</u></b>
<b>Earnings per stock unit attributable to owners of the parent during the period</b>				
Basic and fully diluted	<u>79.02 cents</u>	<u>77.41 cents</u>	<u>14.99 cents</u>	<u>15.84 cents</u>



**SUPREME VENTURES LIMITED**  
**Consolidated Statement of Financial Position**  
**As at September 30, 2023**

*(Expressed in thousands of Jamaica dollars unless otherwise indicated)*

	Unaudited Nine Months Ended September 30, 2023	Audited Year Ended December 31, 2022	Unaudited Nine Months Ended September 30, 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	4,884,578	4,864,374	4,949,001
Biological asset	16,389	14,530	14,530
Investment properties	858,001	858,001	848,257
Goodwill and Intangible assets	4,416,141	4,366,641	4,251,871
Loans and advances	147,608	14,192	18,432
Long-term receivables	22,021	24,087	24,013
Financial assets at amortised cost	1,883	1,883	1,883
Financial assets at fair value	1,472,049	501,397	426,384
Other investments	81,757	16,340	16,341
Deferred tax assets	860,047	653,423	443,992
	<u>12,760,473</u>	<u>11,314,868</u>	<u>10,994,704</u>
<b>Current assets</b>			
Inventories	124,548	313,456	235,195
Trade and other receivables	4,180,355	3,269,014	3,625,441
Loans and advances - Current portion	233,588	391,136	315,980
Current portion of long-term receivables	1,117	1,117	1,117
Taxation recoverable	61,149	36,009	33,202
Debt service reserve	177,841	79,401	52,932
Cash and cash equivalents	3,051,106	2,968,469	1,918,517
	<u>7,829,705</u>	<u>7,058,601</u>	<u>6,182,384</u>
<b>Current liabilities</b>			
Prize liabilities	1,054,496	1,865,413	1,540,572
Contract liabilities	25,758	12,469	11,052
Trade and other payables	3,668,892	3,744,968	2,839,724
Dividend payable	423,791	-	13,679
Current portion of lease liabilities	46,264	180,679	175,834
Current portion of long-term loans	122,348	359,652	129,790
Income tax payable	532,947	604,334	301,824
	<u>5,874,497</u>	<u>6,767,515</u>	<u>5,012,474</u>
Net current assets	<u>1,955,208</u>	<u>291,086</u>	<u>1,169,910</u>
	<u>14,715,682</u>	<u>11,605,954</u>	<u>12,164,614</u>
<b>Equity</b>			
<b>Attributable to Shareholders of the Company</b>			
Share capital	1,967,183	1,967,183	1,967,183
Capital reserves	62,485	62,486	62,485
Other reserve	(46,092)	(47,656)	(25,631)
Treasury Shares	(130,743)	(130,743)	-
Retained earnings	3,415,892	2,834,078	2,243,900
	<u>5,268,725</u>	<u>4,685,348</u>	<u>4,247,937</u>
<b>Non-controlling interests</b>	<u>798,725</u>	<u>879,545</u>	<u>1,722,601</u>
	<u>6,067,449</u>	<u>5,564,893</u>	<u>5,970,538</u>
<b>Non-current liabilities</b>			
Long-term payables	7,764,973	5,072,211	5,243,883
Lease liabilities	709,736	767,347	741,575
Deferred tax liability	173,524	201,503	208,618
	<u>8,648,233</u>	<u>6,041,061</u>	<u>6,194,076</u>
	<u>14,715,682</u>	<u>11,605,954</u>	<u>12,164,614</u>

**SUPREME VENTURES LIMITED**  
**Consolidated Statement of Changes in Equity**  
**Nine Months Ended September 30, 2023**

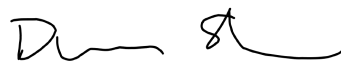
*(Expressed in thousands of Jamaica dollars unless otherwise indicated)*

	Number of <u>shares</u> 000	Share <u>capital</u> \$'000	Capital <u>reserves</u> \$'000	Other <u>reserves</u> \$'000	Treasury <u>shares</u> \$'000	Retained <u>earnings</u> \$'000	Non- Controlling <u>interest</u> \$'000	<u>Total</u> \$'000
<b>Unaudited Nine Months Ended Sept 30, 2023</b>								
Balance as at December 31, 2022	2,637,255	1,967,183	62,486	(47,656)	(130,743)	2,834,078	879,545	5,564,893
Profit for the period	-	-	-	-	-	2,069,956	39,997	2,109,953
Acquisition of additional shares in subsidiary						-	(60,860)	(60,860)
Currency translation differences	-	-	-	13,899	-	-	-	13,899
Employee share scheme	-	-	-	(12,335)	-	-	-	(12,335)
<b>Transactions with stockholders</b>								
Distributions	-	-	-	-	-	(1,488,144)	(59,957)	(1,548,101)
<b>Balance as at Sept 30, 2023</b>	<b>2,637,255</b>	<b>1,967,183</b>	<b>62,486</b>	<b>(46,092)</b>	<b>(130,743)</b>	<b>3,415,890</b>	<b>798,725</b>	<b>6,067,449</b>
<b>Unaudited Nine Months Ended Sept 30, 2022</b>								
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
<b>Transactions with stockholders</b>								
Distributions	-	-	-	-	-	(2,100,652)	(14,136)	(2,114,788)
<b>Balance as at Sept 30, 2022</b>	<b>2,637,255</b>	<b>1,967,183</b>	<b>62,486</b>	<b>(83,473)</b>	<b>-</b>	<b>2,243,900</b>	<b>1,722,601</b>	<b>5,970,538</b>

Approved and authorized for issue by the Board of Directors on October 31, 2023 and signed on its behalf by:



.....  
Gary Peart – Chairman



.....  
Duncan Stewart

**SUPREME VENTURES LIMITED**  
**Consolidated Statement of Cash Flows**  
**Nine Months Ended September 30, 2023**

*(Expressed in thousands of Jamaica dollars unless otherwise indicated)*

	Note	Unaudited Nine Months Ended September 30, 2023	Audited Year Ended December 31, 2022	Unaudited Nine Months Ended September 30, 2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit for the period		2,109,953	3,078,051	2,058,566
Adjustments for:				
Depreciation of property and equipment	17	651,348	694,950	511,371
Amortisation of intangible assets	19	155,950	316,033	234,639
Write off of property and equipment		-	(34,132)	-
Share based options		5,611	(114,730)	96,784
Gain on fair value adjustment on held for trading shares		(333,152)	(134,702)	(137,102)
Revaluation loss on investment property		-	(9,743)	-
Bad debts recognised		284,411	145,422	83,357
Net foreign exchange gain on cash and cash equivalents		(13,899)	92,260	25,714
Interest income	10	(158,638)	(20,753)	(12,119)
Interest expense	13	495,677	454,175	309,363
Taxation	14	791,504	781,340	593,128
Operating cash flow before movement in working capital		<u>3,988,766</u>	<u>5,248,170</u>	<u>3,763,700</u>
Change in non-cash working capital balances				
Inventories		188,908	(11,798)	66,463
Trade and other receivables		(1,193,102)	(844,227)	(1,138,708)
Loans and advances		24,132	(196,877)	(126,084)
Trade and other payables		50,578	(355,108)	(646,659)
Prizes liabilities		(810,917)	1,090,628	765,787
Other Investments		65,417	-	-
Cash generated by operations		<u>2,313,782</u>	<u>4,930,789</u>	<u>2,684,499</u>
Taxation paid, net		(1,122,635)	(956,844)	(770,751)
Interest paid		(508,721)	(310,467)	(327,904)
Cash provided by operating activities		<u>682,426</u>	<u>3,663,478</u>	<u>1,585,844</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payment for acquisition of subsidiary, net of cash acquired		-	-	-
Buyback of shares		-	(130,743)	-
Payment for additional shares in subsidiary		(68,000)	(208,251)	(201,492)
Payment for financial assets at fair value through profit or loss		-	(231,693)	(154,280)
Acquisition of company shares		(637,500)	-	-
Acquisition of biological asset		-	(14,305)	(13,931)
Acquisition of property and equipment		(731,125)	(1,482,825)	(1,601,517)
Acquisition of intangible assets		(110,403)	(335,653)	(296,455)
Proceeds on disposal of property and equipment		-	12,001	-
Long-term receivables		2,066	2,200	2,275
Interest received		155,987	20,962	12,447
Cash used in investing activities		<u>(1,388,976)</u>	<u>(2,368,307)</u>	<u>(2,252,953)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Distributions		(1,488,144)	(2,451,328)	(1,596,491)
Long term liabilities, net		2,455,457	(287,444)	(40,545)
Addition of long-term liabilities		-	263,531	-
Finance lease, net		(192,025)	(257,185)	(122,840)
Cash used in financing activities		<u>775,288</u>	<u>(2,732,426)</u>	<u>(1,759,876)</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>68,738</b>	<b>(1,437,254)</b>	<b>(2,426,986)</b>
Cash and cash equivalents at the beginning of the year		2,968,469	4,371,216	4,371,216
Effect of exchange rate changes on the balance of cash held in foreign currency		13,899	34,507	(25,714)
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>		<u>3,051,106</u>	<u>2,968,469</u>	<u>1,918,517</u>

**SUPREME VENTURES LIMITED  
AND ITS SUBSIDIARIES  
NOTES TO THE FINANCIAL STATEMENTS  
UNAUDITED NINE MONTHS ENDED SEPTEMBER 30, 2023**  
*(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 2023	Percentage Ownership 2022
Supreme Ventures Gaming 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		100	100
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
Post to post 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

**SUPREME VENTURES LIMITED  
AND ITS SUBSIDIARIES  
NOTES TO THE FINANCIAL STATEMENTS  
UNAUDITED NINE MONTHS ENDED SEPTEMBER 30, 2023**  
*(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, 2022. 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, 2022, 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, 2022.



**SUPREME VENTURES LIMITED  
AND ITS SUBSIDIARIES  
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*(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. Significant events and transactions

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

- a) 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 September 30, 2023 remains good.
- b) The Group is in compliance with all debt covenants.

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.

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4. 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's main operating segments are Lotteries, 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.

	<b>2023</b>				<b>Group</b>
	<b>Lotteries</b>	<b>Sports Betting</b>	<b>Pin Codes</b>	<b>Other</b>	
<b>Revenue from non-fixed odd wagering</b>					
Non-fixed odd wagering games	3,693,571	10,678,707	8,772,150	510,098	23,654,526
Other revenue	13,574,313	2,156,665	-	518,817	16,249,796
<b>Total revenue</b>	<b>17,267,884</b>	<b>12,835,372</b>	<b>8,772,150</b>	<b>1,028,916</b>	<b>39,904,322</b>
<b>Result</b>					
Segment result	3,370,805	889,695	251,946	(1,626,904)	<b>2,885,541</b>
Loan interest revenue					54,429
Interest income					104,209
Other gains					375,203
Net foreign exchange (loss)					(22,248)
Finance costs					(495,677)
Profit before taxation					2,901,456
Taxation					(791,504)
<b>Net Profit for the period</b>					<b>2,109,952</b>
<b>Other information</b>					
Capital expenditure	218,177	402,355	6,819	214,178	841,528
Depreciation, amortisation and write-offs property, plant and equipment	252,162	394,481	27,544	133,111	807,298
Segment assets	5,138,676	8,221,881	968,333	6,225,814	20,554,704
Segment liabilities	4,551,818	6,069,091	1,189,483	3,362,337	15,172,729

**SUPREME VENTURES LIMITED**  
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5. Segment reporting (continued)

	<b>2022</b>				
	<b>Sports</b>				
	<b>Lotteries</b>	<b>Betting</b>	<b>Pin Codes</b>	<b>Other</b>	<b>Group</b>
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	0	0	15,634,886
<b>Total revenue</b>	<b>17,363,169</b>	<b>9,283,340</b>	<b>9,172,944</b>	<b>1,701,402</b>	<b>37,520,855</b>
 <b>Result</b>					
Segment result	2,734,219	1,254,939	205,927	(1,536,322)	2,658,764
Interest revenue					43,282
Interest income					12,373
Net foreign exchange gain					49,749
Other gains					73,789
Finance costs					(300,130)
Profit before taxation					2,651,693
Taxation					(593,129)
<b>Profit for the year</b>					<b>2,058,565</b>
 <b>Other information</b>					
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 long-term liabilities	5,891,859	1,367,581	1,044,896	2,902,213	11,206,549



**SUPREME  
VENTURES**  
GROUP

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