



# iCREATE LIMITED ANNUAL REPORT 2022

iCreate is a Digital & Creative  
Group of Companies  
[www.icreate.group](http://www.icreate.group)

# Vision & Mission

**OUR VISION** is to inspire the next generation to dream and live the dream, armed with knowledge and experience. We see new growth opportunities for creative talent beyond these borders.

**OUR MISSION** is to unearth and nurture creativity in our students, developing a deep and abiding passion for design and imparting critical business skills to convert ideas to real value.

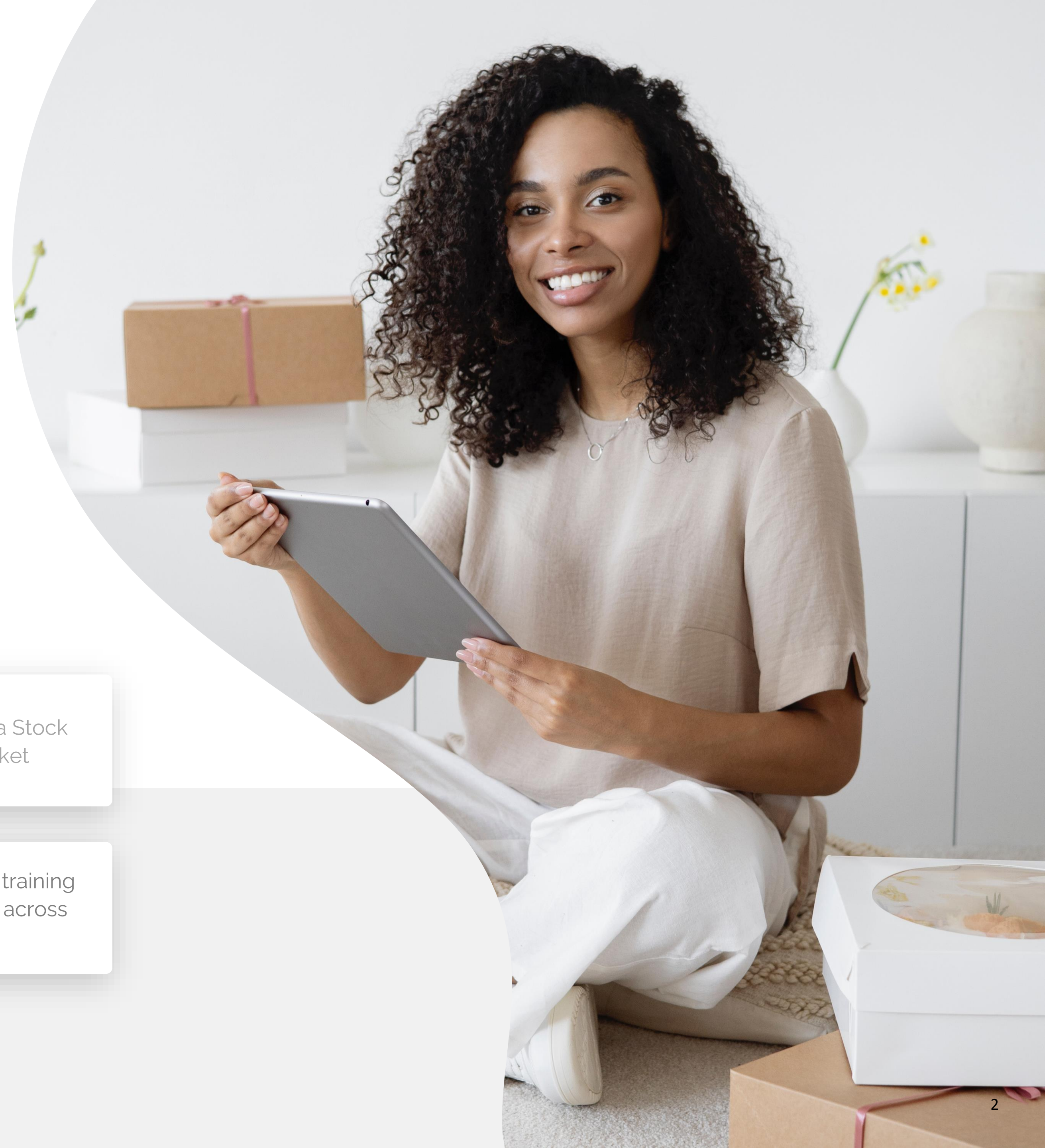
**2018** Officially Registered as a Limited Liability Company

**2019** Listed on the Jamaica Stock Exchange Junior Market

**2020** Trained over 1,500 individuals in Digital Skills in partnership with the NCB Foundation

**2021** Reached milestone in training over 4,000 individuals across the Caribbean

**2022** Transitioned from a single company to a digital and creative Group of Companies



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# Highlights

BALANCE SHEET	2022	2021	2020	2019
Assets	718,129,255	75,557,779	36,355,109	42,676,836
Liabilities	243,002,073	65,995,904	63,330,693	47,658,897
Shareholders' Equity	457,529,009	9,561,875	(26,975,827)	(4,982,061)

PROFIT AND LOSS	2022	2021	2020	2019
Revenue	79,631,959	32,826,894	58,377,536	46,158,213
Gross Profit	49,460,229	24,486,610	36,244,721	22,041,433
Net Loss attributable to Shareholders	(39,942,960)	(32,262,298)	(21,993,766)	(45,950,076)

FINANCIAL RATIOS	2022	2021	2020	2019
Revenue growth (%)	68.1	-43.8	26.5	44.9
Gross profit margin (%)	62.1	74.6	62.1	47.8
Debt:Equity ratio	0.04	2.94	-1.22	-1.56
Current ratio	0.90	1.65	0.20	0.29
Share Price	1.77	0.78	0.59	0.70



# iCreate Over 5 Years





# iCreate Over 5 Years



# Message From Chairperson



The iCreate Group achieved remarkable growth during the year 2022 but earnings were flat. In 2022 the net loss, attributable to shareholders, was \$39 million and the prior year there was a net loss of \$32 million. However, there were a number of critical strategic achievements that laid foundations for growth and increased profitability on which we intend to be focused in 2023 and beyond.

iCreate Limited has created a strong footing in its initial five years; proving not only its business model but meeting its purpose to serve the creative and digital economy as it grows into a Group of Companies. iCreate acquired two [2] industry innovators: eCommerce player GetPAID Group Limited (previously Mobile Edge) in January 2022 and digital out-of-home advertiser, Visual Vibe.Com Limited in May 2023. This Annual Report is our first as a Group, and is also published following a number of significant changes in 2023 worth mentioning. Firstly, the Visual Vibe acquisition was concluded, and secondly there is new group leadership effective August 17, 2023, that followed the resignation of our Founder & CEO, Tyrone Willson.

Looking back to 2022, iCreate Limited ended the year in a strong position for entering the 2023 fiscal year. 2022 was a year of recovery in revenue while our corporate strategy for growth was advanced significantly. The company focused on its mergers & acquisitions strategy, while still executing successfully on revenue growth strategies at the operating business level.

The integration of the first company acquired, GetPAID, contributed to stronger performance for the year. This result was also based on new partnerships for iCreate Limited.

Our outlook for 2023 is based on the expected economic performance driven by strengthened consumer and business confidence that will be favourable to all entities.

The completion of the Visual Vibe acquisition will result in acquisition-led improvements in revenue performance. Further, the synergies to be derived from the entities, iCreate, GetPAID and Visual Vibe, which each participate in the digital and creative economies and that add value to the operations of the r e g i businesses, is expected to strengthen and deepen the client base and organically contribute to growth.

To lead the transition and growth in 2023 and beyond, our full board remained in place and committed to support the new Leadership Team. With their support, new interim Chairman, Ivan Carter, myself as new Interim CEO and new CFO, Chadwick Bennett, have begun the journey of stability and growth for the Group even as we reap synergies of all its entities. In September 2023, the Board also appointed Colando Hutchinson as our Board Mentor, a requirement of the Jamaica Stock Exchange (JSE) Junior Market Regulations.

Together we are confident in our Teams, our businesses and their products and services for a solid 2023 performance that will lead to further growth.

Our team will continue to serve our clients and partners with excellence towards delivering greater value to all our stakeholders. We look forward to creating improved value to our shareholders, while playing a leading role in the digital and creative economy.

On behalf of the Board, I wish to thank all our clients, partners and shareholders for your support to the Company in 2022, as we transition to being a vibrant Group. I also thank the Board of Directors, our Leadership and Operations Teams for their hard work during the period.

A handwritten signature in blue ink, appearing to read 'Arlene', written over a thin horizontal line.

Arlene Martin  
Chairperson,  
iCreate Limited

# Message from the President & CEO



**TYRONE WILSON**  
**PRESIDENT & CEO**  
(Resigned August 2023)

We are delighted to share with you the significant achievements and progress made by iCreate over the course of 2022. It has been a year of transformation, growth, and strategic expansion, setting the stage for a promising future.

#### **VISUAL VIBE ACQUISITION**

01. Through rigorous efforts, we successfully raised a commendable US\$3 million in equity, underscoring the confidence and support from our investors. This strategic move positions iCreate at the forefront of innovative digital solutions, poised for exponential growth.

#### **GETPAID ACQUISITION & REVENUE CONTRIBUTION**

02. The acquisition of GetPAID has proven to be a pivotal milestone for iCreate, contributing meaningfully to our Group revenue. In 2022, GetPaid accounted for an impressive 40.5% of our total revenue, demonstrating the robust synergies and immense potential of this strategic move.

#### **EVOLUTION INTO A DIGITAL & CREATIVE GROUP**

03. This year marks a significant shift in our corporate identity. iCreate has successfully transitioned from a digital and creative training institution to a dynamic group of companies, encompassing a diverse range of digital and creative ventures.

#### **NOTEWORTHY PARTNERSHIPS:**

In 2022, iCreate forged valuable partnerships with the GraceKennedy Foundation and NCB Foundation through our digital and creative training arm. These collaborations are a testament to our commitment to fostering innovation and talent development within our community.

#### **CREATIVE EXCELLENCE:**

Our Creative Agency – Vertical – showcased its prowess by successfully completing a documentary commemorating Jamaica's 60th year of Independence for the Jamaica Tourist Board. This project is a testament to our dedication to delivering excellence in every project we undertake.

#### **SIGNIFICANT GROWTH INITIATIVE FOR 2023:**

As we move into the next year, we are optimistic about the prospects of closing the Visual Vibe acquisition. This strategic step will not only solidify our position in the market but also open new avenues for growth and profitability.



# Message from the President & CEO Cont.



Members of Visual Vibe, iCreate, Patterson Mair Hamilton (PMH), Hart Muirhead Fatta (HMF) and Victoria Mutual teams at the signing of the Sale Agreement to Acquire Visual Vibe.com Limited June 2022

## APPRECIATION:

We extend our deepest gratitude to our shareholders and partners for their unwavering support throughout this pivotal year. Your confidence in our vision and commitment to iCreate has been instrumental in our success.

As we stand on the cusp of a new year, we are poised for even greater accomplishments. With your continued support, we are confident that iCreate will emerge as a leading force in the digital and creative landscape.

**Tyrone Wilson**  
President & CEO  
iCreate Group of Companies  
(Resigned August 2023)

# Notice of the AGM

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting ("AGM") of iCreate Limited ("the Company") is scheduled to be held on **Friday, November 24, 2023 at 10:00 a.m.** at the Pegasus Hotel, 81 Knutsford Boulevard, Kingston 5 in the parish of Saint Andrew for the purpose of transacting the following business: -

### Ordinary Resolutions

- i. To receive and adopt the Reports of the Directors and Auditors and the Audited Financial Statements for the year ended December 31, 2022

To consider, and if thought fit, pass the following resolution: -

#### Resolution No. 1

*"THAT the Reports of the Directors and Auditors and the Audited Financial Statements for the year ended December 31, 2022 be received and adopted."*

- ii. To retire, re-elect and appoint Directors

To consider, and if thought fit, pass the following resolution: -

#### Resolution No. 2 (a)

*"THAT the Directors, retire by rotation upon the expiration of one year (1) year and be re-elected and appointed by a single resolution."*

In accordance with **Article 102** of the Company's Articles of Incorporation, Messrs. Arlene Martin, Ricardo Allen, Dainya-Joy Wint, Darren Peart, Stephen Hector, Ivan Carter and Adrian Smith, retire from office by a single rotation and being eligible, with the exception of Mr. Stephen Hector offer themselves for re-election and appointment.

To consider, and if thought fit, pass the following resolutions: -

#### Resolution No. 2 (b)

*"THAT Ms. Arlene Martin who retires by rotation and being eligible for re-election be and is hereby re-elected and appointed as a Director of the Company."*

#### Resolution No. 2 (c)

*"THAT Mr. Ricardo Allen who retires by rotation and being eligible for re-election be and is hereby re-elected and appointed as a Director of the Company."*

#### Resolution No. 2 (d)

*"THAT Mrs. Dainya-Joy Wint who retires by rotation and being eligible for re-election be and is hereby re-elected and appointed as a Director of the Company."*

#### Resolution No. 2 (e)

*"THAT Mr. Darren Peart who retires by rotation and being eligible for re-election be and is hereby re-elected and appointed as a Director of the Company."*

#### Resolution No. 2 (f)

*"THAT Mr. Ivan Carter who retires by rotation and being eligible for re-election be and is hereby re-elected and appointed as a Director of the Company."*

#### Resolution No. 2 (g)

*"THAT Mr. Adrian Smith who retires by rotation and being eligible for re-election be and is hereby re-elected and appointed as a Director of the Company."*

- iii. To fix the remuneration of the Directors

To consider, and if thought fit, pass the following resolutions: -

# Notice of the AGM

## Resolution No. 3

*"THAT the remuneration of the Directors be determined by the Board of Directors upon their re-election for the ensuing year."*

- iv. To appoint Auditors and to authorise the Directors to fix the remuneration of the Auditors

To consider, and if thought fit, pass the following resolutions: -

## Resolution No. 4

*"THAT Crichton Mullings & Associates, Chartered Accountants, having agreed to continue in office as auditors, be and are hereby appointed Auditors of the Company, to hold office until the next Annual General Meeting at a remuneration to be fixed by the Directors of the Company."*

## Special Resolution

- v. To amend Article 99 of the Company's Articles of Incorporation

To consider, and if thought fit, pass the following resolutions: -

## Resolution No. 5

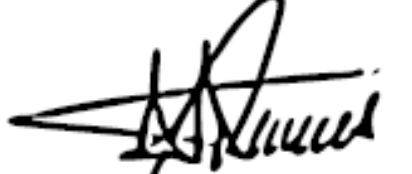
*"THAT Article 99 of the Company's Articles of Incorporation be amended, approved and adopted by the Company to permit for the retirement, re-election and appointment of Directors to be done on a three (3) year rotation and the Directors be authorised and directed to register such amendment to the Company's Articles of Incorporation with the Office of the Registrar of Companies as the Board of Directors of the Company may deem appropriate after receiving requisitions from the Office of the Registrar of Companies Registrar, by replacing and/or amending Article 99 to provide as follows: -*

*"At the first Annual General Meeting of the Company all the Directors shall retire from office, and at the Annual General Meeting in every subsequent year, **one-third of the Directors for the time being or, if their number is not three (3) or a multiple of three (3), the number nearest one-third (1/3) all of the Directors for the time being shall likewise retire from office.**"*

## NOTES

- Shareholders are being asked to submit their questions by electronic mail **within forty eight (48) hours** prior to the AGM, to be reviewed and announced by the Chairman and/or Company Secretary of the Board of Directors. Questions may be sent to [info@corpcom.pro](mailto:info@corpcom.pro).
- A member entitled to attend and vote at the AGM is also entitled to appoint a proxy to attend and vote on one's behalf, and who need not be a member to attend and so on a poll, vote on one's behalf. A corporate shareholder may, instead of appointing a proxy, appoint a corporate representative in accordance with **Articles 75 and 76** of the Company's Articles of Incorporation.
- All completed original proxy forms must be deposited together with the power of attorney or other document accompanying the proxy form must be lodged with the Company Registrar, Jamaica Central Securities Depository, 40 Harbour Street, Kingston **not less than forty eight (48) hours** prior to the AGM.

Dated the 31<sup>st</sup> day of October 2023  
BY ORDER OF THE BOARD OF DIRECTORS

  
DEMETRIE A. ADAMS  
Corporate Secretary



# Report

The Directors present this Annual Report with the Audited Financial Statements of the Company for the year 2022.

The financial results for the company are summarised below:

- ☒ Assets grew to \$718.1 million
- ☒ Shareholders' equity grew to \$457.5 million
- ☒ Revenue grew by 142.6% to reach \$79.6 million
- ☒ There was a net loss of \$39.9 million attributable to Shareholders

The Management Discussion and Analysis, presented later, and the Audited Financial Statements at the end of this report provide the results of the company, including performance comparisons. Together they provide the details of our performance for the fiscal year ended December 2022.

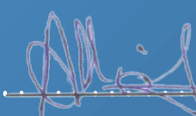
The company paid no dividends during 2022.

There were additions to The Board of Directors in January 2022. These were Mr. Ivan Carter with immediate appointment to the role of Chairman of the Audit Committee, and Mr. Adrian Smith who joined the Remuneration Committee. With these new members we achieved the culmination of the formation of a strong Board for iCreate Limited that provided the company the skills and experience needed to govern and to grow. The Directors of the Board during 2022 were:

- Martin, Arlene – Chairperson
- Allen, Ricardo
- Carter, Ivan
- Hector, Stephen
- Peart, Darren
- Smith, Adrian
- Wilson, Tyrone
- Wint, Dainya-Joy

During the Annual General Meeting for 2022 year to be held in November 2023, Director Stephen Hector will retire and will not offer himself for re-election. All other directors, being eligible, have consented to being re-appointed.

Our Auditors for this year, Crichton Mullings and Associates, have confirmed that they will continue as Auditors for the coming year.



Arlene Martin, Chairperson  
On Behalf of the Board of Directors

# Our Board



**Ricardo Allen**

Member, Audit Committee

Ricardo Allen is a successful entrepreneur. Ricardo is President and CEO of One-on-One Educational Services Limited - a Jamaican-based company that pioneered the development of the award-winning MyLocker e-Learning platform and associated courses. The platform allows over 2,000,000 Caribbean high school students to complete their favourite high school courses on any internet-enabled device. Allen has served as Committee Member of The Jamaica Stock Exchange (JSE) Best Practices Awards for over six years. These awards were established in 2004 by the JSE to recognise companies who have outperformed their peers in key areas spanning, Annual Reports, Governance & Reporting, Financial & Stock Performance, Website, and overall Corporate Social Responsibility.

Ricardo is a member of the Audit Committee of iCreate Limited.



**Ivan Carter**

Audit Committee Chairman

Ivan Carter is an experienced professional and executive with a proven track record of successes and expertise in multiple disciplines. Ivan currently heads the Delta Capital Private Equity Group (Delta), as Group CEO, Partner, and member of the Board of Directors. Ivan is also a Director of a number of companies outside of the Delta Group. He was a key contributor to the growth of Sagicor Group Jamaica during his seventeen-year stint from June 2003 to April 2020 where he carried the responsibility of Group Chief Financial Officer (CFO) and for over ten years during that period, the twinned responsibility of Group Chief Information Officer (CIO). Ivan holds a master's degree in Business Administration (MBA), a Master of Science degree (MSc) in Management Information Systems, and several Accounting Certifications.

Ivan chairs the Audit Committee of iCreate Limited.



**Stephen Hector**

Member, Remuneration Committee

Stephen Hector is a big-brand sales and marketing expert specialising in driving profitable growth in competitive sectors through proactive client and brand management. Hector is Group Sales & Marketing Director of the ATL Automotive Group. He is an innovative strategist who has successfully managed projects that have enhanced global brand visibility.

Stephen is a member of the Remuneration Committee of iCreate Limited.

# Our Board



**Arlene Martin**

Chairperson

Arlene Martin brings over 20 years of experience to this position. Her strong strategy development background began with national initiatives, such as the National Export Strategy, a National Investment Promotion and Attraction Programme, as well as a National Legacy Programme. She also worked on trade and investment policy, development and promotion in the public sector. In the private sector she has coached business-owners and acted as a consultant across multiple industries. In a diverse career, she has also owned and operated a womenswear business and worked as a consultant and General Manager for Jamaica's Premier League [football].

Arlene is the Chairperson of the Board of iCreate Limited

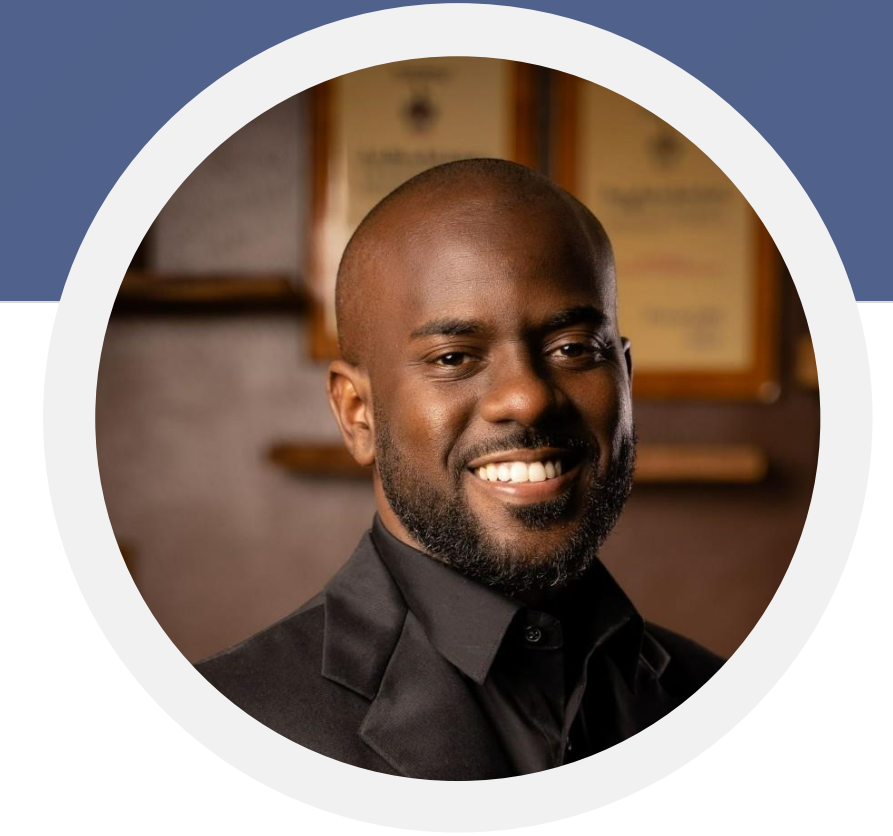


**Darren Peart**

Remuneration Committee Chairman

Darren Peart is a seasoned entrepreneur and information technologist with a depth of experience in research techniques, consumer neuroscience, retail intelligence, data mining and data intelligence. Peart is the founder of BlueDot and the brainchild behind the company's data intelligence platform. Peart was appointed to the Economic Recovery Taskforce (New Economy Task Force) to help steer Jamaica's technological recovery from the COVID19 Pandemic. He conceptualised and spearheaded the first cashless Farmers Market in June 2020, and since 2021 led the team that developed the highly successful E-commerce National Delivery System (ENDS).

Darren serves as Chairman of the Remuneration Committee of iCreate Limited.



**Adrian Smith**

Member, Remuneration Committee

Adrian Smith has several years of professional experience within Jamaica's financial sector. Smith served as CEO of Dequity from April 2021 to July 2023. His experience has seen him hold the positions of executive wealth advisor at NCB Capital Markets as well as a member of the Remuneration Committee of iCreate Limited, working in both the capacity of securities trader and later head of commercial. Adrian is a member of the Remuneration Committee of iCreate Limited.

# Our Board



**Dainya-Joy Wint**

Member, Audit Committee

Dainya-Joy Wint is a Chartered Accountant with over 12 years of professional experience in the field of finance with particular experience in accounting, audit, and taxation. She has most recently worked as a consultant advising enterprises including publicly-listed corporations on tax compliance, tax advisory and financial advisory matters. Prior to this, she worked at PricewaterhouseCoopers in audit and taxation.

Dainya is a member of the Audit Committee of iCreate Limited.



**Tyrone Wilson**

President & CEO

(Resigned August 2023)

Tyrone Wilson is the dynamic Founder, President & CEO of iCreate Limited, which is listed on the Jamaica Stock Exchange - Junior Market. iCreate stands as a leading Digital and Creative Group of Companies, encompassing divisions in Advertising, Training, Media, and Entertainment. Under Tyrone's visionary leadership, iCreate has thrived as an innovative force in the industry, marking its prominence in the digital landscape.





# Corporate Governance

# Corporate Governance

The Board of Directors of iCreate is tasked and committed to ensuring the adherence to a sound corporate governance framework.

iCreate Limited has been publicly listed on the Junior Market of the Jamaica Stock Exchange since February 2019. iCreate had as its core offering a creative institute developed with the aim of filling the gap in skills training and development of creatives in Jamaica and the wider Caribbean. As an important part of the creative eco-system, the Company provides students with a wide range of career opportunities in the Creative Economy. The success and viability of the Company rests on the fulcrum of Corporate Governance. The Company continues to grow through an aggressive Merger & Acquisition (M&A) strategy as it seeks to return value to its shareholders.

The Board of Directors of iCreate is tasked and committed to ensuring the adherence to a sound corporate governance framework. The Board has a fiduciary responsibility to its shareholders and must hold Management accountable. The Company also has an Audit Committee and a Human Resource (HR) & Remuneration Committee.

## **Board Responsibilities**

The business of the Company is managed under the direction of the Board of Directors. The Board is accountable to the shareholders for the performance of the Company. The Board is ultimately responsible to the shareholders for the overall governance of the Company including ensuring the continuity and the long-term viability of the Company. Therefore, the directors ensure that they devote sufficient time to properly perform their duties.

The Board is responsible for:

## **Management Team**

- Appointing and removing the Chief Executive Officer ( "CEO." );
- Monitoring the C.E.O.' s performance and implementation of strategy and policies, ensuring appropriate resources are available;

# Corporate Governance Cont.

The Board of Directors  
iCreate is  
responsible for:

Governance and  
Compliance,  
Strategy,  
The Management  
team.

## **Governance & Compliance**

Monitoring compliance with all legal and regulatory obligations, including, but not limited to:

- i. Filing of Annual Returns to the Companies Office;
- ii. Filing of Annual Income Tax returns;
- iii. Filing of Quarterly General Consumption Tax returns; and
- iv. Payment of monthly statutory deductions related to the employee payroll
- v. Filing of Quarterly Financial Statements and Reports to the Jamaica Stock Exchange and Shareholders
- vi. Filing of Annual Reports to the Jamaica Stock Exchange and shareholders.

Ratifying the appointment and removal of the Company Secretary and External Auditor;

Reviewing and ratifying systems of risk management and internal compliance and controls, codes of conduct, legal compliance and other significant corporate policies;

At least annually, reviewing the effectiveness of the Company's implementation of its risk management system;

Approving and monitoring financial and other reporting to shareholders, and other stakeholders;

Ensuring the Company's assets are safeguarded;

Approving Company policies;

Oversight of the Company, including its control and accountability systems;

## **Strategy Development and Monitoring**

Setting the Company's Values, Vision, Mission and standards for the establishment and observance of high ethical standards;

Setting the strategic direction of the Company and monitoring the implementation of that strategy by the C.E.O. and Management team;

Input to and final approval of the corporate strategy;

Input to and final approval of the annual business plan and budget;

Approving and monitoring the progress of major capital expenditure and capital management;

Monitoring progress against the business plan and budget; and

Approving expenditure outside the approved budget and delegations.

## **Responsibilities**

In discharging his/her duties, each Director must: -

- I. Exercise care and diligence;
- II. Act in good faith in the best interests of the Company;
- III. Undertake appropriate orientation and training, including an induction to the Company;
- IV. Not improperly use his/her position or misuse information of the Company; and
- V. Commit the time necessary to discharge effectively his/her role as a Director.

## **Board Compensation**

The matter of compensation of the directors is determined at the Annual General Meeting ( " A.G.M." ) The Board submits proposals on the nature and timing of its compensation at the AGM. Any change in the composition of the Board shall be first approved by the Shareholders at the AGM or Extraordinary General Meeting ( " E.G.M." ).

# Corporate Governance Cont.

Our Board is comprised of directors with a range of expertise and a balance of skills and experience.

## **Board Composition & Expertise**

Pursuant to the Articles of Incorporation, the Board of Directors of the Company shall have a minimum of three (3) directors and shall be constituted by an independent Chairperson. Of the eight (8) Directors in 2022, six (6) were Independent Directors and two (2) were Non-Independent Directors (Wilson and Smith). A Director meets the Independent criteria, if the Director: -

- i. Is not an employee of the Company;
- ii. Does not or has not had within the last three years, a material business relationship with the Company either directly, or as a partner, shareholder, director or senior employee of a body that has such a relationship with the Company;
- iii. Has not received additional remuneration from the Company apart from a director fee or has not participated in the company share option or a performance-related pay scheme, or is not a member of the company pension scheme;
- iv. Has no close family ties with any of the company advisors, directors or senior employees;
- v. Holds no cross-directorships or has significant links with other directors through involvement in other companies or bodies; or
- vi. Does not represent a significant shareholder.

Our Board is comprised of directors with a range of expertise and a balance of skills and experience. All directors should be free from any interest and any business or other relationship which could reasonably be perceived to materially interfere with the director's ability to act in the best interests of the Company.

From time to time and during formal meetings of the Board, Directors receive presentations about the businesses and operations, as well as the Company's strategic plans, financial presentations also cover Corporate Governance matters, including responsibilities of the Directors, legal and regulatory matters, as well as any other topic deemed relevant by the Board.

# Board Meeting Attendance

DIRECTORS/COMMITTEE MEMBERS	BOARD OF DIRECTORS (Four (4) Meetings Held)	AUDIT COMMITTEE (Two (2) Meetings Held)	REMUNERATION COMMITTEE (No Meetings held)
Arlene Martin	4	N/A	N/A
Tyrone Wilson	4	N/A	N/A
Ivan Carter	4	2	N/A
Ricardo Allen	3	2	N/A
Larren Peart	4	N/A	0
Dainya-Joy Wint	4	2	N/A
Stephen Hector	2	N/A	0
Adrian Smith	4	N/A	0

Meetings are formally structured and held in appropriate places, electronically or hybrid in keeping with the Company Articles of Incorporation. All Directors are entitled to be heard at all meetings and should bring an independent judgement to bear in decision-making.

The dates of the Board of Directors and Committee Meetings held are as follows:-

## BOARD OF DIRECTORS

- i. February 15, 2022
- ii. May 19, 2022
- iii. June 22, 2022
- iv. September 30, 2022

## AUDIT COMMITTEE

March 25, 2022  
August 9, 2022

## REMUNERATION COMMITTEE

No meetings were held.

Where the Audit Committee Meetings were not held, the Financial Statements were tabled at the Board of Directors meeting.

# Corporate Governance Cont.

## THE CHAIRPERSON OF THE BOARD

Our Chairperson is responsible for: -

- i. Effective leadership of the Board;
- ii. Overseeing the Board in the effective discharge of its supervisory role;
- iii. The efficient organisation and conduct of the Board functions and meetings;
- iv. Facilitating the effective contribution of all Directors;
- v. The promotion of constructive and respectful relations between Board and shareholders and between the Board and management; and
- vi. Committing the time necessary to discharge effectively his/her role as Chairperson.

## THE CHIEF EXECUTIVE OFFICER

The C.E.O., who is required to be a director, is responsible for the day-to-day management of the Company with all powers, discretions and delegations authorised, from time to time, by the Board. Our Board ensures that all necessary and appropriate delegations are in place to enable the C.E.O. and the Management team to meet the aims and objectives set by the Company.

At each meeting where the Board approves the full-year financial statements, the C.E.O. must provide the Board with written certification which includes statements that: -

- I. The Company financial reports present a true and fair view, in all material respects, of the Company financial condition and operational results and are in accordance with relevant accounting standards;
- II. This certification is assured on the basis of a sound system of risk management, internal compliance and controls which ensure full implementation of the policies adopted by the Board; and
- III. The Company risk management and internal compliance and control system is operating efficiently and effectively in all material respects.

## THE COMPANY/CORPORATE SECRETARY

The Company/Corporate Secretary, often times viewed as the 'conscience' of the company, has a key role to play in ensuring that board procedures are both followed and regularly reviewed. The roles and duties of the Company/Corporate Secretary include, but are not limited to: -

- I. All matters relating to the management of the Board including a formal schedule of all governance matters, managing all aspects of the Board meetings including Board Committee meetings, director induction;
- II. Facilitating good information flows between board members, the committees and senior management as well as external partners;
- III. Providing guidelines to the Board on regulatory changes that may impact the Company.

# — Corporate Governance Cont.

## **BOARD COMMITTEES**

The Board has established Committees to assist in fulfilling its duties and responsibilities. With the exception of certain limited delegations contained in their Charters, recommendations of the Committees are tabled at Board Meetings for approval. The Board is empowered to establish ad hoc Committees from time to time. The Board reviews and reassesses the adequacy of the Committees and their respective Charters annually and amend it, where necessary.

### **Remuneration Committee**

The Remuneration Committee of the Board assists in fulfilling its fiduciary responsibilities relating to the fair and competitive remuneration of the non-executive directors, executives and other key employees of the Company, and in connection with the administration of the general employee welfare plans of the Company. The members of the Remuneration Committee as at December 31, 2022 include Messrs. Darren Peart (Chairman), Adrian Smith and Stephen Hector. The responsibilities of the Remuneration Committee are to: -

Determine the remuneration for the C.E.O. and other Executive Management;

Review and approve goals and objectives for the C.E.O. and consider the evaluations of the C.E.O. conducted by the Board of Directors against such goals and objectives;

Consider the evaluations of the other executive management conducted by the C.E.O.;

Review and approve the annual remuneration framework for the C.E.O. and the other executive officers;

Agree on the remuneration framework, including salary, target performance incentive, short and long-term incentive awards, perquisite/fringe benefits, and other forms of remuneration. In setting such remuneration programmes, review the remuneration practices of comparable companies, coordinate the framework with the goal of achieving ongoing effectiveness, and seek to set the appropriate financial performance measures, targets and goals for the C.E.O. and executive management; and

Report to the Board on the foregoing annual Remuneration framework and details of the Remuneration for the C.E.O. and executive Management.

# Corporate Governance Cont.

## Audit Committee

An Audit Committee is appointed by the Board and is composed of no less than three (3) members and at least one (1) qualified accountant, and has a quorum of two (2) members. The members of the Audit Committee as at December 31, 2022 include Messrs. Ivan Carter (Chairman), Ricardo Allen and Dainya-Joy Wint. On behalf of the Board, the main responsibilities of the Audit committee shall be to: -

- i. To appoint, recommend the retention of, and oversee the work of the independent External Auditor employed to conduct the annual audit (including resolution of disagreements between the auditors and management regarding financial reporting), assess the independence of the External Auditor, ensuring that key partners are rotated at appropriate intervals;
- ii. To recommend to the Board the approval of the audit fee and pre-approve any fees in respect of non-audit services provided by the external auditor and to ensure that the provision of non-audit services does not impair the external a u d i independence or objectivity;
- iii. To discuss with the external auditor, before the audit commences, the nature and scope of the audit and to review the a u d i quality control procedures and steps taken by the auditor to respond to changes in accounting standards and other regulatory requirements;
- iv. To oversee the process for selecting the external auditor and make appropriate recommendations through the Board to the shareholders to consider at the AGM;
- v. To review the external a u d i Management letter and Ma n a g e m e n t responses;
- vi. Following completion of the annual audit, review separately with the external auditor any significant difficulties encountered during the course of the audit, including any restrictions on the scope of activities or access to required information, and any accounting adjustments that were noted or proposed by the auditor and were unrecorded as immaterial or otherwise;
- vii. To ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated, minimized, and managed, that is, to ensure adequate systems for risk management;
- viii. To review ma n a g e m e n t and the internal a u d i reports on the effectiveness of systems for internal financial control, financial reporting and risk management; and
- ix. To review, and challenge where necessary, the actions and judgments of management, in relation to the monthly and annual financial statements before submission to the Board.



# Corporate Governance Cont.

## Conflicts of Interest

### Duty to Disclose

Our directors are informed that he/she shall immediately report to the Chairperson any conflict of interest or potential conflict of interest and provide all relevant information, including information concerning a spouse or other life companion, and relatives by blood or marriage up to the second degree. The director concerned does not take part in the assessment or decision-making regarding any subject or transaction in which there is a conflict of interest with the Company and shall leave the meeting room during the deliberations on the matter by the Board.

All transactions in which there are conflicts of interest with Board members agree on terms that are customary for a r m length transactions in the C o m p a r b y s i n e s s. Decisions to enter into transactions in which there are conflicts of interest with directors require the approval of the Board.

### Related Party Transactions

The Company has a clear policy on how to ensure that the rights of shareholders are protected where potential conflict of interest exists if the Company intends to enter into a transaction with a related parts. A related party includes the following: -

Directors of the Company;

The C.E.O. and key officers, including anyone who directly reports to the Board or the C.E.O.;

Any significant shareholder owning or controlling more than 10% of the voting shares having the ability to control, or exercise a significant influence on, the outcome of resolutions voted on by shareholders or directors of the Company, or associated companies.

The father, mother, adult sons, adult daughters, husband, or wife of any of directors; or

Any business owned jointly or severally by a director with at least twenty percent (20%) of the voting rights.



Tyrone Wilson,  
President & CEO



Arlene Martin,  
Chairperson

# Corporate Governance Cont.

## Trading in Shares Policy

Trading in iCreate Listed Securities is prohibited during "No Trade/Black-Out" periods. A Relevant Person, or any Connected Party, shall not buy, sell or otherwise deal in iCreate Listed Securities during No Trade/Black-Out Periods.

The Black-Out Periods are the four (4) periods each **commencing** on the first day of the third week of the last month of each quarter (except the final quarter) and the 1<sup>st</sup> day of the final month of the financial year and **ending** at the close of business on the day after iCreate releases its financial results pertaining to the financial quarter or financial year, as the case may be. (Thus, if the financial results are released on a Thursday, the next day on which Relevant Persons and Connected Parties could trade in iCreate Listed Securities would be the next Monday.)

## Critical 2022 Dates for iCreate

Blackout Dates for Quarter 1:	March 31 – May 15
Blackout Dates for Quarter 2:	June 30 – August 14
Blackout Dates for Quarter 3:	September 30 – November 14
Blackout Dates for Quarter 4/End of Financial Year:	December 31, 2022 – February 20, 2023

The Responsibilities of the Company/Corporate Secretary (or in his/her absence the General Manager or the Chief Executive Officer) in relation to the Trading in Shares Policy include: -

1. One month before the start of each Financial Year, publish the blackout dates for the financial year to all Relevant Persons who are:

Directors and Senior Managers of iCreate

General Manager and administrative staff in his office.

All employees of the Accounts department

The Company's Agents or Contractors

Anyone associated with the Company who is or may be in possession of price-sensitive information.

*Any person whom the Board of Directors has declared will become aware of price sensitive information. (This prohibition will remain until the Board has cancelled this declaration or the information has been released to the JSE on a non-confidential basis).*

# Corporate Governance Cont.

## Trading in Shares Policy, Contd.

2. Acknowledge (in writing, either by letter, memorandum or e-mail correspondence) requests from Relevant Persons to be permitted to execute a trade in the securities of the Company during the Blackout Period (only permitted in exceptional circumstances).
3. Seek the advice of the JSE and/or the FSC as to whether in their view the circumstances relied on by the Relevant Person as the basis for the request are such as to fall within the "exceptional circumstances" exception to the general rule in the JSE *Model Code*, and the Company Secretary may (but will not be obliged to) follow that advice.
4. Communicate the decision (to be allowed to trade or not to trade) in writing (either by letter, memorandum or e-mail correspondence) to the Relevant Person.
5. Inform the JSE no later than one full market day following the dealing, if permission was granted. The notification shall state: -
  - a. The date on which the dealing occurred
  - b. The consideration of the dealing, and
  - c. The number of iCreate securities involved in the dealing, both in absolute terms and as a percentage of all issued securities of that class in the Company.
6. Include in the Board papers, a list of any approvals/denials to Relevant Persons of trading in iCreate securities by themselves and/or their Connected Parties during the Blackout Period and the details of the communication with the JSE.
7. Promptly, (on the day of or day after receipt of correspondence) notify the Jamaica Stock Exchange of trades in iCreate' securities by directors and senior managers and/or their connected persons.
8. Include in the Board papers, a list of any new notifications received from Relevant Persons of trading in iCreate securities by themselves and/or their Connected Parties.

# Corporate Governance Cont.

## Responsibilities of Relevant Persons

"Relevant Persons" are: -

Directors and Senior Managers of iCreate

Chief Executive Officer, General Manager and administrative staff in those offices.

All employees of the Accounts department

The Company's Agents or Contractors

Any person associated with the Company who is, or may be in possession of price-sensitive information

Any person whom the Board of Directors has declared will become aware of price sensitive information. (This prohibition will remain until the Board has cancelled this declaration or the information has been released to the JSE on a non-confidential basis).

In order not to contravene this policy, that is, the Relevant Person or any of their Connected Parties shall not buy, sell, or otherwise deal in iCreate Listed Securities during the No Trade/Black-Out Periods.

Connected parties are defined as:

a spouse, meaning a husband or a wife in a legal marriage, or a woman living together in a conjugal relationship outside of marriage with a man as if she were in law, his wife; or a man living together in a conjugal relationship outside of marriage with a woman as if he were, in law, her husband.

the dependents and their spouses

minor children

entities controlled by the Relevant Person and

entities controlled by any of the above Connected Persons of a Relevant Person

## For Normal Trading (outside of the blackout period)

The relevant persons must provide prior written notice to the Company Secretary (or in his/her absence the General Manager or the Chief Executive Officer) in writing of all trades in iCreate Listed Securities by themselves or their Connected Parties. This advice to the Company Secretary must be given on the day that each such trade takes place.

## Responsibilities of the Board of Directors

Consider whether particular information may be price-sensitive, and may require the communication of that declaration on a confidential basis to those Relevant Persons whom it is intended or expected are or will become aware of that information. The declaration should subsequently be cancelled once the information is no longer deemed to be price sensitive;

Take appropriate action against any Director who contravenes the Policy.

Review the Policy at least every two years to determine whether it should be amended or replaced.

# Who We Are

iCreate Limited began as a training institute based in Kingston, Jamaica, offering creative courses to foster the growth of Jamaica's creative and digital economies. The Company has now begun the transition to become a Digital and Creative Conglomerate that aims to serve the wider Caribbean. In 2022, we acquired e-Commerce company, GetPAID Limited, and initiated the acquisition of Digital out-of-home Advertising company, Visual Vibe Limited.

iCreate's goal is to fuel the digital and creative economy across Jamaica, the West Indies, and the Caribbean. The Company is listed on the Jamaica Stock Exchange Junior Market.

## iCreate Limited Highlights



8,000+  
Individuals  
Certified

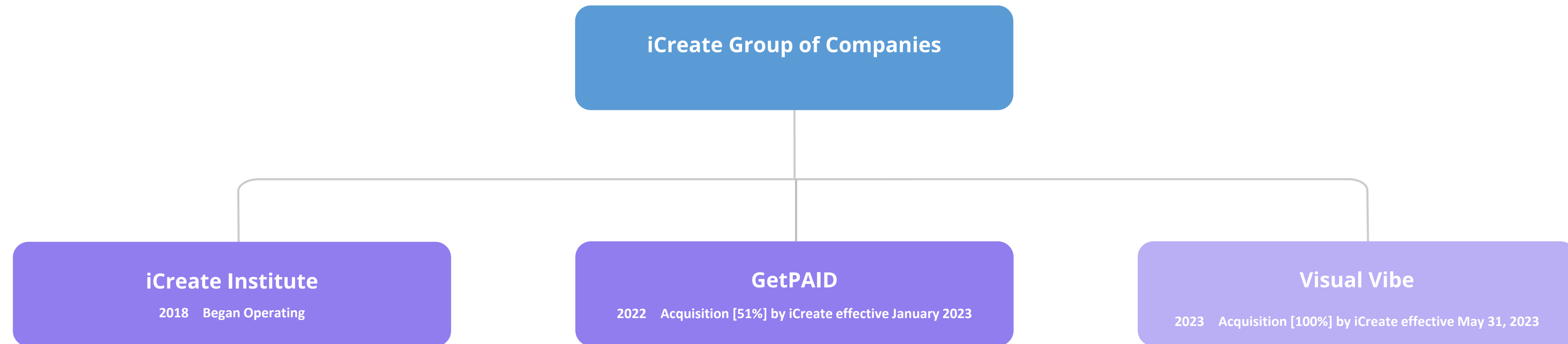


25+  
Courses



5+  
Countries

# iCreate Group Structure



## iCreate Group Structure

With the acquisition of GetPAID Group limited effective January 2022, iCreate transitioned to a Group of Companies. The group will further expand once the Visual Vibe acquisition is completed in 2023.

Each iCreate company leads innovation in their industries and integrates creative and digital skills for the growth of these economies.

iCreate Limited has two divisions –


iCreate Institute - Digital and creative skills training

Vertical Creative – Content creative agency and video production

# Introducing GetPaid

The logo for GetPAID Suite features a stylized orange icon on the left, composed of three horizontal bars of varying lengths and a central vertical bar. To the right of the icon, the text "GetPAID" is written in a bold, dark teal font, and "Suite" is written below it in a lighter teal, sans-serif font.

# GetPAID Suite




DIGITAL TRANSFORMATION STRATEGY



TECHNICAL SOLUTION DESIGN



WEBSITE DEVELOPMENT



ECOMMERCE APPS



PAYMENT SYSTEMS




MANAGED PAYMENT SERVICES



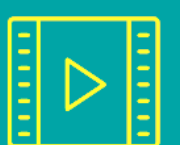
CLOUD SMS GATEWAY




SMS GEOTARGETING




CLOUD HOSTING



VIDEO ADVERTISING



DIGITAL CAMPAIGNS



LIVE CHAT SUPPORT

# Our Group Leadership Team

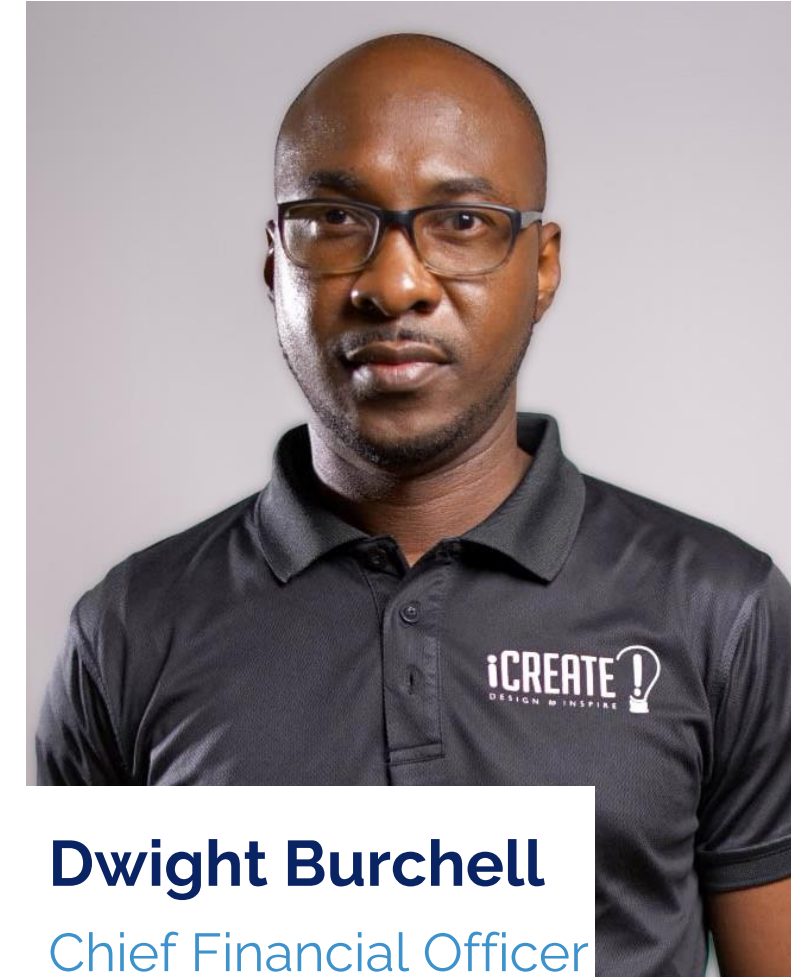


**Tyrone Wilson**  
Founder, President  
& CEO

Tyrone Wilson is the dynamic Founder, President & CEO of iCreate Limited, a distinguished entity listed on the Jamaica Stock Exchange - Junior Market. iCreate stands as a leading Digital and Creative Group of Companies, encompassing divisions in Advertising, Training, Media, and Entertainment.

Under Tyrone's visionary leadership, iCreate has thrived as an innovative force in the industry, marking its prominence in the digital landscape.

(Tyrone resigned in August 2023)



**Dwight Burchell**  
Chief Financial Officer

Dwight is a seasoned Chartered Accountant with over 15 years of experience. Since January 2022, he has been the Chief Financial Officer at iCreate Limited. A distinguished Fellow of the Institute of Chartered Accountants of Jamaica (ICAJ), Dwight holds an M.Sc. in Accounting from the University of the West Indies, Mona, and a BBA from the University of Technology, Jamaica. With a background as an Auditor at Mair Russell Grant Thornton, he contributed to audits of major Multinational Funding Agencies like IDB, Global Fund, World Bank, and USAID. Dwight also served as the accountant for 3M Interamerica Inc for over 9 years, overseeing Accounting and Finance Reporting.

(Dwight resigned in May 2023)



**Declan Tully**  
Chief Revenue Officer

Declan is a seasoned advertising and sales professional with 20+ years of expertise in both traditional and digital advertising across Europe and the Caribbean. He kick-started his career at TV3, Ireland's leading commercial TV station, helping it ascend to become a pivotal player in media plans. Transitioning into the digital realm, Declan managed sales for a prominent agency, representing major brands like BBC, IMDB, Shazam, and CBS.

Relocating to Jamaica in 2015, he assumed the role of Group Head of Revenue at Trend Media, catalysing growth in the Caribbean's digital advertising landscape. Declan joined the team on January 1, 2022, as Chief Revenue Officer.

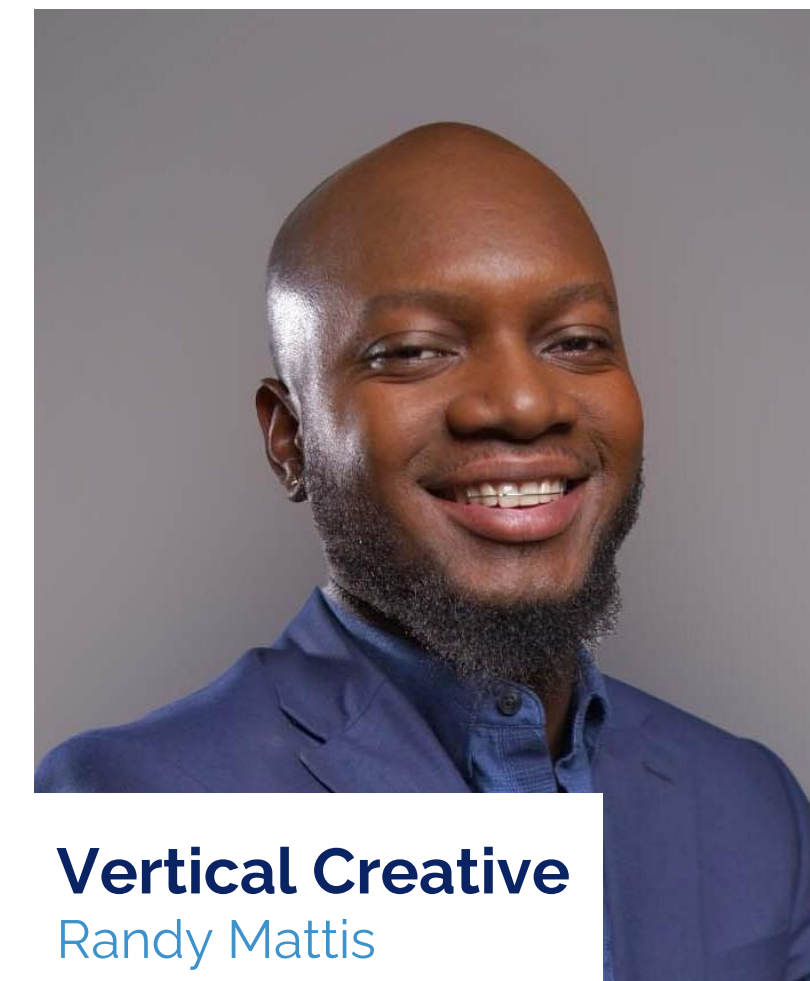
(Declan moved on in July 2023)



# — Our iCreate Leadership Team



**iCreate Institute**  
Dominic Summers  
Programme Manager  
(Resigned in December 2022)



**Vertical Creative**  
Randy Mattis  
Manager

# Our Subsidiary Leadership



**GetPAID**  
Leighton Campbell  
Founder, President  
& CEO

# New Group Leadership Team

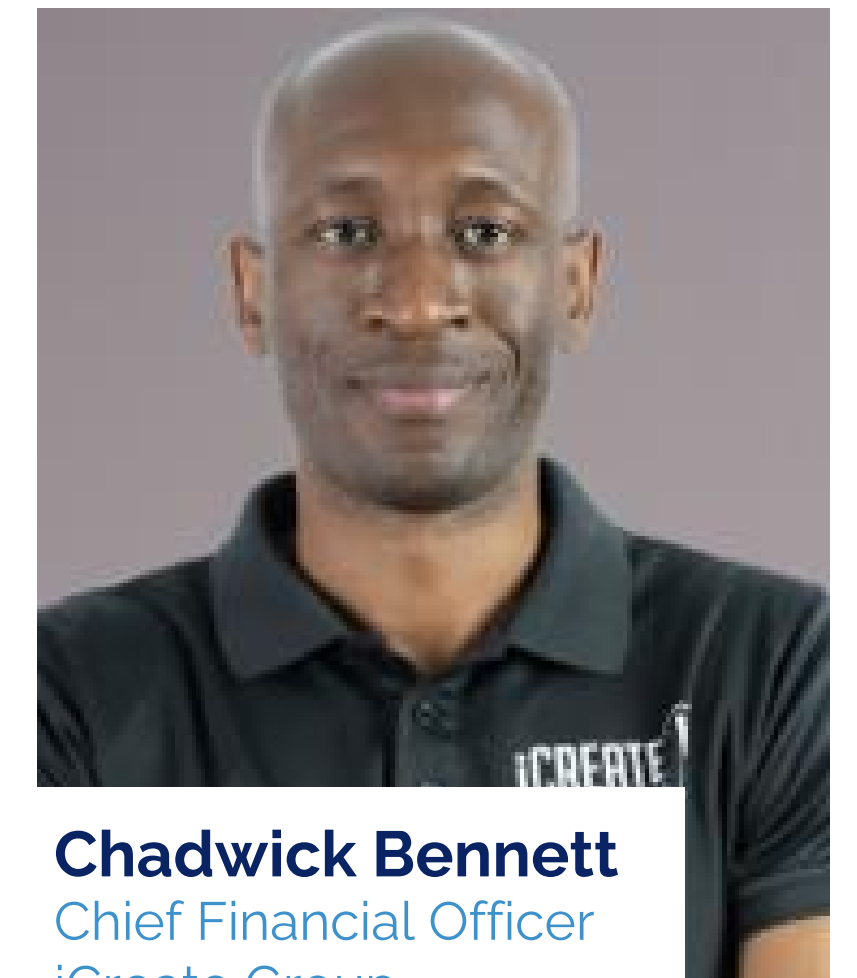
As of August 2023



**Ivan Carter**  
Interim Chairman  
iCreate Group



**Arlene Martin**  
Interim President & CEO  
iCreate Group



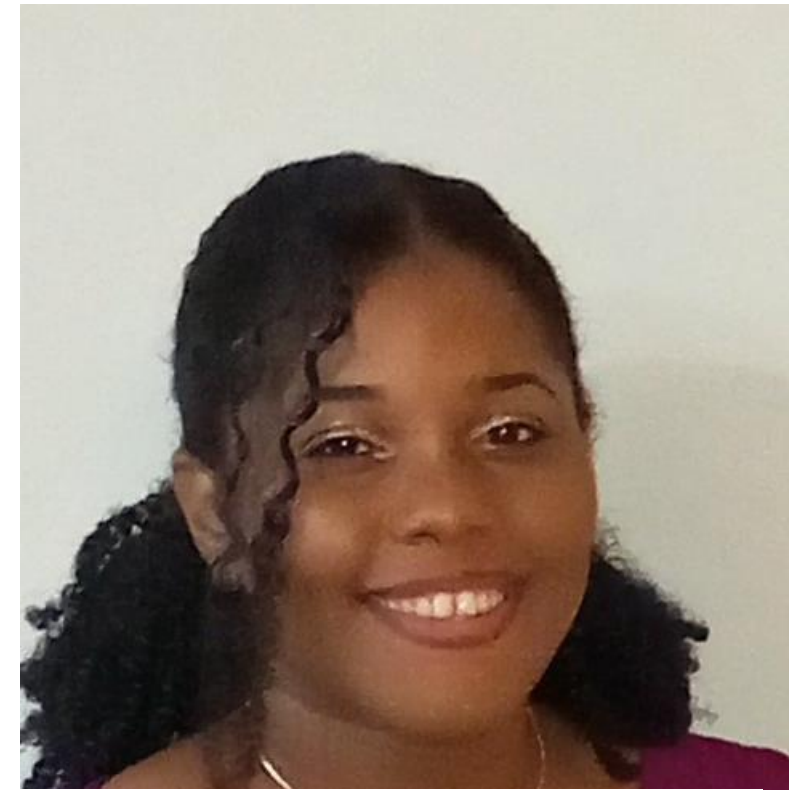
**Chadwick Bennett**  
Chief Financial Officer  
iCreate Group

# Our Board Mentor



**Colando Hutchinson**  
JSE Board Mentor

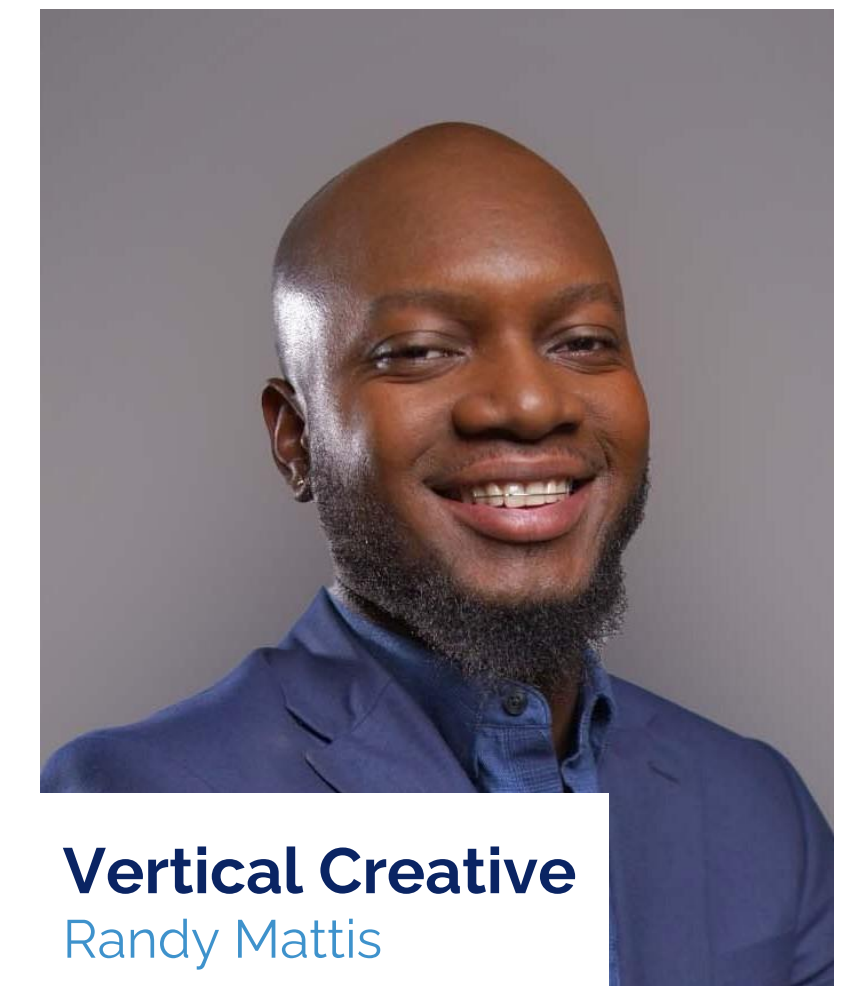
# — Our New iCreate Divisional Leadership Team



**iCreate Institute**  
Ayana Graham  
Interim Programme Manager



**Vertical Creative**  
Rochelle Burnett  
Manager

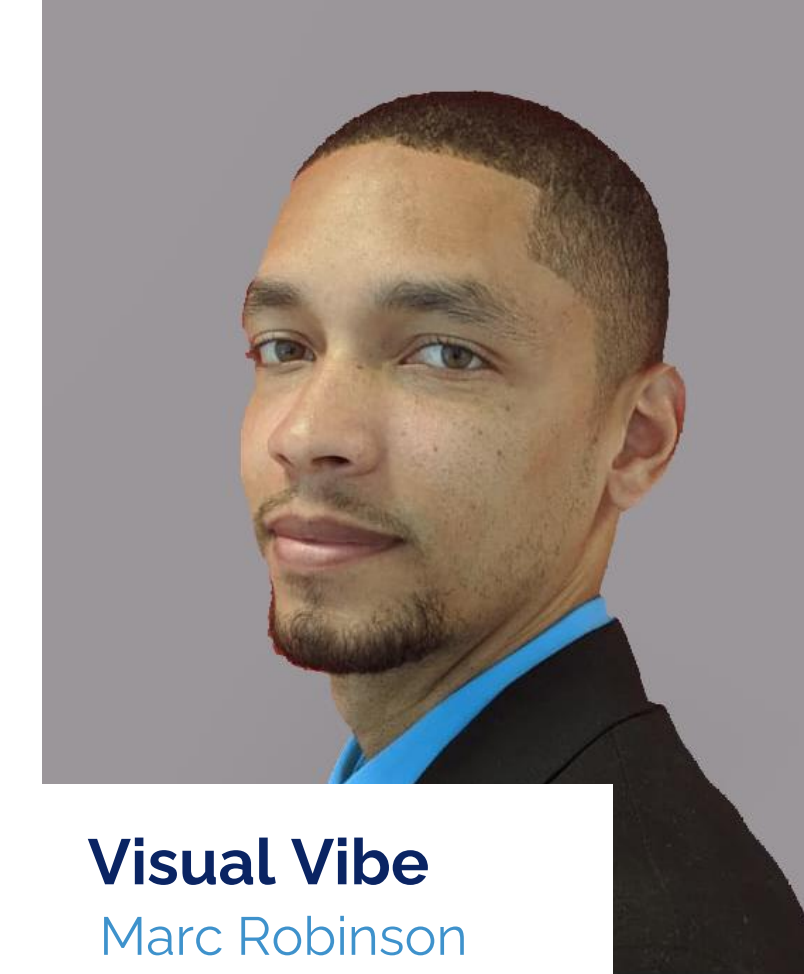


**Vertical Creative**  
Randy Mattis  
Manager, Projects

# Our Subsidiary Leadership

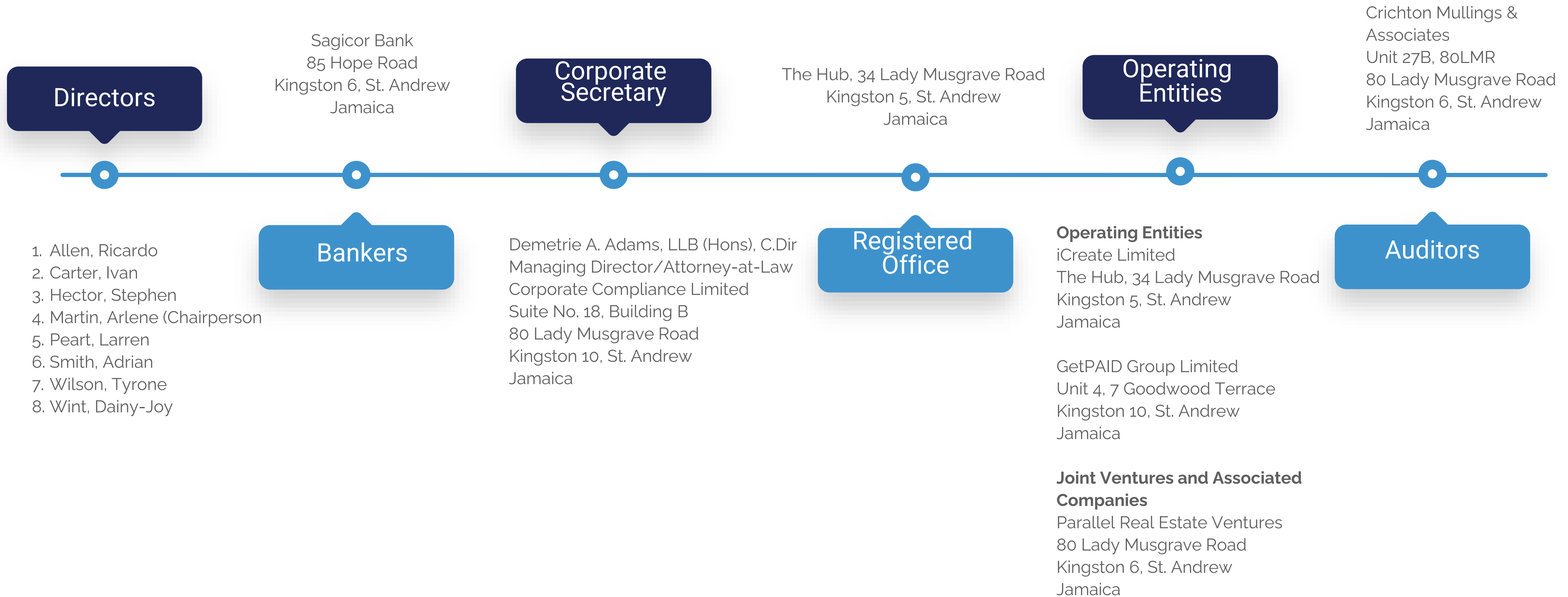


**GetPAID**  
Leighton Campbell  
Founder, President  
& CEO



**Visual Vibe**  
Marc Robinson  
General Manager

# Corporate Data

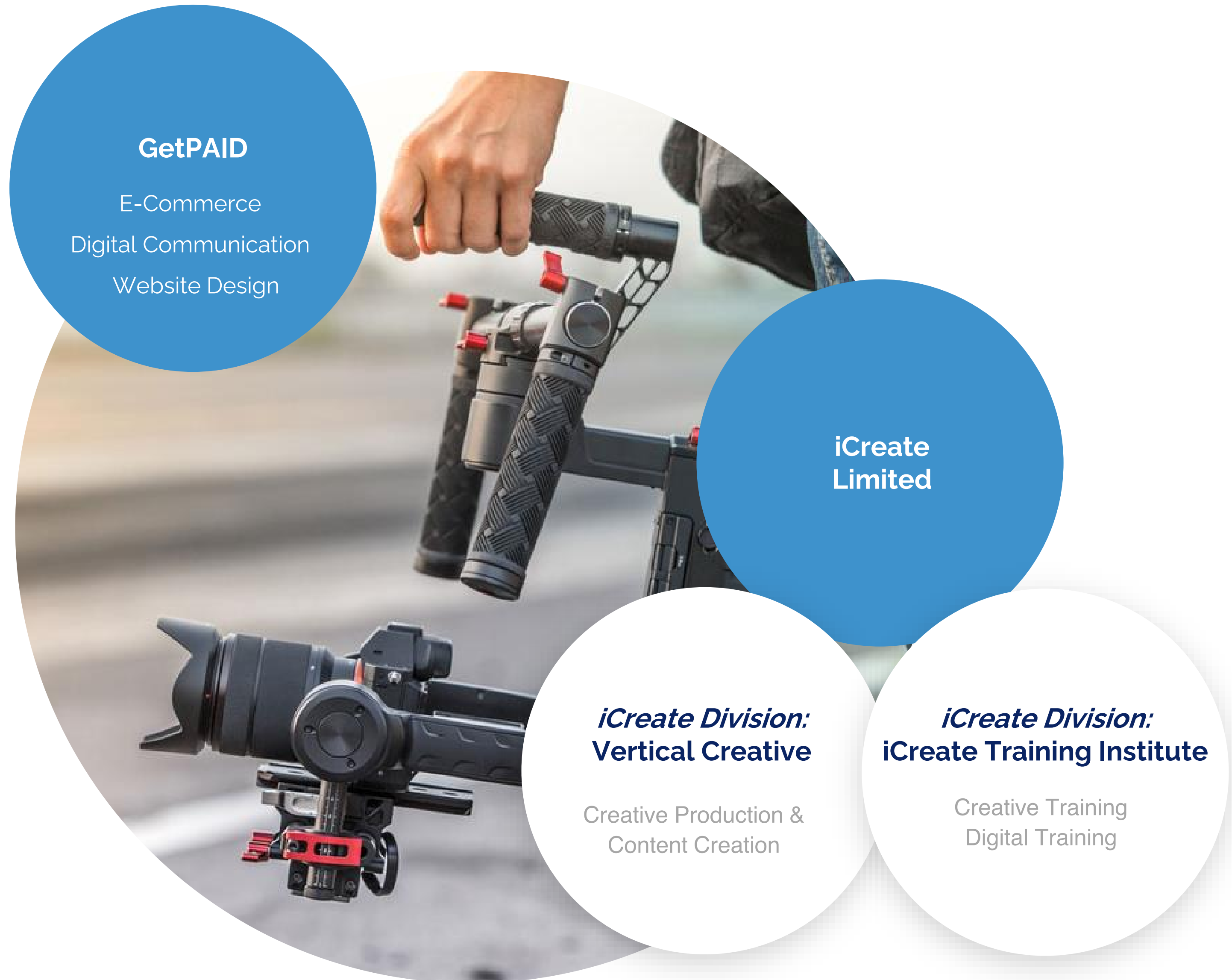


# Management Discussion & Analysis

## Executive Summary & Introduction *Towards Acquisition-led Growth*

The Leadership Team of iCreate Limited takes pleasure in presenting the financial statements for the year ending December 2022. It was a year in which the COVID-19 recovery was still taking place across several industries and for many businesses that were impacted by the pandemic, including iCreate. During the year the group continued to focus on the business recovery strategy, the main element being our Merger & Acquisitions (M&A) strategy. The outcomes of this M&A strategy were (i) the completed acquisition of GetPAID Group Limited (GetPAID) via the purchase of 51% equity interest in the company and (ii) the signing of a purchase agreement for Visual Vibe.com Limited (Visual Vibe). Consequently, 2022 marks the first annual reporting period for iCreate Limited as a group. At the end of the fiscal year the acquisition of Visual Vibe had not yet closed, however.

Growth in 2023 is expected to be the result of the revenue performance of each entity within the group: the **I n s t i t u t e** focuses on the delivery of core programmes to target groups including corporate entities, new GetPAID clients resulting from maximised reach, and upgrades of the Visual Vibe network.



## Our Purpose Growing the Digital & Creative Economies

iCreate Limited is dedicated to the advancement of the digital and creative economies in Jamaica, the Caribbean and across Latin America.

1

It seeks to (a) prepare the workforce for this growing industry through the iCreate Institute while also (b) providing creative expertise and resources for the benefit of our client base through Vertical Creative.

2

We are committed to delivering access to the skills required today and tomorrow for the growth of our digital and creative economies in the region, and therefore seek global training partnerships as we also build our training and instructional talent.

3

Each iCreate company leads innovation in their industries and integrates creative and digital skills for the growth of these economies. The subsidiaries are (1) digital and creative skills training firm - iCreate Institute, (2) e-Commerce and digital communication company - GetPAID and (3) Digital Out-Of-Home Advertising (DOOH) company - Visual Vibe.



# Management Discussion & Analysis Cont.



## Financial Position

There was major growth during the year. The Group ended the fiscal year with consolidated total assets at \$718.1 million up from \$75.6 million in 2021; and equity attributable to shareholders of the parent moving from \$9.6 million in 2021 to \$457.5 million. These improvements are a result of a successful capital raise done by the Company in 2022. Additionally, GetPAID contributed \$48.0 million to the Group's assets base. The growth is primarily a result of funds raised to support the company's acquisition strategy.

At year-end, the company had also advanced approximately \$470.6 million in deposit for the Visual Vibe acquisition, which is expected to close in 2023. Consequently, the expected returns from this increase in capital is expected to start positively impacting the company's performance when the acquisition is completed in 2023.

### Summary of Financial Position

	2022	2021	% Change
Assets	718,129,255	75,557,779	850%
Liabilities	243,002,073	65,995,904	268%
Equity	457,529,009	9,561,875	4,685%

# Management Discussion & Analysis Cont.



## Operations

Revenue increased by 143% from \$32.8 million in 2021 to \$79.6 million in 2022, which generated net loss of \$46.8 million. GetPAID Group Limited earned \$32.3 million in revenue that was the main contributor to the increase. The increase in the Group net loss is a result of both entities operating at a loss: GetPAID added \$14.1 million of the net loss, and iCreate's losses remained flat. The net loss attributable to shareholders in 2022 was \$39.9 million, which increased over the previous year of \$32.3 million.

### Summary of Profit and Loss

	iCreate		GetPAID		TOTAL		% Change
	2022	2021	2022	2021	2022	2021	
<b>Revenue</b>	47,381,388	32,826,894	32,250,571	NA	79,631,959	32,826,894	142.6%
<b>Cost of Sales</b>	(14,784,389)	(8,340,284)	(15,387,341)	NA	(30,171,730)	(8,340,284)	261.8%
<b>Gross Revenue</b>	32,596,999	24,486,610	16,863,230	NA	49,460,229	24,486,610	102%
<b>Other Income</b>	744,219	5,326,929	106	NA	744,325	5,326,929	-86%
<b>Admin Expenses</b>	(47,533,850)	(39,073,555)	(20,150,531)	NA	(67,684,381)	(39,073,555)	73.2%
<b>Expected Credit Losses</b>	(13,837,799)	(8,532,561)	(10,315,209)	NA	(24,153,008)	(8,532,561)	183.1%
<b>Finance Costs</b>	(4,728,994)	(9,893,012)	(482,957)	NA	(5,211,951)	(9,893,012)	-47.3%
<b>Other Costs (lease w/o)</b>	-	(4,576,709)	-	NA	-	(4,576,709)	100%
<b>Net loss</b>	(32,759,425)	(32,262,298)	(14,085,362)	NA	(46,844,787)	(32,262,298)	45.2%
<b>Net Loss attributable to shareholders</b>	(32,759,425)	(32,262,298)	(7,183,535)	NA	(39,942,960)	(32,262,298)	23.8%
<b>Non-controlling Interest</b>	-	-	(6,901,827)	NA	(6,901,827)	-	-

The Company, iCreate, contributed about 60% of revenue. Each company's performance is presented later.

Performance Ratios	2022			2021
	iCreate	GetPAID	Group	iCreate
<b>Gross Profit Margin</b>	68.8%	52.3%	62.1%	74.6%
<b>Admin Expenses Ratio</b>	98.8%	62.5%	84.2%	102.4%
<b>Net Profit Margin</b>	-69.1%	-43.7%	-58.8%	-98.3%



# Management Discussion & Analysis Cont.



## Operations Contd.

The gross margin moved from 74.6% for the entity in 2021 to 62.1% for the Group in 2022 and is a result of high-volume products within the Group that produces lower margins, such as revenue from SMS communication . Notwithstanding this, improvements in the gross margin will be achieved from diversification of the Group product offering with emphasis on highest growth in the high-margin services: e-Commerce agency solutions for which there is a growing market demand in the region, marketplace solutions, digital payment solutions and project-based services as well as from scaling its current systems in the case of GetPAID and maintaining the mix of revenue streams for iCreate.

The Group expense ratio averaged 195% in 2022, which is below the 2021 ratio of 232%. Management anticipates further improvement in the coming year, using a combination of revenue growth strategies and efficiency by exploring synergies within the Group.

This acquisition has begun to impact performance and will continue to improve the group's results. The combination of cost management and increased revenue will improve net profit results. The Group has significant opportunities to leverage synergies across subsidiaries, to improve efficiencies in operations, resulting in lower total expenses, which will be explored in 2023. The completion of the Visual Vibe acquisition is a key objective and is expected to vastly improve the performance of the Group.

# Management Discussion & Analysis Cont.



## Cash Flow

The Group recorded negative operating cash flow of \$32.5 million for 2022, compared to \$23.0 million in 2021. The Group will continue to focus on revenue growth to offset the operational cost base necessary for the entities to operate effectively. Additionally, as the Group starts unlocking the synergies of the entities, this will also positively impact the cost structure. A number of strategies are being pursued to strengthen cash flows of the Group moving forward. The priority strategies, which will simultaneously improve profitability, include:

- Driving sales to grow revenue across all business units
- Diversification to increase revenue channels
- Controlling operating expenses.

During the year, the Group raised additional capital of \$462.4 million (net of transaction costs), which will be utilised in the acquisition of the Visual Vibe subsidiary.

The M&A Strategy resulted in:

Ratios	2022	2021
Return on assets	-11.8%	-57.7%
Return on equity	-20.17%	-370.5%
Debt to equity ratio	0.05x	3.07x
Total asset growth	850.4%	107.8%
Shareholders' Equity Growth	4684.9%	65.5%

### Performance Summary and Outlook

A significant deposit was made on the Visual Vibe transaction, which has not yielded a return: consequently, the return on assets is expected to improve when the acquisition is finalised and Visual Vibe becomes a revenue-generating unit within the group. We expect this acquisition to contribute positively in all performance metrics for the Group.

1

Confidence in the revenue strategy is based on the external environment with economic recovery continuing in 2023 and the focus on revenue growth. This will be supported by the continued building of the appropriate composition and talent for the Executive Leadership of the group as well as strengthening the teams for each operational entity, while enhancing the systems and processes to be employed by the Group.

2



# Management Discussion & Analysis Cont.



## iCreate Limited

iCreate continued to be a key player in the creative and digital skills training sector. The company expanded its avenues to reach our target segment to add value through partnerships with leading established foundations. Our creative agency also continues to deliver world-class video production by securing significant projects and clients. New major clients and projects not only added to the revenue, but allows us to connect our offering from training to creative service delivery for our partners. iCreate Limited was severely set back with the onslaught of COVID 19 during 2021 and 2021 in particular, but has not yet fully recovered given the changed behaviours of our target markets.

The Company recorded revenue of \$47.4 million in 2022, which is a growth of 44.3% over the comparative year of \$32.8 million. Total revenue for the year comprised of \$27.4 million generated by iCretae Institute and \$20 million by Vertical Creative. Notwithstanding this, the increase in expected credit loss (ECL) provision (conservative positions taken) and other administrative expenses has resulted in the company recording a net loss comparable to the prior year.

	2022	2021	% Change
Revenue	47,381,388	32,826,894	44.3%
Cost of Sales	(14,784,389)	(8,340,284)	77.3%
Gross Revenue	32,596,999	24,486,610	33.1%
Other Income	744,219	5,326,929	-86.0%
Admin Expenses	(47,533,850)	(39,073,555)	21.7%
Expected Credit Losses	(13,837,799)	(8,532,561)	62.2%
Finance Costs	(4,728,994)	(9,893,012)	-52.2%
Other Costs (lease w/o)	-	(4,576,709)	100%
Net Loss	(32,759,425)	(32,262,298)	1.5%

Revenue for the Institute division was generated from two main sources, namely corporate workshops (\$16.7 million) and digital training programmes (\$10.6 million). The Vertical Creative agency division generated revenue from video production (\$20.0 million).

Despite the improvement in revenue, expected credit loss increased to \$13.8 million, which was \$5.3 million above the 2021 amount of \$8.5 million. Consequently, the company recorded net loss of \$32.8 million, which is \$0.5 million above the prior year.

iCreate Limited gross margin fell to 68.8% in 2022, mainly as a result of an increase video production, which has higher direct costs.

In April 2022, the company announced that the Creative City project was not going to be undertaken. The property owner for the proposed project accepted a deal from another company. This initiative will not be pursued in 2023.

# Management Discussion & Analysis Cont.



## GetPAID

GetPAID is a key player in digital communications, e-Commerce and website development. The company has begun to offer its eCommerce services regionally, including via a key regional development partner, and is also serves major global brands to deliver SMS communication services to Jamaica. GetPAID not only provides customised solutions, but has industry-leading proprietary software in the in-demand and sustainable sector of digital communications.

	2022
Revenue	32,250,571
Cost of Sales	(15,387,341)
Gross Revenue	16,863,230
Other Income	106
Admin Expenses	(20,150,531)
Expected Credit Losses	(10,315,209)
Finance Costs	(482,957)
Net loss	(14,085,362)
Net Loss attributable to shareholders	(7,183,535)
Non-controlling Interest	(6,901,827)

Of the \$14 million loss, the iCreate

At the end of the year ending December 2022, its revenue was \$32.3 million, with a gross profit margin of 52%. GetPAID earned most of its revenue from SMS services, which while it is a high-volume business provides low margins and limits the company's return. The company therefore invested in the groundwork to build out other revenue channels that will bring greater revenue and profit in the coming years. Significant growth can be expected from GetPAID in 2023 and beyond.

GetPAID recorded a net loss of \$14.1 million for the year, mainly as a result of expected credit loss and amortisation of intangible assets (proprietary software).

# — MD&A Cont.

## CSR and Leadership

Partnering with the NCB  
Foundation we reached  
3,000 persons.

## Corporate Social Responsibility

With the purpose of fuelling our digital and creative industries, iCreate participates in activities that enhance skills, as well as those that amplify the importance and impact on businesses from applying these skills. iCreate sees CSR in two aspects: [1] – giving back and sponsoring, but also [2] providing services to community segments that endows to their upliftment.

iCreate maintained its sponsorship of the Bank of Nova Scotia Vision Achievers programme, which it has supported since 2018. Under this partnership in 2022 iCreate provided training to all twenty-five [25] programme participants.

To increase reach to individuals the Institute partnered with the NCB Foundation and the GraceKennedy Foundation to offer its programmes. iCreate reached individuals through the NCB Foundation Level Up Programme that offers skills-training to a target of 3,000 unemployed Jamaicans. In partnership with the GK Foundation, training was offered to certify fifteen [15] individuals.

## Management Team

While existing leadership remained in place, from the beginning of 2022 iCreate Limited strengthened the team to acquire the skills and expertise to better support its strategic growth.

The Chief Revenue Officer, CRO, role at the group level was added and addressed the creation of sales strategies for the group entities as well as leadership support for the execution of these strategies. The group approach allowed unified relationship management of common clients and the alignment of service packages. From an operational perspective, all entities are aligned to common frameworks, processes and tools. The role took effect January 2022 with the appointment of Mr. Declan Tully.

Subsequent to the year-end 2022, there were a number of senior Team Member changes.

# External Environment

The economic recovery Jamaica experienced in 2022 is expected to continue in 2023. The country experienced an estimated 5.1% growth in real GDP according to the Planning Institute of Jamaica, PIOJ, and the growth is expected to continue in 2023. Inflation was however higher than the target, at 9.4%, and local and international economic entities have published that inflation is set to decrease in 2023 to about 7%.

2023 began on a positive note with higher consumer and business confidence for the final quarter to close out 2022. Notwithstanding the challenging environment in 2022, iCreate was able to raise over \$462.4 million for its acquisition of Visual Vibe. During the year the company attained a peak value of its share price, experiencing as high as \$4.64 during the year as the market responded positively to the performance and strategy of the company.

All these industry segments are growing in Jamaica and across the region, and companies in these industries in which iCreate operates are also exploiting opportunities for growth. In addition to leveraging the innovation of these first-movers in each of these industries we will leverage the synergy of the group as well as new strategic alliances for growth.

**Overall trends indicating sustained increase in digital activities and continued transformation towards digital support all iCreate businesses:**

**iCreate Institute:** online learning trends are driven by acquiring new skills, micro-learning, learning anywhere and mobile learning, among others, and support increased registration for the digital and creative courses that are offered.

**GetPAID:** increases in social commerce, personalisation, as well as subscription services will continue to foster e-commerce growth; with the industry also expected to expand based on technology advancements such as how augmented and virtual reality are supporting online shopping as well as AI.

**Visual Vibe:** alternate out-of-home advertising is the fastest growing advertising segment and continues to capture market from traditional media; innovation in the sector in technology, content, location and partnerships continue to drive growth.



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# Audited Financial Statements



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**Leary Mullings**  
 FCA, CPA, MBA  
 Senior Partner

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**INDEPENDENT AUDITOR'S REPORT**

**To the members of  
 iCreate Limited**

**Report on the Audit of the Consolidated and Company Financial Statements**

**Qualified Opinion**

We have audited the accompanying financial statements of iCreate Limited (the "Company") and the consolidated financial statements of the Company and its subsidiary (the "Group"), set out on pages 7 to 39 which comprise the Group and Company's statements of financial position as at December 31, 2022, the Group's and Company's statements of comprehensive income, the statements of changes in equity, and the statements of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements give a true and fair view of the financial position of the Group and the Company as at December 31, 2022 and of its consolidated and separate financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") and the Jamaican Companies Act (the "Act").

**Basis for qualified opinion**

1. Our audit procedures were limited by the absence of comprehensive and reliable documentation supporting intellectual property rights and valuation of computer software held in the subsidiary (note 6). This limitation impacted our ability to assess the accuracy and completeness of the accounting treatment.
2. As at the year end, the Company had made significant payments on an enforceable agreement to purchase the shares in an advertising firm. Due to the timing and nature of the acquisition, we are not able to carry out audit procedures to assess the impairment of the asset as required by auditing standards (note 25).

We emphasize that the nature and magnitude of these concerns are such that they do not lead us to conclude that the financial statements are materially misstated. However, users of the financial statements are advised to consider the impact of these limitations when interpreting the financial information.

**Emphasis of Matter**

The accompanying financial statements have been prepared on a going concern basis. As further discussed in the Key Audit Matters section of this audit report, the Company has made losses each year since its inception. This may cast doubt as to the Company's ability to continue as a going concern. Management has put forward plans to address this concern (note 26). Our opinion is not modified with respect to this matter.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group and Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants including International Independence Standards (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### Independent Auditor's Report (cont'd)

#### To the members of iCreate Limited

#### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Going concern

The Group financial statements have been prepared on a going concern basis.

The Group has made losses since its inception in 2018 and has raised equity and borrowed funds to finance its operations. At December 31, 2022, accumulated losses shown in the statement of financial position amount to \$162 million.

The going concern assumption has been included as a key audit matter as it relies on future revenue growth to generate sufficient cash flows to cover necessary expenditure.

In assessing the appropriateness of the going concern assumption used in preparing the Group's financial statements, our procedures included, amongst others:

- Assessing the cash flow requirements of the Group over the twelve (12) months beginning January 1, 2023 based on budgets and forecasts;
- Understanding what forecast expenditure is committed and what could be considered discretionary;
- Considering the liquidity of existing assets on the statement of financial position;
- Considering management's plan to reorganize and profitably operate the business;
- Considering the terms of the bond and bank overdraft facility and the amount available for drawdown; and
- Considering potential downside scenarios and the resultant impact on available funds.

Continuation as a going concern may be in doubt and is dependent on management action and the raising of additional financial support. No adjustments have been made in the financial statements for any effects that this may have on the carrying values of assets and liabilities as reported in the financial statements.

### Independent Auditor's Report (cont'd)

#### To the members of iCreate Limited

#### Other information

Management is responsible for the other information. The other information comprises information included in the annual report but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate with the Board of Directors.

#### Responsibilities of management and those charged with governance for the consolidated and company financial statements

Management is responsible for the preparation of the consolidated and company financial statements that give a true and fair view in accordance with IFRS and the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and company financial statements, management is responsible for assessing the Group's and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and Company, or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

### Independent Auditor's Report (cont'd)

To the members of  
**iCreate Limited**

#### Auditor's responsibilities for the audit of the consolidated and company financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the consolidated and company financial statements is included in the Appendix to this auditor's report. This description, which is located at pages 5-6, forms part of our auditor's report.

#### Report on additional matters as required by the Act

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit. In our opinion, proper accounting records have been maintained, so far as appears from our examination of those records, and the financial statements, which are in agreement therewith, give the information required by the Act, in the manner required.

The engagement partner on the audit resulting in this independent auditor's report is Leary Mullings.

*CrichtonMullings & Assoc.*  
CrichtonMullings & Associates  
Chartered Accountants

Kingston Jamaica  
September 29, 2023

### Independent Auditor's Report (cont'd)

To the members of  
**iCreate Limited**

#### Appendix to the independent auditor's report

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent Auditor's Report (cont'd)

To the members of  
**iCreate Limited**

Appendix to the independent auditor's report (cont'd)

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**iCREATE LIMITED**  
**GROUP STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2022**

	<u>Notes</u>	<u>2022</u>
		<u>\$</u>
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	5	4,425,624
Intangible assets	6	48,380,405
Deposit on acquisition of subsidiary	8 [i]	470,597,609
<b>Total non-current assets</b>		<b>523,403,638</b>
<b>Current Assets</b>		
Trade and other receivables	9	5,398,145
Due from related parties	10	6,818,963
Deferred costs of acquisition in progress	8 [ii]	176,041,605
Cash and bank balances	11	6,466,904
<b>Total current assets</b>		<b>194,725,617</b>
<b>Total Assets</b>		<b>718,129,255</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Issued share capital	12	587,026,164
Revaluation surplus	13	7,070,947
Convertible preference shares	14	25,500,000
Accumulated deficit		(162,068,102)
		457,529,009
<b>Non-controlling interest</b>	15	17,598,173
<b>Total equity</b>		<b>475,127,182</b>
<b>Non-current Liabilities</b>		
Deferred tax liability	16	289,215
Loans payable	17	15,200,000
<b>Total non-current liabilities</b>		<b>15,489,215</b>
<b>Current Liabilities</b>		
Current portion of loans payable	17	6,255,326
Due to related parties	10	5,279,000
Trade and other payables	18	35,237,844
Payable on acquisition in progress	8 [iii]	176,041,605
Bank overdraft	11	4,699,083
<b>Total current liabilities</b>		<b>227,512,858</b>
<b>Total Equity and Liabilities</b>		<b>718,129,255</b>

The financial statements were approved for issue by the Board of Directors on  
September 29, 2023 and signed on its behalf by:

  
Director

  
Director

The accompanying notes form an integral part of the financial statements

**iCREATE LIMITED**  
**GROUP STATEMENT OF COMPREHENSIVE INCOME**  
**YEAR ENDED DECEMBER 31, 2022**

	<u>Notes</u>	2022 \$
<b>Revenues</b>	<b>4</b>	<b>79,631,959</b>
Direct cost		<u>(30,171,730)</u>
<b>Gross profit</b>		<b>49,460,229</b>
Other income		744,325
Administrative and general expenses	<b>19</b>	<b>(85,244,735)</b>
Depreciation and amortisation		<u>(6,592,655)</u>
<b>Operating loss</b>		<b>(41,632,836)</b>
Finance costs	<b>20</b>	<u>(5,211,951)</u>
<b>Net loss, being total comprehensive expense for the year</b>		<b><u>(46,844,787)</u></b>
<b>LOSS PER STOCK UNIT</b>		
<b>BASIC</b>	<b>21</b>	<b><u>(0.16)</u></b>
<b>DILUTED</b>	<b>21</b>	<b><u>(0.16)</u></b>
<b>Net loss attributable to:</b>		
Equity holders of the Group		<b>(39,942,960)</b>
Non-controlling interest	<b>15</b>	<u>(6,901,827)</u>
		<b><u>(46,844,787)</u></b>

**iCREATE LIMITED**  
**GROUP STATEMENT OF CHANGES IN EQUITY**  
**YEAR ENDED DECEMBER 31, 2022**

	<u>Note</u>	<u>Share Capital</u> \$	<u>Revaluation Surplus</u> \$	<u>Convertible Preference Shares</u> \$	<u>Accumulated Deficit</u> \$	<u>Total</u> \$	<u>Non- controlling Interest</u> \$	<u>Total Equity</u> \$
Balance at December 31, 2020		55,816,070	7,070,947	-	(89,862,844)	(26,975,827)	-	(26,975,827)
Paid-in-capital	<b>12</b>	68,800,000	-	-	-	68,800,000	-	68,800,000
Net loss, being total comprehensive expense for the year		-	-	-	(32,262,298)	(32,262,298)	-	(32,262,298)
Balance at December 31, 2021		124,616,070	7,070,947	-	(122,125,142)	9,561,875	-	9,561,875
Issue of share, net transactions costs	<b>12</b>	462,410,094	-	-	-	462,410,094	-	462,410,094
Preference shares	<b>14</b>	-	-	25,500,000	-	25,500,000	-	25,500,000
Non-controlling interest of subsidiary acquired		-	-	-	-	-	24,500,000	24,500,000
Net loss, being total comprehensive expense for the year		-	-	-	(39,942,960)	(39,942,960)	(6,901,827)	(46,844,787)
<b>Balance at December 31, 2022</b>		<b><u>587,026,164</u></b>	<b><u>7,070,947</u></b>	<b><u>25,500,000</u></b>	<b><u>(162,068,102)</u></b>	<b><u>457,529,009</u></b>	<b><u>17,598,173</u></b>	<b><u>475,127,182</u></b>

The accompanying notes form an integral part of the financial statements

**iCREATE LIMITED**  
**GROUP STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2022**

	2022
	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Net loss for the year	(46,844,786)
<b>Adjustment for items not affecting cash resources:</b>	
Depreciation and amortisation	6,592,655
Expected credit loss provision	14,642,665
Interest expense	4,533,527
	<u>(21,075,939)</u>
(Increase) / decrease in operating assets:	
Trade and other receivables	(12,664,295)
Due from related parties	3,020,341
Increase in operating liabilities:	
Trade and other payables	3,754,369
Cash used in operating activities	(26,965,524)
Interest paid	(4,533,527)
Net cash used in operating activities	<u>(31,499,051)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Acquisition of property, plant and equipment	(1,372,500)
Acquisition of intangible assets	(44,426,598)
Payment made on acquisition in progress	(470,597,609)
Net cash used in investing activities	<u>(516,396,707)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Issued share capital, net	487,910,094
Non-controlling interest of subsidiary acquired	24,500,000
Loan repayments	(9,716,718)
Net cash provided by financing activities	<u>502,693,376</u>
<b>NET DECREASE IN CASH AND BANK BALANCES</b>	<b>(45,202,382)</b>
<b>OPENING CASH AND BANK BALANCES</b>	<b>46,970,203</b>
<b>CLOSING CASH AND BANK BALANCES</b>	<b><u>1,767,821</u></b>
<b>REPRESENTED BY:</b>	
Cash and bank deposits	6,466,904
Bank overdraft	(4,699,083)
	<u>1,767,821</u>

The accompanying notes form an integral part of the financial statements

**iCREATE LIMITED**  
**COMPANY STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2022**

	Notes	2022	2021
		\$	\$
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	5	3,327,624	5,792,764
Intangible assets	6	7,656,024	7,806,822
Interest in subsidiary	7	25,500,000	-
Deposit on acquisition in progress	8 [i]	470,597,609	-
<b>Total non-current assets</b>		<u>507,081,257</u>	<u>13,599,586</u>
<b>Current Assets</b>			
Trade and other receivables	9	4,079,660	7,376,515
Due from related parties	10	6,818,963	7,465,091
Deferred expense on acquisition in progress	8 [ii]	176,041,605	-
Cash and bank balances	11	1,640,666	47,116,587
<b>Total current assets</b>		<u>188,580,894</u>	<u>61,958,193</u>
<b>Total Assets</b>		<u>695,662,151</u>	<u>75,557,779</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Issued share capital	12	587,026,164	124,616,070
Revaluation surplus	13	7,070,947	7,070,947
Convertible preference shares	14	25,500,000	-
Accumulated deficit		(154,884,568)	(122,125,142)
		<u>464,712,543</u>	<u>9,561,875</u>
<b>Non-current Liabilities</b>			
Deferred tax liability	16	289,215	289,215
Loans payable	17	15,200,000	28,190,218
<b>Total non-current liabilities</b>		<u>15,489,215</u>	<u>28,479,433</u>
<b>Current Liabilities</b>			
Current portion of loans payable	17	6,255,326	2,981,826
Due to related parties		-	2,904,786
Trade and other payables	18	28,464,379	31,483,475
Payable on acquisition in progress	8 [iii]	176,041,605	-
Bank overdraft	11	4,699,083	146,384
<b>Total current liabilities</b>		<u>215,460,393</u>	<u>37,516,471</u>
<b>Total Equity and Liabilities</b>		<u>695,662,151</u>	<u>75,557,779</u>

The financial statements were approved for issue by the Board of Directors on September 29, 2023 and signed on its behalf by:

  
 Director

  
 Director

The accompanying notes form an integral part of the financial statements

**iCREATE LIMITED**  
**COMPANY STATEMENT OF COMPREHENSIVE INCOME**  
**YEAR ENDED DECEMBER 31, 2022**

	<u>Notes</u>	2022 \$	2021 \$
<b>Revenues</b>	<b>4</b>	<b>47,381,388</b>	32,826,894
Direct cost		<u>(14,784,389)</u>	<u>(8,340,284)</u>
<b>Gross profit</b>		<b>32,596,999</b>	24,486,610
Other income		744,218	5,326,929
Administrative and general expenses	<b>19</b>	<b>(58,755,711)</b>	(48,846,659)
Depreciation and amortisation		<u>(2,615,938)</u>	<u>(3,336,165)</u>
<b>Operating loss</b>		<b>(28,030,432)</b>	(22,369,285)
Finance costs	<b>20</b>	<u>(4,728,994)</u>	<u>(9,893,013)</u>
<b>Net loss, being total comprehensive expense for the year</b>		<u><b>(32,759,426)</b></u>	<u><b>(32,262,298)</b></u>
<b>LOSS PER STOCK UNIT:</b>			
<b>BASIC</b>	<b>21</b>	<u><b>(0.11)</b></u>	<u>(0.17)</u>
<b>DILUTED</b>	<b>21</b>	<u><b>(0.11)</b></u>	<u>(0.17)</u>

The accompanying notes form an integral part of the financial statements



**iCREATE LIMITED**  
**COMPANY STATEMENT OF CHANGES IN EQUITY**  
**YEAR ENDED DECEMBER 31, 2022**

	<u>Note</u>	<u>Share Capital</u> <u>\$</u>	<u>Revaluation</u> <u>Surplus</u> <u>\$</u>	<u>Convertible</u> <u>Preference</u> <u>Shares</u> <u>\$</u>	<u>Accumulated</u> <u>Deficit</u> <u>\$</u>	<u>Total</u> <u>\$</u>
Balance at December 31, 2020		55,816,070	7,070,947	-	(89,862,844)	(26,975,827)
Paid-in-capital	12	68,800,000	-	-	-	68,800,000
Net loss, being total comprehensive expense for the year		-	-	-	(32,262,298)	(32,262,298)
Balance at December 31, 2021		124,616,070	7,070,947	-	(122,125,142)	9,561,875
Issue of share, net transactions costs	12	462,410,094	-	-	-	462,410,094
Preference shares	14	-	-	25,500,000	-	25,500,000
Net loss, being total comprehensive expense for the year		-	-	-	(32,759,426)	(32,759,426)
<b>Balance at December 31, 2022</b>		<b>587,026,164</b>	<b>7,070,947</b>	<b>25,500,000</b>	<b>(154,884,568)</b>	<b>464,712,543</b>

The accompanying notes form an integral part of the financial statements

**iCREATE LIMITED**  
**COMPANY STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2022**

	2022	2021
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss for the year	<b>(32,759,426)</b>	(32,262,298)
Adjustment for items not affecting cash resources:		
Depreciation and amortisation	<b>2,615,937</b>	3,336,165
Depreciation charge on right-of-use asset	-	554,568
Right of use interest expense	-	3,742
Derecognition of leasehold improvements	-	4,576,709
Expected credit loss provision	<b>4,327,456</b>	8,532,563
Interest expense	<b>4,533,527</b>	8,748,572
Amortization adjustment, net	-	(202,256)
	<b>(21,282,506)</b>	(6,712,235)
Increase in operating assets:		
Trade and other receivables	<b>(1,030,601)</b>	(8,450,741)
Due from related parties	<b>(2,258,657)</b>	(910,345)
(Decrease) / increase in operating liabilities:		
Trade and other payables	<b>(3,019,096)</b>	1,785,523
Cash used in operating activities	<b>(27,590,860)</b>	(14,287,798)
Interest paid	<b>(4,533,527)</b>	(8,748,572)
Net cash used in operating activities	<b>(32,124,387)</b>	(23,036,370)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of intangible assets	-	(223,696)
Interest in subsidiary	<b>(25,500,000)</b>	-
Payment made on acquisition in progress	<b>(470,597,609)</b>	-
Net cash used in investing activities	<b>(496,097,609)</b>	(223,696)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Lease payments, net	-	(612,618)
Issued share capital, net	<b>462,410,094</b>	68,800,000
Convertible preference shares	<b>25,500,000</b>	-
Loan proceeds	-	6,066,674
Loan repayments	<b>(9,716,718)</b>	(4,259,108)
Net cash provided by financing activities	<b>478,193,376</b>	69,994,948
<b>NET (DECREASE) / INCREASE IN CASH AND BANK BALANCES</b>	<b>(50,028,620)</b>	46,734,882
<b>OPENING CASH AND BANK BALANCES</b>	<b>46,970,203</b>	235,321
<b>CLOSING CASH AND BANK BALANCES</b>	<b>(3,058,417)</b>	46,970,203
<b>REPRESENTED BY:</b>		
Cash and bank deposits	<b>1,640,666</b>	47,116,587
Bank overdraft	<b>(4,699,083)</b>	(146,384)
	<b>(3,058,417)</b>	46,970,203

**iCREATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**1. IDENTIFICATION**

iCreate Limited is a Company incorporated in Jamaica under the Jamaican Companies Act (the "Act"). The registered office of the Company is 72 Old Hope Road, Kingston 6.

On January 31, 2019, iCreate Limited became a public listed entity on the Jamaica Stock Exchange Junior Market. Consequently, the Company is entitled to full remission of income taxes for the first five (5) years and fifty percent (50%) remission for the following 5 years providing it complies with the requirements of the Jamaica Stock Exchange Junior Market.

GetPAID Group Limited is a subsidiary of the Company incorporated in Jamaica under the Jamaican Companies Act (the "Act"). The subsidiary's registered office is at 7 Goodwood Terrace, Kingston 10.

The Company and its subsidiary are collectively referred to as the "Group". The principal activities of the Group are the provision of digital and creative training, e-commerce services and advertising.

At December 31, 2022, the Company owned 51% of the shares of GetPAID Group Limited.

**2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION**

**(a) Statement of Compliance**

The Group's financial statements have been prepared in accordance and comply with International Financial Reporting Standards (IFRS) and their interpretations issued by the International Accounting Standards Board and the relevant requirements of the Act.

The financial statements have been prepared under the historical cost basis and are expressed in Jamaican dollars, unless otherwise indicated.

The preparation of financial statements in conformity with IFRS and the Act requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the year then ended. Actual results could differ from these estimates.

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

**iCREATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION (CONT'D)**

**(b) Consolidation**

(i) Subsidiary

A subsidiary is an entity controlled by the Group. Control exists when the Group has the power, directly and indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of the subsidiary are included in the consolidated financial statements from the date the control commences until the date the control ceases.

(ii) Transactions eliminated on consolidation

Intra-group balances and any unrealized gains and losses or income and expenses arising from intra-group transactions are eliminated in preparing the group financial statements. Unrealized losses are eliminated in the same way as unrealized gains.

**(c) Changes in accounting standards and interpretations**

Certain new standards and interpretations of and amendments to existing standards have been published that became effective during the current financial year. The Group has assessed the relevance of all such new standards, interpretations and amendments and has concluded that the following new standards, interpretations and amendments are relevant to its operations:

- *IAS 1 'Presentation of Financial Statements - Amendment', issued January 2020.*  
Effective for periods commencing on or after 1 January 2022.
- *IAS 16 Property, Plant and Equipment - Proceeds before Intended Use - Amendment', issued May 2020.* Effective for periods commencing on or after 1 January 2022
- *IAS 37 'Onerous Contracts - Cost of Fulfilling a Contract - Amendments', issued May 2020*  
Effective for periods commencing on or after 1 January 2022
- *Annual Improvements to IFRS Standards - IFRS 1, IFRS 9 and IFRS 16, issued May 14, 2020.*  
Effective for periods commencing on or after 1 January 2022
- *References to Conceptual Framework in IFRS 3 - Amendment, issued May 2020*  
Effective for periods commencing on or after 1 January 2022.

The following new standards, amendments and interpretations, which are not yet effective and have not been adopted early in these financial statements, will or may have an effect on the Group's future financial statements:

- *IAS 1 'Classification of Liabilities as Current or Non-Current - Amendment', issued January 2020*  
Effective for periods commencing on or after 1 January 2024
- *IAS 8 'Definition of Accounting Estimates - Amendment', issued February 12, 2021.*  
Effective for periods commencing on or after 1 January 2023.
- *IAS 12 'Deferred Tax related to Assets and Liabilities arising from a Single Transaction- Amendment', issued May 2021*  
Effective for periods commencing on or after 1 January 2023
- *Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)*  
Effective for periods commencing on or after 1 January 2023.

The Board of directors anticipate that the adoption of the standards, amendments and interpretations, which are relevant to the Group in future periods is unlikely to have any material impact on the financial statements.

**iCREATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION (CONT'D)**

**(d) Use of estimates and judgements**

The preparation of the financial statements requires management to make judgements, as well as estimates, based on assumptions, 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 year then ended. Actual amounts may differ from these estimates.

The estimates, and the assumptions underlying them, 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

Judgements made by management in the application of IFRS that have a significant effect on the financial statements and estimates with material uncertainty that have a significant effect on amounts in the financial statements or that have a significant risk of material adjustment in the next financial year are set out below:

(i) Critical accounting judgements in applying the Group's accounting policies

For the purpose of these financial statements, prepared in accordance with IFRS, judgement refers to the informed identification and analysis of reasonable alternatives, considering all relevant facts and circumstances, and the well-reasoned, objective and unbiased choice of the alternative that is most consistent with the principles set out in IFRS.

(a) Revenues

Certain contracts for the provision of educational services include performance obligations and determining the timing of the satisfaction of the performance obligations. In estimating the variable consideration, the Group is required to estimate the amount of consideration to which it will be entitled in exchange for transferring the promised services to the customer.

The Group determined that the expected value method is the appropriate method to use in estimating the variable consideration for the sale of services.

Before including any amount of variable consideration in the transaction price, the Group considers whether the amount of variable consideration is constrained. The Group determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

(b) Depreciable assets

Estimates of the useful life and the residual value of property, plant and equipment are required in order to apply an adequate rate of transferring the economic benefits embodied in these assets in the relevant periods. The Group applies a variety of methods in an effort to arrive at these estimates from which actual results may vary. Actual variations in estimated useful lives and residual values are reflected in profit or loss through impairment or adjusted depreciation provisions.

**iCREATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION (CONT'D)**

**(d) Use of estimates and judgements (cont'd)**

**(ii) Key assumptions and other sources of estimation uncertainty**

**(a) Allowance for expected credit losses**

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for various ageing buckets and the related loss patterns. The provision matrix is initially based on the Group's historical observed default rates.

The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product, inflation and foreign exchange rates) are expected to deteriorate over the next year which can lead to an increased number of defaults in the construction sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in Note 9.

**(b) Estimated impairment of intangible assets**

The Group tests annually whether intangible assets have suffered any impairment, in accordance with the accounting policy stated in Note 3 (b). The assessment of intangible assets impairment involves the determination of the value in use. Determination of value in use involves the estimation of future cash flows from the business taking into consideration the growth rates, inflation rates and the discount rates. Any changes in these variables would impact the value in use calculations.

**(c) Business combinations**

Business combinations are accounted for using the acquisition method. The Group determines the identifiable assets and liabilities using the Purchase Price Allocation method. Under this method, the Group makes estimates about future cash flows which are derived based on factors such as revenue growth, future margins, attrition rates, and discount rates in determining the fair values of the identifiable intangible assets.

**iCREATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**3. SIGNIFICANT ACCOUNTING POLICIES**

**(a) Property, plant and equipment**

All property, plant and equipment are recorded at historical or deemed cost, less any accumulated depreciation.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied in the part will flow to the Group's and its cost can be reliably measured.

The cost of day-to-day servicing of property, plant and equipment is recognized in the statement of comprehensive income as incurred.

Depreciation is calculated on the straight-line basis over the estimated useful lives of such assets. The rates of depreciation in use are:

Computer	20%
Office equipment	20%
Leasehold improvement	10%
Furniture and fixtures	10%

**(b) Intangible assets**

Costs that are directly associated with acquiring identifiable and unique software products which are expected to generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Costs associated with maintaining computer software programs are recognised in profit or loss as incurred.

These assets are measured at cost less accumulated amortisation and, if any, impairment losses. The assets are amortised using the reducing balance method over their useful lives, estimated at five years. Amortisation methods, useful lives and residual values are reassessed at each reporting date.

Current annual amortisation rate is 33.3% and 20% for software.

**(c) Cash and bank balances**

Cash comprises of cash in hand and cash at bank.

**iCREATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**3. SIGNIFICANT ACCOUNTING POLICIES**

**(d) Revenues**

Revenue is recognised at a point in time in the amount of the price, before tax on sales, expected to be received by the Group for services supplied as a result of their ordinary activities, as contractual performance obligations are fulfilled. Revenue is decreased by any trade discounts granted to customers.

The Group does not expect to have any contracts where the period between the transfer of the promised service to the customers and payment by the customers exceed one year. Accordingly, the Group does not adjust any of the transaction prices for the time value of money.

**(e) Taxation**

Income tax expense represents the sum of tax currently payable and deferred tax.

**(i) Current income tax**

Current income tax is the expected tax payable on the taxable income for the period, using tax rates enacted at the reporting date.

**(ii) Deferred income tax**

Deferred income tax is provided using the statement of financial position method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized.

**(f) Trade and other payables**

Trade and other payables are stated at amortized cost.

**(g) Trade and other receivables**

Trade and other receivables are stated at amortized cost.

**(h) Impairment of non-financial assets**

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset, or Group of operating assets, exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

**(i) Segment reporting**

An operating segment is a component of the Company that engages in business activities from which it earns and incur expenses; whose operating results are regularly reviewed by the Group's Chief Decision Maker ("CODM") who decides about resources to be allocated to the segment and assess its performance; and for which discrete financial information is available. The Group's activities are not currently segmented.

**iCREATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(j) Related party identification**

A party is related to the Group if:

- (i) directly or indirectly the party:
  - controls, is controlled by, or is under common control with the Group;
  - has an interest in the Group that gives it significant influence over the Group; or
  - has joint control over the Group.
- (ii) the party is an associate of the Group individual referred to in (iv) or (v) above.
- (iii) the party is a joint venture in which the Group is a venturer;
- (iv) the party is a member of the key management personnel of the Group
- (v) the party is a close member of the family of an individual referred to in (i) or (iv) above
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v) above
- (vii) the party is a post-employment benefit plan for the benefit of employees of the Group, or of any Group that is a related party of the Group.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

**(k) Financial instruments**

Financial instruments include transactions that give rise to both financial assets and financial liabilities.

Financial assets and liabilities are recognised on the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transactions costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities (except for financial assets and financial liabilities at fair value through profit or loss where such costs are recognised immediately in profit or loss), as appropriate, on initial recognition.

In these financial statements, financial assets comprise cash and cash equivalents, trade receivables, other receivables, deposits and related party receivables. Financial liabilities comprise accounts payable, customer deposits, related party payables and notes payable.

**Financial assets**

*Initial recognition and measurement*

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

**iCREATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(k) Financial instruments (cont'd)**

**Financial assets (cont'd)**

*Initial recognition and measurement (cont'd)*

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. That is, whether the Group's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cashflows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of other business model and measured at FVTPL.

*Subsequent measurement*

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes loan and other receivables, due from related parties and cash and bank balances.

*Derecognition*

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e., removed from the Group's statement of financial position) when:

- The rights to receive cash flows from the asset have expired or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

**iCREATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(k) Financial instruments (cont'd)**

**Financial assets (cont'd)**

*Impairment*

The Group recognises an allowance for expected credit losses (ECLs) on the financial instruments measured at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a life time expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles for services provided over a period of twelve (12) months and the corresponding historical credit losses experienced within this period. The Group has identified the GDP and the inflation rate to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The Group considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

**Financial liabilities**

*Initial recognition and measurement*

The Group's financial liabilities, comprising loans and accounts payable, are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

**iCREATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**4. REVENUES**

Revenues represent the invoiced value of tuition fees less discounts, e-commerce services and events production.

**5. PROPERTY, PLANT AND EQUIPMENT**

**The Group**

	<b>Furniture and Fixtures \$</b>	<b>Computers \$</b>	<b>Office Equipment \$</b>	<b>Total \$</b>
<b>At Cost</b>				
Balance at January 1, 2021	1,660,706	7,001,195	4,498,298	13,160,199
Additions	-	-	1,372,500	1,372,500
Balance at December 31, 2022	<u>1,660,706</u>	<u>7,001,195</u>	<u>5,870,798</u>	<u>14,532,699</u>
<b>Accumulated Depreciation</b>				
Balance at January 1, 2021	511,295	4,365,486	2,490,654	7,367,435
Charge for the year	165,378	1,400,239	1,174,023	2,739,640
Balance at December 31, 2022	<u>676,673</u>	<u>5,765,725</u>	<u>3,664,677</u>	<u>10,107,075</u>
<b>Net Book Value</b>				
Balance at December 31, 2022	<u>984,033</u>	<u>1,235,470</u>	<u>2,206,121</u>	<u>4,425,624</u>

**iCREATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

**The Company:**

	<b>Leasehold Improvements \$</b>	<b>Furniture and Fixtures \$</b>	<b>Computers \$</b>	<b>Office Equipment \$</b>	<b>Total \$</b>
<b>At Cost</b>					
Balance at December 31, 2020	6,968,263	1,660,706	7,001,195	4,498,298	20,128,462
Derecognition	(6,968,263)	-	-	-	(6,968,263)
Balance at December 31, 2021	-	1,660,706	7,001,195	4,498,298	13,160,199
Balance at December 31, 2022	<u>-</u>	<u>1,660,706</u>	<u>7,001,195</u>	<u>4,498,298</u>	<u>13,160,199</u>
<b>Accumulated Depreciation</b>					
Balance at December 31, 2020	1,694,728	345,225	2,965,247	1,590,995	6,596,195
Charge for the year	696,826	166,070	1,400,239	899,659	3,162,794
Derecognition	(2,391,554)	-	-	-	(2,391,554)
Balance at December 31, 2021	-	511,295	4,365,486	2,490,654	7,367,435
Charge for the year	-	165,378	1,400,239	899,523	2,465,140
Balance at December 31, 2022	<u>-</u>	<u>676,673</u>	<u>5,765,725</u>	<u>3,390,177</u>	<u>9,832,575</u>
<b>Net Book Value</b>					
Balance at December 31, 2020	<u>5,273,535</u>	<u>1,315,481</u>	<u>4,035,948</u>	<u>2,907,303</u>	<u>13,532,267</u>
Balance at December 31, 2021	<u>-</u>	<u>1,149,411</u>	<u>2,635,709</u>	<u>2,007,644</u>	<u>5,792,764</u>
Balance at December 31, 2022	<u>-</u>	<u>984,033</u>	<u>1,235,470</u>	<u>1,108,121</u>	<u>3,327,624</u>

**iCREATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**6. INTANGIBLE ASSETS**

Intangible assets comprise of licensing rights granted to the Group.

Intangible assets in the statement of financial position was determined as follows:

**The Group:**

	<b>Software Licences</b>	<b>Computer Software</b>	<b>Total</b>
	\$	\$	\$
<b>At Cost / Valuation</b>			
Balance at January 1, 2021	8,825,957	-	8,825,957
Additions	-	44,426,598	44,426,598
<b>Balance at December 31, 2022</b>	<b>8,825,957</b>	<b>44,426,598</b>	<b>53,252,555</b>
<b>Accumulated Amortisation</b>			
Balance at January 1, 2021	1,019,135	-	1,019,135
Current year	150,798	3,702,217	3,853,015
<b>Balance at December 31, 2022</b>	<b>1,169,933</b>	<b>3,702,217</b>	<b>4,872,150</b>
<b>Carrying Value</b>			
<b>Balance at December 31, 2022</b>	<b>7,656,024</b>	<b>40,724,381</b>	<b>48,380,405</b>

**The Company:**

	<b>Software Licences</b>	<b>Total</b>
	\$	\$
<b>At Cost / Valuation</b>		
Balance at December 31, 2021	8,825,957	8,825,957
<b>Balance at December 31, 2022</b>	<b>8,825,957</b>	<b>8,825,957</b>
<b>Accumulated Amortisation</b>		
Balance at December 31, 2021	1,019,135	1,019,135
Current year	150,798	150,798
<b>Balance at December 31, 2022</b>	<b>1,169,933</b>	<b>1,169,933</b>
<b>Carrying Value</b>		
Balance at December 31, 2021	7,806,822	7,806,822
<b>Balance at December 31, 2022</b>	<b>7,656,024</b>	<b>7,656,024</b>

**7. INTEREST IN SUBSIDIARY**

On January 1, 2022, the Company acquired 51% ownership of GetPAID Group Limited.

**iCREATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**8. ACQUISITION IN PROGRESS**

At 31 December 2022, the total cost of acquisition in progress is \$646,639,215 (US\$4,125,000), comprising deposits made and payments due in 2023 as follows:

**[i] Deposit on acquisition**

	<b>Group and Company</b>
	<b>2022</b>
	<b>\$</b>
Deposit on purchase consideration	<b>470,597,609</b>

At 31 December 2022, the Company made deposits totalling \$470,597,609 (US\$2,986,807) on the Visual Vibe.com Limited acquisition. These payments were supported by the funding raise as follows:

- Issuing convertible debt of \$331,125,000, which was subsequently converted to share capital by issuing 331,125,000 shares at a price of \$1.00 per share.
- A special purpose vehicle (Kintyre Holdings SPV) was established, to access USD\$1 million in margin loan from Victoria Mutual Investments Limited (VMIL). In order to access these funds, 310,000,000 shares at a price of \$0.50 were issued to VMIL as security. This transaction contributed \$139,472,609 (US\$881,762) to the acquisition deposits.

**[ii] Acquisition costs deferred**

	<b>Group and Company</b>
	<b>\$</b>
Balance due on the purchase consideration	<b>118,016,368</b>
Additional closing costs (interest and other charges)	<b>58,025,237</b>
	<b>176,041,605</b>

The additional closing costs will be recognized as expenses of acquisition date, May 31, 2023.

**[iii] Amounts due on acquisition in progress**

	<b>Group and Company</b>
	<b>2022</b>
	<b>\$</b>
Acquisition costs payable	<b>176,041,605</b>

The above represents the balance due to the previous owners, closing and acquisition costs at the reporting date.



**iCREATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**9. TRADE AND OTHER RECEIVABLES**

	<u>Group</u>	<u>Company</u>	
	2022	2022	2021
	\$	\$	\$
Trade receivables	38,255,124	26,983,080	27,792,997
Less: Expected credit losses	(35,972,444)	(25,657,235)	(21,329,779)
Net trade receivables	2,282,680	1,325,845	6,463,218
Withholding taxes	-	-	28,530
Deposit	2,156,000	2,156,000	-
Amortizable bond costs	597,815	597,815	884,767
Prepayments	361,650	-	-
	<u>3,115,465</u>	<u>2,753,815</u>	<u>913,297</u>
	<u>5,398,145</u>	<u>4,079,660</u>	<u>7,376,515</u>

**10. DUE FROM / (TO) RELATED PARTIES**

	<u>Group</u>	<u>Company</u>	
	2022	2022	2021
	\$	\$	\$
<b>Due from:</b>			
Parallel Real Estate Development Ventures Limited	1,295,539	1,295,539	-
eMedia Interactive Group Limited	-	-	2,919,045
Director	7,977,033	7,977,033	5,253,793
	<u>9,272,572</u>	<u>9,272,572</u>	<u>8,172,838</u>
<b>Less:</b>			
Expected credit losses	(2,453,609)	(2,453,609)	(707,747)
	<u>6,818,963</u>	<u>6,818,963</u>	<u>7,465,091</u>
	<u>6,818,963</u>	<u>6,818,963</u>	<u>7,465,091</u>
<b>Due to:</b>			
eMedia Interactive Group Limited	-	-	(2,897,139)
GetPAID Group Limited	(5,279,000)	-	-
Kintyre Holdings Limited	-	-	(7,647)
	<u>(5,279,000)</u>	<u>-</u>	<u>(2,904,786)</u>

The amount due from the director will be settled from remuneration earned by said director in the 2023 financial year.

**11. CASH AND BANK BALANCES**

	<u>Group</u>	<u>Company</u>	
	2022	2022	2021
	\$	\$	\$
Certificate of deposit	1,568,484	1,568,484	1,568,484
Cash in hand	-	-	48,103
Bank accounts	4,898,420	72,182	45,500,000
	<u>6,466,904</u>	<u>1,640,666</u>	<u>47,116,587</u>
<b>Bank overdraft:</b>			
Current accounts	4,699,083	4,699,083	146,384

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**12. ISSUED SHARE CAPITAL**

	<u>Group and Company</u>	
	2022	2021
	\$	\$
<u>Authorized share capital:</u>		
No maximum share capital		
<u>Issued and fully paid:</u>		
123,530,000 ordinary shares of no par value	500,000	500,000
74,062,500 ordinary shares of no par value	69,750,000	69,750,000
Less: transaction costs of share issue	(14,433,930)	(14,433,930)
Paid-in-capital	68,800,000	68,800,000
752,092,742 ordinary shares of no par value	468,573,059	-
Less: transaction costs of share issue	(6,162,965)	-
	<u>587,026,164</u>	<u>124,616,070</u>

On November 30, 2018, the Company passed a resolution that the authorised share capital of the Company to be deemed to have no maximum share capital.

On November 30, 2018, 100,000,000 ordinary shares were issued to eMedia Interactive Group Limited without par value. Additionally, on the same date, 23,530,000 ordinary shares were issued to Sagicor Investments Limited.

On January 31, 2019, the Company raised additional capital of \$69,750,000 from its initial public offering of 74,062,500 shares for its enlistment on the Jamaica Stock Exchange Junior Market. Transaction costs of \$14,433,930 were incurred for the issuing of shares. All ordinary shares carry the same voting rights.

During the year, the Company executed convertible notes and right issues on June 28th and December 14th respectively in which 752,092,742 shares were issued and fully paid. Transaction costs of \$6,162,965 were incurred for the rights issues. All ordinary shares carry the same voting rights.

**13. REVALUATION SURPLUS**

This represents the surplus on revaluation of the Code Fellows Holdings Incorporation licence. The licence has an indefinite useful life.

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**14. CONVERTIBLE PREFERENCE SHARES**

These are five (5) year convertible preference shares with an interest rate of 6%.

	<u>Group and Company</u>	
	<u>2022</u>	<u>2021</u>
	<u>\$</u>	<u>\$</u>
Preference shares	<u>25,500,000</u>	<u>-</u>

**15. NON-CONTROLLING INTEREST**

The non-controlling interest represents 49% of the ordinary shares in GetPAID Group Limited (the "Subsidiary") being held by minority shareholders.

	<u>Group</u>
	<u>2022</u>
	<u>\$</u>
49% of the Subsidiary's net loss at the end of the year	<u>(6,901,827)</u>
<b>Non-controlling interest equity holding:</b>	
Share of Subsidiary's interest at the start of the year	<u>24,500,000</u>
Share of Subsidiary's net loss for the year	<u>(6,901,827)</u>
Balance at end of the year	<u>17,598,173</u>

**16. DEFERRED TAX LIABILITY**

Certain deferred tax assets and liabilities have been offset in accordance with the Group's accounting policy. The following is the analysis of the deferred tax balances (after offset) for reporting purposes:

	<u>Group and Company</u>	
	<u>2022</u>	<u>2021</u>
	<u>\$</u>	<u>\$</u>
Deferred tax liability	<u>289,215</u>	<u>289,215</u>

Deferred tax liability is attributable to the following:

	<u>Group and Company</u>	
	<u>2022</u>	<u>2021</u>
	<u>\$</u>	<u>\$</u>
Depreciation and capital allowances	<u>303,983</u>	<u>303,983</u>
Intangible asset	<u>(14,768)</u>	<u>(14,768)</u>
	<u>289,215</u>	<u>289,215</u>

The movement during the period in the Group's deferred tax position was as follows:

	<u>2022</u>	<u>2021</u>
	<u>\$</u>	<u>\$</u>
Balance at the beginning of the period	<u>(220,907)</u>	<u>(220,907)</u>
Movement during the period	<u>510,122</u>	<u>510,122</u>
Balance at the end of the period	<u>289,215</u>	<u>289,215</u>

**iCREATE LIMITED**  
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**17. LOANS PAYABLE**

	<u>Group and Company</u>	
	<u>2022</u>	<u>2021</u>
	<u>\$</u>	<u>\$</u>
Sagicor Investments Limited (i)	<u>20,000,000</u>	<u>24,000,000</u>
Dolla Financial Services Limited (ii)	<u>-</u>	<u>1,834,892</u>
Wilco Finance Limited (iii)	<u>1,455,326</u>	<u>3,555,326</u>
Short-term loans	<u>-</u>	<u>1,781,826</u>
Total at year end	<u>21,455,326</u>	<u>31,172,044</u>
Less current portion of loans payable	<u>(6,255,326)</u>	<u>(2,981,826)</u>
Non-current portion	<u>15,200,000</u>	<u>28,190,218</u>

(i) This represents a medium-term fixed rate secured bond of \$24,000,000. The loan duration is five (5) years at an interest rate of 12.5%

The loan is secured over the present and future assets and property of the Company.

(ii) This represents an unsecured short-term loan of \$4,000,000. The loan duration is three (3) months at an interest rate of 4% per month.

(iii) This represents an unsecured short-term loan of \$3,900,000. The loan duration is twenty-one (21) months at an interest rate of 36%.

**18. TRADE AND OTHER PAYABLES**

	<u>Group</u>	<u>Company</u>	
	<u>2022</u>	<u>2022</u>	<u>2021</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>
Trade payables	<u>9,159,869</u>	<u>7,123,054</u>	<u>7,123,053</u>
Accruals	<u>19,619,093</u>	<u>18,319,093</u>	<u>8,090,669</u>
Accrued salaries	<u>451,684</u>	<u>451,684</u>	<u>8,603,602</u>
Accrued loan interest	<u>913,049</u>	<u>913,049</u>	<u>1,200,000</u>
Statutory deductions	<u>-</u>	<u>-</u>	<u>6,466,151</u>
Other payables	<u>5,094,149</u>	<u>1,657,499</u>	<u>-</u>
	<u>35,237,844</u>	<u>28,464,379</u>	<u>31,483,475</u>

**iCREATE LIMITED**  
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**19. ADMINISTRATIVE AND GENERAL EXPENSES**

	<u>Group</u>	<u>Company</u>	
	2022	2022	2021
	\$	\$	\$
Salaries and related charges	8,702,575	-	22,829,952
Management compensation	3,691,600	3,691,600	-
Contract workers	20,768,500	20,768,500	-
Dues and subscription	727,520	727,520	728,522
Legal and professional fees	3,386,462	3,146,462	3,162,751
Meals and entertainment	181,572	76,572	10,812
Office expense	1,156,937	936,000	510,042
Rent	2,335,000	1,380,000	2,582,374
Marketing and public relations	5,184,748	5,037,813	685,033
Utilities	749,961	224,000	617,251
Computer hosting and maintenance	3,319,935	-	-
Audit fees	3,700,000	2,500,000	1,100,000
Bad debt expense:			
Expected credit loss provision	14,642,665	4,327,456	8,532,563
Specific bad debt written off	11,256,204	11,256,204	-
JSE annual listing fees	537,579	537,579	1,186,260
JCSD trustee fee	891,981	891,981	619,850
Derecognition of leasehold improvements	-	-	4,576,709
Amortization adjustment	-	-	(202,256)
General expenses	4,011,496	3,254,024	1,906,797
	<u>85,244,735</u>	<u>58,755,711</u>	<u>48,846,659</u>

**20. FINANCE COSTS**

	<u>Group</u>	<u>Company</u>	
	2022	2022	2021
	\$	\$	\$
Bank charges	709,785	226,828	657,743
Interest expense	4,533,527	4,533,527	8,748,572
Depreciation on right-of-use asset	-	-	554,568
Foreign exchange gain	(31,361)	(31,361)	(71,612)
Right of use interest expense	-	-	3,742
	<u>5,211,951</u>	<u>4,728,994</u>	<u>9,893,013</u>

**iCREATE LIMITED**  
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**21. LOSS PER STOCK UNIT:**

Basic loss per stock unit is calculated by dividing the net loss attributable to stockholders by the weighted average number of ordinary stock units in issue at year end.

	<u>Group</u>	<u>Company</u>	
	2022	2022	2021
	\$	\$	\$
Loss attributable to stockholders	<u>(46,844,787)</u>	<u>(32,759,426)</u>	<u>(32,262,298)</u>
Weighted average number of ordinary stocks units	286,061,590	286,061,590	191,505,171
Basic loss per stock unit (¢ per share)	<u>(0.16)</u>	<u>(0.11)</u>	<u>(0.17)</u>
Weighted average number of preference stocks units	300,468,370	300,468,370	191,505,171
Diluted loss per stock unit (¢ per share)	<u>(0.16)</u>	<u>(0.11)</u>	<u>(0.17)</u>

**22. RELATED PARTY TRANSACTIONS**

The following related party balances are shown separately in the Group's statement of financial position:

	<u>Company</u>	
	2022	2021
	\$	\$
Amounts due from related parties	<u>6,818,963</u>	2,211,298
Amounts due to related party	<u>5,279,000</u>	2,904,786
Amounts due from directors	<u>7,977,033</u>	5,253,793

The Group's statement of comprehensive income includes the following transactions, undertaken with related parties in the ordinary course of business:

	<u>Company</u>	
	2022	2021
	\$	\$
Key management personnel compensation	<u>3,691,600</u>	9,160,000

**iCREATE LIMITED**  
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**23. BUSINESS COMBINATION**

On January 1, 2022, the Company acquired a 51% equity interest in GetPAID Group Limited. The principal activities of GetPAID Group Limited is the provision of e-commerce services. Details of the consideration paid, the assets acquired and liabilities assumed, the non-controlling interest recognised and the effects on the cash flows of the Group, at the acquisition date, are as follows:

	<u>Group</u> <u>₹</u> <u>2022</u>
<b>(a) Purchase consideration:</b>	
Consideration transferred for the business	<u>50,000,000</u>
<b>(b) Identifiable assets acquired and liabilities assumed:</b>	
	<u>Group</u> <u>₹</u> <u>2022</u>
Property, plant and equipment	1,372,500
Intangible assets	44,426,598
Trade and other receivables	5,118,273
Cash and bank balances	<u>2,919,443</u>
<b>Total assets</b>	<u>53,836,814</u>
Notes payable	2,000,000
Trade and other payables	<u>1,836,814</u>
<b>Total liabilities</b>	<u>3,836,814</u>
<b>Total identifiable net assets</b>	<u>50,000,000</u>
Non-controlling interest - 49% of identifiable net assets	24,500,000
Equity holders of the Group - Controlling interest 51%	<u>25,500,000</u>
<b>Total identifiable net liabilities</b>	<u>50,000,000</u>

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**24. FINANCIAL INSTRUMENT AND FINANCIAL RISK MANAGEMENT**

**(a) Fair Value**

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. A market price, where an active market (such as a recognized stock exchange) exists, is the best evidence of the fair value of a financial instrument. Market prices are not available for some of the financial assets and liabilities of the Group. Fair values in the financial statements have therefore been presented using various estimation techniques based on market conditions existing at the statement of financial position date.

Generally, considerable judgement is necessarily required in interpreting market data to develop estimates of fair value. Accordingly, the estimates presented in these financial statements are not necessarily indicative of the amounts that the Group would realise in a current market exchange.

The following methods and assumptions have been used.

The amounts included in the financial statements for cash and bank balances, receivable, payables, and due to / from related parties reflect the approximate fair values because of short-term maturity of these instruments.

**(b) Financial risk management**

The Company has exposure to the following risks from its use of financial instruments:

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk
- (iv) Cash flow risk

The Board of Directors, together with senior management has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group in order to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

**iCREATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**24. FINANCIAL INSTRUMENT AND FINANCIAL RISK MANAGEMENT (CONT'D)**

**(b) Financial risk management (cont'd)**

**(i) Credit risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Group's principal financial assets are cash and bank deposits, accounts receivable and related party receivables.

*Cash and bank balances:*

The credit risk on cash and bank deposits is limited as they are held with financial institutions with high credit rating.

*Trade receivables:*

The Group uses a provision matrix to measure expected credit losses (ECLs) of trade receivables. The provision matrix is based on its historical observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates, determined by a probability weighted approach.

Loss rates are calculated based on the probability of a receivable progressing through successive stages of delinquency to write-off, current conditions, the economic conditions over the expected lives of the receivables and other macro-economic factors such as foreign currency exchange rates, interest rates and Gross Domestic Products (GDP).

**(ii) Liquidity risk**

Liquidity risk is the risk that the Group will not meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group.

Management aims at maintaining sufficient cash and the availability of funding through an amount of committed facilities. The management maintains an adequate amount of its financial assets in liquid form to meet contractual obligations and other recurring payments.

**iCREATE LIMITED**  
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**24. FINANCIAL INSTRUMENT AND FINANCIAL RISK MANAGEMENT (CONT'D)**

**(b) Financial risk management (cont'd):**

**(ii) Liquidity risk (cont'd)**

	<b>Group</b>		
	Carrying value \$	Contractual cash flows \$	Within 3-12 months \$
<b>December 31, 2022:</b>			
Current portion of loans payable	6,255,326	6,255,326	6,255,326
Trade and other payables	35,237,844	35,237,844	35,237,844
Bank overdrafts	4,699,083	4,699,083	4,699,083
	<b>46,192,253</b>	<b>46,192,253</b>	<b>46,192,253</b>

	<b>Company</b>		
	Carrying value \$	Contractual cash flows \$	Within 3-12 months \$
<b>December 31, 2022:</b>			
Current portion of loans payable	6,255,326	6,255,326	6,255,326
Trade and other payables	28,464,379	28,464,379	28,464,379
Bank overdrafts	4,699,083	4,699,083	4,699,083
	<b>39,418,788</b>	<b>39,418,788</b>	<b>39,418,788</b>

	<b>Company</b>		
	Carrying value \$	Contractual cash flows \$	Within 3-12 months \$
<b>December 31, 2021:</b>			
Current portion of loans payable	2,981,826	2,981,826	2,981,826
Trade and other payables	31,483,475	31,483,475	31,483,475
Bank overdrafts	146,384	146,384	146,384
	<b>34,611,684</b>	<b>34,611,684</b>	<b>34,611,684</b>

iCREATE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
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24. FINANCIAL INSTRUMENT AND FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management (cont'd):

(iii) Market risk (cont'd)

Market risk is the risk that changes in market prices, such as foreign exchange rates, and interest rates will affect the Group's income or the value of its holding of financial instruments. The objective of management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

*Interest rate risk:*

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Group materially contracts financial liabilities at fixed interest rates for the duration of the term. When utilized, bank overdrafts are subject to fixed interest rates which may be varied by appropriate notice by the lender. At December 31, 2022, there were no financial liabilities subject to variable interest rate risk. Interest-bearing financial assets comprises of bank deposits, which have been contracted at fixed interest rates for the duration of their terms.

*Fair value sensitivity analysis for fixed rate instruments:*

The Group does not hold any fixed rate financial assets that are subject to material changes in fair value through profit or loss. Therefore, a change in interest rates at the reporting dates would not affect profit or equity.

*Foreign currency risk:*

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

Foreign currency risk is the risk that the market value of, or the cash flows from, financial instruments will vary because of exchange rate fluctuations. The Group is exposed to foreign currency risk on transactions that it undertakes in foreign currencies. The main foreign currency giving rise to this risk is the United States dollar. The exposure to foreign currency risk at the statement of financial position date was as follows:

	Group		Company			
	2022		2022		2021	
	US\$	EURO\$	US\$	EURO\$	US\$	EURO\$
Cash and bank balances	8,988	-	-	-	-	-
Trade and other receivables	30,414	3,915	30,414	3,915	27,893	4,066
Trade and other payables	(3,374)	-	(3,374)	-	(3,310)	-
Net exposure	<u>36,028</u>	<u>3,915</u>	<u>27,040</u>	<u>3,915</u>	<u>24,583</u>	<u>4,066</u>

Sensitivity analysis:

A strengthening of 1% (2021: 2%) of the Jamaican dollar against the currencies indicated above at December 31 would have reduced the Group's and Company's loss by \$60,664 and \$40,832 (2021: \$75,674), respectively.

A weakening of 4% (2021: 8%) of the Jamaican dollar against the currencies indicated above at December 31 would have increase the Group's and Company's loss by \$242,655 and \$163,328 (2021: \$302,698), respectively. This analysis assumes that all other variables, in particular interest rates, remain constant.

- (c) The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide benefits for its stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group met the capital requirements to list on the Junior Market of the Jamaica Stock Exchange. There was no other externally imposed capital requirement.

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25. SUBSEQUENT EVENT

On May 31, 2023, iCreate Limited, the Group, acquired 100% equity interest in Visual Vibe.Com Limited, for a purchase consideration of US\$3,750,000. The principal activity of the company is outdoor digital advertising services. This acquisition was settled with a cash consideration of US\$3,000,000 and a vendor's note US\$1,270,683, which is to be settled by September 30, 2023.

As a result of an extended delay the settlement of the transaction, the Group incurred additional closing costs totalling US\$375,000 and US\$173,362 as at 31 December 2022 and 31 May 2023 respectively. The interest costs on the vendor's mortgage were US\$48,042 as at 31 May 2023.

	31-Dec-22	31-May-23	Total May 31, 2023
Deposit on purchase consideration	2,986,807	13,193	3,000,000
Balance due on purchase consideration	763,193	(13,193)	750,000
Additional closing costs	375,000	173,362	548,362
Interest Cost on vendor's note		48,042	48,042
<b>Total (US\$)</b>	<b>4,125,000</b>	<b>221,404</b>	<b>4,346,404</b>

*Amounts quoted in United States Dollars (US\$)*

26. OPERATION

During the year, the training institute and creative arm of the Company continued to be impacted by the negative effects of the COVID-19 pandemic period. The Company pivoted its business model to pursue a diversification of revenue and cash flows through a merger and acquisition ("M&A") strategy. The M&A strategy was underpinned by a capital growth strategy which saw shareholders' equity move from \$9,561,875 at the end of 2021 to \$457,529,009 at the end of 2022. The company closed the acquisition of a 51% interest in GetPAID Group Limited and entered the e-commerce space from January 2022. The Company also significantly advanced the acquisition of the digital-out-of-home advertising firm, Visual Vibe.com Limited. This 100% change of control took place on May 31, 2023.

# Proxy

## Form of Proxy

[PLACE POSTAGE STAMP]

I/We \_\_\_\_\_ (insert name)  
of \_\_\_\_\_ (insert address) being a  
shareholder(s) of the above-named Company, hereby appoint  
\_\_\_\_\_ (proxy name)  
of \_\_\_\_\_ (address of proxy)  
or failing him/her, \_\_\_\_\_ (alternate proxy)  
of \_\_\_\_\_ (address of alternate proxy)

as my/our Proxy to vote for me/us and on my/our behalf in the Annual General Meeting ("AGM") of iCreate Limited ("the Company") to be held on **Friday, November 24, 2023 at 10:00 a.m.** at the Pegasus Hotel, 81 Knutsford Boulevard, Kingston 5 in the parish of Saint Andrew and at any adjournment thereof.

No.	Resolutions	For	Against (tick as appropriate)
1.	"THAT the Reports of the Directors and Auditors and the Audited Financial Statements for the year ended December 31, 2022 be received and adopted."		
2(a).	"THAT the Directors, retire by rotation upon the expiration of one year (1) year and be re-elected by a single resolution."		
The following Directors of the Board, having resigned by rotation in accordance with the Articles of Incorporation of the Company, and being eligible, hereby offer themselves for re-election by shareholders.			
2(b).	"THAT Ms. Arlene Martin who retires by rotation and being eligible for re-election be and is hereby re-elected as a Director of the Company."		
2(c).	"THAT Mr. Ricardo Allen who retires by rotation and being eligible for re-election be and is hereby re-elected as a Director of the Company."		
2(d).	"THAT Mrs. Dainya-Joy Wint who retires by rotation and being eligible for re-election be and is hereby re-elected as a Director of the Company."		
2(e).	"THAT Mr. Larren Peart who retires by rotation and being eligible for re-election be and is hereby re-elected as a Director of the Company."		
2(f).	"THAT Mr. Ivan Carter who retires by rotation and being eligible for re-election be and is hereby re-elected and appointed as a Director of the Company."		
2(g).	"THAT Mr. Adrian Smith who retires by rotation and being eligible for re-election be and is hereby re-elected and appointed as a Director of the Company."		
3.	"THAT the remuneration of the Directors be determined by the Board of Directors upon their re-election for the ensuing year."		
4.	"THAT CrichtonMullings & Associates, Chartered Accountants, having agreed to continue in office as auditors, be and are hereby appointed Auditors of the Company, to hold office until the next Annual General Meeting at a remuneration to be fixed by the Directors of the Company."		

5.	<p><b>THAT Article 99 of the Company's Articles of Incorporation be amended, approved and adopted by the Company to permit for the retirement, re-election and appointment of Directors to be done on a three (3) year rotation and the Directors be authorised and directed to register such amendment to the Company's Articles of Incorporation with the Office of the Registrar of Companies as the Board of Directors of the Company may deem appropriate after receiving requisitions from the Office of the Registrar of Companies Registrar, by replacing and/or amending Article 99 to provide as follows: -</b></p> <p><b>"At the first Annual General Meeting of the Company all the Directors shall retire from office, and at the Annual General Meeting in every subsequent year, one-third of the Directors for the time being or, if their number is not three (3) or a multiple of three (3), the number nearest one-third (1/3) all of the Directors for the time being shall likewise retire from office."</b></p>		
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Dated the \_\_\_\_\_ day of \_\_\_\_\_ 2023

\_\_\_\_\_  
Signature of Shareholder

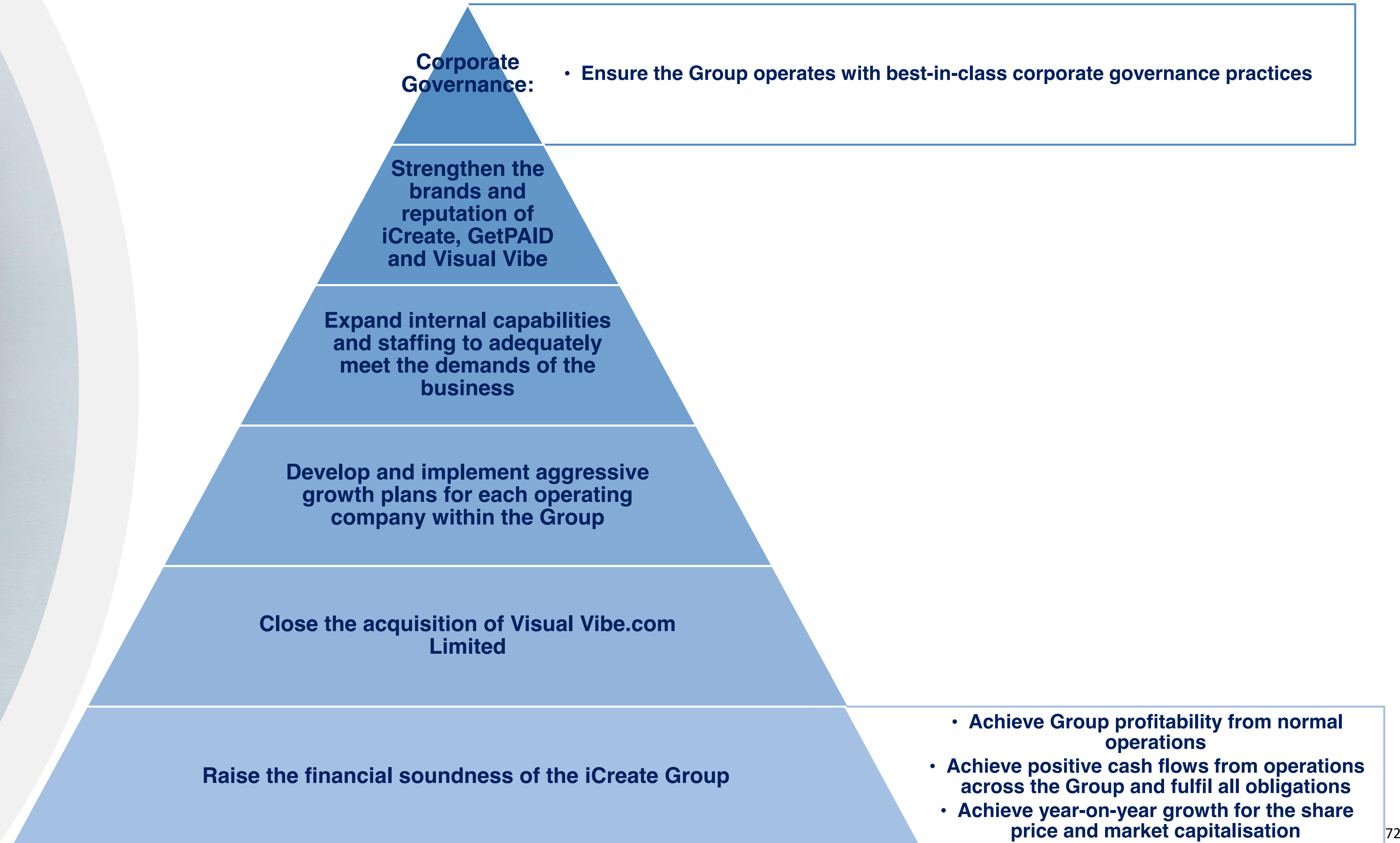
Signed: \_\_\_\_\_ (signature of primary shareholder)

Name: \_\_\_\_\_ (print name of primary shareholder)

Signed: \_\_\_\_\_ (signature of joint shareholder, if any)

Name: \_\_\_\_\_ (print name of joint shareholder, if any)

# Key Strategic Milestones - 2023







iCREATE ANNUAL REPORT

*iCreate Limited  
The Hub  
34 Lady Musgrave Avenue  
Kingston 6  
Jamaica, W.I.*



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