

ANNUAL REPORT 2023

 one great studio



*We live & work with
3 things in mind:*

OUR CORE VALUES

Don't Be
Greedy

Think Long
Term

Do
Good



WHAT IT MEANS TO BE GREAT

Though the definition continues to take shape and evolve even after a decade, at the core of 1GS is:

Generous Service.

We are serving clients by adding real value to their businesses. We have nurtured an authentic culture of learning and growth among the team. The WIN-WIN-WIN formula means - When Clients Win, our Team Wins, and the Company Wins.

Resilient Leadership.

Striving for perfection with the agility to bounce back quickly from mistakes. The goal is always to learn with humility, grow from each challenge, and document lessons learned to craft future success.

Excellence Through Consistency.

Consistency creates excellence. Setting standards and honouring them, even when faced with challenges, has been a major key to our success.



Authentic Engagement.

Our team has mastered the art of developing and executing meaningful strategies for authentic representation. Differentiation is the key and a part of our brand magic.

Trustworthy Partnerships.

Trust and transparency paired with strong and effective collaboration yield trust and GREAT results. We stand apart as an agency specializing in offering multi-faceted services to our clients. With 1GS's depth of proficiency, we often start a relationship offering a particular service but ultimately this relationship evolves to include several other services.

CORPORATE STRUCTURE

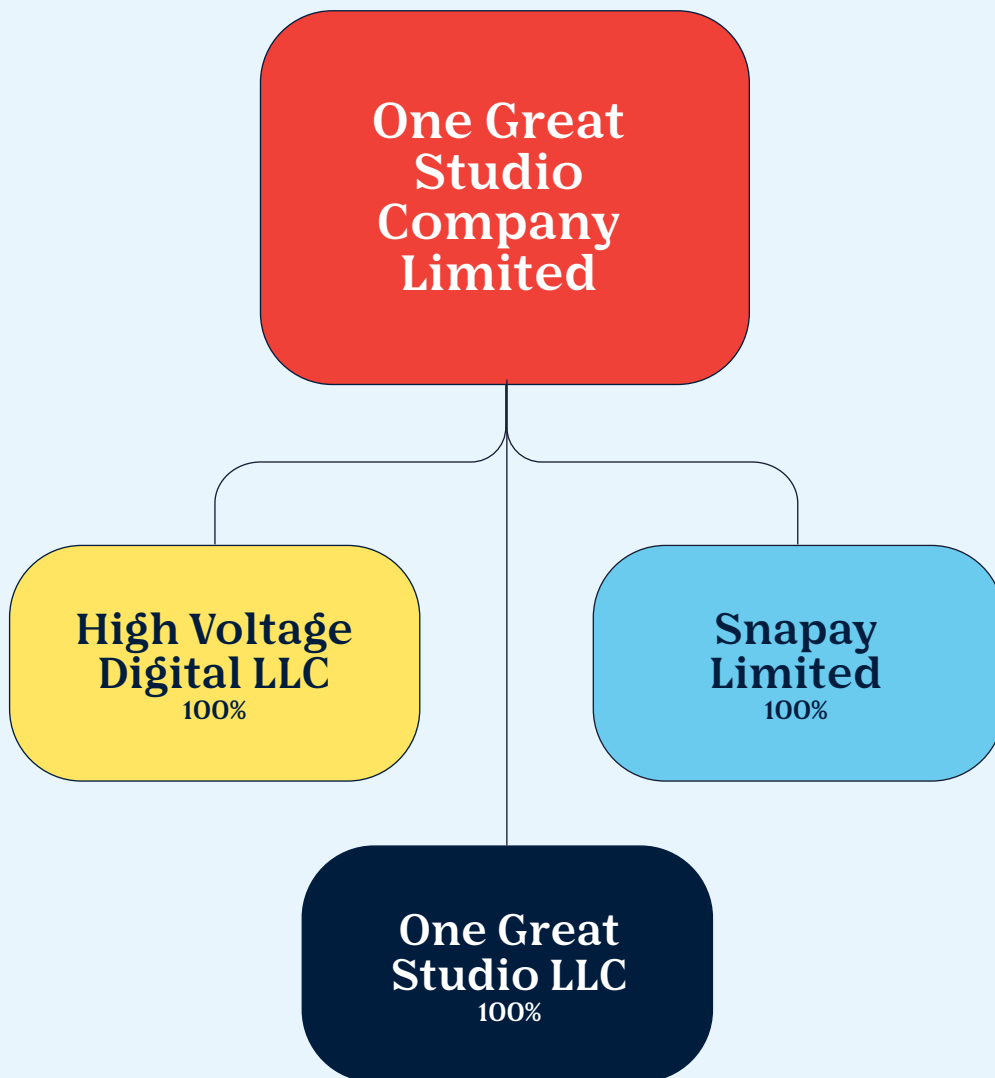


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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of One Great Studio Company Limited ("the Company") will be held virtually, via an online platform which can be accessed via our website at onegreatstudio.com/agm, on August 21, 2024, at 3:00 p.m. for the shareholders to consider and if thought fit approve the following ordinary resolutions:

1. To Receive The Audited Accounts And Reports

To receive the Audited Accounts for the year ended December 31, 2023, and the Reports of the Directors and Auditor.

RESOLUTION #1:

"THAT the Audited Accounts for the year ended December 31, 2023, together with the Reports of the Directors and Auditor be approved and adopted."

2. To Re-Elect Directors

In accordance with Article 114 of the Company's Articles of Incorporation one-third of the directors, those who have been longest in office since the last election, shall retire. The retiring directors are (i) Simone Bowie Jones, (ii) Marc Ramsay and (iii) John Bailey. Pursuant to Article 117 of the Company's Articles of Incorporation, all the retiring directors offer themselves for re-election.

RESOLUTION #2:

"THAT Simone Bowie Jones be and is hereby re-elected a Director of the Company."

"THAT Marc Ramsay be and is hereby re-elected a Director of the Company."

"THAT John Bailey be and is hereby re-elected a Director of the Company."

3. To Fix Directors' Remuneration

To fix the remuneration of the Directors.

RESOLUTION #3:

"THAT the shareholders of the Company hereby delegate their power pursuant to Article 107 of the

Articles of the Company to the Board of Directors of the Company who is hereby authorised to fix the remuneration of the Directors."

4. To Declare the Interim Dividends As Final

To declare the interim dividend as final for the financial year ended December 31, 2023.

RESOLUTION #4:

"THAT as recommended by the Directors, the interim dividend paid on May 3, 2024 be and are hereby declared as final, and no further dividend be paid in respect of the financial year ended December 31, 2023."

5. To Appoint Auditors And Fix Their Remuneration

To appoint CrichtonMullings & Associates, Chartered Accountants, as auditors of the Company, to hold office until the next annual general meeting.

RESOLUTION #5:

"THAT CrichtonMullings & Associates, Chartered Accountants having agreed to hold office as auditors of the Company, 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."

By Order Of The Board



Rachel Browne
Company Secretary

April 29, 2024

Any member of the Company entitled to attend and vote at this meeting is also entitled to appoint one or more proxies to attend and vote in his/her stead. Such proxies need not be members of the Company. Instruments appointing proxies must be deposited with the Company Secretary of the Company, at the registered address of the Company, not less than forty-eight (48) hours before the meeting.

A proxy form accompanies this notice and can also be found on page 102 of the Annual Report.

John Bailey

Chairman of the Board of Directors
One Great Studio Company Limited

Djuvane Browne

Chief Executive Officer
One Great Studio Company Limited



In 2023, we
experienced a
remarkable

93%

increase in
revenues

CHAIRMAN & CEO'S MESSAGE

On behalf of the Board of Directors, it is our pleasure to share One Great Studio's first Annual Report. On the heels of a successful IPO, One Great Studio (1GS) moves forward with gratitude. We are thankful for the unwavering support of our investors and stakeholders, as it has renewed our determination to deliver excellence in our endeavours.

As one of the Caribbean's leading digital-first agencies, we continue to leverage our deep knowledge of design, technology, and business to enhance our services in pursuit of innovation, excellence, and client satisfaction. In 2023, we served 139 clients across four regions: North America, the Caribbean, Europe, and Asia & Oceania, demonstrating our commitment to delivering exceptional solutions on a global scale.

Over the past years, our strategic focus on increasing company revenues has been a resounding success. We've expanded our customer base, introduced new business lines, and refined our operating procedures, all aiming for continuous improvement. These efforts have yielded tangible results, a testament to our unwavering commitment to growing this business.

At 1GS, we understand that as technology advances, so do our customers' needs and demands. This understanding drives our innovative approach to service delivery, empowering our team to connect businesses with digital solutions that drive success. In 2023, we took a significant step by integrating our new SEO business line. This strategic move positions us to introduce SEO services at scale in the Caribbean, a region brimming with potential.

In 2023, we experienced a remarkable 93% increase in revenues compared to 2022, while profits soared to \$79 million, marking an impressive 183% growth from the previous fiscal year's \$27.9 million. This outstanding performance was largely fueled by the full-year integration of our SEO business line, demonstrating the effectiveness of our strategic initiatives.

Moreover, our Total Assets grew by \$171.3 million, representing a 36% increase, Total Equity grew by J\$432.6 million, while our total debt was reduced by 92%, further strengthening our financial standing. These results reflect our commitment to driving growth and sustainable success at 1GS and should be used as a litmus, benchmarking growth to come.

Under the visionary leadership of our management team, we stride towards the future, aiming to leverage digital technologies to secure wins for our clients, team and investors. Backed by our long-term thinking, strategic plans, bold goals, and the unrivalled skill of our team, We confidently invite you, on behalf of the board, to continue partnering with us on this journey of digital innovation and GREAT success.



John Bailey
Chairman of the
Board of Directors
 One Great Studio
 Company Limited



Djuvane Browne
Chief Executive
Officer
 One Great Studio
 Company Limited

DIRECTOR'S REPORTS

DEAR SHAREHOLDERS,

The Directors of One Great Studio Company Limited (1GS) are pleased to report its financial results for the financial year ended December 31, 2023. The statement of profit and loss performance for the period January 2023 to December 2023 is as follows:

	2022	2023	CHANGE (%)
Revenue	238,934,377	461,053,541	93%
Profit Before Taxes (PBT)	35,466,506	97,636,934	175%
Net Profit	27,901,244	79,078,766	183%
Operating Profit Margin	26%	30%	-
Net Profit Margin	12%	17%	-
EPS	0.02	0.06	200%

DIVIDENDS

The Company at its Board of Directors' declared a final dividend of JMD \$385.06 per share. This was paid on August 31, 2023 to shareholders on record at the close of business on December 31, 2022.

BOARD OF DIRECTORS

For the Financial Year ended December 31, 2023, the Board of Directors of the Company held 6 Board Meetings on February 15, March 31, April 6, June 20, September 8 and November 3. Board members as at December 31, 2023 were:

JOHN BAILEY · CHAIRMAN

Independent Non-Executive Director

DJUVANE BROWNE

Executive Director

GINA DELISSER

Executive Director

JACQUELINE SHARP

Independent Non-Executive Director

SIMONE BOWIE JONES

Independent Non-Executive Director

MARC RAMSAY

Independent Non-Executive Director

RACHEL BROWNE

Non-Executive Director

Please be informed that Jacqueline Sharp joined the One Great Studio Limited Board of Directors in March 2023. Her expertise in finance, risk management, compliance, and administration makes her invaluable. We are grateful for her tremendous contributions so far, particularly as Chair of the Audit & Risk Committee and member of the Corporate Governance Committee and Remuneration Committee.

AUDITORS

The company's auditors, CrichtonMullings & Associates of Unit 27B 80 Lady Musgrave Rd Kingston 10 has indicated their willingness to continue in office in accordance with the provisions of Section 154 (2) of the Companies Act.

ACKNOWLEDGEMENT

The Board of One Great Studio extends its gratitude to each member of the team for their outstanding performance and unwavering dedication. We celebrate their achievements throughout this tremendous year. Furthermore, we express our sincere appreciation to all our clients and shareholders for their ongoing partnership and support of our company. It was a GREAT year!

Dated April 26, 2024

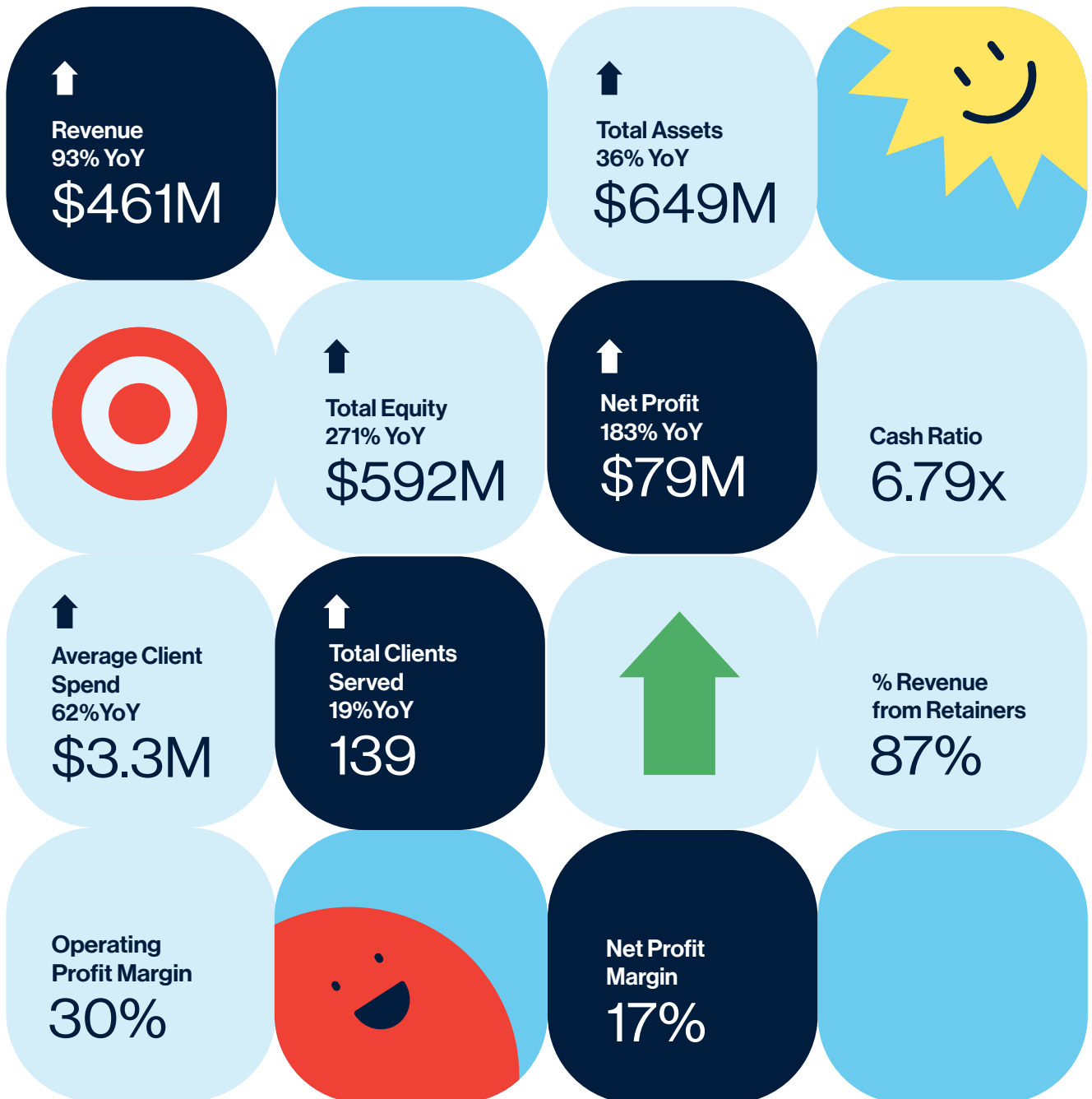
BY ORDER OF THE BOARD



John Bailey
Chairman,
One Great Studio Limited

FINANCIAL HIGHLIGHTS

From The Audited Financial Report Summary for the FY ending December 31st, 2023



OUR BUSINESS IN BRIEF

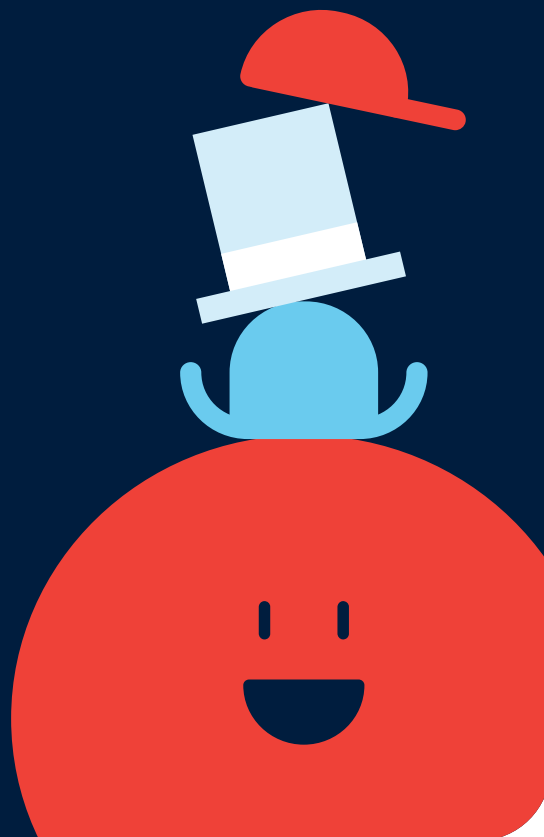


WE ARE AN AGENCY THAT PRIORITIZES DIGITAL CHANNELS.

We're digital natives who excel in design, technology, and business. Our clients rely on us to make sense of the complex and ever-changing world of digital. We help them to connect the dots across channels and platforms to ensure their efforts and spend are working together towards their defined goals and objectives. We provide a comprehensive range of digital marketing services which allows us to work closely with clients to develop targeted digital strategies to increase brand awareness, improve customer engagement, and drive revenue growth.

Our Services

- 1 **WEB**
- 2 **SEO**
- 3 **DIGITAL**
- 4 **APPS**
- 5 **BRAND STRATEGY & DESIGN**

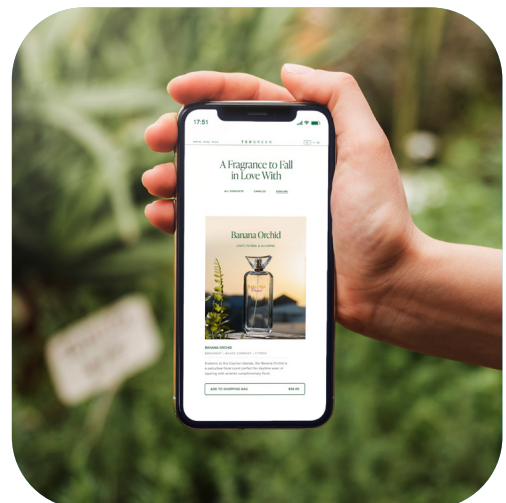
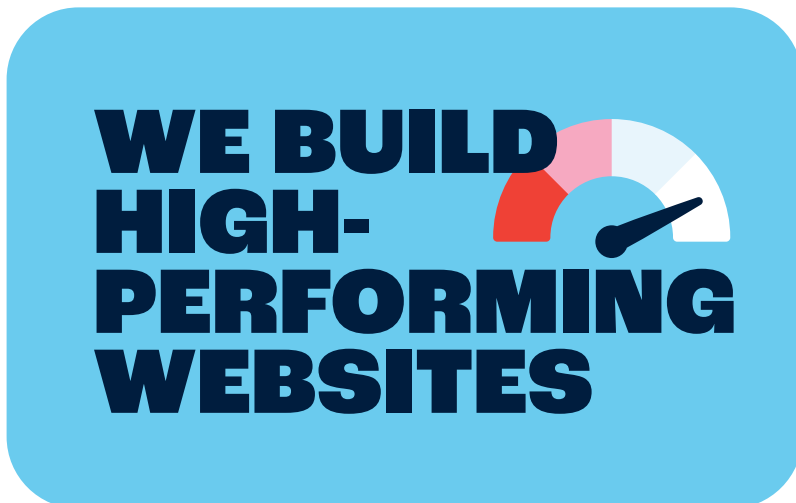
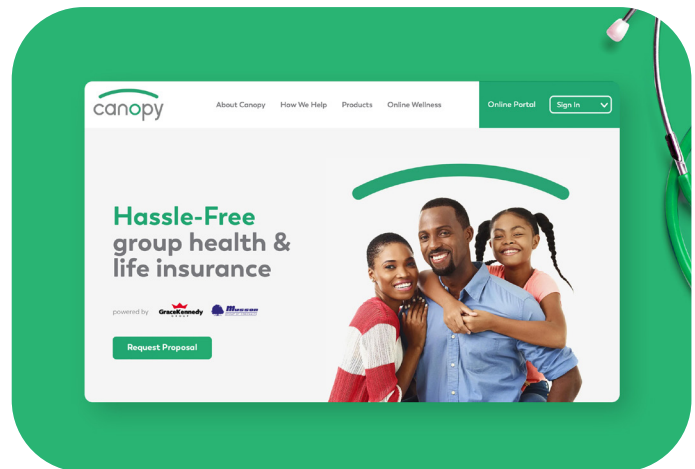
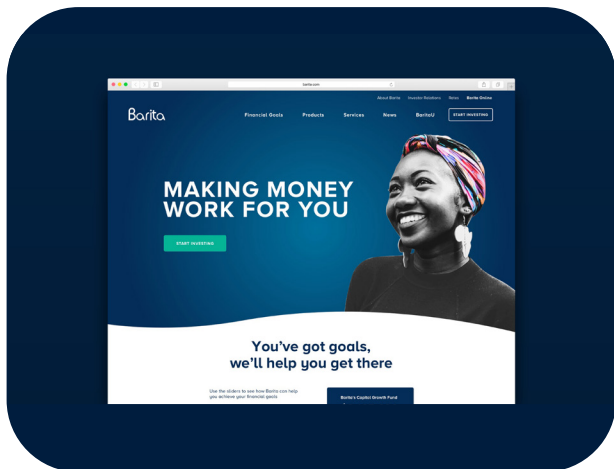


WEB

We build high-performing websites that support and transform brands and businesses. Our sites are designed and developed for simplicity, speed, stability, security and scalability. We offer a tried and tested technology suite centred around WordPress, the global standard in Content Management Systems (CMS).

Our web services include:

- Website Design & Development
- E-Commerce Design & Development (Shopify & Woo-Commerce)
- Website Management & On-going Support
- Security Maintenance & Management
- Secure Website Hosting



SEO

SEO is the process of improving the visibility of a website or a web page in a search engine's unpaid results. We design and implement white-hat SEO campaigns for business owners and marketing teams in high-growth organizations. White-hat is an industry term which means the provision of SEO services that operate within the standards that Google establishes in its guidelines. We use proprietary growth strategies backed by 400 scientific tests.

Our SEO services include:

- SEO Audits
- On-page Search Engine Optimization
- Technical Search Engine Optimization
- Google Business Optimization
- Link Building

**SEO GROWTH
STRATEGIES
BACKED
BY 400
SCIENTIFIC
TESTS**



DIGITAL

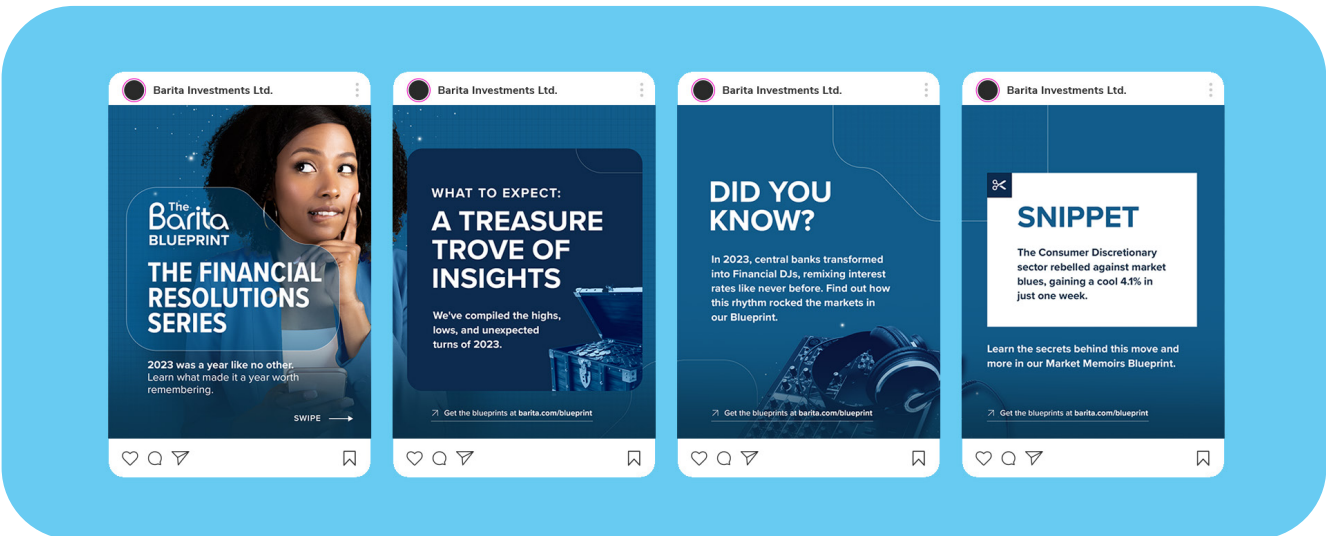
Our digital department delivers digital marketing strategies backed by data and designed for results. We develop customized solutions to deliver the best possible results for our clients.

Our Digital services include:

- Digital Strategy
- Digital Audits
- Digital Ad Placement and Management
- Social Media Strategy
- Conversion Rate Optimization Audits
- Real-time Performance Dashboards



**WE'RE
DIGITAL
NATIVES**

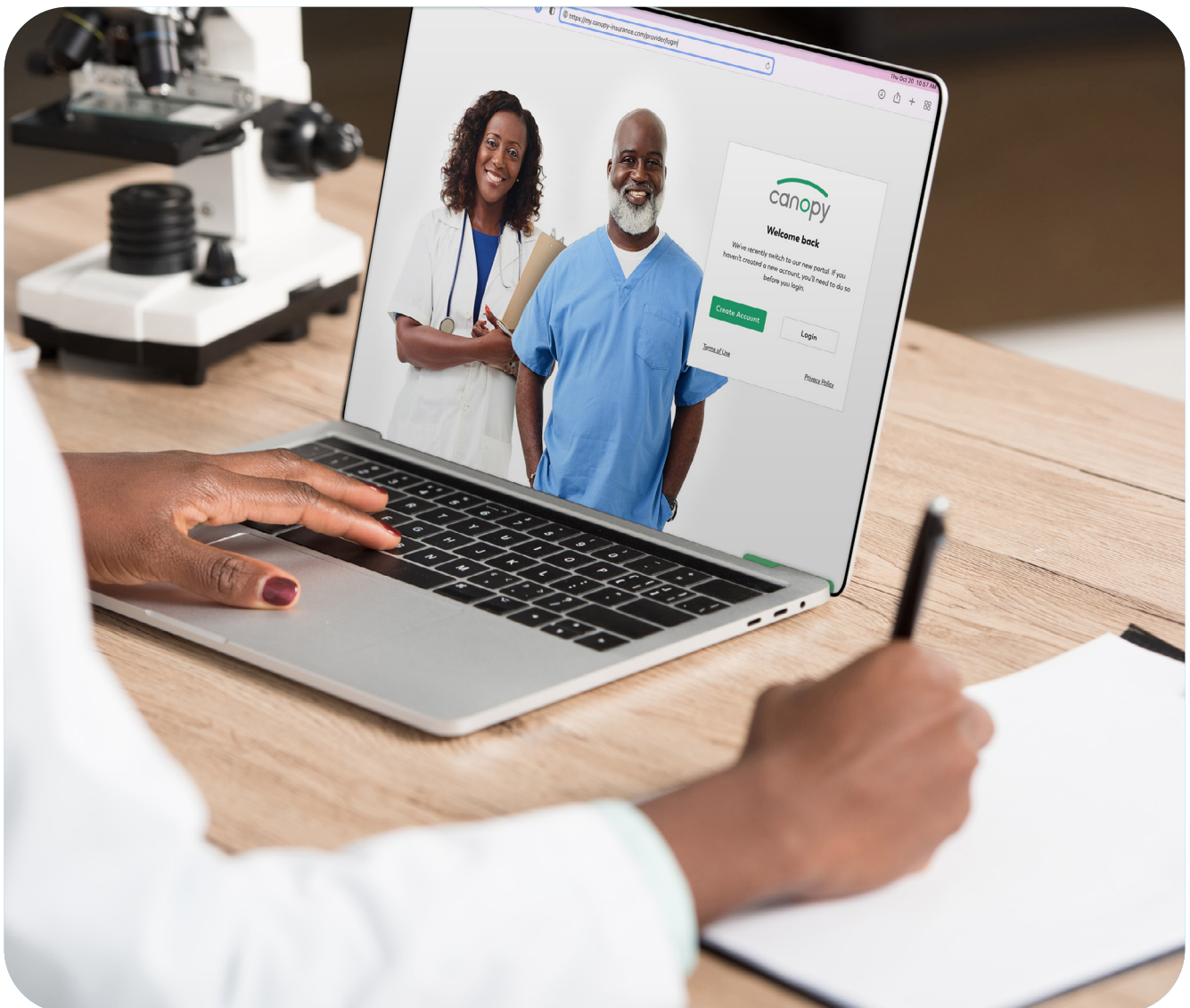


APPS

We develop custom web and mobile apps for our clients, and work with a variety of programming languages from Ruby on Rails, PHP, and Flutter to VueJS & React. With decades of experience and successful projects to our credit, we deliver real digital transformation and create memorable and meaningful digital user experiences.

Our Apps services include:

- User Interface and User Experience Design
- Web Application Scoping, Design and Development
- Mobile Application Scoping, Design and Development



BRAND STRATEGY AND DESIGN

We help brands to consistently communicate, connect, and convert customers across channels through developing strong voice, messaging and design language that builds and maintains strong brand integrity over time.

Our Brand Strategy and Design services include:

- Brand Strategy
- Brand Playbook
- Brand Style Guides
- Logo Design
- Brand Collaterals
- Print Design

**WE'RE
BRAND
BUILDERS**



OUR BOARD OF DIRECTORS



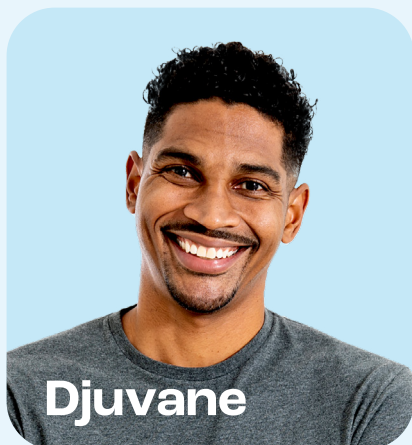
John Bailey

**Chairman & Independent
Non-Executive Director**

John Bailey is a prominent business leader dedicated to Jamaica's development, leveraging over 30 years of experience in finance, manufacturing, real estate development, tourism, and hospitality. Holding a degree in Business Administration majoring in Finance from the University of South Florida, he is recognized for his exceptional negotiation skills and unwavering commitment to excellence. John is a true entrepreneur, owning and operating multiple businesses in several industries. These include Virginia Dare Jamaica Limited, one of Jamaica's largest manufacturers of food flavours, colours and syrups and Culligan Jamaica (W.E.T. Jamaica Limited), a major supplier of water treatment equipment, systems & water coolers. In recent years, he has taken a keen interest in real estate and has since developed a series of luxury villas and commercial developments including Harmony Hall and New Brunswick Village. Additionally, he serves on the boards of several publicly listed, private, and non-profit entities in Jamaica, including Dolphin Cove Jamaica Limited, One on One Educational Services Limited, R.A. Williams Limited and White River Marine Association. John's impressive track record exemplifies his ability to systematically transform organizations and drive sustainable growth outcomes. With strong business acumen, strategic thinking, and a passion for accountability, John Bailey remains a prominent figure in the business community, actively contributing to Jamaica's progress.

Areas of Expertise: Finance & Entrepreneurship, Corporate Governance, General Management

OUR BOARD OF DIRECTORS



Djuvane

Djuvane Browne

Co-Founder, Executive Director & Chief Executive Officer

Djuvane has over 20 years of experience managing and leading service businesses. Over the years, he has developed the unique ability to effortlessly match people focused technology solutions to business objectives. He holds a Bachelor of Arts in Psychology from Beloit College and a Master of Business Administration from Florida International University (FIU). Before starting his professional journey in digital marketing, technology and design, Djuvane was an elite college athlete, renowned for his natural ability to lead teams to success. Today, he leads 1GS as the “coach”, assembling the best team possible and empowering them to win for clients. He is a true pioneer at heart and has used his knowledge to help build and support several successful businesses and brands. Djuvane’s vision for 1GS is to grow its regional and international presence in tech and digital marketing to help even more companies achieve their strategic business goals. Djuvane continuously couples his keen strategic insights with his deep love of service, leading the 1GS team to think and be GREAT.

Areas of Expertise: Strategic Leadership, General Management, Design Thinking, Technology



Gina

Gina DeLisser

Co-Founder, Executive Director & Chief Operations Officer

Gina has over 14 years of experience in multidisciplinary design. Formally trained at York University and Sheridan College, Canada, she holds a Bachelor of Design Honours Degree. Her professional experience and expertise have resulted in Gina supporting clients ranging from startups to transnational law firms and publicly listed corporations as well as supporting the growth of the 1GS team and operations over the past 11 years. She leverages her experience to grow the company’s position as a net exporter of design and digital marketing services, while building high-performing teams with a strong culture of excellence and accountability. Gina’s passion for entrepreneurship drives her mission to contribute to Jamaica’s development by showcasing the immense value that design and technology bring to businesses, and ultimately, to the economy. Gina’s passion for entrepreneurship drives her mission to contribute to Jamaica’s development by showcasing the immense value that design and technology bring to businesses, and ultimately, to the economy.

Areas of Expertise: Operations Management, Culture and People Management, Strategic Direction, Multidisciplinary Design



Jacqueline

Jacqueline Sharp

Independent Non-Executive Director & Chairman of the Risk and Audit Committee

Jacqueline is the current Director of Coffee Traders Limited, a family-owned manufacturing, export and retail business. Prior to this, she had over 26 years of experience in the financial services industry, 20 of which she spent with Scotia Group Jamaica Limited. Jacqueline has an impressive leadership record spanning various divisions throughout her career, including Treasury, Finance, Administration, Insurance, Risk Management and Compliance. Her experience and performance resulted in her historic appointment as the first woman to become Chief Executive Officer (CEO) of Scotia Group Jamaica Limited. In this role she led the strategic direction and profitable growth of the operations in Jamaica, with oversight of four other countries in the Caribbean for 4 years. Jacqueline has a wealth of experience in board and corporate governance garnered through her service on the Boards of Scotia Group Jamaica and its subsidiaries and the Pension Fund for several years.

Areas of Expertise: Finance Risk, Management, Compliance, Administration

OUR BOARD OF DIRECTORS



Simone

Simone Bowie Jones

Independent Non-Executive Director & Chairman of the Remuneration Committee

Simone is an Attorney-at-law and Partner at the firm Myers, Fletcher & Gordon where she is a member of the firm's Commercial Department. Simone has over 17 years of experience dealing with a variety of complex commercial matters such as initial public offers, reverse takeovers, asset sales, securitizations and bond and note purchase arrangements. Her practice areas include Securities, Banking & Financial Regulation, Fintech, Competition, Corporate Finance, Public Private Partnerships and most significantly, Takeovers and Mergers. Simone currently serves as a director of a private equity and an investment advisory company regulated by the Financial Services Commission where she chairs the Conduct Review Committee and sits on the Audit Committee. She also sits on the board of a medical diagnostic company listed on the Junior Market of the Jamaica Stock Exchange. She is certified by the Dispute Resolution Foundation of Jamaica in Mediation Practice and Procedure and she is a member of the Jamaica Bar Association Commercial Law Sub-Committee.

Areas of Expertise: Mergers & Acquisitions, Corporate Governance & Compliance, Corporate Finance



Rachel

Rachel Browne

Non-Executive Director & Company Secretary

Rachel has served as a Non-Executive Director and Company Secretary of One Great Studio since its incorporation in 2012. She holds a Bachelor of Arts in Economics from the University of Western Ontario, and a Master of Business Administration in Banking and Finance from the University of the West Indies (UWI) Mona School of Business. With over 15 years' experience in business administration and finance, Rachel has demonstrated mastery in seamlessly maintaining a culture of order, accountability and transparency at the Board level which has, in turn, positively impacted the company's operations. Rachel's professional efficiency is fuelled by her personal dedication and superior time management skills as a mother of four, and wife. Rachel enjoys the role she gets to play in building the capacity of the 1GS team, supporting an authentic culture of connection, and is passionate about supporting children and youth through education.

Areas of Expertise: Finance & Accounting, Corporate Governance, Administration



Marc

Marc Ramsay

Independent Non-Executive Director & Chairman of the Corporate Governance Committee

Marc is an attorney-at-law admitted to practice in Jamaica, Belize and Barbados, with regional and international expertise in guiding companies, ranging from start-ups to blue chip clients. As Managing Partner of Ramsay & Partners, his practice focuses on corporate and commercial law, conveyancing and international consultancy work in Jamaica. Marc serves on the boards of several publicly listed, private, and government owned companies in Jamaica and is a Professionally Accredited Company Secretary (PACS) and Professionally Accredited Director (PAD). Marc has mentored and served several companies in complex securities transactions in Jamaica, including initial public offerings, takeovers and mergers, secured financing, and restructuring. He has also supported several international businesses and conglomerates in their expansion to the Caribbean, including structuring and supporting franchises, major projects, local subsidiaries, and other needs. Marc has a successful track record of supporting family-owned businesses beyond the traditional scope of services extending to estate planning, transition planning and support, and private client services.

Areas of Expertise: Corporate Governance, Mergers and Acquisitions, Finance

ONE GREAT MANAGEMENT TEAM



Djuvane Browne

Co-Founder, Executive Director & Chief Executive Officer

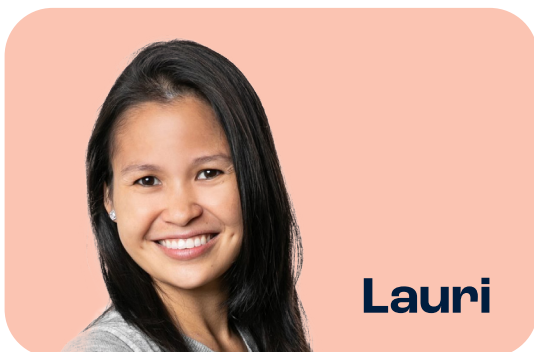
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Gina DeLisser

Co-Founder, Executive Director & Chief Operations Officer

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Laurian Evelyn

Chief Experience Officer (CXO)

As CXO, Laurian is responsible for designing, implementing, and managing the overall client experience strategy. This involves overseeing all touchpoints between clients and the Company, including mapping out client service solutions, customer service, marketing, and brand integrity. Her exceptional organizational skills, eye for detail and passion for service has greatly benefited 1GS, contributing to the Company's fast-paced growth and high levels of client satisfaction. She works tirelessly to ensure that clients have a positive and seamless experience with the Company, from the initial point of contact to ongoing engagement and support. The ultimate objective being, to foster collaboration among all departments towards aligning client experience initiatives with business goals and objectives.



Antoinette Hamilton

Consulting Chief Financial Officer

Antoinette is a seasoned financial executive with over 15 years of experience supporting the financial performance and strategic growth of companies. As the consulting CFO to 1GS, Antoinette leverages her extensive knowledge and expertise to convert the leadership team's goals to actions that drive results. She is a graduate of the Mona School of Business and Management, UWI Mona, with a Master of Business Administration in Banking and Finance, and is a Registered Public Accountant (RPA) with the Public Accountancy Board, Jamaica. She has been a Chartered Accountant since 2015. With this strong background in finance, audit, strategy, accounting, and general business operations, Antoinette has a proven track record of successfully managing complex financial challenges and delivering strategic business solutions.

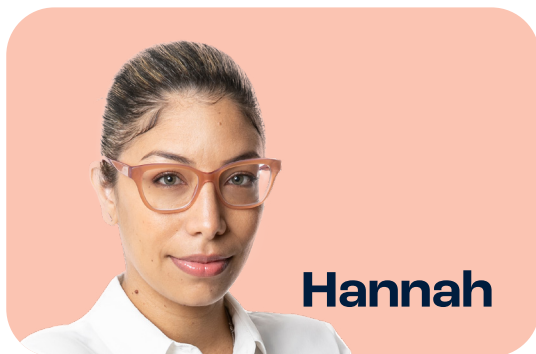
ONE GREAT MANAGEMENT TEAM



Robert Evelyn

Head of Web

Robert is a skilled practitioner with over 15 years of experience in web development, and he has been an integral part of the Company's success. Robert joined 1GS in 2019 to bolster the Company's major tech moves. With this deal, 1GS secured valuable North American clients. With his commitment to excellence and a passion for creating beautiful, functional websites, Robert leads a team of talented developers who are responsible for delivering high quality web solutions that meet the needs of the company's clients. His expertise in front-end development, and in-depth knowledge of WordPress is bolstered by his extensive User Interface Design experience. Robert has helped the company consistently deliver robust and reliable web solutions to clients across a range of industries.



Hannah Newland

Design Team Lead

Hannah can bring any creative concept to life with ease and originality. She holds a Bachelor of Fine Arts in Visual Communication at Edna Manley College of the Visual & Performing Arts. Hannah has over a decade of multidisciplinary design experience as an Art Director, working in a number of top advertising agencies in Jamaica. Her portfolio showcases excellence in brand creation, storytelling, and creating experiences through design. Hannah's superior skills have supported 1GS's high-quality work at the intersection of design and technology. She combines a creative mind with impactful leadership, collaboration skills and strategic thinking, to deliver successful outcomes for the organization.



Jordan Jones

App Team Lead

With over a decade of experience in developing and deploying platforms, Jordan is a visionary known for his adeptness in crafting digital landscapes from inception to completion. Armed with a BSc in Computer Science and certifications as a DevOps Engineer and Kubernetes and Cloud Native Associate, he excels in platform development and deployment. His expertise spans Cloud Architecture, Software Release and Pipeline Automation, and Site Reliability, with a keen focus on legacy project recovery and software stability. Jordan's passion for software engineering drives him to actively facilitate team expansion and implement project standardizations. As an advocate for a Testing-First approach to building software applications, he upholds the standard of excellence for 1GS App delivery, evolving the way we serve clients.

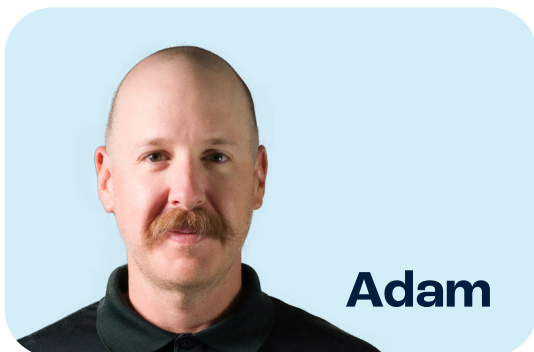
OUR SEO MANAGEMENT TEAM



Julia Mudler

General Manager of SEO Business

With over a decade of SEO and digital marketing experience, Julia has demonstrated herself to be a multifaceted and knowledgeable digital marketer. Throughout her career, Julia has had a successful track record of working with a diverse range of clients, including established international businesses, high-growth start-ups, and non-profit organizations, ensuring that all projects are completed on time, within budget, and to the satisfaction of clients. Julia's extensive knowledge of various aspects of digital marketing empowers her to efficiently carry out her duties as a general manager, supervising the execution of campaign tactics, managing team and client communication, generating reports, and spearheading marketing and branding endeavours. Julia's remarkable contribution to the team was instrumental in steering HVSEO towards success.



Adam Truszkowski

Senior VP Sales of SEO Business

Adam, is a dynamic motivator and an accomplished digital marketing professional with 20 years of experience in the industry. His experience has seen him serving in almost every facet of the digital landscape, including production, full-service marketing strategy and sales. While honing his expertise, Adam continuously endeavours to expand his depth of knowledge of emerging industry trends, buyer psychology, and website development in order to drive the advancement of the SEO approach to digital. His leadership has been instrumental in developing effective strategies to acquire and retain clients which in turn has driven strong revenue growth and unparalleled organizational growth.



Laura Klien

Operations Manager of SEO Business

As Operations Manager, Laura methodically undergirds the productivity and performance of the SEO team by managing client relations, operations, and spearheading strategy and performance reporting for the SEO business. Laura has been an integral part of the HVSEO team for over 7 years. Her impressive career trajectory has seen her hold various roles, from Campaign Manager, Senior Campaign Manager, and now Operations Manager. Beyond organizational management, Laura's capacity to understand the intricacies of the industry bolsters her project management, strategy development, execution and evaluation. Laura's leadership and extensive client management experience played an integral part in the growth and success of HVSEO.



Luka Dubretic

Chief Technical Officer of SEO Business

Luka joined the HVSEO team in 2017, bringing with him a wealth of experience as an SEO analyst and certified software engineer. Due to his technical prowess, Luka leads the Company's product development strategies, evaluation and implementation. With a sharp focus on research, analysis and optimization, Luka ensures that the Company stays at the forefront of the ever-evolving SEO landscape. Luka's data-driven approach solidifies him as a reliable and knowledgeable decision-maker. His commitment to leveraging his diverse skills and experience is unmatched, as he strives to generate new opportunities for clients to reach their digital objectives.

**MD
&A**

FINANCIAL OVERVIEW

In FY 2023, 1GS accomplished numerous significant milestones, making it our best year yet! We successfully integrated the SEO business line, which showcased our operational agility and innovative drive. We executed a successful and oversubscribed Initial Public Offering (IPO) in August 2023, where we raised \$338 million. In FY 2023, the company is reporting new highs in Revenues, and YoY growth in both operating and net profit margins, which ultimately lead to a 183% increase in Net Profits for the period. This year's results demonstrate our commitment to increasing shareholder value by diversifying revenue streams, reducing customer concentration risk, improving operational efficiencies, and consistently enhancing our profitability. While we achieved record-breaking performance, we're just scratching the surface and are optimistic about our growth prospects for 2024 as we continue to execute our strategic growth initiatives.

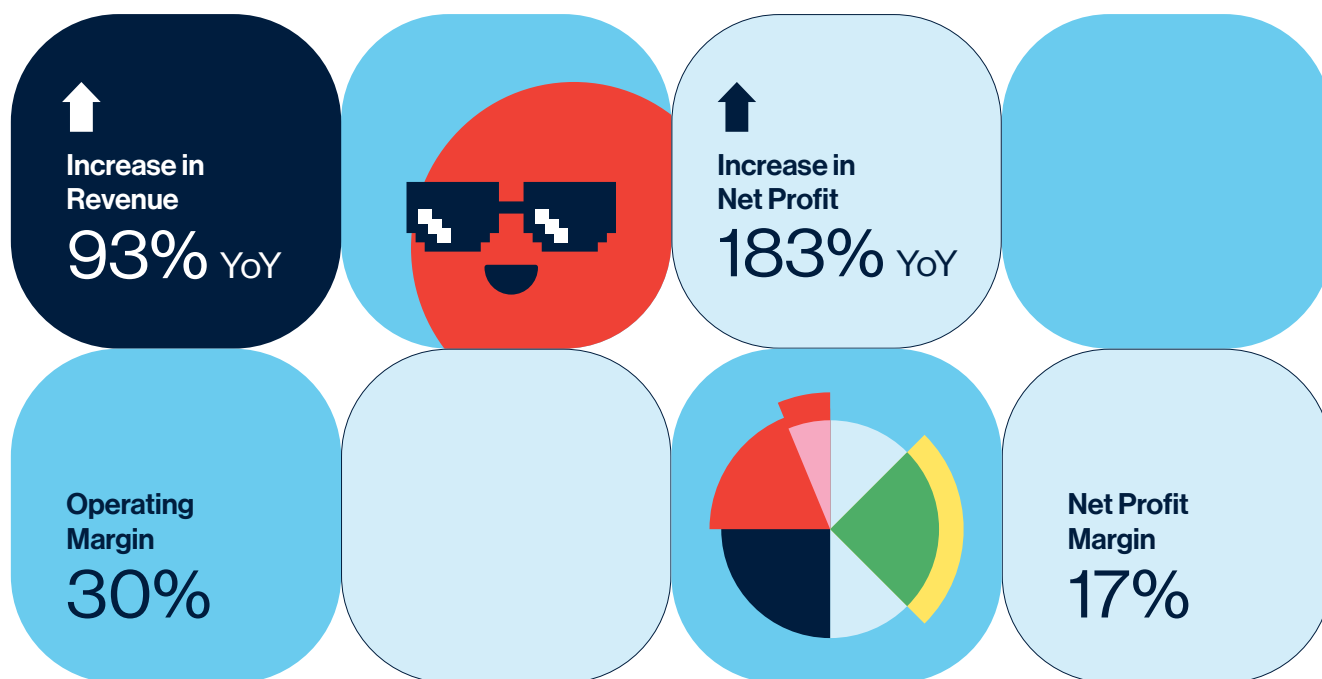
1GS CONSOLIDATED FIVE YEAR KEY FINANCIAL HIGHLIGHTS (J\$)

	2019	2020	2021	2022	2023
Income Statement					
Total Revenue	36,118,810	71,710,438	128,181,489	238,934,377	461,053,541
Gross Profit	17,449,252	36,631,982	75,787,975	127,868,691	259,389,408
Operating Expenses	13,130,340	20,063,096	41,619,723	65,778,482	123,157,539
Operating Profit	4,318,912	16,568,887	34,168,252	62,090,209	136,231,869
EBITDA	3,636,037	14,913,443	33,221,377	53,194,541	132,712,206
Profit Before Tax (PBT)	(1,488,702)	12,341,523	29,048,851	35,466,503	97,636,934
Net Profit	(1,803,453)	10,701,225	23,664,137	27,901,244	79,078,766
Balance Sheet					
Total Assets	11,482,698	28,567,767	53,290,663	478,078,685	649,384,441
Total Liabilities	14,376,266	20,760,110	21,599,501	318,655,668	57,348,156
Short -Term Investments	-	-	-	45,758,404	230,838,301
Cash and Bank Balances	2,756,372	11,235,567	26,826,013	40,381,002	34,520,484
Shareholders' Equity	(2,893,569)	7,807,657	31,691,162	159,423,017	592,036,285
Retained Earnings	(2,903,569)	7,797,657	31,681,162	48,768,871	120,511,687
Cash Flow Statement					
Cash Inflow (Outflow) from Operating Activities	6,048,290	13,378,674	20,367,585	30,836,198	117,251,249
Cash Inflow (Outflow) from Investing Activities	(1,868,550)	(2,385,100)	(2,396,966)	(387,605,003)	(181,707,027)
Cash Inflow (Outflow) from Financing Activities	(2,128,238)	(2,514,380)	(2,952,489)	371,605,560	60,156,261
Net Increase (Decrease) in Cash & Bank Balances	2,051,502	8,479,194	15,018,130	14,836,754	(4,299,517)
Financial Ratios					
Gross Profit Margin	48.31%	51.08%	59.13%	53.52%	56%
Operating Profit Margin	11.96%	23.11%	26.66%	25.99%	30%
Operating Expense Ratio	36.35%	27.98%	32.47%	27.53%	27%
Profit Before Tax Margin	-4.12%	17.21%	22.66%	14.84%	21%
Net Profit Margin	-4.99%	14.92%	18.46%	11.68%	17%
Current Ratio	0.66x	1.47x	2.92x	3.51x	7.87x
Return on Equity	-62.33%	137.06%	74.67%	17.50%	13.4%
Debt to Equity	-3.14x	1.26x	0.32x	1.80x	0.04x

PROFIT AND LOSS PERFORMANCE

January 2023 - December 2023

	2022	2023	CHANGE (%)
Revenue	238,934,377	461,053,541	93%
Profit Before Taxes (PBT)	35,466,506	97,636,934	175%
Net Profit	27,901,244	79,078,766	183%
Operating Profit Margin	26%	30%	-
Net Profit Margin	12%	17%	-
EPS	0.02	0.06	200%



FY 2023 REVENUE UP 93% YOY

For the FY ended December 31st 2023, 1GS recorded revenues of \$461.1 million, representing an increase of 93% or \$222.1 million over FY 2022. This increase was driven by a 292% increase in revenue from the SEO business line.

Operating expenses grew by 87.2% or \$57.4 million in FY 2023. However, operating profit increased by 119.4% to \$136.2 million compared to FY 2022. This translated into a higher operating profit margin of 30%, owing to continued prudent cost management and operational synergies from integrating the SEO business line.

Net profit for the full year was \$79.1 million representing an increase of 183.4% or \$51.2 million over FY 2022. This translated into a higher YoY net profit margin of 17.2% versus 11.7% in FY 2022.

% Revenue by Region



North America

64.7%



Jamaica & Caribbean

20.8%



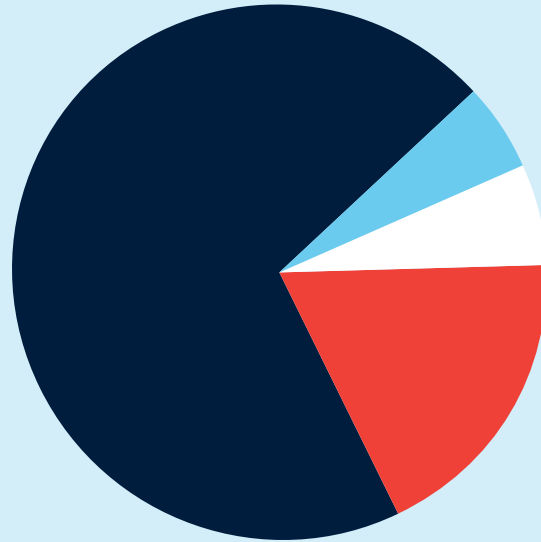
Europe

7.6%



Asia & Oceania

6.9%



In 2023, 1GS served 139 clients, up from the 117 clients in FY 2022. As revenues and our client base grew, the average amount spent by each client increased by 62.4% to \$3.3 million. In FY 2023, 84% of our revenues were generated outside Jamaica. 64.7% of our revenues were generated in North America, 20.8% in the Caribbean, 7.6% in Europe & the remaining 6.9% from Asia & Oceania regions. This compares favourably with revenue diversification in FY 2022.

As at December 31, 2023, our top three (3) clients accounted for approximately 15.5% of our revenue (down from 30% in FY 2022), and no single client accounted for more than 7% of our revenue (down from 16% in FY 2022). 1GS is proud of this metric as the risk of any material adverse impact on our Revenue from losing any single client is very low. Additionally, 87% of our revenue in FY 2023 originated from retainer clients, a meaningful signal for us as it is a good indicator of future income generation.



19% YoY

Total Clients Served

139



62% YoY

Average Client Spend:

\$3.3 M

% Revenue from Retainers:

87%

BALANCE SHEET: POSITIONED FOR GROWTH

	2022	2023	CHANGE (%)
Total Assets	478,078,685	649,384,441	36%
Current Assets	129,640,983	307,439,884	137%
Cash + Cash Equivalents	86,139,406	265,358,785	208%
Non-Current Assets	348,437,702	341,944,557	-2%
Total Liabilities	318,655,668	57,348,156	-82%
Current Liabilities	36,912,971	39,053,324	6%
Non-Current Liabilities	281,742,697	18,294,832	-94%
Shareholder's Equity	159,423,017	592,036,285	271%

Total Assets
J\$649M

Total Equity
\$592M

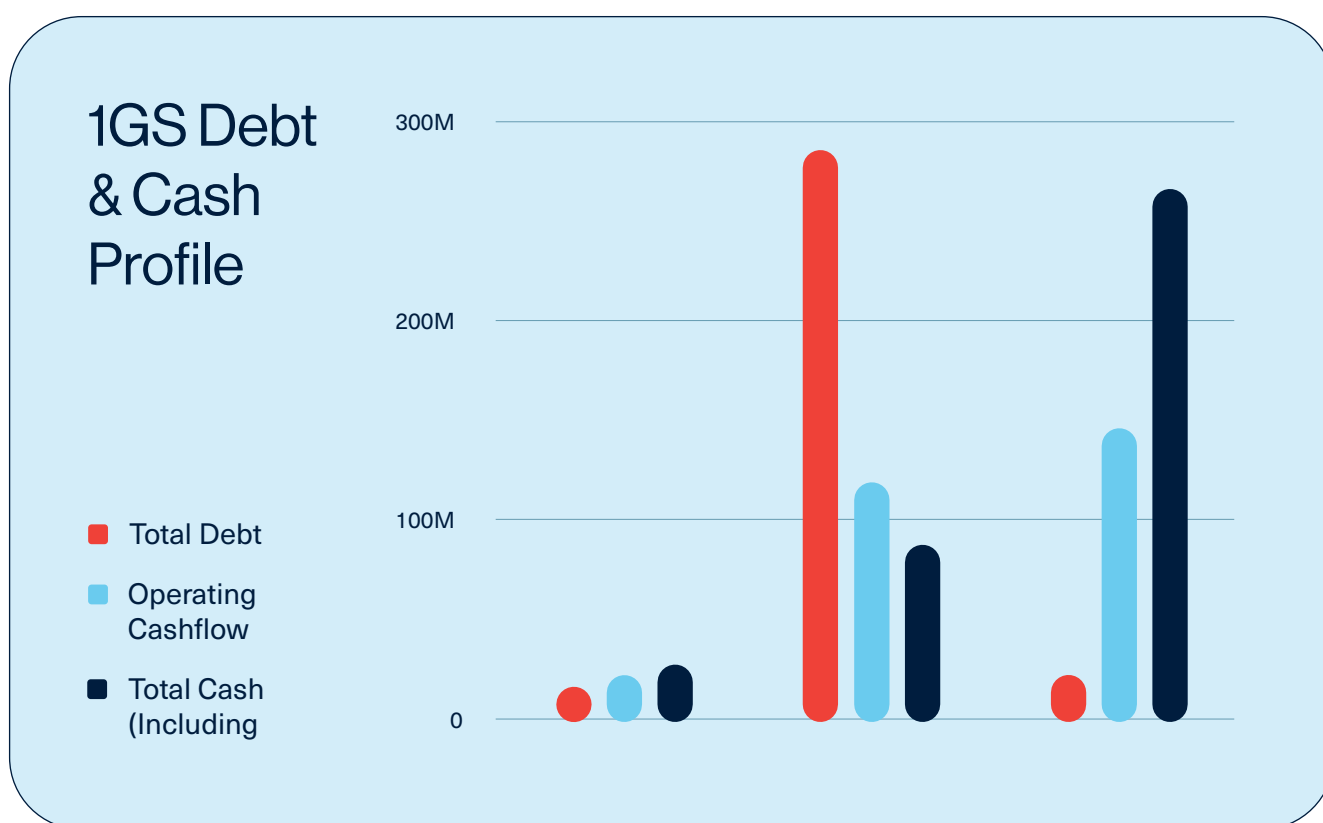


Cash Ratio
(inc. invs.)
6.79x

As at the end of FY 2023, Total Assets grew by \$171.3 million or 35.8% relative to the previous financial year. The increase in Assets was solely driven by an increase in short-term investments by \$185.1 million. To maximise the return on our assets for shareholders, 1GS strategically placed excess cash resources in short-term investment notes that earn a competitive interest rate. This strategic decision has assisted in generating Interest Income north of \$6 million in FY 2023 (contributing 6.25% of pre-tax income).

As at December 31, 2023, total short-term investments, including debt reserve cash, totalled \$230.8 million. 1GS is currently assessing opportunities that may require the deployment of most of this cash within FY 2024.

As at the end of FY 2023, Total Liabilities fell to \$57.3 million, an 82% reduction when compared to 2022. This was driven by a \$263.4 million reduction in Total Debt. This reduction in Total Debt can be attributable primarily to 1GS' loan repayment in keeping with our commitment outlined in the prospectus for significant debt reduction. Total non-current liabilities stood at \$18.3 million.



Current liabilities closed the year at \$39.1 million compared to \$36.9 million at the end of FY 2022. This \$2.1 million increase in current liabilities is mainly driven by an increase in taxation payables of \$4.3 million.

1GS is proud of our ability to cover all of our current liabilities with current assets almost 8 times. Our bank and investment balances alone of \$265.4 million can fully cover all our liabilities almost 5 times over.

Total Equity as at the end of FY 2023 was \$592 million, a 271.3% increase over the equity balance as at the end of FY 2022. This sharp growth in Total Equity was primarily driven by the over \$338 million that we received from our new shareholders in the IPO as well as a \$71.7 million increase in the accumulated surplus. Our balance sheet continues to show best-in-class resilience, very little debt, significant levels of liquidity, and an increasingly diverse geographic revenue generation base. We believe that this positions us to be able to act on regional opportunities and allows us the space to prudently raise future capital as needed to propel our future growth plan.

GREAT EXPECTATIONS: THE 1GS STRATEGIC GROWTH STRATEGY

2023 was our best year yet! With the successful completion of our IPO, we fulfilled our commitment to debt reduction, and financing of the IPO issuance costs—setting the stage for the execution of our strategic growth initiatives as outlined in the prospectus. We have also honored our promise to expand our team to capitalize on the growth opportunities identified in the local and regional markets. As we anticipate our next steps, we believe that continued inorganic expansion will be a pivotal part of our future. Optimistically, we expect 2024 to be another great year of maximizing shareholder value through:

Launching new quick-start products



We've developed and have started launching a series of products designed to help us onboard new clients quicker than we have in the past. These products are lower in price than our traditional projects but require less effort to deliver. Historically, we've been excellent at developing deeper relationships with clients once they are through the door. Here are a few of the products we will be launching in Q1 2024.

Snapshots

Our newest website product starting at US\$2,950. Snapshot customers will get a 4-page website delivered in 2 weeks.

Google Business Profile

Starting at US\$500 (per location), this product is our most affordable product to date, where we will claim, verify & audit a Google Business Profile to serve your customers better and maximize in-store and website traffic.

Reel Deal

A low-production social media product starting at US\$1,500 per month designed to help businesses generate and publish organic feeling short-form videos for use on Instagram, TikTok & YouTube shorts.

Bringing world-class SEO to the Caribbean

2

To date, our SEO income has originated wholly outside the Caribbean. Over the last 2 quarters, our team has developed a new SEO product designed for businesses operating in smaller markets like the Caribbean. Many Caribbean businesses, even those who invest heavily in digital marketing have yet to integrate a robust SEO strategy into their digital strategy.

Given the depth of our SEO experience, 1GS is positioned to become the leading SEO player in the region through the launch of this product.

Rolling out our Agency Partnership Programme

3

This programme is designed to help traditional or niche agencies better serve their existing clients by co-delivering services with 1GS. This initiative will help 1GS develop trusted agency partners in the industry with the potential of increased revenue from the built-in customer base of each agency partner.

Working together makes good work great. The fusion of traditional and digital success positions 1GS for unparalleled success.

Innovating in Service Delivery

4

With the rise in AI and technological advancements, we have been reviewing and updating our SOPs and processes for service delivery. In the last 3 months, we have developed and deployed a tool that allows us to reduce our custom website build time by approximately 50%.

We have been & will continue pushing the boundaries of leveraging technology to deliver services to our clients.

Exploring Inorganic Growth Opportunities

5

We are currently exploring multiple inorganic growth opportunities.

These opportunities often take time to identify, explore, and develop. As we have shown in the past, our team can execute an accretive inorganic growth strategy that is transformative for the business. We are confident that just as this company has been transformed over the last 18 months, executing the strategy outlined in this report will ultimately lead to another significant transformation as we continue to press towards GREAT things at 1GS.



COMPANY HIGHLIGHTS

THE FIRST AND ONLY IPO OF 2023



JAMAICA STOCK EXCHANGE JUNIOR MARKET ORDINARY SHARES/STOCKS	PREVIOUS CLOSE		CURRENT MARKET				LAST SALE		YEAR TO DATE	
	BUY	SELL	BUY	SELL	OPEN	CLOSE	DATE	PRICE	OPEN	CLOSE
BLUE POWER GROUP LTD.										
DB STAVANT LINES JAMAICA LIMITED										
CARDIO HANDLERS LIMITED										
CARIBBEAN CREAM LIMITED										
CARIBBEAN PRODUCTIONS JAMAICA LTD.										
CARIBBEAN PRODUCTIONS JAMAICA LTD.										
COMBINATION SERVICES JAMAICA LTD.										
COMBINATION SERVICES JAMAICA LTD.										
DOLLA FINANCIAL SERVICES LIMITED										
DESPICHO TRADING COMPANY LTD.										
FINTECH LIMITED										
FLUID DONOR SERVICES LIMITED										
GLOBAL ONE CORPORATION - SERVICE LTD.										
THE GREAT BERRY COMPANY LIMITED										
GLOBAL ACCESS SERVICES COMPANY LTD.										
GWEST CORPORATION LIMITED										
THE HILL GROUP										
JAMAICAN TEAS LIMITED										
JFP LIMITED										
JASCO DISTRIBUTORS LTD.										
LASCO MANUFACTURING LTD.										
MADE WITH ENTERTAINMENT GROUP LTD.										
THE CAPITAL PARTNERS LIMITED										
FONTANA LIMITED										
JAMAICAN TRADING COMPANY LIMITED										
THE HILL GROUP										
EMPOW REAL ESTATE & FINO LIMITED										
TROPICAL BATTERY LIMITED										
TOX FROM COVE LIMITED										
WILSON WINDFARM LIMITED										
WINDING PATRIOTISM COMPANY LIMITED										
WMA INVESTMENTS LIMITED										



BLUEPRINT 2: INVESTMENT ITINERARY: PREPARING YOUR FINANCIAL JOURNEY FOR 2024

Barita
Blueprint 2
Rapid
Recap



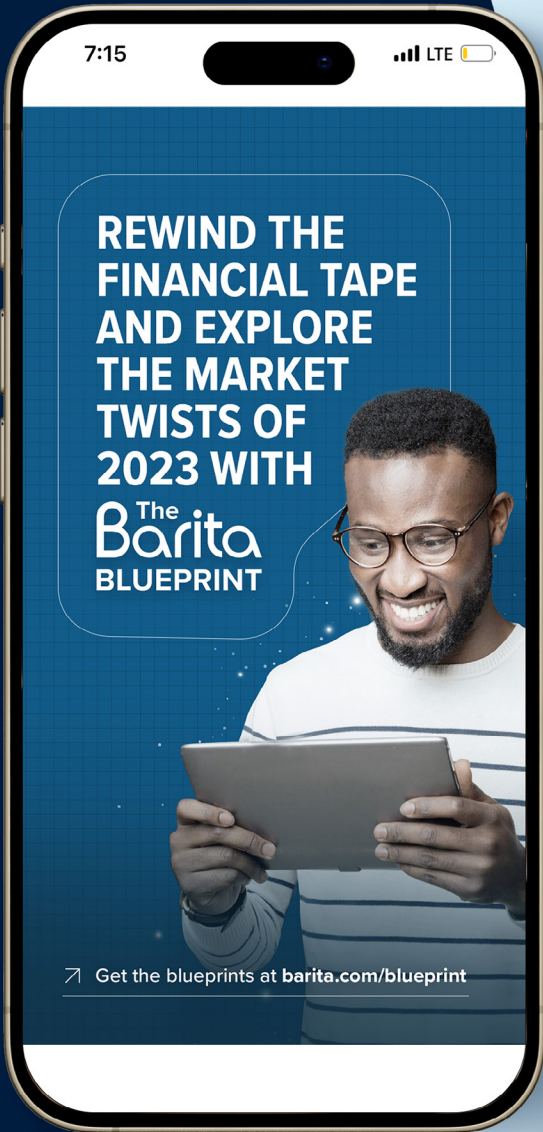
GOLD ADVENTURERS

What to Look Forward to in 2024:
Investors are expected to experience
volatility as central banks adjust
interest rates, and investors should
be cautious about their

• **UNIT TRUSTS - THE VERSA**

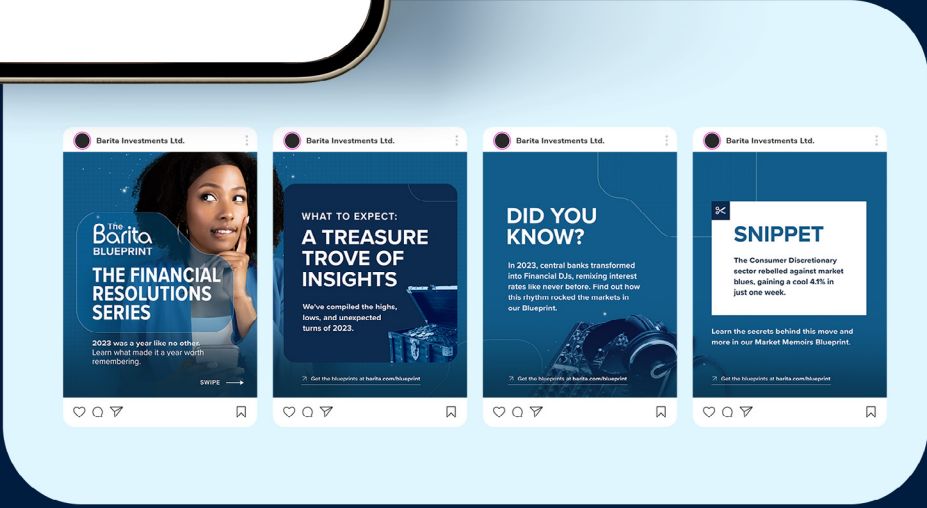
What to Look Forward to
Unit Trusts are expected to
perform well in 2024, driven by
broader market trends, offering a
diversified approach to invest

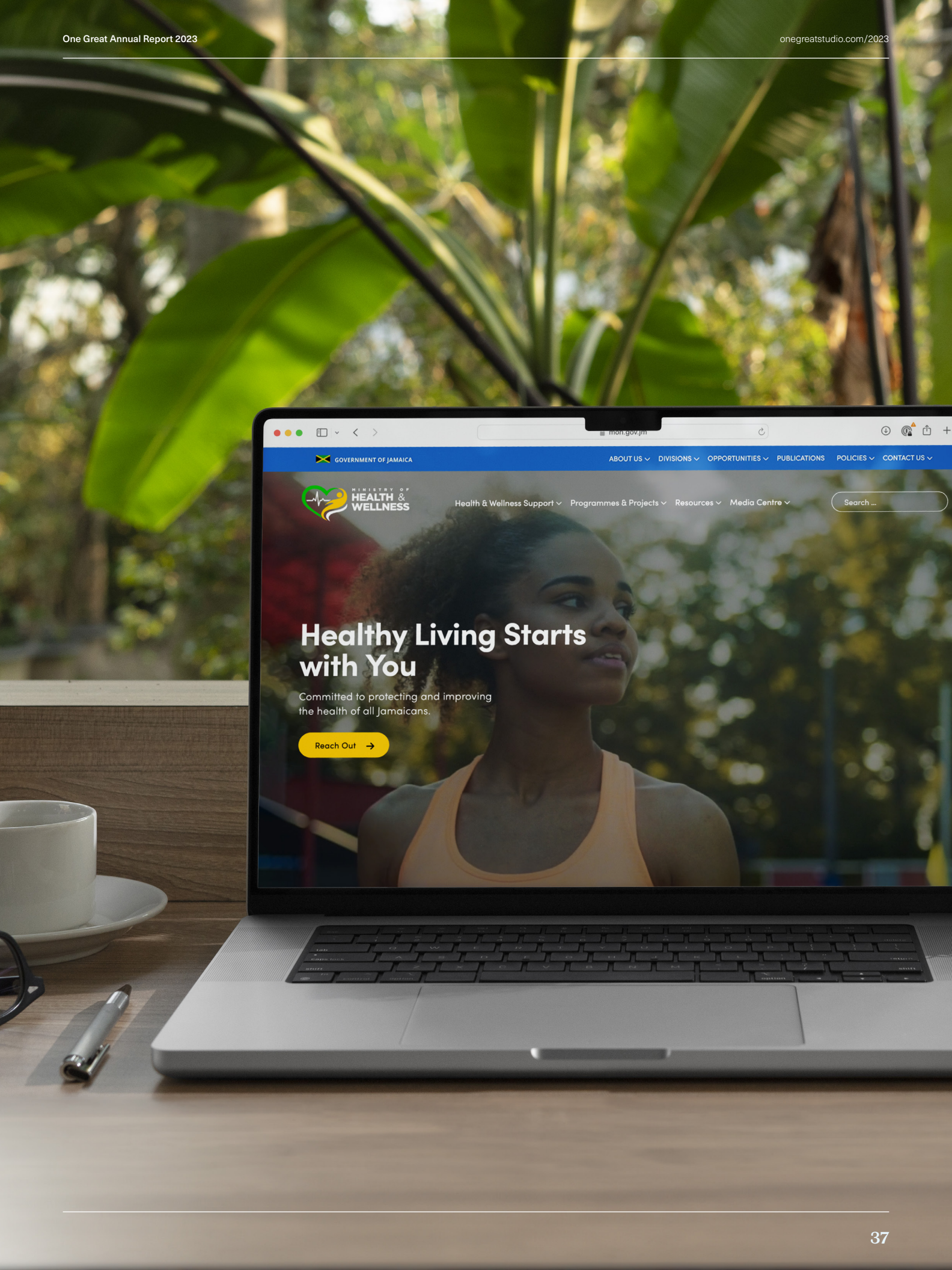
WE HAVE BEEN BUSY



REWIND THE FINANCIAL TAPE AND EXPLORE THE MARKET TWISTS OF 2023 WITH **The Barita BLUEPRINT**

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GOVERNMENT OF JAMAICA

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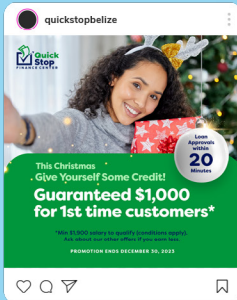
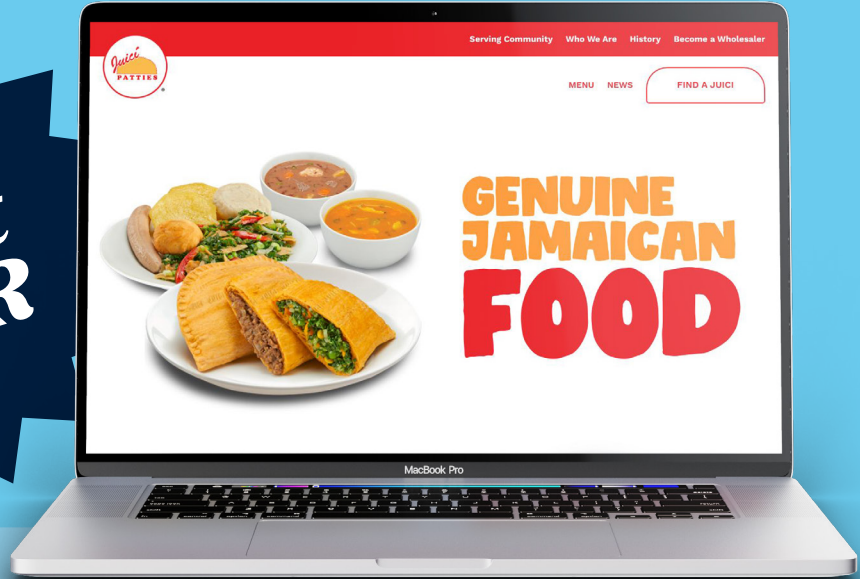
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PROUD TO WORK WITH SOME OF THE BEST





**PEOPLE &
CULTURE**

WHAT IT MEANS TO WIN

Our WIN-WIN-WIN culture highlights our commitment to achieving positive outcomes for everyone. By fostering a collaborative environment where mutual success is crucial, we strive to create lasting value and meaningful impact so our clients, our team and the company all win.

WE'RE ONLY GREAT BECAUSE OF OUR PEOPLE

1GS is built on a team that is smart, dedicated and always learning. Our team is made up of 55 team members hailing from as many as 12 countries across the globe. They are Strategists, Designers, Developers, Marketers, SEO Specialists, Data Scientists, Project Managers, Campaign Managers, Writers, Customer Success Managers and Administrators - all skilled, proficient, and brilliant, ready to do GREAT things.

Attracting and retaining the right talent is paramount. Beyond skill, we look for individuals who fit our culture and share our core values. This cohesion ensures that our team can effectively collaborate in a thriving work environment where we collectively and meaningfully strive towards mutual success.



A PLACE WHERE PEOPLE WANT TO WORK



3 words stand out to me when I think about my experience here at 1GS – **Empowered, Supported, Valued.**

I am still amazed at how much the management team pours into us as employees; it comes out in a very tangible way, you genuinely feel how much they care about your wellbeing. Their approach to managing and the environment they create here at 1GS has positively influenced our team dynamics and collaboration. Their unwavering support fuels our collective desire to see both them and the company succeed.

Just by joining the team, you enter an environment that challenges you to succeed, with systems in place to foster that success. I am not afraid to share if there's something I'm unsure about, because I know that they will spend time to help me understand, and this contributes to a 10x improvement in my output.

I actually get up and look forward to going to work. So 1GS has definitely made an impact on me and that makes it a truly GREAT place to work.

ALLANDO CAMPBELL
Client Success Manager



THERE'S MORE TO LIFE THAN WORK.

WE STRIVE FOR BALANCE

We actively encourage healthy boundaries and are committed to fostering a culture of balance where expectations are clear and crazy is the exception — not the norm.

WE ARE REMOTE

Our team has been distributed team by choice since 2012.

This allows us to keep a great team without geographical restrictions or boundaries. We love innovative tech and are intentional in our implementations, ensuring that we're effective collaborators and efficiently serve our clients.



WE CHOOSE TO EXCEL

GREAT MEANS NEVER SETTLING.

We take pride in delivering high-quality work with a collaborative spirit and client-centric customer experience. That's not an easy task to do, but we'll always give it our best.

WE LOVE TO LEARN

Digital is rapidly evolving — learning isn't optional.

An internal culture of curiosity and knowledge development is how we stay ahead of the game and serve our clients effectively. 1GS matches the commitment of each team member connecting them with the right tools and resources to help them grow.

By providing courses and workshops that align with our team's skills and interests, we consistently encourage them to understand what's new in digital.



WHAT'S THE SECRET BEHIND CLIENT SUCCESS?

People Who Make It Priority

At 1GS, client success is gauged by both experience and results. We understand that our clients rely on us to help them bridge their business outcomes with digital initiatives, but at the same time our internal team needs clear direction to ensure success. Our Client Success Managers (CSMs) are critical for transforming intentions into outcomes. While partnering with clients to help achieve their goals, they cross-collaborate with all our teams to connect the dots.

Beyond client-facing interactions, the role and training of 1GS CSMs encompass a broader scope. Their immersive training involves certifications in Customer Success, Project Management, HubSpot, Data Analysis, Paid Ads, Business Strategy, and more.

From spearheading onboarding to conducting team check-ins, our CSMs are creatives who ensure cohesion. They act as our ideators, advisers, translators, collaborators and project managers, all leveraging their expertise to make sure that our team can win, together.



Jacks Hill Infant & Primary School

To spread some Christmas cheer to our adopted school, the team came together to wrap and design gifts for students and teachers alike. From hearing happy shrieks on the bounce-a-bout to sharing a devotional message on "Why do we give gifts at Christmas?", we were delighted to act generously and bring joy.





GREAT GOVERNANCE PROMOTES:

TRUST

CONFIDENCE

LONG-TERM SUSTAINABILITY

At One Great Studio, we strive to engender a culture of strong corporate governance. GREAT Governance serves as our compass, guiding us to manage the business in the best interests of all stakeholders. Our unwavering commitment to transparency, accountability, integrity, and compliance ensures that we fulfil this responsibility diligently. The foundational principles and practices are the foothold of our governance framework, reflecting our ongoing dedication to excellence and ethical conduct.

Transparency: Ensuring that all stakeholders, including shareholders, employees, and the public, have access to accurate and timely information about the company's performance, financial position, and strategic initiatives.

Accountability: In keeping with strong systems of accountability, we have established three standing committees that provide direct oversight on matters addressed outside regular board meetings. Our Corporate Governance, Remuneration and Audit Committees play an integral role in helping us adhere to the Corporate Governance framework outlined in our Committee Charters. Timely updates are presented to the Board on any tasks, recommendations and decisions.

Agility: The Board of Directors have a strong listening and learning culture. We believe this is

imperative as we adjust to the dynamic business landscape and market environment. While providing strategic guidance, The Board holds the Executive and Senior Management Team to key performance objectives, enabling adaptability and responsiveness to evolving challenges.

Integrity: A bedrock value of One Great Studio. We are committed to upholding high standards of honesty, integrity, and ethical behaviour throughout the organization. We continue to build on this as we "walk out" our core values: Don't Be Greedy, Think Long Term, Do Good.

Compliance: We are guided by the corporate governance requirements laid out by the Jamaica Stock Exchange Junior Market Rules. We have also developed our own [Corporate Governance Code](#) and [Corporate Governance Charter](#), both of which can be found on our website.

"At the heart of our governance philosophy is the understanding of the importance of fostering enduring relationships with our investors. We're committed to consistently providing value to our shareholders. Beyond regulatory charters, our focus extends to open communication, active engagement, and a shared journey towards sustained success."

THE BOARD

Structure, Roles and Responsibilities

The Board of One Great Studio has responsibility for creating shareholder value, steering company success and spearheading the implementations of growth strategies. With their diverse expertise and attentive oversight the collective ensures that the company remains agile, innovative and competitive in the ever-evolving digital landscape.

THE MAIN FOCUS OF THE BOARD SURROUNDS:

- Sustaining revenue growth
- Review and approval of company policies
- Financial reporting and auditing supervision
- Succession planning management
- Compliance and law regulation

KEY ACTIVITIES UNDERTAKEN BY THE BOARD OF DIRECTORS DURING THE FINANCIAL YEAR ENDING 2023 INCLUDE:

- Review & Approval of the annual operating and capital expenditure budgets.

- Review and approval of the Company's financial performance, including
 - Quarterly financial results
 - Audited financial statements
 - Management Discussion and Analysis.
- Declaration of the final dividend.
- Approval of the Company's strategy and monitoring of its execution
- Overseeing the development and approval of the:
 - Corporate Governance Code
 - Corporate Governance, Remuneration, Audit & Risk Committee Charters
 - Securities Trading Policy

BOARD COMPOSITION

Our Board, is comprised of seven (7) individuals with diverse backgrounds and expertise, including two (2) Executive Directors, three (4) Independent Non-Executive Directors and one (1) Non-Executive Director.

NAME	CAPACITY	CORPORATE GOVERNANCE COMMITTEE	AUDIT & RISK COMMITTEE	REMUNERATION COMMITTEE
John Bailey	Chairman & Independent Non-Executive Director	-	-	-
Jacqueline Sharp	Independent Non-Executive Director	Member	Chair	Member
Simone Bowie Jones	Independent Non-Executive Director	Member	Member	Chair
Marc Ramsay	Independent Non-Executive Director	Chair	Member	Member
Rachel Browne	Non-Executive Director and Company Secretary	-	Member	-
Djuvane Browne	Executive Director	-	-	-
Gina DeLisser	Executive Director	Member	-	-

An independent director is one who:

- Has not received, nor is currently receiving, compensation from the Company beyond Director's fees.
- Is not enrolled in the Company's share option plan or any performance-related pay scheme, nor is a participant in the Company's pension scheme.
- Has not been an employee of the Company or Group in the past five years.
- Does not currently, or within the last three years, maintain a significant business relationship with the Company, whether directly or indirectly as a partner, shareholder, Director, or senior employee of an entity having such ties with the Company.
- Has no close family connections with any of the Company's advisors, directors, or senior employees.
- Does not have any cross-directorships or possess substantial affiliations with other directors through involvement in other entities.
- Is not a significant shareholder.
- Has not served on the company's board for more than nine years.

BOARD EXPERTISE & DIVERSITY

The varied expertise of our board members gives 1GS the advantage of having a broad perspective, ensuring comprehensive decision-making and strategic insight.

	GENERAL MANAGEMENT	STRATEGIC MANAGEMENT	FINANCE & ACCOUNTING	LEGAL	RISK MANAGEMENT
John Bailey	✓	✓	✓		
Jacqueline Sharp	✓	✓	✓		✓
Simone Bowie Jones				✓	
Marc Ramsay	✓	✓		✓	
Rachel Browne	✓		✓		
Djuvane Browne	✓	✓	✓		
Gina DeLisser	✓	✓			

BOARD AND COMMITTEE ATTENDANCE

The active engagement and attendance of 1GS board members fortify our decision-making prowess and strategic acumen, ensuring effective leadership and informed governance.

NAME	BOARD (6)	CORPORATE GOVERNANCE COMMITTEE (1)	AUDIT & RISK COMMITTEE (2)	REMUNERATION COMMITTEE (1)
John Bailey	6	n/a	n/a	n/a
Jacqueline Sharp	5	1	2	1
Simone Bowie Jones	6	1	1	1
Marc Ramsay	4	1	1	1
Rachel Browne	6	n/a	2	n/a
Djuvane Browne	6	n/a	n/a	n/a
Gina DeLisser	6	1	n/a	n/a

RESPONSIBILITIES OF BOARD COMMITTEES

The Committees within the organisation are primarily composed of Independent Non-Executive Directors¹. Each Committee consists of at least three (3) members of the Board, with the specific number determined by the Board itself. All Committee members are appointed and serve at the discretion of the Board. Additionally, the Board may appoint a Committee member as the Chairperson (the “Chair”), responsible for setting the agenda and overseeing the proceedings of Committee meetings. In the event the Board does not appoint a Chair, Committee members may collectively designate one through a majority vote.

¹Independent Non-Executive as defined under the Junior Market Rules and/or the Private Sector Organization of Jamaica Corporate Governance Code

CORPORATE GOVERNANCE COMMITTEE

The purpose of the Corporate Governance Committee of the Board of Directors (the “Board”) of One Great Studio Company Limited (the “Company”) shall be to assist the Board with corporate governance matters, including:

1. reviewing corporate governance guidelines and policies for the Company;
2. overseeing an annual evaluation of the Board and its committees; and
3. advising the Board on corporate governance matters and Board performance matters, including recommendations regarding the size, structure and composition of the Board and its committees.

Our Corporate Governance Committee Charter provides a more fulsome breakdown of the duties and responsibilities of the Corporate Governance Committee.

[Read the full Corporate Governance Committee Charter](#)

AUDIT & RISK COMMITTEE

The purpose of the Audit & Risk Committee is to oversee:

1. the independence, qualifications and performance of the independent auditor;
2. the accounting and financial reporting processes of the Company and the audits of the financial statements of the Company;
3. the Company's internal audit function;
4. significant financial matters of the Company; and
5. certain risk exposures of the Company.

Our Audit & Risk Committee Charter provides a more fulsome breakdown of the duties and responsibilities of the Audit & Risk Committee.

[Read the full Audit & Risk Committee Charter](#)

REMUNERATION COMMITTEE

The purpose of the Remuneration Committee is to assist the Board with compensation of the Non-Executive Directors, Executive Directors and employees of the Company. This will include:

1. evaluating, recommending, approving and reviewing executive officer¹ compensation
2. arrangements, plans, policies and programs maintained by the Company;
3. overseeing the Company's equity-based compensation plans and the Company's bonus plan, whether adopted prior to or after the date of adoption of this charter (the "Charter") (including issuance of stock options and other equity-based awards granted other than pursuant to a plan);
4. reviewing, assessing and making recommendations to the Board regarding non employee director compensation; and
5. making recommendations to the Board regarding its remaining responsibilities relating to executive compensation

¹This is to include Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Chief Experience Officer and other managerial positions

Our Remuneration Committee Charter provides a more fulsome breakdown of the duties and responsibilities of the Remuneration Committee.

[Read the full Remuneration Committee Charter](#)

BOARD APPOINTMENT, ROTATION, RETIREMENT

The election, re-election, removal, retirement, and appointment processes for Board members shall adhere to the regulations stipulated in the Companies Act and Articles 114-121 of the Company's Articles of Incorporation. Oversight of these procedures falls under the jurisdiction of the Corporate Governance Committee, which spearheads Board appointments and provides recommendations to the Board.

Board rotation and retirement procedures are also regulated by the Company's Articles. During the Annual General Meeting, one-third (1/3) of the directors are required to retire. The director who has served the longest since their last election or appointment is to retire. However, retiring directors remain eligible for re-election or reappointment. Additionally, a Board member retains the right to resign or retire at any time by submitting a written notice of resignation to the Chairman.

DIRECTORS' COMPENSATION

As outlined in our [Corporate Governance Code](#), the remuneration of the Directors is recommended by the Remuneration Committee. It is designed to be competitive and subject to regular review against what is paid in comparable situations elsewhere. The Remuneration Committee proposes the packages needed to attract, retain and motivate experienced Directors that can provide the necessary support to steer the company to sustained success. Executive Directors do not receive additional pay for their board roles. The Directors' total compensation for the period January 2023 to December 2023 was JMD \$2,150,000.00, this is detailed in note 20 of the audited financial statements on page 90 of this annual report.

SHAREHOLDER COMMUNICATION

At One Great Studio, we firmly believe in the immense potential of our company to emerge as a leader in prudent financial management and people-centric operations. Our unwavering commitment to long-term partnerships and value-added collaborations underscores our dedication to building enduring relationships with our stakeholders, and we look forward to building this company around these shared values.

At 1GS, we prioritise transparency and regular communication to ensure that our investors are informed and engaged. One of the ways we accomplish this is consistently using our website to broadly communicate up-to-date information.

By visiting our investor relationship page at <https://onegreatstudio.com/investors>, anyone can access our Annual Report, Shareholder Reports and Summary Documents or sign up to our newsletter to receive key information straight to their inbox. We are committed to providing our stakeholders with important information in the most accessible and user-friendly way.

Our Annual General Meeting meeting allows the Board to engage with shareholders, fostering opportunities for direct and clear communication. Meeting minutes, which include stakeholder questions, can be made available to shareholders upon request. Shareholders can email investorrelations@onegreatstudio.com to receive a copy of the minutes.

We want to hear from you.

We invite shareholders to explore further insights about 1GS by visiting our website at www.onegreatstudio.com.

We believe your support and input are invaluable. Please feel free to share any suggestions or concerns with us by emailing investorrelations@onegreatstudio.com.

Sign up to receive our quarterly updates and more directly to your inbox.

[Sign up now](#)

RISK MANAGEMENT

One Great Studio's risk management goal is to ensure that it understands, measures, and monitors the various risks that arise. Furthermore, it adheres to the policies and procedures established to address these potential risks. The company also establishes insurance (where prudent and commercially reasonable to do so) to minimise loss and damage that the Company may suffer due to liability claims.

The Board's Audit & Risk Committee oversees the Company's risk policies and procedures relating to the financial statements and reporting process, as well as the internal controls of the Company. The Board's Remuneration Committee oversees risks related to compensation, and the Corporate Governance Committee oversees the Company's compliance with legal and regulatory requirements. This approach allows the Company to develop early warning signals that monitor changes in risk, affecting its operation and financial performance.

Risks that are constantly evaluated include:

OPERATIONAL RISKS

Operational risk arises when inadequate or failed internal processes, people, systems, or external conditions are present. We address this risk through:

- the establishment and revisions of standard operating procedures in as many areas as possible to minimize human error
- regular team training on these procedures for both service delivery & operational tasks
- clear accountability channels for our team

The company operates primarily remotely with a distributed global team and, as such, relies heavily on technology to operate and deliver its services. This risk involves external factors such as technology failures, disasters, storms, internet outages, and war. We manage this risk by leveraging some of the world's best cloud-based software in our operations and

service delivery to minimize downtime and outages. Additionally, having a distributed team allows us to continue operating if there is disruption in one geographical location.

CONCENTRATION RISK

Client concentration risk arises should the business rely heavily on a small number of clients for a significant portion of its revenue. In some cases, losing one or more of these large clients could negatively impact the business's financial performance. We continue to mitigate this risk by diversifying the client base, expanding services to existing clients, and implementing strategies to attract new clients.

CURRENCY RISK

1GS operates globally and earns a significant portion of its revenues from foreign currencies, primarily the United States dollar. Since the agency earns revenue and incurs expenses in different currencies, changes in exchange rates can affect its profitability. To mitigate this risk, the agency reserves working capital in multiple currencies while purchasing short-term investments in both USD & JMD instruments. The company continues to actively work to diversify its revenue streams across different currencies.

PERSONNEL RISK

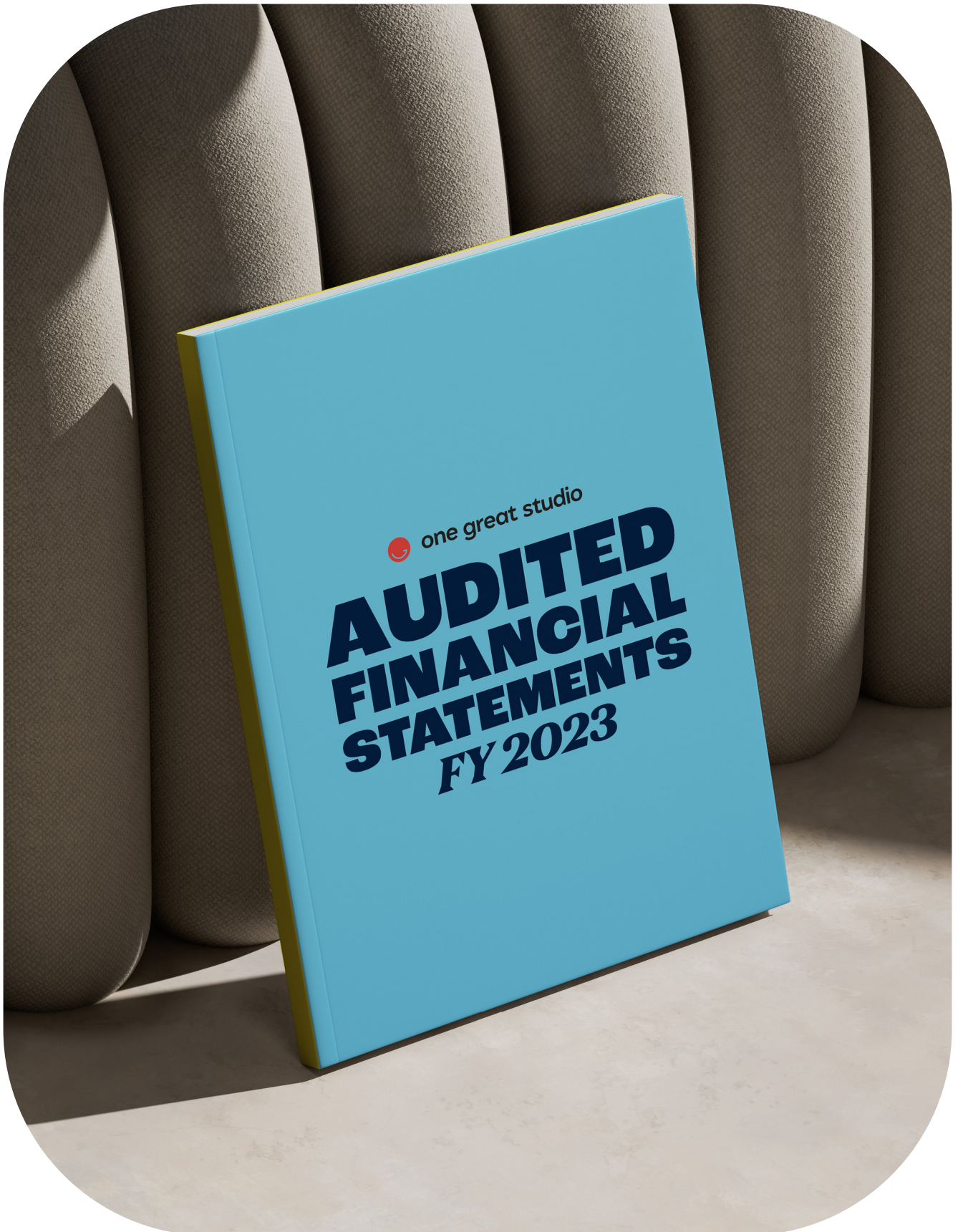
1GS is a people business; as such, we continually manage potential threats and challenges related to our workforce. This includes risks associated with employee recruitment, retention, and management. It also encompasses risks related to the skills, knowledge, and experience of the workforce and risks related to employee behavior, such as fraud or misconduct. Personnel risk can impact the agency's ability to deliver services effectively, meet client expectations, and maintain a positive reputation. We manage this risk by investing in employee training and development, implementing comprehensive HR policies and procedures, and ensuring competitive compensation and benefits packages.

CYBERSECURITY RISK

Cybersecurity risk in a digital agency refers to the potential threats and vulnerabilities related to the security of its digital assets and information systems. This includes risks of unauthorized access, data breaches, malware attacks, and other cyber threats that could compromise the confidentiality, integrity, and availability of sensitive information. Cybersecurity risk is particularly critical for 1GS, as we rely heavily on digital technologies for our operations. We manage this risk by implementing strong cybersecurity measures and educating employees about cybersecurity best practices.

DATA COMPLIANCE RISK

1GS processes primarily business data, not personal information, which is protected under the Data Protection Act. Though the amount of personal data collected may be minimal, there is still a risk of unauthorized access, data breaches, or other security incidents that could compromise the confidentiality, integrity, and availability of the personal data we collect and process. To mitigate this risk, 1GS leverages a GDPR compliant system to manage all staff data and is working to implement the necessary processes and systems to comply with the local regulations.



GROUP FINANCIAL STATEMENTS

Year Ended December 31, 2023

Independent Auditor's Report

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Company Statement Of Cash Flows

Notes To The Financial Statements

Income Tax Computation



Leary Mullings
FCA, FCCA, CPA, MBA
Senior Partner

Rohan Crichton
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INDEPENDENT AUDITOR'S REPORT

**To the members of
ONE GREAT STUDIO COMPANY LIMITED**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying financial statements of One Great Studio Company Limited (the "Company") and the consolidated financial statements of the Company and its subsidiaries (the "Group"), set out on pages 8 to 42. These financial statements comprise the Group and Company statements of financial position as at December 31, 2023, the Group and Company statements of profit and loss, the Group statement of comprehensive income, the Group and Company statements of changes in equity, and the Group and Company statements of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying separate and consolidated financial statements give a true and fair view of the financial position of the Company and the Group as at December 31, 2023 and of its separate and consolidated 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 opinion

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 Financial Statements section of our report. We are independent of the Company and Group 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 opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate 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.

Cont. /2



Independent Auditor's Report (cont'd)

**To the members of
ONE GREAT STUDIO COMPANY LIMITED**

Key audit matters (cont'd)

Key audit matters	How the matter was addressed in our audit
<p>1) <u>Revenue from contracts with customers</u></p> <p>As described in note 3(i), the Group recognizes revenue from contracts with customers under IFRS 15 when the services have been performed by the Group.</p> <p>The standard also requires management to identify the performance obligations in contract services and determine the timing of satisfaction of the performance obligations. It also requires management to determine whether it acts as a principal or agent in executing the contracts and if there are significant financing components included in the promised payment amounts.</p>	<p>We have obtained and reviewed management’s assessment and understood the underlying assumptions used to support the calculations as required by IFRS 15. We also evaluated the appropriateness of the Group’s revenue recognition policy in relation to the requirements of the standard.</p> <p>We reviewed management’s computations and independently reviewed a sample of contracts and evaluated them as follows:</p> <ul style="list-style-type: none"> • We obtained and reviewed signed contracts to validate the legitimate contracts exist with customers, • We verified the transaction prices that are explicitly stated in the contracts associated with the relevant performance obligations, • We obtained and reviewed invoices on a sample basis, along with supporting reports confirming evidence of work carried out and performance obligations met. Additionally, where bundled services were offered, we assessed whether the transaction price should be allocated to each performance obligation, • Based on the above, we verified that revenue was properly recognized in the correct period. <p>We also reviewed the disclosures for appropriateness in accordance with IFRS 15.</p>

Cont. /3



Independent Auditor's Report (cont'd)

To the members of ONE GREAT STUDIO COMPANY LIMITED

Key audit matters (cont'd)

Key audit matters	How the matter was addressed in our audit
<p>2) <u>Expected Credit Loss on Trade Receivables</u></p> <p>The Group is required to recognize expected credit losses (ECL) on trade receivables, the determination of which is highly subjective and requires management to make significant judgments and estimates including determination of the appropriate variables and assumptions used and the application of forward-looking information.</p> <p>The risk of material misstatement increases as significant management judgment is used in determining the appropriate variables and assumptions used in the ECL calculations.</p>	<p>Our audit procedures to address the key audit matter relating to the expected credit loss on trade receivables included the following:</p> <ul style="list-style-type: none"> • Obtaining an understanding of the model used by management for the calculation of expected credit losses on trade receivables. • Testing the completeness and accuracy of the data used in the ECL models to the underlying accounting records on a sample basis. • Reviewing the ECL model to assess appropriateness of the Group's impairment methodology, management's assumptions and compliance with the requirements of IFRS 9, Financial Instruments. • Evaluating the appropriateness of the economic parameters including the use of forward-looking information. • Testing the accuracy of the ECL calculation. • Testing the recording and ageing of trade receivables. • Assessing the adequacy of the disclosures of the key assumptions and judgements for compliance with IFRS 9 Financial Instruments. <p>Based on the procedures performed, management's assessment of expected credit loss on trade receivables appears reasonable.</p>

Cont. /4



Independent Auditor's Report (cont'd)

**To the members of
ONE GREAT STUDIO COMPANY LIMITED**

Key audit matters (cont'd)

Key audit matters	How the matter was addressed in our audit
<p>3) <u>Intangible assets impairment assessment</u></p> <p>The Group has intangible assets of \$336.9 million arising from the acquisition of the High Voltage Digital LLC operations, which represents 52% of the total assets as at the year-end.</p> <p>The annual impairment assessment requires management's judgement and estimation in determining estimated future earnings from the subsidiary, taking into consideration the inflation rate, growth rate and other underlying assumptions.</p>	<p>Our audit procedures to address the key audit matter relating to the impairment of intangible assets assessment included the following:</p> <ul style="list-style-type: none"> • We have reviewed management's assertions, including the identification of the underlying cash-generating assets. • We have assessed and reviewed the subsidiary's historical performance and compared actual results to the approved budget. The analysis of the external and internal environments was taken into account in the assessment of the subsidiary's performance. <p>Based on the procedures performed, management's assessment of intangible assets impairment appears reasonable.</p>

Other information

Management is responsible for the other information. The other information comprises information included in the annual report but does not include the consolidated and separate 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 and separate 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 and separate 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.

Cont. /5



Independent Auditor's Report (cont'd)

To the members of ONE GREAT STUDIO COMPANY LIMITED

Responsibilities of management and those charged with governance for the Financial Statements

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

In preparing the consolidated and separate 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 or to cease operations or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 separate financial statements is included in the Appendix to this auditor's report. This description, which is located at pages 6-7, 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 consolidated and separate 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.

Kingston, Jamaica
February 28, 2024

Crichton Mullings & Assoc.
CrichtonMullings & Associates
Chartered Accountants

Cont. /6



Independent Auditor's Report (cont'd)

To the members of ONE GREAT STUDIO COMPANY 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 Group and Company 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 Group and Company financial statements, including the disclosures, and whether the Group and Company financial statements represent the underlying transactions and events in a manner that presents a true and fair view.

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.

Cont. /7



Independent Auditor's Report (cont'd)

To the members of ONE GREAT STUDIO COMPANY LIMITED

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

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 Group and Company financial statements, which are in agreement therewith, give the information required by the Act, in the manner required.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated and separate 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.

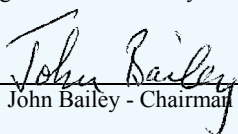
One Great Studio Company Limited

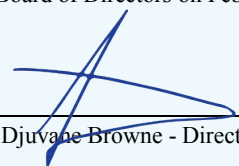
Group Statement of Financial Position

As at December 31, 2023

	<u>Note</u>	2023 \$	2022 \$
ASSETS			
Non-current Assets			
Property, plant and equipment	5	5,091,811	7,371,053
Intangible assets	7	336,852,746	339,887,675
Right-of-use asset	9	-	665,127
Deferred tax asset	10	-	513,847
Total non-current assets		<u>341,944,557</u>	<u>348,437,702</u>
Current Assets			
Trade and other receivables	11	42,081,099	43,501,577
Short term investments	13	230,838,301	45,758,404
Cash and bank balances	14	34,520,484	40,381,002
Total current assets		<u>307,439,884</u>	<u>129,640,983</u>
TOTAL ASSETS		<u><u>649,384,441</u></u>	<u><u>478,078,685</u></u>
EQUITY AND LIABILITIES			
Equity			
Share capital	15	310,175,538	21,738
Paid in capital	15	161,349,060	110,632,408
Accumulated surplus		120,511,687	48,768,871
Total equity		<u>592,036,285</u>	<u>159,423,017</u>
Non-current Liabilities			
Long-term loans	16	18,099,189	281,742,697
Deferred tax liability	10	195,643	-
Total non-current liabilities		<u>18,294,832</u>	<u>281,742,697</u>
Current Liabilities			
Current portion of long-term loans	16	5,340,900	5,134,433
Current portion of the lease liability	9	-	665,127
Taxation payable	17	9,962,538	5,612,974
Trade and other payables	18	23,749,886	25,500,437
Total current liabilities		<u>39,053,324</u>	<u>36,912,971</u>
TOTAL EQUITY AND LIABILITIES		<u><u>649,384,441</u></u>	<u><u>478,078,685</u></u>

The financial statements on pages 8 to 42 were approved for issue by the Board of Directors on February 28, 2024 and signed on its behalf by:


John Bailey - Chairman


Djuvane Browne - Director

The accompanying notes form an integral part of the financial statements

One Great Studio Company Limited

Group Statement of Profit and Loss

As at December 31, 2023

	<u>Note</u>	2023 \$	2022 \$
Revenues	4	461,053,541	238,934,377
Less: Cost of sales	19	<u>(201,664,133)</u>	<u>(111,065,686)</u>
Gross profit		259,389,408	127,868,691
Less: Administrative and general expenses	20	<u>(123,157,539)</u>	<u>(65,778,482)</u>
Operating profit	21	136,231,869	62,090,209
Acquisition costs	22	-	(10,104,046)
Other income		6,110,053	2,642,395
Other expenses	23	<u>(9,629,716)</u>	<u>(1,434,017)</u>
Earnings before interest, taxation depreciation and amortisation		132,712,206	53,194,541
Interest expense on loans and lease		(26,957,641)	(12,294,207)
Depreciation and amortisation		<u>(8,117,631)</u>	<u>(5,433,831)</u>
Earnings before taxation		97,636,934	35,466,503
Taxation charge	24	<u>18,558,168</u>	<u>7,565,259</u>
Net profit for the year		<u><u>79,078,766</u></u>	<u><u>27,901,244</u></u>

The accompanying notes form an integral part of the financial statements

One Great Studio Company Limited

Group Statement of Comprehensive Income

Year ended December 31, 2023

	2023	2022
	\$	\$
Net profit for the year	79,078,766	27,901,244
Other comprehensive income:		
Items that will never be reclassified to profit or loss:		
Currency translation gain / (loss) on foreign subsidiaries	<u>1,034,422</u>	<u>(5,003,765)</u>
Total comprehensive income for the year	<u><u>80,113,188</u></u>	<u><u>22,897,479</u></u>
Earnings per share for profit attributable to the shareholders	26 <u><u>\$0.06</u></u>	<u><u>\$0.02</u></u>

The accompanying notes form an integral part of the financial statements

One Great Studio Company Limited

Group Statement of Changes in Equity

Year ended December 31, 2023

	Share Capital ₹	Capital Reserve ₹	Accumulated (Deficit) / Surplus ₹	Total ₹
Balance at December 31, 2021	10,000	-	31,681,162	31,691,162
Other comprehensive income for the year:				
Currency translation loss on foreign subsidiary	-	-	(5,003,765)	(5,003,765)
Additional share capital issued	11,738	-	-	11,738
Additional paid-in capital	-	110,632,408	-	110,632,408
Dividend paid (see note 27)	-	-	(5,809,770)	(5,809,770)
Net profit, being total comprehensive income for the year	-	-	27,901,244	27,901,244
Balance at December 31, 2022	21,738	110,632,408	48,768,871	159,423,017
Other comprehensive income for the year:				
Currency translation gain on foreign subsidiary	-	-	1,034,422	1,034,422
Additional paid-in capital	-	50,716,652	-	50,716,652
Issue of share net of transaction cost (Note 15)	310,153,800	-	-	310,153,800
Dividend paid (see note 27)	-	-	(8,370,373)	(8,370,373)
Net profit, being a total comprehensive income for the year	-	-	79,078,766	79,078,766
Balance at December 31, 2023	<u>310,175,538</u>	<u>161,349,060</u>	<u>120,511,687</u>	<u>592,036,285</u>

The accompanying notes form an integral part of the financial statements

One Great Studio Company Limited

Group Statement of Cash Flows

Year ended December 31, 2023

	<u>Note</u>	2023	2022
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net profit for the year		79,078,766	27,901,244
Adjustments for items not affecting cash resources:			
Depreciation on property, plant and equipment		2,699,019	2,650,127
Depreciation on right-of-use asset		665,127	1,279,563
Amortisation on intellectual property		3,034,929	944,362
Amortisation on debt cost		1,570,080	560,742
Unrealised loss on foreign exchange		1,561,001	1,281,765
Impairment loss		5,499,883	35,985
Loss on disposal on property, plant and equipment		321,352	-
Deferred taxation		513,847	(377,764)
Income tax charge		17,848,679	7,943,023
Translation gain / (loss) on foreign subsidiaries		1,034,422	(5,003,765)
Interest income		(6,110,053)	(850,712)
Interest expense on right-of-use-asset		27,436	160,437
Interest expense on loan		26,930,205	12,133,770
		<u>134,674,693</u>	<u>48,658,777</u>
Increase in operating assets:			
Taxation recoverable			
Trade and other receivables		(2,231,683)	(27,309,592)
(Decrease) / increase in operating liabilities:			
Trade and other payables		(1,692,644)	14,259,344
Cash flows provided by operating activities		130,750,366	35,608,529
Taxation paid		(13,499,116)	(4,772,332)
Net cash provided by operating activities		<u>117,251,250</u>	<u>30,836,197</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Placement of short-term investments		(185,079,897)	(45,758,404)
Interest income received		4,262,332	375,518
Acquisition of intangible assets		-	(339,772,500)
Acquisition of property, plant and equipment		(889,461)	(2,449,617)
Net cash used in investing activities		<u>(181,707,026)</u>	<u>(387,605,003)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net lease liability		(496,920)	(1,440,000)
Loan interest paid		(26,908,799)	(6,565,489)
Proceeds from long-term loans		-	285,671,730
Debt issue cost unamortised		(7,850,390)	(8,411,129)
Additional paid-in capital		50,716,652	110,632,408
Dividends paid		(8,301,352)	(5,809,770)
Repayment of long-term loans		(257,156,730)	(2,483,928)
Additional share capital issued		310,153,800	11,738
Net cash provided by in financing activities		<u>60,156,259</u>	<u>371,605,560</u>
NET (DECREASE) / INCREASE IN CASH AND BANK BALANCES			
Net effect of foreign exchange movement on cash and bank balances		(4,299,517)	14,836,754
CASH AND BANK BALANCES - Beginning of the year		40,381,002	26,826,013
CASH AND BANK BALANCES - End of the year	14	<u>34,520,484</u>	<u>40,381,002</u>
REPRESENTED BY:			
Cash and bank deposits		<u>34,520,484</u>	<u>40,381,002</u>

The accompanying notes form an integral part of the financial statements

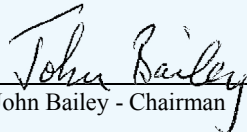
One Great Studio Company Limited

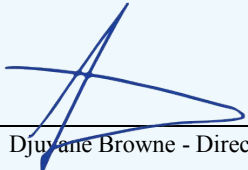
Company Statement of Financial Position

As At December 31, 2023

	<u>Note</u>	2023 \$	2022 \$
ASSETS			
Non-current Assets			
Property, plant and equipment	5	5,091,811	7,000,004
Intangible assets	7	847,629	953,583
Investment in subsidiaries	6	388,521,313	388,521,313
Right-of-use asset	9	-	665,127
Deferred tax asset	10	-	513,847
Total non-current assets		<u>394,460,753</u>	<u>397,653,874</u>
Current Assets			
Trade and other receivables	11	56,662,454	36,259,027
Due from related party	12	147,123,256	-
Short term investments	13	230,838,301	45,758,404
Cash and bank balances	14	9,035,883	8,110,427
Total current assets		<u>443,659,894</u>	<u>90,127,858</u>
TOTAL ASSETS		<u>838,120,647</u>	<u>487,781,732</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	15	310,175,538	21,738
Paid in capital	15	161,349,060	110,632,408
Accumulated surplus		103,437,696	52,147,117
Total equity		<u>574,962,294</u>	<u>162,801,263</u>
Non-current Liabilities			
Long-term loans	16, 28	18,099,189	281,742,697
Deferred tax liability	10	195,643	-
Total non-current liabilities		<u>18,294,833</u>	<u>281,742,697</u>
Current Liabilities			
Current portion of long-term loans	16, 28	5,340,900	5,134,433
Current portion of lease liability	10	-	665,127
Due to related party	12	220,131,291	23,146,316
Taxation payable	17	5,472,442	4,183,664
Trade and other payables	18	13,918,888	10,108,232
Total current liabilities		<u>244,863,521</u>	<u>43,237,772</u>
TOTAL EQUITY AND LIABILITIES		<u>838,120,647</u>	<u>487,781,732</u>

The financial statements on pages 13 to 41 were approved for issue by the Board of Directors on February 28, 2024 and signed on its behalf by:


John Bailey - Chairman


Djuane Browne - Director

The accompanying notes form an integral part of the financial statements

One Great Studio Company Limited

Company Statement of Profit and Loss

Year ended December 31, 2023

	<u>Note</u>	2023 \$	2022 \$
Revenues	4	425,691,772	231,090,730
Less: Cost of sales	19	<u>(202,987,973)</u>	<u>(113,176,855)</u>
Gross profit		222,703,799	117,913,875
Less: Administrative and general expenses	20	<u>(116,957,288)</u>	<u>(63,763,846)</u>
Operating profit	21	105,746,511	54,150,029
Acquisition costs	22	-	(10,104,046)
Other income		6,110,053	2,642,395
Other expenses	23	<u>(7,492,601)</u>	<u>(919,166)</u>
Earnings before interest, taxation depreciation and amortisation		104,363,963	45,769,212
Interest expense		(26,957,641)	(12,294,207)
Depreciation and amortisation		<u>(5,138,815)</u>	<u>(4,546,534)</u>
Earnings before taxation		72,267,507	28,928,471
Taxation charge	24	<u>12,606,556</u>	<u>6,135,949</u>
Net profit for the year		<u><u>59,660,951</u></u>	<u><u>22,792,522</u></u>

The accompanying notes form an integral part of the financial statements

One Great Studio Company Limited

Company Statement of Changes in Equity

Year ended December 31, 2023

	Share Capital \$	Paid in Capital \$	Accumulated Surplus \$	Total \$
Balance at December 31, 2021	10,000	-	35,164,365	35,174,365
Additional shares issued during the year	11,738	-	-	11,738
Additional paid-in capital during the year	-	110,632,408	-	110,632,408
Dividend paid (see note 27)	-	-	(5,809,770)	(5,809,770)
Net profit, being total comprehensive income for the year	-	-	22,792,522	22,792,522
Balance at December 31, 2022	21,738	110,632,408	52,147,117	162,801,263
Additional paid-in capital during the year	-	50,716,652	-	50,716,652
Issue of share net of transaction cost (Note 15)	310,153,800	-	-	310,153,800
Dividend paid (see note 27)	-	-	(8,370,373)	(8,370,373)
Net profit, being total comprehensive income for the year	-	-	59,660,951	59,660,951
Balance at December 31, 2023	<u>310,175,538</u>	<u>161,349,060</u>	<u>103,437,696</u>	<u>574,962,294</u>

The accompanying notes form an integral part of the financial statements

One Great Studio Company Limited

Company Statement of Cash Flows

Year ended December 31, 2023

	<u>Note</u>	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net profit for the year		59,660,951	22,792,522
Adjustments for items not affecting cash resources:			
Depreciation on property, plant and equipment		2,797,654	2,600,275
Depreciation on right-of-use asset		665,127	1,279,564
Amortisation on intellectual property		105,954	105,954
Amortisation on debt cost		1,570,080	560,742
Unrealised loss on foreign exchange		1,561,001	1,281,765
Provision for impairment loss		5,499,883	35,985
Deferred taxation		513,847	(377,764)
Income tax charge		11,897,066	6,513,713
Interest income		(6,110,053)	(850,712)
Interest expense on right-of-use asset		27,436	160,437
Interest expense on loans		26,930,205	12,133,770
		<u>105,119,151</u>	<u>46,236,251</u>
Increase in operating assets:			
Taxation recoverable			
Trade and other receivables		(24,055,589)	(21,565,146)
Increase / (decrease) in operating liabilities:			
Trade and other payables		3,720,231	(507,971)
Due to related parties		196,984,975	16,650,430
Cash flows provided by operating activities		<u>281,768,767</u>	<u>40,813,564</u>
Taxation paid		(10,608,289)	(4,772,332)
Net cash provided by operating activities		<u>271,160,478</u>	<u>36,041,232</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Placements of short-term investments		(185,079,897)	(45,758,404)
Interest income received		4,262,332	375,518
Acquisition of subsidiary		-	(384,592,167)
Acquisition of property, plant and equipment		(889,461)	(2,449,617)
Net cash used in investing activities		<u>(181,707,026)</u>	<u>(432,424,670)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net lease liability		(496,920)	(1,440,000)
Loan interest paid		(26,908,799)	(6,565,489)
Proceeds from long-term loans		-	285,671,730
Debt issue cost unamortised		(7,850,390)	(8,411,129)
Repayment of long-term loans		(257,156,730)	(2,483,928)
Dividends paid		(8,301,352)	(5,809,770)
Issued share capital, net		310,153,800	11,738
Additional paid-in capital		50,716,652	110,632,408
Repayment of related party loans		(147,123,256)	16,959,421
Net cash (used in) / provided by financing activities		<u>(86,966,995)</u>	<u>388,564,981</u>
NET INCREASE / (DECREASE) IN CASH AND BANK			
		BALANCES	
Net effect of foreign exchange movement on cash and bank balances		2,486,457	(7,818,457)
		(1,561,001)	(1,281,765)
CASH AND BANK BALANCES - Beginning of the year		<u>8,110,427</u>	<u>17,210,649</u>
CASH AND BANK BALANCES - End of the year	14	<u>9,035,883</u>	<u>8,110,427</u>
REPRESENTED BY:			
Cash and bank deposits		<u>9,035,883</u>	<u>8,110,427</u>

The accompanying notes form an integral part of the financial statements

One Great Studio Company Limited

Notes to the Financial Statements

Year ended December 31, 2023

1. IDENTIFICATION

One Great Studio Company Limited (the "Company") is a limited liability company duly incorporated under the Jamaican Companies Act (the "Act").

The Company is domiciled in Jamaica with its registered office at 32 Lady Musgrave Road, Kingston 6.

The Company has three (3) subsidiaries, One Great Studio, LLC, Snapay Limited and High Voltage Digital, LLC ("Subsidiaries"). One Great Studio, LLC is registered and domiciled in Florida with its office located at 123 SE 3rd Avenue, Suite #468, Miami, FL 33131.

Snapay Limited is domiciled in Jamaica with its registered office at 32 Lady Musgrave Road, Kingston 6.

High Voltage Digital, LLC is registered and domiciled in Wyoming with its office located at 309 Coffen Avenue, Suite #1200, Sheridan, WY 82801.

The Company and its Subsidiaries are collectively referred to as the "Group".

The principal activities of the Group are to provide search engine optimisation, web design and development and software development services.

The Company became listed on the Junior Market of the Jamaica Stock Exchange on September 19, 2023. 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 five (5) years providing it complies with the requirements of the Jamaica Stock Exchange Junior Market.

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 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.

There are no significant assumptions and judgements applied in these financial statements that carry a risk of material adjustment in the next financial year.

(b) Consolidation

(i) Subsidiary

A subsidiary is an entity controlled by the Company. Control exists when the Company 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.

One Great Studio Company Limited

Company Statement of Cash Flows

Year ended December 31, 2023

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

(b) Consolidation (cont'd)

- (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 consolidated financial statements. Unrealized losses are eliminated in the same way as unrealized gains.

(c) Changes in accounting standards and interpretations:

Certain new standards, interpretations 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 interpretations and amendments are relevant to its operations:

- **Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2).** Effective for annual periods commencing on or after 1 January 2023. The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the International Accounting Standards Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.
- **IAS 8 'Definition of Accounting Estimates - Amendment'**, issued February 12, 2021. Effective for annual periods commencing on or after 1 January 2023. The amendment replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.
- **IAS 12 Amendment, 'Deferred tax related to Assets and Liabilities arising from a single transaction'**, issued May 2021. Effective for periods commencing on or after 1 January 2023. The amendment requires companies to recognize deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary difference.

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. These amendments clarify that liabilities are classified as either current or non-current based on a right to defer settlement having substance that exists at the end of the reporting period. Classification of a liability as non-current can be made if the Group has a right to defer settlement for at least twelve months after the reporting period. The adoption of these amendments is not expected to have a significant impact on the Group.
- **IFRS S1 'General Requirements for Disclosure of Sustainability - related Financial Information'**, issued June 2023. Effective for periods commencing on or after 1 January 2024. The amendment requires a company to disclose information about all sustainability-related risks and opportunities that could reasonably be expected to affect the Group's cash flows, its access to finance or cost of capital over the short, medium or long term.

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

One Great Studio Company Limited

Notes to the Financial Statements

Year ended December 31, 2023

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Property, plant and equipment

All property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are recorded at historical or deemed cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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 and its cost can be reliably.

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

Property, plant and equipment are depreciated on the straight-line basis over the estimated useful lives of such assets. The rates of depreciation in use are as follows:

Motor vehicles	20%
Furniture and fixtures	10%
Equipment	10%
Computers	20%

(b) Leases

A contract is, or contains, a lease if it conveys the right of use/control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where over the customer has both the right to direct the identified asset's use and to obtain substantially all the economic benefits from that use.

Leases are recognised as assets and liabilities unless the lease term is 12 months or less or the underlying asset has a low value of less than US\$5,000 or its Jamaican dollar equivalent. The Group applies the short term lease recognition exemption to its short term leases (that is, those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

The right-of-use asset is initially measured at cost, at the lease commencement date, i.e. the date at which the underlying asset is available for use by the Group. The right-of-use asset is depreciated on a straight-line basis over the remaining lease term.

Lease liability

The lease liability is initially measured at the present value of lease payments to be made over the lease term.

The present value of lease payments, uses an incremental borrowing rate at the commencement date if the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate corresponds to the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment, with similar terms and conditions.

(c) Trade and other receivables

Trade and other receivables are stated at amortized cost.

Appropriate allowances for expected credit losses are recognized in the statement of comprehensive income in accordance with IFRS 9 - Financial Instruments.

(d) Trade and other payables

Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

(e) Cash and bank balances

Cash comprises cash in hand and demand and call deposits with banks.

One Great Studio Company Limited

Notes to the Financial Statements

Year ended December 31, 2023

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) 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
- (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 company 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.

(g) Taxation

Income tax expense represents the sum of current and deferred tax charge.

(i) Current income tax

Current income tax is the expected tax payable on the taxable income for the year, using tax rates in effect during the reporting period, and any adjustments to income tax payable in respect of previous years.

(ii) Deferred income tax

Deferred income tax is provided using the balance sheet liability 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 recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

One Great Studio Company Limited

Notes to the Financial Statements

Year ended December 31, 2023

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Foreign currencies

The financial statements are presented in the currency of the primary economic environment in which the Group operates (its functional currency).

In preparing the financial statements of the Group, transactions in currencies other than the Group's functional currency, the Jamaican dollar, are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items and on the retranslation of monetary items, are included in the statement of comprehensive income for the period.

(i) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable from the sale of goods and services in the normal course of business, net of discounts, rebates and general consumption taxes. Revenue is recognised in the statement of comprehensive income when the services have been provided to the customer and the receipt of the consideration is probable.

(j) Intangible assets

This represents the labour costs incurred to develop the Group's intellectual property known as WellFit. Intangible assets also include licences, proprietary content, brands and trade name. These intangible assets are identified separately and reported at cost less accumulated amortisation and accumulated impairment losses.

The useful life for amortisation of intangible assets in use are as follows:

Intellectual property	5 years
Trade name	20 years
Licences	20 years
Brands	15 years
Proprietary content	5 years

The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate accounted for on a prospective basis.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

(k) Goodwill

Goodwill which represents contract rights with vendors and customer listings are deemed to have indefinite life. Goodwill is carried at costs less impairment. The Group assesses goodwill for impairment at least on an annual basis or when events or circumstances indicate that the carrying value may be impaired.

One Great Studio Company Limited

Notes to the Financial Statements

Year ended December 31, 2023

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Impairment

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than the carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. Impairment losses are recognized as an expense immediately.

When an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognized as income immediately.

(m) Financial instruments

Financial instruments include transactions that give rise to both financial assets and financial liabilities. Financial assets and liabilities are recognized on the Group's and Company's statement of financial position when the Group and Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Financial assets include cash and bank deposits, accounts receivable, long-term receivables and other current assets except inventories and any prepayments.

Financial liabilities include current liabilities except accruals and income tax payable. The particular recognition methods adopted are disclosed in the respective accounting policies associated with each item.

The fair values of the financial instruments are discussed in Note 28.

One Great Studio Company Limited

Notes to the Financial Statements

Year ended December 31, 2023

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(n) Employee benefits

Employee benefits are all forms of consideration given by the Group in exchange for service rendered by employees. These include current or short-term benefits such as salaries, bonuses, statutory contributions, vacation leave, non-monetary benefits such as medical care; post-employment benefits such as pensions; and other long term employee benefits such as termination benefits.

Employee benefits that are earned as a result of past or current service are recognized in the following manner:

- Short-term employee benefits are recognized as a liability, net of payments made, and charged to expense. The expected cost of vacation leave that accumulates is recognised when the employee becomes entitled to the leave.
- Post-employment benefits are accounted for as described below.

(o) Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

(p) Loans and borrowing costs

Loans are carried at amortized costs. Borrowings costs are recognised in the statement comprehensive income in the period in which they are incurred.

One Great Studio Company Limited

Notes to the Financial Statements

Year ended December 31, 2023

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(q) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it earn and incur expenses; whose operation results are regularly reviewed by the Group's Chief Operating 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.

Based on the information presented to and reviewed by the CODM, the operations of the Group are segmented geographically into Jamaica and United States of America (USA).

(r) Dividends

Dividends on ordinary shares are recognised in shareholders' equity in the period in which they are approved by the Group's Board of Directors.

One Great Studio Company Limited

Notes to the Financial Statements

Year ended December 31, 2023

4. REVENUES

Revenues represent the value received from the provision of web design, search engine optimization, web development and software development services.

5. PROPERTY, PLANT AND EQUIPMENT

Group:

	<u>Motor Vehicles</u> \$	<u>Furniture and Fixtures</u> \$	<u>Computer and Equipment</u> \$	<u>Total</u> \$
At Cost/Valuation:				
Balance at December 31, 2021	9,257,461	1,088,962	1,390,309	11,736,732
Additions	-	-	2,449,617	2,449,617
Balance at December 31, 2022	9,257,461	1,088,962	3,839,926	14,186,349
Additions	-	60,238	829,223	889,461
Disposal	-	(469,684)	-	(469,684)
Balance at December 31, 2023	9,257,461	679,516	4,669,149	14,606,126
Accumulated Depreciation:				
Balance at December 31, 2021	3,854,074	195,339	115,756	4,165,169
Charge for year	1,851,491	95,029	703,607	2,650,127
Balance at December 31, 2022	5,705,565	290,368	819,363	6,815,296
Charge for year	1,851,491	99,393	896,467	2,847,351
Disposal	-	(148,332)	-	(148,332)
Balance at December 31, 2022	7,557,056	241,429	1,715,830	9,514,315
Net book value:				
Balance at December 31, 2023	1,700,405	438,087	2,953,319	5,091,811
Balance at December 31, 2022	3,551,896	798,594	3,020,563	7,371,053
Balance at December 31, 2021	5,403,387	893,623	1,274,553	7,571,563

One Great Studio Company Limited

Notes to the Financial Statements

Year ended December 31, 2023

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

Company:

	<u>Motor Vehicles</u>	<u>Furniture and Fixtures</u>	<u>Computer and Equipment</u>	<u>Total</u>
	\$	\$	\$	\$
At Cost/Valuation:				
Balance at December 31, 2021	9,257,461	618,248	1,390,309	11,266,018
Additions	-	-	2,449,617	2,449,617
Balance at December 31, 2022	9,257,461	618,248	3,839,926	13,715,635
Additions	-	60,238	829,223	889,461
Balance at December 31, 2023	<u>9,257,461</u>	<u>678,486</u>	<u>4,669,149</u>	<u>14,605,096</u>
Accumulated				
Depreciation:				
Balance at December 31, 2021	3,854,074	145,526	115,756	4,115,356
Charge for year	1,851,491	45,177	703,607	2,600,275
Balance at December 31, 2022	5,705,565	190,703	819,363	6,715,631
Charge for year	1,851,491	49,696	896,467	2,797,654
Balance at December 31, 2023	<u>7,557,056</u>	<u>240,399</u>	<u>1,715,830</u>	<u>9,513,285</u>
Net book value:				
Balance at December 31, 2023	<u>1,700,405</u>	<u>438,087</u>	<u>2,953,319</u>	<u>5,091,811</u>
Balance at December 31, 2022	<u>3,551,896</u>	<u>427,545</u>	<u>3,020,563</u>	<u>7,000,004</u>
Balance at December 31, 2021	<u>5,403,387</u>	<u>472,722</u>	<u>1,274,553</u>	<u>7,150,663</u>

6. INVESTMENT IN SUBSIDIARIES

	<u>Company</u>	
	2023	2022
	\$	\$
One Great Studio LLC	3,929,146	3,929,146
High Voltage Digital LLC	384,592,167	384,592,167
	<u>388,521,313</u>	<u>388,521,313</u>

One Great Studio Company Limited

Notes to the Financial Statements

Year ended December 31, 2023

7. INTANGIBLE ASSETS

	Group						Total	Company Intellectual Property
	Goodwill	Brands	License	Proprietary Content	Trade Name	Intellectual Property		
	\$	\$	\$	\$	\$	\$	\$	
At Cost/Valuation:								
Balance at January 1, 2022	312,478,953	-	-	-	-	1,059,537	313,538,490	1,059,537
Additions (see note 8)	-	7,021,965	3,433,967	9,287,115	7,550,500	-	27,293,547	-
Balance at December 31, 2022	312,478,953	7,021,965	3,433,967	9,287,115	7,550,500	1,059,537	340,832,037	1,059,537
Balance at December 31, 2023	312,478,953	7,021,965	3,433,967	9,287,115	7,550,500	1,059,537	340,832,037	1,059,537
Accumulated								
Depreciation:								
Balance at January 1, 2022	-	-	-	-	-	-	-	-
Charge for year	-	136,529	50,075	541,713	110,104	105,941	944,362	105,954
Balance at December 31, 2022	-	136,529	50,075	541,713	110,104	105,941	944,362	105,954
Charge for year	-	476,966	174,939	1,892,420	384,650	105,954	3,034,929	105,954
Balance at December 31, 2023	-	613,495	225,014	2,434,133	494,754	211,895	3,979,291	211,908
Net book value:								
Balance at December 31, 2023	312,478,953	6,408,470	3,208,953	6,852,982	7,055,746	847,642	336,852,746	847,629
Balance at December 31, 2022	312,478,953	6,885,436	3,383,892	8,745,402	7,440,396	953,596	339,887,675	953,583
Balance at December 31, 2021	-	-	-	-	-	1,059,537	1,059,537	1,059,537

One Great Studio Company Limited

Notes to the Financial Statements

Year ended December 31, 2023

8. BUSINESS COMBINATION

	<u>Group</u>	
	2023	2022
	<u>\$</u>	<u>\$</u>
(a) Purchase consideration:		
Cash consideration transferred for the Subsidiary	-	288,806,625
Shares consideration for the Subsidiary	-	50,965,875
Total consideration for the Subsidiaries	<u>-</u>	<u>339,772,500</u>
(b) Identifiable assets acquired and liabilities assumed:		
	<u>Group</u>	
	2023	2022
	<u>\$</u>	<u>\$</u>
Intangible assets	-	2,729,357
Total assets	<u>-</u>	<u>2,729,357</u>
Total identifiable net assets	<u>-</u>	<u>2,729,357</u>
(c) Goodwill on acquisition:		
	<u>Group</u>	
	2023	2022
	<u>\$</u>	<u>\$</u>
Total purchase consideration for Subsidiary	-	339,772,500
Less: Total identifiable net assets	-	(27,293,547)
Goodwill at the end of the year (see note 7)	<u>-</u>	<u>312,478,953</u>

One Great Studio Company Limited

Notes to the Financial Statements

Year ended December 31, 2023

9. RIGHT-OF-USE ASSET / LEASE LIABILITY

Right-of- use asset:

	<u>Group and Company</u>	
	Office Building	
	<u>\$</u>	
At Valuation:		
Balance at December 31, 2022	<u>2,461,607</u>	
Balance at December 31, 2023	<u>2,461,607</u>	
Depreciation charge of right-of use asset:		
Balance at December 31, 2022	1,796,480	
Charge for the year	<u>665,127</u>	
Balance at December 31, 2023	<u>2,461,607</u>	
Net Book Value:		
Balance at December 31, 2023	<u>-</u>	
Balance at December 31, 2022	<u>665,127</u>	
Lease Liability:	2023	2022
	<u>\$</u>	
Current	<u>-</u>	<u>665,127</u>
Balance at December 31	<u>-</u>	<u>665,127</u>

10. DEFERRED TAX (LIABILITY) / ASSET

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

	<u>Group and Company</u>	
	2023	2022
	<u>\$</u>	
Deferred tax (liability) / asset	<u>(195,643)</u>	<u>513,847</u>
Deferred tax (liability) / assets are attributable to the following:		
	2023	2022
	<u>\$</u>	
Property, plant and equipment	415,657	213,512
Foreign exchange	92,977	(129,186)
Interest receivable	(343,132)	(118,799)
Accrued interest payable	<u>(361,145)</u>	<u>548,320</u>
	<u>(195,643)</u>	<u>513,847</u>

The movement during the year in the Company's deferred tax position was as follows:

	2023	2022
	<u>\$</u>	
Balance at the beginning of the year	513,847	136,083
Movement during the year	<u>(709,490)</u>	<u>377,764</u>
Balance at the end of the year	<u>(195,643)</u>	<u>513,847</u>

One Great Studio Company Limited

Notes to the Financial Statements

Year ended December 31, 2023

11. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
Trade receivables	43,790,616	43,874,361	24,482,518	24,205,766
Less: Provision for impairment loss	(7,003,031)	(1,503,148)	(7,003,031)	(1,503,148)
Net trade receivables	36,787,585	42,371,213	17,479,487	22,702,618
Other receivables:				
Security deposits	120,000	120,000	120,000	120,000
Interest receivable	1,847,722	475,194	1,847,722	475,194
Prepayments	1,801,239	-	-	-
Staff loans	99,626	-	99,626	-
GCT recoverable	-	293,763	-	293,763
Withholding tax receivable	1,273,191	89,671	1,273,191	89,671
Credit card receivable	151,736	151,736	151,736	151,736
Reimbursable expenses	-	-	35,690,692	12,426,045
	5,293,514	1,130,364	39,182,967	13,556,409
	42,081,099	43,501,577	56,662,454	36,259,027

12. DUE FROM / (TO) RELATED PARTY

	Company	
	2023	2022
	\$	\$
Due from related party:		
High Voltage Digital LLC	147,123,256	-
	147,123,256	-
Due to related party:		
One Great Studio LLC	(220,131,291)	(23,146,316)
	(220,131,291)	(23,146,316)

These represent advances made by / (to) the Company in relation to its related party. These amounts are unsecured, interest free and have no fixed repayment dates.

13. SHORT TERM INVESTMENTS

	Group and Company	
	2023	2022
	\$	\$
Barita Investments Debt Service Reserve (ii)	18,590,567	17,550,000
Barita Investments US\$ Repurchase Agreement (i)	128,122,312	17,715,925
Barita Investments J\$ Repurchase Agreement (i)	84,125,422	10,492,479
	230,838,301	45,758,404

(i) This represents deposits with financial institutions with original maturities of thirty-one days.

(ii) Included in short term investments are amounts required under loan agreements, representing debt service reserves.

One Great Studio Company Limited

Notes to the Financial Statements

Year ended December 31, 2023

14. CASH AND BANK BALANCES

	<u>Group</u>		<u>Company</u>	
	2023	2022	2023	2022
	\$	\$	\$	\$
Foreign currency accounts	30,492,118	39,400,307	5,007,517	7,129,742
Local currency accounts	3,986,660	916,624	3,986,660	916,614
Cash balances	41,706	64,071	41,706	64,071
	<u>34,520,484</u>	<u>40,381,002</u>	<u>9,035,883</u>	<u>8,110,427</u>

15. SHARE CAPITAL

	<u>Group and Company</u>	
	2023	2022
	\$	\$
(a) Share capital:		
<u>Authorised share capital</u>		
Unlimited number of authorised shares (2022 - 500,000)	-	-
<u>Issued and fully paid</u>		
1,693,131,075 (2022 - 21,738)	<u>310,175,538</u>	<u>21,738</u>

- (i) The authorized share capital of the Company was increased from 50,000 to an unlimited amount.
- (ii) On June 16, 2023, Barita Investments Limited exercised their share option, where 1,763 were allocated to Barita Investments Limited, resulting in the issued shares increasing to 23,501.
- (iii) On June 16, 2023, by a written shareholders' resolution, the issued and fully paid shares of 23,501 were subdivided into 57,636 for every existing share, resulting in the issued shares increasing to 1,354,503,636 prior to the initial public offering ("IPO").
- (iv) On August 28, 2023, 338,627,439 new shares were offered to the general public in the IPO, resulting in the issued shares increasing to 1,693,131,075.
- (v) The proceeds from the issuance of shares amounted to \$338,627,439 less transactions costs of \$28,475,402.

	<u>Group and Company</u>	
	2023	2022
	\$	\$
(b) Paid in capital:		
Paid in capital during the year	<u>161,349,060</u>	<u>110,632,408</u>

One Great Studio Company Limited

Notes to the Financial Statements

Year ended December 31, 2023

16. LONG TERM LOANS

	<u>Group and Company</u>	
	<u>2023</u>	<u>2022</u>
	<u>\$</u>	<u>\$</u>
(i) National Commercial Bank	3,726,205	4,285,202
(ii) National Commercial Bank	2,315,303	2,833,330
(iii) National Commercial Bank SME	10,577,280	14,233,988
(iv) Barita Investments Limited	<u>13,101,611</u>	<u>273,375,000</u>
	<u>29,720,399</u>	<u>294,727,520</u>
Unamortised debt issue costs	(6,280,310)	(7,850,390)
Less: Current portion on long-term loans	<u>(5,340,900)</u>	<u>(5,134,433)</u>
Non-current portion of long term loans	<u><u>18,099,189</u></u>	<u><u>281,742,697</u></u>

- (i) This represents a \$5.35 million loan from the National Commercial Bank Limited to purchase a 2020 Kia Carnival motor vehicle. The loan has an interest rate of 6.99% per annum and is repayable over 96 months with the maturity date being December 15, 2028. The loan is secured by a bill of sale over the motor vehicle.
- (ii) This represents a \$4.62 million loan from the National Commercial Bank Limited to purchase a 2019 Hyundai Tuscon motor vehicle. The loan has an interest rate of 7% per annum and is repayable over 102 months with the maturity date being July 31, 2027. The loan is secured by a bill of sale over the motor vehicle.
- (iii) This represents a \$16 million loan from the National Commercial Bank Limited to purchase a server infrastructure, software development, legal, graphics and branding. The loan has an interest rate of 6.95% per annum and is repayable over 48 months with the maturity date being December 31, 2026. The loan is secured by an unsupported directors' guarantee.
- (iv) This represents a \$270 million loan from Barita Investments Limited to assist with the acquisition of the assets of High Voltage SEO, LLC. The loan has an interest rate of 8% per annum payable quarterly, principal due at maturity date September 9, 2027. The loan also has a deferred interest rate of 5.00% per annum, which will be accumulative (capitalized) quarterly. The loan is secured by the assets of High Voltage Digital LLC.

One Great Studio Company Limited

Notes to the Financial Statements

Year ended December 31, 2023

17. TAXATION PAYABLE

Taxation is based on profits for the year, adjusted for tax purposes, subject to the agreement of Tax Administration Jamaica, and is calculated at 25%.

Taxation payable at the end of the year is as follows:

	Group		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
Balance at the beginning of the period	5,612,974	2,442,283	4,183,664	2,442,283
Taxation charge for the year	17,848,679	7,943,023	11,897,066	6,513,713
	23,461,653	10,385,306	16,080,730	8,955,996
Less:				
Taxes paid for prior year	(6,141,652)	(738,051)	(3,250,825)	(738,051)
Estimated taxes paid for current year	(7,357,463)	(4,034,281)	(7,357,463)	(4,034,281)
Taxation payable	<u>9,962,538</u>	<u>5,612,974</u>	<u>5,472,442</u>	<u>4,183,664</u>

18. TRADE AND OTHER PAYABLES

	Group		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
Accrued statutory liabilities	2,901,986	2,626,207	2,901,986	2,626,207
Accounts payable	7,114,797	7,360,523	602,670	-
Interest payable	-	2,193,281	-	2,193,281
Withholding tax payable	537,500	-	537,500	-
Audit fees payable	3,238,600	2,253,985	1,700,000	950,000
Accrued charges	847,034	-	847,034	-
Dividend payable	69,021	-	69,021	-
Credit card payables	5,826,599	8,149,432	5,826,599	4,027,235
GCT payable	632,819	-	632,819	-
Other payables	2,581,530	2,917,009	801,259	311,509
	<u>23,749,886</u>	<u>25,500,437</u>	<u>13,918,888</u>	<u>10,108,232</u>

One Great Studio Company Limited

Notes to the Financial Statements

Year ended December 31, 2023

19. COST OF SALES

	Group		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
Service charges	639,433	-	639,433	838,539
Direct costs	93,109,103	61,117,569	94,432,943	62,390,199
Media	441,857	38,288	441,857	38,288
Contract labour	107,473,740	49,909,829	107,473,740	49,909,829
	<u>201,664,133</u>	<u>111,065,686</u>	<u>202,987,973</u>	<u>113,176,855</u>

20. ADMINISTRATIVE AND GENERAL EXPENSES

	Group		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
Accounting fees	6,512,009	1,780,428	5,561,000	1,320,000
Audit fees - current year	3,238,600	2,489,585	1,700,000	1,200,000
SEO operating expenses	20,721	470,040	20,721	470,040
Salaries, wages and related costs	65,807,848	39,312,495	65,807,848	39,312,495
Electricity and water	1,292,893	983,629	1,292,893	983,629
Legal and professional fees	1,638,638	1,464,571	1,521,704	1,464,571
General office expenses	2,464,019	1,413,028	1,951,665	1,074,562
Directors' fees	2,150,000	-	2,150,000	-
License fees	73,200	60,253	73,200	-
Motor vehicle and travelling expense	5,884,257	1,965,037	5,884,257	1,965,037
Rent	800,000	-	800,000	-
Advertising and promotion	6,979,008	1,277,017	6,979,008	122,017
PayPal Fees	94,778	-	-	-
JSE Listing Fee	1,011,689	-	1,011,689	-
Software	4,330,906	-	4,013,185	-
Miscellaneous expense	214,747	-	214,747	-
Staff welfare	3,908,044	4,634,825	3,908,044	4,634,825
Meals and entertainment	3,299,532	2,195,465	3,299,532	2,195,465
Tools and equipment	883,304	688,895	883,304	688,895
Business taxes	19,386	-	-	-
Bad debt expense / (recovered)	2,649,469	(134,097)	-	-
Donations	13,322	125,000	13,322	125,000
Subscriptions	9,345,714	6,800,467	9,345,714	6,800,467
Telephone	525,455	251,843	525,455	251,843
	<u>123,157,539</u>	<u>65,778,482</u>	<u>116,957,288</u>	<u>62,608,846</u>

One Great Studio Company Limited

Notes to the Financial Statements

Year ended December 31, 2023

21. OPERATING PROFIT

	Group		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
Operating profit for the year	<u>136,231,869</u>	<u>62,090,209</u>	<u>105,746,511</u>	<u>54,150,029</u>
Stated after charging the following:				
Auditor's remuneration	<u>3,238,600</u>	<u>2,489,585</u>	<u>1,700,000</u>	<u>1,200,000</u>

22. ACQUISITION COSTS

These represent legal, professional and other administrative expenses that were incurred for the acquisition of Company's subsidiary, High Voltage Digital, LLC to acquire the assets of High Voltage SEO, LLC in the prior year.

23. OTHER EXPENSES

	Group		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
Bank charges	<u>1,970,821</u>	<u>817,501</u>	<u>257,897</u>	<u>302,650</u>
Loss on disposal of property, plant and equipment	348,493	-	-	-
Loan fees	-	580,531	-	580,531
Unrealized loss on foreign exchange	1,810,519	-	1,734,821	-
Increase in provision for impairment loss	<u>5,499,883</u>	<u>35,985</u>	<u>5,499,883</u>	<u>35,985</u>
	<u>9,629,716</u>	<u>1,434,017</u>	<u>7,492,601</u>	<u>919,166</u>

One Great Studio Company Limited

Notes to the Financial Statements

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24. TAXATION CHARGE

Taxation is based on profits for the year, adjusted for taxation purposes, subject to the agreement of the Tax Administration Jamaica and is calculated at 25%, applicable to the local entity. A taxation rate of 21% is applied to the subsidiary High Voltage LLC.

- (a) Deferred taxation is computed at 25% for the financial year based on the applicable income tax rate for unregulated companies.

The taxation charge is made up as follows:

	Group		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
Current:				
Provision for charge on current profit	17,848,679	7,943,023	11,897,067	6,513,713
Deferred:				
Origination and reversal of temporary differences	709,489	(377,764)	709,489	(377,764)
	<u>18,558,168</u>	<u>7,565,259</u>	<u>12,606,556</u>	<u>6,135,949</u>

- (b) Reconciliation of effective tax rate and charge:

	Group		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
Profit before taxation	<u>97,636,934</u>	<u>35,466,503</u>	<u>72,267,507</u>	<u>28,928,471</u>
Computed tax charge	24,409,233	25% 8,866,626	18,066,878	25% 7,232,118
Adjustment for difference in tax rate for subsidiary	(390,744)	0% (205,200)	-	-
Taxation differences between profit for financial statements and tax reporting purposes on:				
Depreciation and capital allowances	(22,856)	0% 26,488	(22,856)	0% 26,488
Unrealized exchange losses	(129,189)	0% -	(129,189)	0% -
Corporate tax credit	(375,000)	0% (375,000)	(375,000)	-1% (375,000)
Employment tax credit	(4,732,443)	-5% (3,313,913)	(4,732,443)	-7% (3,313,913)
Remission of tax - Jamaica Stock Exchange	(2,467,862)	-3% -	(2,467,862)	-3% -
Items not allowable for tax purposes	2,267,029	2% 2,566,258	2,267,028	3% 2,566,256
Actual tax charge and rate	<u>18,558,168</u>	<u>22% 7,565,259</u>	<u>12,606,556</u>	<u>17% 6,135,949</u>

One Great Studio Company Limited

Notes to the Financial Statements

Year ended December 31, 2023

25. STAFF COSTS

The aggregate payroll costs are as follows:

	<u>Group and Company</u>	
	2023	2022
	\$	\$
Salaries and profit related pay	<u>65,807,848</u>	<u>39,312,495</u>

26. EARNINGS PER SHARE

The calculation of earnings per share is based on the profit after taxation and the weighted average number of shares in issue during the year.

	2023	2022
	\$	\$
Net profit attributable to stockholders	<u>80,113,188</u>	<u>22,897,479</u>
Weighted average number of ordinary stock units	<u>1,404,776,560</u>	<u>963,673,920</u>
Basic profit per stock unit (per share)	<u>\$0.06</u>	<u>\$0.02</u>

27. DIVIDENDS

The Company at its Board of Directors' meeting on June 30, 2023 declared a dividend of 30% of net profit which was paid on August 31, 2023 to shareholders on record at the close of business on December 31, 2022.

28. FINANCIAL INSTRUMENTS

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

The following methods and assumptions have been used.

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

(b) Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk
- Cash flow risk

One Great Studio Company Limited

Notes to the Financial Statements

Year ended December 31, 2023

28. FINANCIAL INSTRUMENTS (CONT'D)

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

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 analyses 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.

(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 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's exposure to credit risk is influenced mainly by the individual characteristic of each customer. Management has a credit policy in place to minimize exposure to credit risk. Credit evaluations are performed on all customers requiring credit. Management establishes an allowance for impairment that represents its estimate of losses in respect of trade and other receivables. Management's policy is to provide for balances based on past default experience, current economic conditions and expected recovery.

At the reporting date, there were no significant concentrations of credit risk and the maximum exposure to credit risk is represented by the carrying amount of each financial asset.

	2023	2022
	\$	\$
Cash and bank balances	34,520,484	40,381,002
Trade and other receivables	42,081,099	43,501,577
	<u>76,601,583</u>	<u>83,882,579</u>

One Great Studio Company Limited

Notes to the Financial Statements

Year ended December 31, 2023

28. FINANCIAL INSTRUMENTS (CONT'D)

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

(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 liability 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.

The following are the contractual maturities of the non-derivative financial liabilities, including interest payments and excluding the impact of netting agreements.

	Group			
	Carrying amount \$	Contractual cash flow \$	Less than 1 year \$	More than 1 year \$
December 31, 2023:				
Long-term loans	23,440,089	23,440,089	5,340,900	18,099,189
Trade and other payables	23,749,886	23,749,886	23,749,886	-
	<u>47,189,975</u>	<u>47,189,975</u>	<u>29,090,786</u>	<u>18,099,189</u>
December 31, 2022:				
Long-term loans	286,877,130	12,038,053	2,374,849	9,663,204
Trade and other payables	25,500,437	25,500,437	25,500,437	-
	<u>312,377,567</u>	<u>37,538,490</u>	<u>27,875,286</u>	<u>9,663,204</u>
	Company			
	Carrying amount \$	Contractual cash flow \$	Less than 1 year \$	More than 1 year \$
December 31, 2023:				
Long-term loans	23,440,089	23,440,089	5,134,433	18,305,656
Trade and other payables	13,918,888	13,918,888	13,918,888	-
	<u>37,358,977</u>	<u>37,358,977</u>	<u>19,053,321</u>	<u>18,305,656</u>
December 31, 2022:				
Long-term loans	286,877,130	12,038,053	2,374,849	9,663,204
Trade and other payables	10,108,232	10,108,232	10,108,232	-
	<u>296,985,362</u>	<u>22,146,285</u>	<u>12,483,081</u>	<u>9,663,204</u>

One Great Studio Company Limited

Notes to the Financial Statements

Year ended December 31, 2023

28. FINANCIAL INSTRUMENTS (CONT'D)

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

(iii) Market risk:

Market risk is the risk that changes in market prices, such as foreign exchange rates, and interest rates will affect the Company's income or the value of its holding of financial instruments. The objective of market is to manage and control market risk exposures within acceptable parameters, while optimizing 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, 2023 and 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 variable nor fixed rate financial assets and liabilities that are subject to material changes in fair value through the statement of comprehensive income, and is therefore not subject to interest rate sensitivity.

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

The Group is exposed to significant foreign currency risk, primarily on purchases that are denominated in a currency other than the Jamaican dollar. Such exposures comprise the monetary assets and liabilities of the Group that are not denominated in that currency. The main foreign currency risks of the Group are denominated in United States dollars (US\$), which is the principal intervening currency for the Group.

The Group jointly manages foreign exchange exposure by maintaining adequate liquid resources in appropriate currencies and by managing the timing of payments on foreign currency liabilities.

The table below shows the Group's main foreign currency exposure at reporting date.

	Group		Company	
	2023 US\$	2022 US\$	2023 US\$	2022 US\$
Trade and other receivables	178,564	130,247	-	-
Cash and bank balances	177,352	238,789	11,717	25,091
Due to subsidiary	-	-	-	(153,277)
Trade and other payables	(353,269)	(184,215)	-	-
	<u>2,647</u>	<u>184,821</u>	<u>11,717</u>	<u>(128,186)</u>

Sensitivity analysis:

A strengthening of 100 (2022: 100) basis points of the Jamaica dollar against the currencies indicated above at December 31 would have decreased the Group and Company's profit or loss by \$4,073 (2022: \$279,099) and \$18,028 (2021: (\$193,573)), respectively. A weakening of 400 (2022: 400) basis points of the Jamaica dollar against the currencies indicated above at December 31 would have increased the Group and Company's profit or loss by \$16,293 (2022: \$1,116,395) and \$72,113 (2022: (\$774,292)).

One Great Studio Company Limited

Notes to the Financial Statements

Year ended December 31, 2023

28. FINANCIAL INSTRUMENT AND FINANCIAL RISK MANAGEMENT (CONT'D)

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

(iv) **Cash flow risk**

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate because of changes in market interest rates. The Group manages this risk through budgetary measures, ensuring, as far as possible, that fluctuations in cash flows relating to monetary financial assets and liabilities are matched, to mitigate any significant adverse cash flows

(c) **Capital Management**

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.

There were no changes to the Group's approach to capital management during the year, and this is monitored by the Board of Directors.

One Great Studio Company Limited

Notes to the Financial Statements

Year ended December 31, 2023

29. SEGMENT REPORTING

Segment financial information is presented in respect of geographic locations. Assets, liabilities and operating results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Inter-segment transactions are charged at arm's length prices.

	<u>Jamaica</u>	<u>USA</u>	<u>Eliminated on consolidation</u>	<u>Group Total</u>
	\$	\$	\$	\$
Statement of Financial Position:				
Assets	838,120,647	804,942,438	(993,678,644)	649,384,441
Shareholders' equity	574,962,294	411,849,832	(394,775,840)	592,036,286
Liabilities	263,158,353	393,092,606	(598,902,804)	57,348,155
Equity and Liabilities	838,120,647	804,942,438	(993,678,644)	649,384,441
Statement of Comprehensive Income:				
Revenues	425,691,772	355,519,532	(320,157,763)	461,053,541
Cost of sales	(202,987,973)	(318,833,923)	320,157,763	(201,664,133)
Administrative and general expenses	(116,957,288)	(6,200,250)	-	(123,157,538)
Other income	6,110,053	-	-	6,110,053
Other expenses	(7,492,601)	(2,137,115)	-	(9,629,716)
Interest expense	(26,957,641)	-	-	(26,957,641)
Depreciation and amortization	(5,138,815)	(2,978,816)	-	(8,117,631)
Earnings before taxation	72,267,507	25,369,428	-	97,636,935
Taxation charge	12,606,556	5,951,613	-	18,558,169
Net profit for the year	59,660,951	19,417,815	-	79,078,766

DISCLOSURE OF SHAREHOLDERS

Top 10 Largest Shareholders as at December 31, 2023

SHAREHOLDER	NUMBER OF SHARES
QVRFL Holdings Limited ¹	508,267,648
EZ4712 Holdings Limited ²	340,874,764
Barita Investments Limited	178,706,162
Young Tigers Holdings Limited	71,411,004
GoGo Search Ventures Limited	68,875,020
Operor Auctus Limited	55,817,692
Jorden Investments Limited	35,818,000
Marc & Cheyenne-Kari Gayle	33,780,730
Nicholas & Ruth Browne	25,417,476
JCSD Trustee Services Limited A/C Barita Unit Trust Capital Growth Fund	25,031,000
Total	1,343,999,496

¹ The legal and beneficial owners of QVRFL Holdings Limited are Djuvane Browne and Rachel Browne.

² The legal and beneficial owner of EZ4712 Holdings Limited is Gina DeLisser.

DISCLOSURE OF SHAREHOLDERS

Directors' & Management Team's interests in Ordinary Shares as at Dec. 31, 2023

DIRECTORS	SHAREHOLDINGS	CONNECTED SHAREHOLDINGS
Djuvane Browne		508,267,648
Rachel Browne		508,267,648
Gina DeLisser	2,981,800	340,874,764
John Bailey		35,818,000
Simone Bowie Jones	23,054,400	
Marc Ramsay		55,817,692
Jacqueline Sharp	6,000,000	-
SENIOR MANAGERS	SHAREHOLDINGS	CONNECTED SHAREHOLDINGS
Djuvane Browne		508,267,648
Gina DeLisser	2,981,800	340,874,764
Laurian Evelyn	1,344,613	71,411,004
Robert Evelyn	1,400,000	71,411,004
Hannah Newland	210,000	

CORPORATE DATA

BOARD OF DIRECTORS

John Bailey
 Djuvane Browne
 Gina DeLisser
 Jacqueline Sharp
 Simone Bowie Jones
 Rachel Browne
 Marc Ramsay

COMPANY'S AUDITORS



CrichtonMullings & Associates,
 Chartered Accountants
 Unit 27B, 80 LMR
 80 Lady Musgrave Road, Kingston 10

REGISTERED ADDRESS

32 Lady Musgrave Road, Unit 5
 Kingston 5, Jamaica

COMPANY'S LAWYERS



Myers, Fletcher & Gordon
 21 East Street, Kingston
 Tel: (876) 922-5860

PRIMARY BANK

National Commercial Bank
 Jamaica Ltd
 6 Perth Road, Mandeville

SECONDARY BANK

Sagicor Bank Jamaica Ltd
 Sovereign Centre, 106 Hope Road,
 Kingston 6

FORM OF PROXY

One Great Studio Company Limited

I/ We, _____ of, _____ being a shareholder/
 shareholders of ONE GREAT STUDIO COMPANY LIMITED, hereby appoint _____ of,
 _____ or failing him, _____ of,
 _____ as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting
 of the company to be held on **August 21, 2024**, at **3:00pm** and any adjournment thereof.

Please indicate, in the space provided below, your vote on each resolution.

NO.	RESOLUTION	FOR	AGAINST
1	THAT the Audited Accounts for the year ended December 31, 2023, together with the Reports of the Directors and Auditor be approved and adopted	<input type="radio"/>	<input type="radio"/>
2(a)	That Simone Bowie Jones be and is hereby re-elected a Director of the Company.	<input type="radio"/>	<input type="radio"/>
2(b)	That Marc Ramsay be and is hereby re-elected a Director of the Company.	<input type="radio"/>	<input type="radio"/>
2(c)	That John Bailey be and is hereby re-elected a Director of the Company.	<input type="radio"/>	<input type="radio"/>
3	THAT the shareholders of the Company hereby delegate their power pursuant to Article 107 of the Articles of the Company to the Board of Directors of the Company who is hereby authorised to fix the remuneration of the Directors.	<input type="radio"/>	<input type="radio"/>
4	THAT as recommended by the Directors, the interim dividend paid on May 3, 2024 be and are hereby declared as final, and no further dividend be paid in respect of the financial year ended December 31, 2023.	<input type="radio"/>	<input type="radio"/>
5	THAT CrichtonMullings & Associates, Chartered Accountants having agreed to hold office as auditors of the Company, 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.	<input type="radio"/>	<input type="radio"/>

Dated This _____ Day of _____, 2024

INDIVIDUAL/JOINT SHAREHOLDERS

Individual Shareholder Name: _____

Joint Shareholder Name: _____

CORPORATE SHAREHOLDERS

Name: _____

Name: _____

Seal

Stamp

Note:

- To be valid this Proxy Form must be deposited with the Secretary of the Company at the registered office not less than 48 hours before the time appointed for holding the meeting.
- In the case of a body corporate, this Proxy Form should be executed under seal in accordance with the company's Articles.
- Amendments made to the Proxy Form must be initialled by the shareholder signing.
- A Proxy need not be a member of the Company.
- The Proxy Form must bear stamp duty of J\$100. Adhesive stamps are to be cancelled by the person signing the Proxy Form.



ANNUAL REPORT 2023

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