

Overview

As of March 31, 2023 the global box office achieved the highest quarterly result in the pandemic era, rising to **US \$8.0 Billion** in global box office receipts, representing a 27% increase over the same period in 2022. The success of *Avatar The Way of Water* continued into the new year and propelled *Avatar the Way of Water* to **US \$2.3 Billion**, which is the 3rd best movie performance of all time. Other noteworthy movie releases in the January – March 2023 period included *Creed II* and the locally popular *John Wick 4*.



FY 2023 has commenced with a significant improvement in film volume, which was down approximately -36% in 2022 versus the pre-pandemic period. Greater film volume, coupled with the recent reaffirmation from all major studios in the value of wide theatrical releases on 2,000 or more screens and, most importantly, coupled with movie theatre exclusivity periods, augurs well for the sustained recovery of the cinema exhibition industry.

In this context, Management remains very encouraged about the industry’s accelerating momentum which has also been demonstrated by CinemaONE’s growth and delivery of more “normalized” revenue and operating results for the Half Year period ended March 31, 2023.

Financial Performance

A summary of CinemaONE’s improved interim financial performance for the second quarter (Q2) period of FY 2023 in comparison to the C-19 impacted Q2 period of the Prior Year is outlined below.

Gross Revenue increased by 90% to TT \$7.7M (FY 2022: TT\$4.0M). Gross Profit similarly increased by 87% to TT \$4.6M (FY 2022: TT \$2.5M). Operating Profit was TT \$.6M a significant increase over the Prior Year period (FY 2022: TT \$.1M). CinemaONE also narrowed Net Loss to TT-\$0.2M (FY 2022: TT-\$0.3M). EBITDA notably increased by 104% to TT \$2.8M (FY 2022: TT \$1.4M). The Company’s second location in Gulf City Mall made a meaningful contribution in all performance indicators.

In January 2023, CinemaONE also strengthened its Financial Position by consummating a successful equity rights issue, enabling the Company to reduce debt and its debt to capitalization ratio to 64.1% (FY 2022: 69.6%) and to strategically position the Company to prudently pursue expansion opportunities such as the planned re-opening of the cinema facilities in Price Plaza Shopping Center, Chaguanas.



Future Outlook

CinemaONE maintains a positive outlook for the global cinema exhibition industry based on both the empirical results from the industry’s continued rebound and the Company’s recent financial performance. Moviegoers have been delighted by nostalgic franchises delivered in a larger-than-life cinematic setting such as the April release of *Super Mario Brothers* which is the first movie of 2023 to surpass **US \$1 Billion** in box office receipts.

In addition, movie volume in 2023 is forecasted to finally be on par with 2019 and studios have confirmed release dates for highly anticipated and more diverse movie titles including the following upcoming movie releases in May-August 2023, which is historically the best performing period in the calendar year: *Guardians of the Galaxy Vol. 3*, *Fast X*, *The Little Mermaid*, *Spider-man: Across the Spider-verse*, *The Flash*, *Indiana Jones and the Dial of Destiny*, *Barbie*, *Mission Impossible: Dead Reckoning Part One*, *Blue Beetle*, *Gran Turismo*, and *Teenage Mutant Ninja Turtles*.

I wish to thank our shareholders, customers, and employees for the continued confidence in the global entertainment industry.






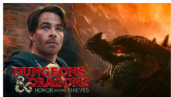















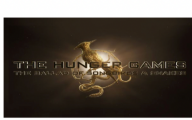


See You at the Movies!

Brian Jahra



Chairman
May 7, 2023

Movie Slate for Calendar Year 2023

Q1	 January 6	 February 17	 March 3	 March 17	 March 24	 March 31
Q2	 April 7	 May 5	 May 19	 May 26	 June 2	 June 16
Q3	 June 30	 July 14	 July 21	 July 21	 July 28	 August 4
Q4	 October 20	 November 3	 November 10	 November 17	 November 17	 December 20

STATEMENT OF FINANCIAL POSITION	6 MONTHS ENDED MAR. 31, 2023	6 MONTHS ENDED MAR. 31, 2022	12 MONTHS ENDED SEPT. 30, 2022
Assets	UNAUDITED	UNAUDITED	AUDITED
Non-current assets			
Property Plant and Equipment	67,789,020	65,015,651	67,798,768
Deferred Tax Asset	3,597,696	3,160,141	3,597,695
Right-of-Use Assets	13,997,832	5,791,594	5,582,852
Due from related parties	3,618,546	2,964,674	3,018,624
Total Non-current Assets	89,003,094	76,932,059	79,997,939
Current assets			
Cash and cash equivalents	2,447,158	1,846,015	1,573,354
Other Current Assets	3,407,386	3,510,104	2,653,458
Total Current Assets	5,854,544	5,356,119	4,226,812
Total Assets	94,857,638	82,288,178	84,224,751
Equity & Liabilities			
Paid/Issued Share Capital	38,213,147	32,579,503	32,579,503
Retained earnings	(11,670,090)	(10,393,782)	(11,477,363)
Total Equity	26,543,057	22,185,721	21,102,140
Liabilities			
Non-current Liabilities			
Borrowings	34,240,064	38,839,602	36,003,510
Deferred Tax Liability	2,468,898	2,310,758	2,468,898
Shareholder Loans	537,642	586,860	997,387
Lease Liability	15,573,734	6,950,656	6,605,604
Accruals and Other Liabilities	9,860,135	7,182,832	8,004,563
Total Non-current Liabilities	62,680,473	55,870,708	54,079,962
Current Liabilities			
Borrowings	2,706,395	146,352	3,090,151
Lease Liability	375,282	375,282	405,331
Accruals and Other Liabilities	2,552,432	3,710,115	5,547,167
Total Current liabilities	5,634,109	4,231,750	9,042,649
Total Equity & Liabilities	94,857,638	82,288,178	84,224,751

CINEMAONE

CONDENSED UNAUDITED FINANCIAL STATEMENTS FOR SIX MONTHS ENDED MARCH 31, 2023

STATEMENT OF COMPREHENSIVE INCOME	6 MONTHS ENDED MAR. 31, 2023	6 MONTHS ENDED MAR. 31, 2022	12 MONTHS ENDED SEPT. 30, 2022
	UNAUDITED	UNAUDITED	AUDITED
Gross Revenue	7,704,493	4,048,818	9,717,170
Cost of Sales	(3,077,846)	(1,569,440)	(4,083,936)
Gross Profit	4,626,647	2,479,378	5,633,234
Operating expenses	(4,028,550)	(2,377,065)	(5,652,360)
Operating profit	598,097	102,312	(19,126)
Interest expense	(944,564)	(896,441)	(2,053,586)
Other Income	116,180	99,340	209,959
Profit/(Loss) before Tax	(230,287)	(694,788)	(1,862,753)
Tax	34,543	357,774	442,157
Profit/(Loss) after Tax	(195,744)	(337,015)	(1,420,596)

STATEMENT OF CASH FLOWS	6 MONTHS ENDED MAR. 31, 2023	6 MONTHS ENDED MAR. 31, 2022	12 MONTHS ENDED SEPT. 30, 2022
	UNAUDITED	UNAUDITED	AUDITED
Profit/(loss) before taxation	(230,287)	(694,788)	(1,862,753)
Adjustments for:			
Depreciation	2,270,640	1,303,542	3,168,381
Other changes in working capital	(1,138,953)	2,029,120	5,764,467
Cash generated from operations	901,400	2,637,873	7,070,095
Taxation paid	-	(11,221)	(11,222)
Net cash generated from operations	901,400	2,626,652	7,058,873
Net cash used in investing activities	(2,076,100)	(2,456,521)	(6,144,912)
Proceeds from loans	960,000	-	486,607
Net Proceeds from Rights Issue	5,633,644		
Repayment of loans and borrowings	(3,447,348)	(34,026)	(136,494)
Interest paid	(1,144,806)	(262,822)	(1,248,964)
Leases	(465,408)	(113,045)	(527,532)
Net cash used in financing activities	1,536,082	(409,893)	(1,426,383)
Net (decrease) / increase in cash	361,382	(239,761)	(512,422)
Cash and cash equivalents at the beginning of the period	2,085,776	2,085,776	2,085,776
Cash and cash equivalents at the end of the period	2,447,158	1,846,015	1,573,354

STATEMENT OF CHANGES IN EQUITY	6 MONTHS ENDED MAR. 31, 2023	6 MONTHS ENDED MAR. 31, 2022	12 MONTHS ENDED SEPT. 30, 2022
	UNAUDITED	UNAUDITED	AUDITED
Total Opening Balance	21,102,140	22,522,736	22,522,736
Rights Issue	6,015,480		
Rights Issue Expenses	(378,820)		
Total Comprehensive Income	(195,744)	(337,015)	(1,420,596)
Balance as at End of Period	26,543,057	22,185,721	21,102,140

NOTES:

The accompanying notes are an integral part to these financial statements.

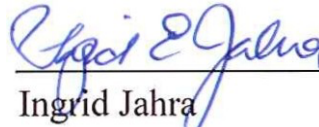
1) Basis of Accounting: These condensed financial statements have been prepared by Management in accordance with International Financial Reporting Standards.

2) Significant Accounting Policies: The principle accounting policies adopted in the preparation of these financial statements are consistent with those used in the audited financial statements as at September 30, 2022.

3) Stated Currency: Trinidad and Tobago Dollars.



 Brian Jahra
 Chairman



 Ingrid Jahra
 Director