PORTLAND JSX LIMITED

Annual Report 2017

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Notice of Annual General Meeting

NOTICE is hereby given that an Annual General Meeting of Portland JSX Limited ("PJX" or the "Company") will be held at 20 Micoud Street, Castries, St. Lucia, on 5th of July 2017 at 10:00 a.m. to consider and, if thought fit, pass the following resolutions:

1 To receive the Audited Accounts for the year ended 28 February 2017 and the Reports of the Directors and Auditors circulated herewith

Resolution No. 1 "THAT the Audited Accounts for the year ended 28 February 2017 and the Reports of the Directors and Auditors circulated with the Notice convening the meeting be and are hereby adopted."

2 Re-Election of Directors

Resolution No. 2 "THAT Mrs. Holly Hughes-McNamara, being eligible for re-election, be re-elected as a Director of the Company.

3 To appoint Auditors and authorize the Directors to fix the remuneration of the Auditors

Resolution No. 3 "THAT KPMG Chartered Accountants, 6 Duke Street, Kingston Jamaica, having agreed to continue in office as Auditors for the Company, be hereby appointed to hold office until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Directors of the Company."

4 To fix the remuneration of the Directors

Resolution No. 4 "THAT the amount shown in the Accounts of the Company for the year ended 28 February 2017 as remuneration of the Directors for their services as Directors be and is hereby approved."

Dated the 5th day of July 2017
By Order of the Board

Rhory McNamara
Director, MCSI Inc.
Company Secretary

NB: Members are reminded of the provisions of Regulations 37-38 of the Articles of Association of the Company, which provide as follows:

37. A member may be represented at a meeting of members by a proxy who may speak and vote on behalf of the member.

38. The instrument appointing a proxy shall be produced at the place appointed for the meeting before the time for holding the meeting at which the person named in such instrument proposes to vote. A corporation may execute a form of proxy under the hand of a duly authorised officer of such corporation.

The instrument appointing a Proxy must be in writing and a Proxy Form is attached for your convenience.

Company Profile

Portland JSX Limited ("PJX" or the "Company") is incorporated in St. Lucia as an International Business Company ("IBC") pursuant to the International Business Companies Act, Cap. 12.14 of St. Lucia. Its registered office is located at McNamara Corporate Services Inc., 20 Micoud Street, Castries, St. Lucia.

In June 2016, PJX successfully raised J$1.23 billion (approximately US$12,000,000) in equity capital through its fully subscribed private placement of ordinary shares which was one of the largest offerings in the history of Jamaica's capital market. Prior to the initial public offering, the Company had raised J$1.7 billion (approximately US$14 million) from a private placement of ordinary shares. The ordinary shares in the Company were listed on the Jamaica Stock Exchange ("JSE") in June 2016.

PJX's IPO successfully closed in June 2016 raising J$1.23 billion for the Company. It was the largest IPO for ordinary shares on Jamaica Stock Exchange.

PJX is an IBC incorporated under the laws of St. Lucia. The primary business of PJX is that of a limited partner in the Portland Caribbean Fund II ("PCF II"). PJX may also co-invest alongside PCF II. PJX expects its revenues to be generated from income and capital gains on its direct and indirect investments. PCF II is a limited partnership fund that invests in quality businesses in the Caribbean and Latin America, and is managed by Portland Private Equity II Limited. The Company provides an opportunity for retail and institutional investors to gain access to the types of private and infrastructure investments that typically are only available to large institutional and ultra high net worth investors.

Portland Private Equity II Limited ("PPE") is a regular business company incorporated under the laws of Barbados, is the Investment Advisor to AIC Caribbean Fund and PCF II, and provides management services to the Company. The PPE team has extensive experience successfully investing in businesses in multiple geographies and across a variety of sectors.

To date PCF II has closed five private equity transactions.

Board of Directors

Douglas Hewson

Non Executive Chairman

Douglas has over seventeen years of private equity and venture capital experience. He is a Managing Partner at Portland and has primary responsibility for investor relations, is a board member of InterEnergy Holdings and IEH Penonome Holdings, is a director of Grupo IGA, is a member of the Investment Committees of both Fund I and Fund II, and involved in all aspects of each fund's management. Prior to joining Portland Private Equity he was responsible for co-founding and leading two successful investment management firms.

Jonathon Murphy*

Jonathan Murphy is the Managing Director of GKM, a Cayman Islands based multi-family office. He is focused on facilitating private investment, in both direct and indirect opportunities, to maximise value for clients. He acts as trustee and director for a small number of families, assisting in the structuring, analysis and management of the underlying assets. He was formerly a manager at Krys Global, a leading regional insolvency practice. He gained his ACA qualification whilst working at Deloitte UK.

Patrick McDonald* JAC

N. Patrick McDonald is a commercial attorney and a Partner at Hart Muirhead Fatta. Admitted to practice in Jamaica in 1993, he was educated at the University of the West Indies and the Norman Manley Law School. He is currently a director of Independent Radio Company Limited and has served as a director of several companies in the local financial sector and of state agencies and companies. He is a member of the Commercial Law Committee of the Jamaican Bar Association and the General Legal Council. He also serves as a member of the Office of Utilities Regulation, and is an Associate Tutor at the Norman Manley Law School. Patrick serves on the Corporate Governance Committee of the Private Sector Organization of Jamaica and the Best Practices Awards Committee of the Jamaica Stock Exchange.

Holly Hughes-McNamara**

Holly Hughes-McNamara is the Chief Executive Officer of Digicel, Saint Lucia Ltd.

She graduated with First Class Honors from The University of Newcastle Upon Tyne in England before becoming a Fellow of the Association of Chartered Certified Accountants (ACCA). After a five year career in Audit and Accounting, she entered the Telecommunications Industry as Group Financial Controller of the Karib Cable Group of Companies, where she led the rollout of Saint Lucia's first fibre-optic network.

Hughes-McNamara is now leading Digicel Saint Lucia's market in its offering of a full suite of products to both consumer and business customers in mobile telecommunications, mobile broadband and business solutions services. Digicel's Eastern Caribbean Contact Centre, employing 118 agents handling customer queries for ten Digicel islands, located in Saint Lucia, is also headed by Hughes-McNamara

Patricia Francis**

Patricia R. Francis, CD, BSc, a global leader in trade and development, currently serves on the advisory boards of the IESE Graduate Business School, SciencePo Masters in Public Administration, Jamaica Producers Group and B & D Trawling Limited and is a member of the Eminent Persons Group reviewing the African Caribbean & Pacific ("ACP") future relationships with the European Union. She recently completed the task of establishing the UN Secretary-Generals High Level Panel on Women's Economic Empowerment, launched in Davos in January 2016. Mrs. Francis is the former Chairman of Jamaica's Public Sector Transformation and Modernisation Committee 2014 -2016 and the former Executive Director of the International Trade Centre ("ITC") 2006-20013, a joint agency of the World Trade Organisation and the United Nations. Prior to joining the ITC, Mrs. Francis served as the President of JAMPRO (Jamaica Trade and Invest) 1995-2006. She also served twice as the President of the World Association of Investment Promotion Agencies, the China-Caribbean Business Council and the Commonwealth's Eminent Persons Group. In 2006 she was conferred with the Commander of the Order of Civil Merit by the Government of Spain, and in 2015 was conferred with the Order of Distinction in the Class of Commander by the Government of Jamaica.

* Member of Audit Committee
** Member of Compensation Committee
JAC Member of Joint Advisory Committee of PCF II

Management Discussion & Analysis

Initial investment in PCF II by PJX funded start-up costs. Start-up costs at the PCF II Fund level are over. Investment activity and pipeline development over the past year has been steady and expected to continue into the next. At the end of the fiscal year, PCF II had completed 5 investments in 5 companies creating a geographically and sectorally diverse portfolio in the LATAM region. Management is prudently deploying capital and is on time with its investment schedule.

PJX is a limited partner in PCF II. The strategy of the Company is essentially the same as the PCF II strategy – invest in high quality businesses, with competent management where growth or industry leadership can be attained. The investment focus is driven by:

(a) The existence of the following 3 pre-conditions:

  i. A perception/reality gap;

  ii. Inefficiencies;

  iii. Scarcity of equity capital;

(b) Geographies and sectors where the team enjoys a competitive advantage of knowledge, experience, access and presence.

The geography of focus is the Caribbean and Latin America and the sectors of focus are telecommunications, financial services and energy. The combination of scarcity of capital, extensive experience of PPE, the investment advisory team behind PCF II, and regional access to a robust pipeline of potential transactions has created a successful formula for investing, which was manifested in the first private equity fund managed by PPE. The Company may co-invest with PCF II in equity or debt securities of private companies located in the Caribbean and Latin America. The Company committed USD$32 million to PCF II and, accordingly, is permitted to participate in co-investments on a no fee/ no carry basis up to the amount of its capital commitment and thereafter on a negotiated basis.

PCF II successfully closed in September 2016 raising capital commitments from its limited partners in excess of USD$200 million, thereby becoming one of the largest sources of private equity financing in region.

PCF II is still relatively nascent as it is still in the investing stage of its life cycle. Investments are still being made and nurtured. Due to non-recurring start-up costs at the beginning, both net asset value and internal rate of return are negatively affected. The development and maturity of the underlying investments is expected to reverse these trends.

PCF II has already made five investments to date throughout LATAM/ Caribbean region. Over 50% of total available capital already deployed or committed. The foundation for future growth of net asset value and internal rate of return is quickly being established in exciting well run businesses.

To date PCF II has made following investments:

Portfolio

Liberty Global LiLAC (the Latin America and Caribbean group within Liberty Global)

Liberty Global LiLAC is one of the leading telecommunications providers in Latin America and the Caribbean with over 48,000 kilometers of fiber optic cable and retail services in 20 countries including Chile, Puerto Rico, Jamaica, Trinidad & Tobago, Panama, Barbados, the Bahamas and several smaller Caribbean islands. LiLAC is bringing better broadband to more people in the region.

Initially a USD 15 million investment in debenture issued by Clearwater Holdings (Barbados) Limited ("CHBL"), a wholly owned sub of CFFI Ventures (Barbados) Inc. ("CVBI"). CVBI owned the controlling shareholding in Columbus International Inc. and then owned over 57 million shares of Cable & Wireless Communications PLC ("CWC"). CWC was acquired by Liberty Global and the fund's debenture was replaced with cash and shares of Liberty Global LiLAC (which is the continuation of the cable/broadband expansion strategy initially started with Columbus). When the concentration limit increased on final fund closing, an additional ~ USD 15 million was invested.

Headquarters	CHBL headquartered in Barbados (LiLAC operates out of multiple regional offices).
Investment Thesis	• Participate in anticipated growth of merged entity. • Region remains fragmented and underpenetrated. • Synergies, operating and financial leverage, are expected to amplify EPS growth. • Columbus impact on CWC will be positive. Liberty impact on combined CWC/ Columbus will be further positive.
Investment Date	January 2015 & December 2016

Panama Wind (legal name is IEH Penonome Holdings)

Holding company for ownership of the second and third phases of the Penonome Wind Power Park consisting of a total of 215 MW of installed wind power capacity approximately 150 km west of Panama City. It is a $423M project comprised of a $300M debt syndicate led by International Finance Corporation and a $123M equity component comprised of a Phase I developer, Portland Caribbean Fund II, and led by InterEnergy Holdings.

Headquarters	Cayman
Investment Thesis	• Cash flow generating asset providing excellent preservation of capital qualities • Distressed developer provided opportunity to re-negotiate allocation of risks, penalties, LDs, and completion incentives • Merger opportunities within Panamanian market to create attractive listed vehicle
Investment Date	December 2014

Clarien Bank Limited

Facilitating Loan made to Clarien Group Limited ("CGL") to enable it to make a capital investment into 100% owned Clarien Bank Limited ("CBL") to strengthen CBL's capital adequacy ratios. CBL is the third largest Bermuda-based bank with $1.2 billion in assets and an investment management, brokerage advisory and trust administration business with $800 million in assets under management. CBL's balance sheet largely consists of residential and commercial mortgages funded by retail and commercial deposits. At December 31, 2015, it had $75 million in common equity and $95 million of total equity. The loan was made to provide CGL time to complete a strategic transaction with a regional financial institution with the intent that PCF II would be able to co-invest in that transaction. Co-investment transaction is currently pending regulatory approval.

Headquarters	Bermuda, transitioning to Jamaica
Investment Thesis	• Through co-investment into CBL, participate in the expansion and diversification of a leading Caribbean financial institution • Entering at trough of Bermuda economic cycle and at discount to book value • Revenue and cost synergies to be gained from merger into a larger Caribbean financial institution
Investment Date	March 2016

Inmaculada Guadalupe & Amigos en cia S.A. ("IGA") ("Portland Foodservice, L.P.")

Merger of two leading restaurant platforms in Colombia (Andres Carnes de Res, Grupo Conboca) into a single entity referred to as IGA. IGA covers casual dining, quick service, and food service segments with 217 owned venues, 86 franchises and a presence in 46 cities. Equity investment through Compartimento IV of ~USD7.2M, and a secured debt position with IGA of ~USD10M.

Headquarters	Bogota, Colombia
Investment Thesis	• Strong strategic sponsors and financial sponsor • Significant potential for value creation through expansion and realization of synergies • Attractive investment fundamentals and a diversified approach • Longstanding brands with consistent performance
Investment Date	January 2017

InterEnergy

InterEnergy owns and manages a diversified portfolio of energy assets spanning generation, transmission, and distribution in the Dominican Republic, Chile, Panama, and Jamaica.

Headquarters	Dominican Republic
Investment Thesis	• Partner with industry leader in strategic, growing electric utilities sector seeking to pursue a transformative growth strategy with a focus on alternatives and conversion to cleaner burning gas • Experienced management team with robust track record managing power assets in the region • High likelihood of capital preservation • Ability to achieve impressive returns on a risk-adjusted basis with various options for exit (dividends, refinancing, partial or full sale) • Strong cash generating businesses, resulting from multi-year contracts, low loss ratio, and increasing customer demand
Investment Date	Second / Third Quarter 2017

Operations

Highlights	February 28, 2017	February 29, 2016	Change
Income and fair value changes	163,589	497,345	(333,756)
Operating expenses	(1,493,313)	(657,588)	(835,725)
Interest expense	(260,068)	(167,362)	(92,706)
Loss for the period	(1,589,792)	(327,605)	(1,262,187)
Financial Investment - PCF II	11,570,715	3,270,107	8,300,608
Cash and short-term deposits	12,143,798	10,502,840	1,640,958
Shareholders' equity	23,765,556	13,777,089	9,988,467

Expenses

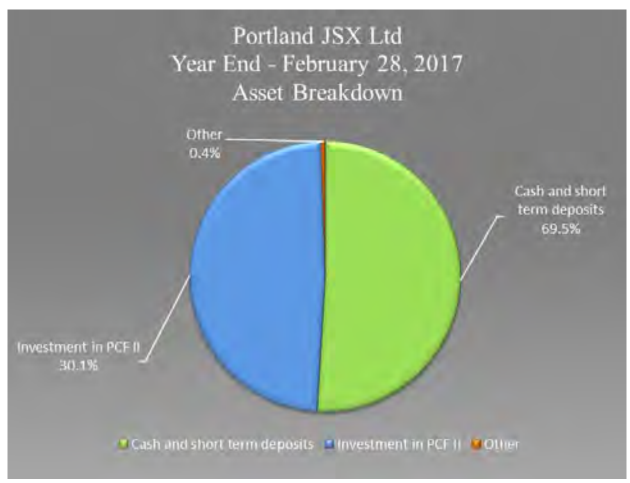
During the year, there were no significant changes in operations, however final closing costs related to PCF II were incurred. These costs included retroactive operating costs, management fees and organization costs of $962,827. Excluding the foregoing, general and administrative expenses were $530,486. In the prior year, general and administrative costs totaled $657,588. Excluding retroactive expenses of $166,351 incurred in the 2016 fiscal year, general and administrative expenses were $491,237.

Interest expense of $260,068 was incurred to compensate co-investors in the PCF II for financing various up-front costs. In the prior year, the amount was $167,362. These costs are not expected to recur after the current fiscal year.

Finally, for the year ended 2017, the Company experienced a decrease in the fair value of the investment in PCF II. The reduction in fair value of PCF II was $437,923 compared to a gain in fair value of $410,002 in 2016. The decrease in fair value was attributable to a revaluation of the underlying portfolio, particularly PCF II interest in Liberty Global LiLAC and LILA shares.

Assets

The asset composition of PJX is essentially two components; i) investment in PCF II; ii) cash and short term deposits. The following chart illustrates the foregoing.



The Team – Depth and Alignment

As a limited partner in PCF II, the Company gains access to the management capability of PPE. Portland Private Equity II, Ltd has been retained pursuant to an Investment and Advisory Agreement dated July 15, 2014 to manage PCF II. The advisory services include: monitoring investments in PCF II, research, selection and on-going monitoring of co-investment opportunities; research, selection and monitoring investments for uncommitted assets; and on-going research for other investment opportunities. PPE also provides management services to the Company.

PPE is led by Michael Lee Chin, OJ, Chairman of the Investment Committee, which is comprised of Mr. Lee Chin and three Managing Partners. Collectively, these individuals have over 100 years of investing experience and on average have been together for over 10 years. Each of the executives also have an ownership stake in the management companies, as well as the portfolio businesses of PCF II. Finding, nurturing and ultimately, exiting from successful industry leading business requires a strong alignment of company management, investors and investment managers. PPE has committed USD 17 million to the PCF II investing alongside its partners.

The Investment Team

Michael Lee-Chin

Michael Lee-Chin is Chairman of Portland Private Equity and sponsor of AIC Caribbean Fund; founder and Chairman of the Portland Holdings group, a privately held investment company which owns a collection of diversified operating companies; and Chairman of the National Commercial Bank Jamaica Limited.

Robert Almeida

Rob helped launch AIC Caribbean Fund and is a Managing Partner of Portland Private Equity. He is an accomplished business person with a strong background in corporate strategy and operations. He was formerly an executive at Loblaw Companies, Canada's largest retailer, and led the creation of a direct bank at Canadian Imperial Bank of Commerce. He has served on the boards of Columbus International and Advantage General, and is currently on the board of the National Commercial Bank Jamaica Limited. He has served on the Boards of Columbus International Inc. (cable and telecommunications), Kingston Wharves Limited (port operator) and Advantage General Insurance (general insurance). Rob currently serves on the boards of National Commercial Bank Jamaica Limited, Clarien Bank Limited and several subsidiaries of Portland Holdings Inc.

Joe Vescio

Joe has over twenty years' experience in negotiating, structuring, and closing a wide variety of transaction types. He is a Managing Partner of Portland Private Equity, in addition to his investment origination and portfolio company responsibilities; he looks after the financial operations of AIC Caribbean Fund and PCF II. Joe founded a successful valuation practice earlier in his career and is a Chartered Accountant and Chartered Business Valuator by training.

Douglas Hewson

Douglas has over seventeen years of private equity and venture capital experience. He is a Managing Partner of Portland Private Equity; prior to joining Fund I he was responsible for co-founding and leading two successful investment management firms. At Portland, he has primary responsibility for investor relations, is a board member of InterEnergy Holdings, is a director of Grupo IGA, is a member of the fund's Investment Committee, and involved in all aspects of AIC Caribbean Fund and PCF II's management.

Ricardo Hutchinson

Ricardo has more than 10 years experience in the Caribbean banking sector providing corporate banking and capital markets solutions to clients across the Caribbean region. Prior to joining Portland Private Equity, Ricardo held the role of Associate Director- Investment Banking with a leading regional commercial bank where he was responsible for leading the structuring and successful placement of several capital markets transactions. He holds a Masters of Science degree in economics from the University of the West Indies and is a CFA Charter holder.

Risk Management

By its nature, PJX's risks are bi-level.

Corporate Level:

Risks associated with running of the Company such as credit risk, regulatory risk, liquidity risk, market risk and other operational risk.

PCF II Level:

At the PCF II Level, PJX faces indirectly many other risks associated with the portfolios such as market risk, liquidity risk equity risk, economic risk and other risks that may have an effect on portfolio company and Fund performance.

PJX's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks.

At the corporate level, the Board of Directors is ultimately responsible for the establishment and oversight of the risk management framework. The Board has established committees for managing and monitoring risks, as follows:

i. Participating in Joint Advisory Committee of PCF II
ii. Establishing an Audit Committee
iii. Compensation Comittee
iv. Shareholder Advisory Committee

At the PCF II level, there are several layers of monitoring and oversight. Overall, PCF II is managed by the general partner, Portland Fund II, GP, L.P. Investment and compliance is monitored by the PCF II Investment Committee which is comprised of PPE managing partners and an independent member. Finally oversight is provided by Joint Advisory Committee comprised of representatives of the Limited Partners of PCF II, including PJX.

LIQUIDITY RISK

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations from its financial liabilities. Liquidity risk may result from an inability to sell a financial asset quickly at, or close to, its fair value. The nature of PJX's investment strategy is to hold long term assets that ensure superior returns. Accordingly, the investment in PCF II is illiquid. Monetization will occur by disposition of underlying assets by PCF II and distribution to its Limited Partners. PCF II has a contractually established limited life after which assets must be distributed. PJX monitors adherence to these contractual obligations to ensure ultimate liquidity.

PJX has commitments to meet capital calls made by PCF II for investments and operating expenses. These commitments are pre-funded to a great extent with cash and short-term investments held by PJX. In its treasury management, PJX must maintain a balance of maximizing returns with maintaining liquidity to meets it Fund obligations. PJX has established a liquidity management process which the Board believes meets these objectives. It is monitored by the Board.

The Company's liquidity management process includes:

i. Monitoring future cash flows and liquidity on a regular basis. Quarterly operating expenses are substantially predictable except for capital calls from PCF II.
ii. Maintaining a portfolio of highly marketable assets that can be quickly monetized;
iii. Optimising cash returns on short-term investment;
iv. Managing and matching maturity of treasury instruments with anticipated capital calls.
v. Diversifying short term instruments among two or more parties to reduce default risk,

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to the individual security or its issuer, or factors affecting all securities traded in the market.

These arise mainly from changes in interest rate, foreign currency rate and equity prices and will affect the Company's income or the value of its holdings of financial instruments. Market risk with respect to investments within PCF II are managed by PPE.

CURRENCY RISK

Currency Risk: Foreign currency risk is the risk that the market value of, or the cash flows from, financial instruments will vary because of exchange rate fluctuations. PJX is somewhat exposed to foreign currency risk due to fluctuations in exchange rates on transactions and balances that are denominated in currencies other than the functional currency (United States Dollars). The main currencies giving rise to this risk are the Jamaican dollar (JMD$), Euro and Trinidad and Tobago (TTD$). The Company manages this risk by matching foreign currency assets with foreign currency liabilities, to the extent practicable. The net foreign currency exposure is kept at the targeted levels by buying or selling currencies at spot rates when necessary to address imbalances.

OPERATIONAL RISK

Operational Risk is the risk arising from execution of the business functions and in particular the risk of loss resulting from inadequate or failed internal control processes, people and systems, or from external events such as:

i. Internal Fraud: Misappropriation of assets, tax evasion, intentional mismarking of positions, bribery;
ii. External Fraud: Theft of information, hacking damage, third-party theft and also forgery;
iii. Employment Practices and Workplace Safety: Employee health and safety, discrimination, workers compensation;
iv. Clients, Products, & Business Practice: Market manipulation, antitrust, improper trade, product defects, fiduciary breaches, account churning;
v. Damage to Physical Assets: Natural disasters, terrorism, vandalism;
vi. Business Disruption & Systems Failures: Utility disruptions, software failures, hardware failures;
vii. Execution, Delivery, & Process Management: Data entry errors, accounting errors, failed mandatory reporting, negligent loss of client assets.

Governance Committees

Compensation Committee: The purpose of this committee is to ensure that there is a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors.

Audit Committee: The Audit Committee acts independently of the executive to ensure that the interests of shareholders are properly protected in relation to financial reporting and internal control. It provides oversight of good fiscal discipline, financial reporting, timely disclosure and listing compliance.

Shareholder Advisory Committee ("SAC"): In addition to such authority and responsibilities as the Board may deem necessary or advisable, the SAC shall, on behalf of the Shareholders, have the authority to give its "no objection" in respect of the following matters:

- Borrowing, appointment of a treasury manager, valuation of assets.

- Appropriateness of any action or inaction in any situation referred to the SAC by the Board because it involves a conflict or risk of conflict of interest involving the Company or any of the Shareholders, including without limitation any such conflict of interest involving the Company or any of the Shareholders on the one hand and any other entity to which the Manager, Portland Private Equity Ltd., renders advice, or investors in such entity on the other hand.
- Policies and guidelines in respect of investments other than into PCF II.
- Such other matters relating to the Company's business as the Board and Shareholder Advisory Committee may mutually determine.

The SAC has the right to nominate a representative to the Joint Advisory Committee which serves as an oversight body of PCF II.

Directors Shareholdings

LIST OF SHAREHOLDINGS OF DIRECTORS AND SENIOR MANAGEMENT AND THEIR CONNECTED PERSONS

AS AT FEBRUARY 28, 2017

DIRECTOR	**SHAREHOLDINGS**	**CONNECTED PERSONS**
Douglas Hewson	Nil	Portland Private Equity II Limited Controlling Shareholder through Preferred Shares
Trevor Cozier Resigned: December 31, 2016	Nil	-
Patricia R. Francis	Nil	-
N. Patrick McDonald	Nil	-
Jonathan Murphy	Nil	-
Holly Hughes-McNamara	Nil	-
SENIOR MANAGEMENT	**SHAREHOLDINGS**	**CONNECTED PERSONS**
Portland Private Equity II Limited	Nil	Douglas Hewson
McNamara Corporate Services Inc.	Nil	-

Top 10 Shareholders

TOP TEN (10) LARGEST SHAREHOLDERS
AS AT 28 FEBRUARY 2017

RANK	SHAREHOLDER	HOLDINGS AS AT 28 FEBRUARY 2017	Percentage Holdings of JSX
1	GRACEKENNEDY LIMITED PENSION	40,000,000	12.90%
2	PAM - POOLED EQUITY FUND	24,961,500	8.05%
3	PETER 2 COMPANY LIMITED PENSION	23,727,000	7.65%
4	ATL GROUP PENSION FUND TRUSTEES	23,600,000	7.61%
5	SJIML A/C 3119	20,000,000	6.45%
6	P.A.M. LTD - JPS EMPLOYEES	17,600,510	5.68%
7	WELLJEN LIMITED	11,500,000	3.71%
8	GUARDIAN LIFE LIMITED	11,454,500	3.70%
9	GUARDIAN LIFE LIMITED/PENSIONS FUND	11,454,500	3.70%
10	VMWEALTH EQUITY FUND	10,549,651	3.40%
	Total	**309,968,261.00**	

Form of Proxy

PORTLAND JSX LIMITED

The undersigned shareholder of Portland JSX Limited HEREBY APPOINTS

____
(Chairman of the Meeting)

or failing him ____
(Other Nominee)

as the nominee of the undersigned to attend and act for the undersigned and on behalf of the undersigned at the Annual General Meeting of the Shareholders of the said Company to be held at McNamara Corporate Services Inc., Cnr. Flamboyant Drive & Almond Road, Rodney Bay, Gros Islet, St. Lucia on Wednesday, the 5th day of July, 2017, at 12 Noon, and at any adjournment or adjournments thereof and said proxy shall vote on each of the resolutions listed in the notice of the meeting as follows:

Please indicate with an 'X' in the spaces below how you wish your Proxy to vote on the below resolutions.

ORDINARY RESOLUTIONS	FOR	AGAINST
1. Audited Accounts and Reports THAT the Audited Financial Statements of the Company for the year ended February 28, 2017, together with the Reports of the Directors and the Auditors be and are hereby adopted.		
2. Re-Election of Director THAT Mrs. Holly Hughes-McNamara, being eligible for re-election, be re-elected as a Director of the Company.		
3. Re-appointment of Auditors THAT KPMG, Chartered Accountants of 6 Duke Street, Kingston, Jamaica, having agreed to continue in office as Auditors of the Company, be and are hereby appointed to hold such office until the next annual general meeting of the Company and that their remuneration be determined by the Directors.		
4. Remuneration of Directors THAT the amount shown in the audited accounts of the Company for the year ended February 28, 2017 as remuneration of the Directors for their services as Directors be and is hereby approved.		

Affix $100
Stamp here
and cancel

DATED this day of 2017

SIGNATURE OF SHAREHOLDER(S):

____

____

Notes:

1) To be valid, this form must be completed and lodged at the offices of the Company's Registrar and Transfer Agents, Jamaica Central Securities Depository Limited, 40 Harbour Street, Kingston, not less than forty-eight (48) hours before the time appointed for holding the meeting.

2) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote in his stead. If such an appointment is made, delete the words 'the Chairman of the meeting" and insert the name of the person appointed in the space provided.

3) In the case of a shareholder who is a body corporate or association, votes may be given by an individual authorised by a resolution of the directors or governing body of that body corporate or association to represent it at meetings of the Company.

4) In the case of joint holders, the signature of any one holder is sufficient but the names of all the joint holders should be stated.

5) If the form is returned without any indication as to how the person appointed proxy shall vote, the proxy shall exercise his discretion as to how he votes or whether to abstain from voting.

6) A proxy need not be a member of the Company.

Financial Section

KPMG
First Floor
National Insurance Services Headquarters
Upper Bay Street
P.O. Box 587, Kingstown
St. Vincent and the Grenadines
Telephone (784) 451-1300

INDEPENDENT AUDITORS' REPORT

To the Members of
<u>PORTLAND JSX LIMITED</u>

Opinion

We have audited the financial statements of Portland JSX Limited ("the Company"), set out on pages 7 to 25, which comprise the statement of financial position as at February 28, 2017, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at February 28, 2017, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code), and 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.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
PORTLAND JSX LIMITED

Key Audit Matter

The key audit matter is that which, in our professional judgement, was of most significance in our audit of the financial statements of the current period. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Valuation of investment in Portland Caribbean Fund II

The valuation of the Company's unquoted equity investment in Portland Caribbean Fund II ('the Fund') has been identified as an area of significant risk and is the key area that our audit has focused on, given that the measurement of unquoted investments includes significant assumptions and judgments about the performance of the underlying investments of the Fund.

Our audit procedures in this area included the following:

- Understanding and challenging the key assumptions and judgments affecting the Fund's valuation prepared by the Management Company, based on observable data.
- Using our own valuation specialists, we assessed the reasonableness of the valuation methodologies employed by the Management Company and the fair value conclusions for the underlying investments in the Fund at the valuation date. We considered the provisions of IFRS 13 *Fair Value Measurement* and reviewed the sources of data and underlying assumptions utilised to value the underlying investments.
- Assessing the adequacy and appropriateness of the Company's unquoted investment disclosures, including the valuation techniques and significant inputs in accordance with IFRS 13.

Other Information

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

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
PORTLAND JSX LIMITED

Other Information (Continued)

Our opinion on the 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 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 the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the 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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' 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 auditors' 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.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
PORTLAND JSX LIMITED

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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

The engagement partner on the audit resulting in this independent auditors' report is Brian Glasgow.

Chartered Accountants
Kingstown, St. Vincent and the Grenadines

April 26, 2017

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
PORTLAND JSX LIMITED

Appendix to the Independent Auditors' report

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

- Identify and assess the risks of material misstatement of the 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 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 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
PORTLAND JSX LIMITED

Appendix to the Independent Auditors' report (continued)

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter 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.

PORTLAND JSX LIMITED

Statement of Financial Position
February 28, 2017
(expressed in United States dollars unless otherwise stated)

	Notes	2017	2016
ASSETS			
NON-CURRENT ASSET			
Financial investment, at fair value through profit or loss	4	11,570,715	3,270,107
CURRENT ASSETS			
Cash and short-term deposits	5	6,848,582	10,502,840
Securities purchased under resale agreements	6	5,295,216	-
Receivables	7	101,895	43,660
Taxation recoverable		16,587	-
		12,262,280	10,546,500
Total assets		$23,832,995	13,816,607
CURRENT LIABILITIES			
Other financial liabilities at amortised cost	8	40,839	11,665
Payables	9	26,600	27,853
Total liabilities		67,439	39,518
EQUITY			
Share capital	10	25,682,953	14,104,694
Accumulated deficit		(1,917,397)	(327,605)
Total equity		23,765,556	13,777,089
Total liabilities and equity		$23,832,995	13,816,607

The financial statements on pages 7 to 25 were approved for issue by the Board of Directors on April 26, 2017 and signed on its behalf by:

Chairman
Douglas Hewson

Director
Jonathan Murphy

The accompanying notes form an integral part of the financial statements.

PORTLAND JSX LIMITED

Statement of Profit or Loss and Other Comprehensive Income
Year ended February 28, 2017, with comparatives for the five months ended February 29, 2016
(expressed in United States dollars unless otherwise stated)

	Notes	2017	2016
Income and fair value changes:			
Distributions of partnership interest income		350,399	-
Interest income		250,702	79,918
Net (loss)/gain on financial assets classified as at fair value through profit or loss		(437,923)	410,002
Other income		411	7,425
		163,589	497,345
Operating expenses	11	(1,493,313)	(657,588)
Interest expense		(260,068)	(167,362)
Loss for the period, being total comprehensive loss		$(1,589,792)	(327,605)
Loss per stock unit	12	(0.60¢)	(0.20¢)

The accompanying notes form an integral part of the financial statements.

PORTLAND JSX LIMITED

Statement of Changes in Equity
Year ended February 28, 2017, with comparatives for the five months ended February 29, 2016
(expressed in United States dollars unless otherwise stated)

	Share capital (note 10)	Accumulated deficit	Total
Issue of ordinary shares	14,104,694	-	14,104,694
Loss for the period, being total comprehensive loss	-	(327,605)	(327,605)
Balances at February 29, 2016	14,104,694	(327,605)	13,777,089
Issue of ordinary shares	11,578,259	-	11,578,259
Loss for the period, being total comprehensive loss	-	(1,589,792)	(1,589,792)
Balances at February 28, 2017	$25,682,953	(1,917,397)	23,765,556

The accompanying notes form an integral part of the financial statements.

PORTLAND JSX LIMITED

Statement of Cash Flows
Year ended February 28, 2017, with comparatives for the five months ended February 29, 2016
(expressed in United States dollars unless otherwise stated)

	2017	2016
Cash flows from operating activities		
Loss for the period	(1,589,792)	(327,605)
Adjustments for:		
Loss/(gain) on financial assets classified as at fair value through profit or loss	437,923	(410,002)
Interest income	(250,702)	(79,918)
Distributions of partnership interest income	(350,399)	-
Interest expense	260,068	167,362
	(1,492,902)	(650,163)
Changes in operating assets and liabilities		
Receivables	(53,333)	-
Other financial liabilities at amortised cost	29,174	11,665
Payables	(1,253)	27,853
Cash used in operations	(1,518,314)	(610,645)
Interest received	245,800	36,258
Partnership distributions received	350,399	-
Taxation paid	(16,587)	-
Interest paid	(260,068)	(167,362)
Net cash used in operating activities	(1,198,770)	(741,749)
Cash flows from investing activities		
Financial investments, at fair value through profit or loss	(8,738,531)	(2,860,105)
Securities purchased under resale agreements	(5,295,216)	-
Net cash used in investing activities	(14,033,747)	(2,860,105)
Cash flows from financing activity		
Proceeds from issuance of shares, being net cash provided by financing activity	11,578,259	14,104,694
Net (decrease)/increase in cash and cash equivalents	(3,654,258)	10,502,840
Cash and cash equivalents at beginning of year	10,502,840	-
Cash and cash equivalents at end of year	$ 6,848,582	10,502,840
Comprised of:		
Cash at bank	1,287,821	3,060,281
Short-term deposits	5,560,761	7,442,559
	$ 6,848,582	10,502,840

The accompanying notes form an integral part of the financial statements.

1. The Company

Portland JSX Limited ("PJX" or "the Company") was incorporated in Saint Lucia on September 15, 2015 as an International Business Company ("IBC") with IBC number 2015-00335, and commenced operations on October 1, 2015. The registered office of the Company is located at the offices of McNamara Corporate Services Inc., 20 Micoud Street, Castries, Saint Lucia. The primary business of the Company is that of a Limited Partner in Portland Caribbean Fund II (the Fund). The Fund has an upfront five year commitment period to make investments within a term of 10 years, ending July 2024, with the possibility of two additional consecutive one-year terms.

PJX is an equity investment vehicle through which Jamaican pension plans, as well as other eligible investors, invest to gain access indirectly to quality investments in the Latin American & Caribbean (LAC) region. The Company is listed on the Jamaica Stock Exchange.

Portland Private Equity II, Ltd., a Barbados exempted limited company (the "Barbados Management Company") and Portland Private Equity Canada Inc. (PPEC), a Canadian company (the "Canadian Management Company" and together with the Barbados Management Company, "Management Companies" or "Managers") are responsible for managing the assets of the Fund, including investigating, analysing, structuring and negotiating potential portfolio investments and monitoring the performance of portfolio investments.

Portland JSX Limited and the Partnership

Under the Partnership Agreement, distributions and allocations to the partners and management fees are dealt with in the following manner:

(1) Distributions and allocations:

(a) income, gains, losses, deductions and credits arising in connection with Short-Term Investments, in proportion to their relative Capital Contributions, and;

(b) Distributions of Disposition Proceeds and Other Portfolio Income received in respect of any Portfolio Investment shall initially be apportioned among the Participating Partners based on their respective Capital Contributions attributable to such Investment. The amount apportioned to the General Partner pursuant to the preceding sentence shall be distributed to the General Partner. The remaining amount apportioned to each Limited Partner that is a Participating Partner shall be further apportioned between (i) such Limited Partner on the one hand and (ii) the General Partner on the other hand and, except as otherwise provided in the Agreement, in the following amounts and order of priority:

(i) first, 100% to such Limited Partner, until such Limited Partner has received total distributions equal to its total Capital Contributions to the Partnership.

1. The Company (continued)

(1) Distributions and allocations (continued):

(b) (continued)

(ii) second, 100% to such Limited Partner until such Limited Partner has received total cumulative distributions equal to a preferred return of 8% per annum, compounded annually, on all amounts distributed in accordance with paragraph (i) not previously made to such Limited Partner.

(iii) third, 100% to the General Partner until cumulative distributions to the General Partner equals 20% of the aggregate amount of the distributions made under paragraph (ii) and this paragraph.

(iv) thereafter, 20% to the General Partner and 80% to such Limited Partner.

(2) Management fees and other charges:

Management fees are computed at 2% of Limited Partners' commitments. The Management fee will be reduced to 1.75% of unreturned invested capital beginning on the earlier of the end of the commitment period and the date on which a successor fund begins to prepay management fees.

Each Limited Partner is required to bear its portion of management fees and all other partnership fees and expenses, including organizational expenses from the partnership commencement date based on its pro rata share of capital commitments.

In admitting additional Limited Partners or accepting additional Capital Contributions or Capital Commitments from existing Partners, each Limited Partner is treated as having been a party to the Agreement, and each increased Capital Commitment is treated as having been made, as of the Partnership Commencement Date.

2. Summary of significant accounting policies

(a) Basis of preparation

(i) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

Certain amended standards came into effect during the financial year under review. The Company has assessed them and has adopted those which are relevant to the financial statements but these had no material effect.

Certain new, revised and amended standards and interpretations have been issued which are not yet effective for the current year and which the Company has not early-adopted. The Company has assessed the relevance of all such new standards, amendments and interpretations with respect to the Company's operations and has determined that the following are likely to have an effect on the financial statements.

2. Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

(i) Statement of compliance (continued)

- Amendments to IAS 7, *Statement of Cash Flows*, effective for annual reporting periods beginning on or after January 1, 2017, requires an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash flows.

  The Company is assessing the impact that this amendment will have on its 2018 financial statements.

- IFRS 9, *Financial Instruments,* which is effective for annual reporting periods beginning on or after January 1, 2018, replaces the existing guidance in IAS 39 *Financial Instruments: Recognition and Measurement.* IFRS 9 includes revised guidance on the classification and measurement of financial assets and liabilities, including a new expected credit loss model for calculating impairment of financial assets and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. Although the permissible measurement bases for financial assets – amortised cost, fair value through other comprehensive income (FVOCI) and fair value though profit or loss (FVTPL) - are similar to IAS 39, the criteria for classification into the appropriate measurement category are significantly different. IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' model, which means that a loss event will no longer need to occur before an impairment allowance is recognised.

  The Company is assessing the impact that this amendment will have on its 2019 financial statements.

(ii) Basis of measurement

The financial statements have been prepared on the historical cost basis, modified for the revaluation of financial assets at fair value through profit or loss.

(iii) Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

2. Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

(iv) Functional and presentation currency

These financial statements are presented in United States dollars, which is the Company's functional currency. Except where indicated to be otherwise, financial information is presented in United States dollars.

(b) Foreign currency translation

Assets and liabilities denominated in foreign currencies are translated into United States dollars at the exchange rates prevailing at the reporting date.

Transactions in foreign currencies are converted at the rates of exchange ruling at the dates of those transactions. Gains and losses arising from exchange rate fluctuations are included in profit or loss.

(c) Cash and short-term deposits

Cash and short-term deposits include bank balances and highly liquid financial assets with original maturities of less than ninety days, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in fair value.

(d) Securities purchased under resale agreements

Securities purchased under agreements to resell the asset at a fixed price on a future date (reverse repurchase agreements) are treated as collateralised lending. The underlying asset is not recognised in the Company's financial statements. The difference between the purchase and resale price is recognised as interest over the life of the agreements using the effective interest method.

(e) Financial assets and liabilities

(i) Recognition and initial measurement

Financial assets and liabilities at fair value through profit or loss are recognised initially on the trade date at which the Company becomes party to the contractual provisions of the instrument. Other financial assets and liabilities are recognised on the date they are originated.

Financial assets and liabilities at fair value through profit or loss are measured initially at fair value, with transaction costs recognised in profit or loss. Financial assets and liabilities not at fair value through profit or loss are measured initially at fair value, plus transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification

The Company has designated its investments as financial assets at fair value through profit or loss at inception.

2. Summary of significant accounting policies (continued)

(e) Financial assets and liabilities (continued)

(iii) Amortised cost measurement

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method, of any difference between the amount recognised and the maturity amount, minus any reduction for impairment.

(iv) Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The Company recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

(v) Derecognition

The Company derecognises a financial instrument when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability on the statement of financial position.

On derecognition of a financial asset, the difference between the asset's carrying amount and the consideration received is recognised in profit or loss.

The Company derecognises a financial liability when its contractual obligations expire or are discharged or cancelled.

2. Summary of significant accounting policies (continued)

(e) Financial assets and liabilities (continued)

(vi) Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to set off the recognised amounts and it intends to settle on a net basis or to realise the assets and settle the liability simultaneously.

(vii) Identification and measurement of impairment

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any objective evidence of impairment. A financial asset or group of financial assets is impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset(s) and that the loss event has an impact on the future cash flows of the asset(s) that can be estimated reliably.

Objective evidence that financial assets are impaired can include significant financial difficulty of the borrower or issuer, default or delinquency by a borrower, indications that a borrower or issuer will enter bankruptcy, or other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the group, or economic conditions that correlate with defaults in the group.

If any such indication exists, the asset's recoverable amount is estimated at each reporting date. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

- Calculation of recoverable amount

  The recoverable amount of assets is the greater of their net selling price 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. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

- Reversals of impairment

  An impairment loss is reversed, if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(f) Revenue recognition

Interest income is recognised on the accrual basis using the effective interest method.

2. Summary of significant accounting policies (continued)

(g) Net gain from financial assets classified as at fair value through profit or loss

Net gain from financial instruments classified as at fair value through profit or loss includes all realised and unrealised fair value changes but excludes interest and dividend income.

(h) Taxation

The Company is subject to tax at 1% of its taxable income in Saint Lucia. Taxation on the profit or loss for the period comprises current and deferred taxes. Current and deferred taxes are recognised as tax expense or benefit in profit or loss.

(i) Current taxation

Current tax charges are based on the taxable profit for the period, which differs from the profit before tax reported because they exclude items that are taxable or deductible in other periods, and items that are never taxable or deductible. The current tax is calculated at tax rates that have been enacted at the reporting date.

(ii) Deferred tax

Deferred tax liabilities are recognised for temporary differences between the carrying amounts of assets and liabilities and their amounts as measured for tax purposes, which will result in taxable amounts in future periods. Deferred tax assets are recognised for temporary differences which will result in deductible amounts in future periods, but only to the extent it is probable that sufficient taxable profits will be available against which these differences can be utilised. Deferred tax assets are reviewed at each reporting date to determine whether it is probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset will be realised or the liability will be settled based on enacted rates.

3. Critical accounting estimates and judgements in applying accounting policies

The Company makes estimates and assumptions that could affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The fair value of the Company's unquoted investment in Portland Caribbean Fund II ('the Fund') is based on the fair values of the Fund's underlying investments, which include common equity securities and corporate debt. The fair value of such underlying investments uses valuation models that employ significant unobservable inputs for investments that are traded infrequently or not at all. These unobservable inputs require a higher degree of management judgment and estimation in determining the fair value.

(expressed in United States dollars unless otherwise stated)

3. Critical accounting estimates and judgements in applying accounting policies (continued)

Management judgement and estimation are usually required for the selection of the appropriate valuation model to be used, determination of expected future cash flows from the financial instrument being valued, determination of expected volatilities and correlations, and selection of appropriate discount rates. Consequently, the use of different assumptions and inputs could yield materially different results in the fair value of the Company's investment in the Fund from that reflected in the statement of financial position.

4. Financial investment

This represents an unquoted equity investment in the Fund. The Fund is managed by Portland Private Equity II Limited and its principal activity is to make private equity and related investments in companies or other entities located principally in certain member and associate member states of CARICOM, certain Development Assistance Committee Countries and certain Cotonou Agreement Countries (the "Target Region"). Cuba, Mexico and Venezuela are excluded from the Target Region. The Fund will also make investments in businesses, the securities of which have no established market and may be restricted with respect to transfer, with the principal objective of appreciation of invested capital. During the year ended February 28, 2017, the Company invested a further $8,738,531 in the Fund.

5. Cash and short-term deposits

	2017	2016
Bank (a)	1,287,821	3,060,281
Short-term deposit (b)	-	2,027,559
Short-term deposit (c)	2,067,006	2,015,000
Short-term deposit (d)	3,493,755	3,400,000
	$6,848,582	10,502,840

(a) This represents bank accounts held with First Global Bank Limited.

(b) This deposit with First Global Bank Limited earned interest at 2% per annum, and matured on May 16, 2016.

(c) This deposit with First Global Bank Limited earns interest at 2.50% per annum, and matures on May 15, 2017.

(d) This deposit with First Global Bank Limited earns interest at 2.25% per annum, and matures on November 17, 2017.

6. Securities purchased under resale agreements

At the reporting date, the fair value of securities purchased under resale agreements, are estimated to approximate their carrying value due to their short-term nature.

7. Receivables

	2017	2016
Interest receivable	48,562	43,660
Prepayments	53,333	-
	$101,895	43,660

(expressed in United States dollars unless otherwise stated)

8. Other financial liabilities at amortised cost

This represents amounts payable to Portland Private Equity II Ltd.

9. Payables

This represents accrued expenses.

10. Share capital

	2017	2016
Authorised, issued and fully paid:		
309,968,261 (2016: 170,926,161) ordinary shares	26,392,474	14,290,398
Non-redeemable preference share (ii)	1	1
Transaction costs of share issues	(709,522)	(185,705)
	$25,682,953	14,104,694

(i) In June 2016, the Company issued an additional 139,042,100 ordinary shares through an Initial Public Offering at J$11.00 (US$0.087) per share. Proceeds from the issuance of shares amounted to US$12,102,076 and transaction costs amounted to US$523,817.

(ii) Portland Fund II GP, Inc., the general partner of Portland Caribbean Fund II, holds 1 (2016:1) non-redeemable preference share in the Company. The preference share gives Portland Fund II GP, Inc. the right to receive notice of, attend, vote at and demand a poll at general meetings of any class of shareholders of the Company. On all decisions in general meetings and on all resolutions Portland Fund II GP, Inc. is entitled to 51% of the votes of the shareholders. The preference share gives no right to dividends or distribution of assets in the event of a wind-up of the Company.

11. Operating expenses

	2017	2016
Management fees [see note 1, 16(d)]	1,238,653	456,480
Directors' fees	13,563	-
Accounting fees	4,559	780
Audit fees	26,000	22,000
Deal expenses	9,821	11,346
Miscellaneous	19	410
Legal and professional fees	56,620	166,351
Bank charges	430	221
General and administrative expenses	143,648	-
	$1,493,313	657,588

12. Loss per stock unit

Loss per share is calculated by dividing the loss for the year by the weighted average number of ordinary shares in issue for the year.

(expressed in United States dollars unless otherwise stated)

12. Loss per stock unit (continued)

The weighted average number of shares for the year is as follows:

	2017	2016
Issued ordinary shares at beginning of year (note 10)	170,926,161	-
Effect of shares issued during the year	95,615,252	160,214,240
Weighted-average number of ordinary shares for the period	266,541,413	160,214,240

13. Financial risk management

(a) Overview and risk management framework

The Company's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. The Company's aim is therefore to achieve an appropriate balance between risks and return and minimise potential adverse effects on its financial performance.

The Company's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to date information systems. The Company regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice. Risk management is carried out by the Management Companies under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments. The most important types of risk are credit risk, liquidity risk, market risk and other operational risk.

(b) Credit risk

(i) Credit risk management

The Company takes on exposure to credit risk, which is the risk that a counterparty will cause a financial loss for the Company by failing to discharge an obligation. Credit exposure arises principally on investment activities that bring debt securities into the Company's asset portfolio.

(ii) Credit risk exposure

Credit risk exposures reflected on the statement of financial position relate to securities purchased under resale agreements and investments in the Fund.

The Company has a significant concentration of credit risk at the reporting date in respect of financial investments with Portland Caribbean Fund II, First Global Bank Limited and Victoria Mutual Wealth Management Limited. The maximum credit exposure is limited to the carrying value of financial assets on the statement of financial position.

13. Financial risk management (continued)

(c) Market risk

The Company takes on exposure to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk arises from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads, foreign exchange rates and equity prices.

The market risk arising from investment activities is determined by the Management Companies and monitored by the Board of Directors separately.

(i) Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The Company has no exposure to this risk as it has no variable rate interest-bearing financial instruments.

(ii) Currency risk

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

At the reporting date, the Company had no exposure to this risk, as it has no foreign currency assets/liabilities.

(d) Liquidity risk

Liquidity risk, also referred to as funding risk, is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at, or close to, its fair value. The maturities of assets and liabilities and the ability to replace, at an acceptable cost, interest bearing liabilities as they mature, are important factors in assessing the liquidity of the Company and its exposure to changes in interest rates and exchange rates. Assets available to meet all of the liabilities include cash and short term deposits, and securities purchased under resale agreements.

Financial liabilities, are due to be settled within three months at their measurement values.

14. Capital management

The Company is a Limited Partner in Portland Caribbean Fund II, L.P., a Cayman Islands exempted limited partnership which is one of several parallel partnerships that together comprise Portland Caribbean Fund II, a private equity fund with a mandate to make investments in equity or debt securities of private companies located in the Caribbean and Latin America.

14. Capital management (continued)

The Company has made a capital commitment to the Fund which obligates the Company to remit funds, cumulatively not to exceed the amount of the capital commitment, upon receipt of capital call notices.

The Company may co-invest with the Fund in equity or debt securities of private companies located in the Caribbean and Latin America. The Company is permitted to participate in co-investments on a no fee/ no carry basis up to the amount of its capital commitment and thereafter on a negotiated basis.

Pending the receipt of capital call notices in respect of the Company's commitment to the Fund, which may occur over the period of several months or years, and at any time deemed appropriate by the Manager, the Company will invest in short-term instruments, money market funds, or similar temporary instruments.

In addition, the Company may borrow up to 25% of its total assets after giving effect to the borrowing. The Company has no intention to utilise leverage as a strategy, however, borrowing may be required to fund working capital and act as buffer to cover cash flow timing differences.

15. Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction at the measurement date. Market price is used to determine fair value where an active market exists, as it is the best evidence of the fair value of a financial instrument.

For financial instruments which have no market prices, the fair value has been estimated using present value or other estimation and valuation techniques based on market conditions existing at the reporting date.

The Company measures fair value using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using quoted market prices in active markets that are considered less than active or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and those inputs have a significant effect on the instrument valuation. This category includes instruments that are valued based on prices for similar instruments for which significant adjustments or assumptions are made to reflect differences between the instruments.

The values derived from applying these techniques are significantly affected by the underlying assumptions used concerning both the amounts and timing of future cash flows and the discount rates. The valuation of investments at fair value through profit or loss is as described in note 3.

15. Fair value of financial instruments (continued)

(a) Accounting classifications and fair values:

The Company's investment in unquoted investments measured at fair value is classified at level 3 of the fair value hierarchy and there were no transfers between levels in the period.

The investments in PCF II are measured at fair value. The following table shows the valuation techniques used in measuring the fair value of the Fund's unquoted investments, as well as the significant unobservable inputs used.

Valuation techniques	**Significant unobservable inputs**	**Inter-relationship between key unobservable inputs and fair value measurement**
Investment in unquoted partnership Market comparable companies	• Adjusted EBITDA multiple range of 8.9-9.1 times • 15% liquidity discount	The estimated fair value would increase/(decrease) if: • Adjusted EBITDA was higher/(lower) • The liquidity discount was (higher)/lower
Loan to investee Recoverable value of loan amount	• Estimated cash flows from loan • Risk-adjusted discount rate	The estimated fair value would increase/(decrease) if: • Estimated cash flows (declined) • Market interest rates (increased)/decreased

16. Related party balances and transactions

(a) Definition of related party:

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to in IAS 24, *Related Party Disclosures* as the "reporting entity," in this case, the Company).

(1) A person or a close member of that person's family is related to the Company if that person:

(i) has control or joint control over the Company;

(ii) has significant influence over the Company; or

(iii) is a member of the key management personnel of the Company or of a parent of the Company.

16. Related party balances and transactions (continued)

(a) Definition of related party (continued):

(2) An entity is related to the Company if any of the following conditions applies:

(i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company.

(vi) The entity is controlled, or jointly controlled by a person identified in (1).

(vii) A person identified in (1)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

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

(b) Identity of related parties:

The Company has related party relationships with directors, Management companies and funds under the control of the management companies.

(c) The statement of financial position includes balances arising in the ordinary course of business, with related parties as follows:

	2017 $	2016 $
Financial assets at fair value through profit or loss	11,570,715	3,270,107
Due to related entities	(40,839)	(11,665)

PORTLAND JSX LIMITED

Notes to the Financial Statements (Continued)
Year ended February 28, 2017, with comparatives for the five months ended February 29, 2016
(expressed in United States dollars unless otherwise stated)

16. Related party balances and transactions (continued)

(d) The statement of profit or loss and other comprehensive income includes significant transactions in the ordinary course of business, with related parties, as follows:

	2017 $	2016 $
Operating income/(expenses):		
Distributions of partnership interest income	350,399	-
(Loss)/gain on financial asset classified as at fair value through profit or loss	(437,923)	410,002
Management fees (note 11)	(1,238,653)	(456,480)
Directors' fees	(13,563)	-
Deal expenses	(9,821)	(11,346)
General and administrative expenses	(143,648)	-