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## **Independent Auditors' Report on Review of Interim Financial Information**

To the Members of  
PORTLAND JSX LIMITED

### *Introduction*

We have reviewed the accompanying condensed statement of financial position of Portland JSX Limited as at August 31, 2016, the condensed statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and notes to the interim financial information ('the condensed interim financial information'). Management is responsible for the preparation and presentation of this interim financial information in accordance with IAS 34, *Interim Financial Reporting*. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

### *Scope of review*

We conducted our review in accordance with the International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at August 31, 2016 is not prepared, in all material respects, in accordance with IAS 34, *Interim Financial Reporting*.

**KPMG**

KPMG Chartered Accountants  
Castries, Saint Lucia

October 5, 2016

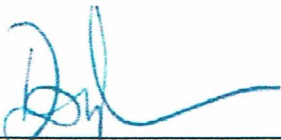
PORTLAND JSX LIMITED


## Condensed Statement of Financial Position

August 31, 2016*(expressed in United States dollars unless otherwise stated)*

	<u>Notes</u>	<u>Unaudited</u> <u>August 31, 2016</u>	<u>Audited</u> <u>February 29, 2016</u>
<b>ASSETS</b>			
<b>NON-CURRENT ASSET</b>			
Financial investment, at fair value through profit or loss	4	<u>4,654,854</u>	<u>3,270,107</u>
<b>CURRENT ASSETS</b>			
Loans and receivables		129,517	43,660
Taxation recoverable		5,650	-
Cash and short-term deposits		<u>21,101,218</u>	<u>10,502,840</u>
		<u>21,236,385</u>	<u>10,546,500</u>
<b>Total assets</b>		<u>\$25,891,239</u>	<u>13,816,607</u>
<b>CURRENT LIABILITIES</b>			
Other financial liabilities at amortised cost		59,090	11,665
Payables		<u>23,467</u>	<u>27,853</u>
		<u>82,557</u>	<u>39,518</u>
<b>EQUITY</b>			
Share capital	5	25,682,953	14,104,694
Accumulated surplus/(deficit)		<u>125,729</u>	<u>( 327,605)</u>
		<u>25,808,682</u>	<u>13,777,089</u>
<b>Total liabilities and equity</b>		<u>\$25,891,239</u>	<u>13,816,607</u>

The condensed interim financial information on pages 2 to 8 was approved for issue by the Board of Directors on October 5, 2016 and signed on its behalf by:

  
 \_\_\_\_\_ Chairman  
 Douglas Hewson

  
 \_\_\_\_\_ Director  
 Jonathan Murphy

PORTLAND JSX LIMITED

Condensed Statement of Profit or Loss and Other Comprehensive Income  
Six-month period ended August 31, 2016

*(expressed in United States dollars unless otherwise stated)*

	<u>Unaudited</u>	
	<u>For the three months ended August 31, 2016</u>	<u>For the six months ended August 31, 2016</u>
Net gain on financial assets classified at as fair value through profit or loss	366,532	434,060
Interest from loans and receivables	64,760	123,702
Dividend income	<u>53,528</u>	<u>53,528</u>
	484,820	611,290
Administrative and general expenses	( 70,417)	(157,956)
<b>Profit for the period, being total comprehensive income</b>	<b><u>\$414,403</u></b>	<b><u>453,334</u></b>
Earnings per share	<u>0.15¢</u>	<u>0.20¢</u>

The accompanying notes form an integral part of the condensed interim financial information.

PORTLAND JSX LIMITED

## Condensed Statement of Changes in Equity

Six-month period ended August 31, 2016*(expressed in United States dollars unless otherwise stated)*

	<u>Share capital</u> (note 5)	<u>Unaudited Accumulated deficit</u>	<u>Total</u>
Issue of ordinary shares	14,104,694	-	14,104,694
Loss for the period, being total comprehensive loss	<u>-</u>	(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
Profit for the period, being total comprehensive income	<u>-</u>	453,334	<u>453,334</u>
Balances at August 31, 2016	<u>\$25,682,953</u>	<u>125,729</u>	<u>25,808,682</u>

The accompanying notes form an integral part of the condensed interim financial information.

PORTLAND JSX LIMITED

## Condensed Statement of Cash Flows

Six-month period ended August 31, 2016*(expressed in United States dollars unless otherwise stated)*

	<u>Note</u>	<u>Unaudited</u> <u>2016</u>
<b>Cash flows from operating activities</b>		
Profit for the period		453,334
Adjustments for:		
Gain on financial assets classified as fair value through profit or loss		( 434,060)
Dividend income		( 53,528)
Interest income		<u>( 123,702)</u>
		( 157,956)
Changes in operating assets and liabilities:		
Loans and receivables		( 39,079)
Other financial liabilities at amortised cost		47,425
Payables		<u>( 4,386)</u>
Cash used by operations		( 153,996)
Interest received		76,924
Taxation paid		<u>( 5,650)</u>
<b>Net cash used by operating activities</b>		<u>( 82,722)</u>
<b>Cash flows from investing activities</b>		
Financial investments, at fair value through profit or loss		( 950,687)
Dividend income		<u>53,528</u>
<b>Net cash used by investing activities</b>		<u>( 897,159)</u>
<b>Cash flows from financing activity</b>		
Proceeds from issuance of shares, net of transaction costs, being net cash provided by financing activity	5	<u>11,578,259</u>
<b>Net increase in cash and cash equivalent</b>		10,598,378
<b>Cash and cash equivalent at beginning of period</b>		<u>10,502,840</u>
<b>Cash and cash equivalent at end of period</b>		<u>\$21,101,218</u>

The accompanying notes form an integral part of the condensed interim financial information.

## PORTLAND JSX LIMITED

Notes to the Condensed Interim Financial Information  
Six-month period ended August 31, 2016  
(expressed in United States dollars unless otherwise stated)

### 1. The Company

Portland JSX Limited ("PJX" or "the Company") was incorporated in Saint Lucia on 15 September 2015 as an International Business Company ("IBC") with IBC number 2015-00335. 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 company commenced operations on 1 October 2015. PJX is a private 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 region (LAC).

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.

### 2. Summary of significant accounting policies

#### (a) Basis of preparation

##### (i) Statement of compliance

The interim financial information is prepared in accordance with IAS 34 *Interim Financial Reporting*. It does not include all the information required for a complete set of financial statements prepared in accordance with International Financial Reporting Standards. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and results of operations since the last audited financial statements, as at and for the period ended February 29, 2016.

##### (ii) Basis of measurement

The financial information has been prepared on the historical cost basis, as modified for the measurement 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.

PORTLAND JSX LIMITED

Notes to the Condensed Interim Financial Information (Continued)

Six-month period ended August 31, 2016

*(expressed in United States dollars unless otherwise stated)*

2. Summary of significant accounting policies (continued)

(a) Basis of preparation, continued

(iv) Functional and presentation currency

The condensed interim financial information is presented in United States dollars, which is the Company's functional currency. Except where indicated to be otherwise, the financial information is presented in United States dollars.

(b) 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 in profit or loss except where they relate to items recorded in other comprehensive income, in which case they are also charged or credited to other comprehensive income.

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.

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

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

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.

Valuation of units in unitised funds:

The value of units in managed funds are determined by the Managers, based on the net assets attributable to holders of redeemable units of the fund. A portion of the assets of the funds are invested in corporate bonds. Quoted market prices are not available for such bonds. Consequently, the value of units in the funds may be correspondingly different from the estimates presented.

## PORTLAND JSX LIMITED

Notes to the Condensed Interim Financial Information (Continued)

Six-month period ended August 31, 2016

*(expressed in United States dollars unless otherwise stated)*

### 4. Financial investment

This represents an unquoted equity investment in Portland Caribbean Fund II ("PCF II") amortised fund. Portland Caribbean Fund II ("PCFII") 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, with a focus on Panama and Costa Rica (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 six-month period ended August 31, 2016, the company invested a further \$950,687 in Portland Caribbean Fund II.

### 5. Share capital

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.

### 6. Capital management

Portland JSX Limited ('PJX') is a limited partner in Portland Caribbean Fund II, L.P., a Caymanian 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. The Company has made a capital commitment to Portland Caribbean Fund II ("PCF II") which obligates the Company to remit funds, cumulatively not to exceed the amount of the capital commitment, to PCF II upon receipt of capital call notices.

The Company may co-invest with Portland Caribbean Fund II ("PCF II") 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 Portland Caribbean Fund II ("PCF II"), 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 purposes and act as a buffer to cover cash flow timing differences.



PORTLAND JSX LIMITED

Supplement to the Condensed Interim Financial Information

Six-month period ended August 31, 2016

*(expressed in United States dollars unless otherwise stated)*

a) Statement of compliance

The interim financial information is prepared in accordance with IAS 34 *Interim Financial Reporting*. It does not include all the information required for a complete set of financial statements prepared in accordance with International Financial Reporting Standards.

The accounting policies applied in these interim financial statements are the same as those applied in the company's audited financial statements, as at and for the period ended February 29, 2016. Selected notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and results of operations since these audited financial statements.

b) Earnings per share

Earnings per share is calculated by dividing the profit for the period by the weighted average number of ordinary shares in issue for the period. The weighted average number of shares for the period is as follows:

	Three months ended <u>August 31, 2016</u>	Six months ended <u>August 31, 2016</u>
Issued ordinary shares at beginning of period	170,926,161	170,926,161
Effect of shares issued during the period	<u>105,792,902</u>	<u>52,896,451</u>
Weighted-average number of ordinary shares at end of period	<u>276,719,063</u>	<u>223,822,612</u>



**TOP TEN (10) LARGEST SHAREHOLDERS**  
**AS AT 31 AUGUST 2016**

<b>RANK</b>	<b>SHAREHOLDER</b>	<b>HOLDINGS AS AT 31 AUGUST 2016</b>
1	GraceKennedy Limited Pension Scheme	40,000,000
2	PAM - Pooled Equity Fund	24,961,500
3	Peter 2 Company Limited Pension Plan	23,727,000
4	ATL Group Pension Fund Trustees Nom Limited	23,600,000
5	SJIML A/C 3119	20,000,000
6	P.A.M. Limited - JPS Employees Superann. Fund	17,600,510
7	WELLJEN Limited	11,500,000
8	Guardian Life Limited	11,454,500
9	Guardian Life Limited/Pensions Fund	11,454,500
10	Victoria Mutual Building Society	10,000,000



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

**AS AT AUGUST 31, 2016**

<b>DIRECTOR</b>	<b>SHAREHOLDINGS</b>	<b>CONNECTED PERSONS</b>
Douglas Hewson	Nil	Portland Private Equity II Limited Controlling Shareholder through Preferred Shares
Trevor Cozier	Nil	-
Patricia R. Francis	Nil	-
N. Patrick McDonald	Nil	-
Jonathan Murphy	Nil	-
<b>SENIOR MANAGEMENT</b>	<b>SHAREHOLDINGS</b>	<b>CONNECTED PERSONS</b>
Portland Private Equity II Limited	Nil	Douglas Hewson
McNamara Corporate Services Inc.	Nil	-