PORTLAND
JSX LIMITED

2019
Annual Report

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About Us

Bringing private equity opportunities to small and large investors.

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 Section 6* of St. Lucia. Its registered office is located at McNamara Corporate Services Inc., 20 Micoud Street, Castries, St. Lucia.

PJX's IPO, which successfully closed in June 2016, raised J$1.23 billion for the Company. It was the largest IPO for ordinary shares on the Jamaica Stock Exchange at that time.

The primary business of PJX is that of a limited partner in the Portland Caribbean Fund II, L.P. ("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, Ltd. 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, Ltd. ("PPE") is a regular business company incorporated under the laws of Barbados, is the Investment Sub-Advisor to AIC Caribbean Fund and Investment Advisor to 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 eight private equity transactions.

Statement of the Chairman

On behalf of the board of directors, I am pleased to report on the activities and performance of the Company for the year ended February 28, 2019. The Company's investment in PCF II grew by over 8%. This increase reflects active deployment of capital by the fund to portfolio companies. Profit for the year decreased from USD$1,897,615 to a net loss of USD($1,321,907). Loss per stock unit was USD($0.0043) as compared to a profit of USD$.0061 per share in the prior year. The main focus of 2019 has been the continued support of PCF II in its investment activity, and the management of the Company's cash resources.

Performance Highlights

Key Metrics (USD)	February 28, 2019	February 28, 2018
# of Issued Shares	309,968,261.00	309,968,261.00
Market Value of Outstanding Shares	18,306,081.27	24,638,641.66
Profit/(Loss) for the Year	(1,321,907.00)	1,897,615.00
12-Months P/E	(13.85)	12.98
Actual EPS	(0.0043)	0.0061
Return on Average Shareholders' Equity	(5.29%)	7.68%
Book Value Per Share	0.08	0.08

Key Metrics (JMD)		
Close Price	7.63	10.10
# of Issued Shares	309,968,261.00	309,968,261.00
Market Value of Outstanding Shares	2,365,057,831.43	3,130,679,436.10
52 Week High	11.50	11.00
52 Week Low	7.01	7.67

Notice of Annual General Meeting

PORTLAND JSX LIMITED

NOTICE IS HEREBY GIVEN THAT the Third Annual General Meeting of the Company will be held at McNamara Corporate Services Inc., Cnr. Flamboyant Drive & Almond Road, Rodney Bay, Gros Islet, St. Lucia on Wednesday, the 17th day of July, 2019 at 11:30 a.m. to consider, and if thought fit, the passing of the following ordinary resolutions:

1. **Directors and Auditors Reports & Audited Financial Statements**

   THAT the Audited Financial Statements of the Company for the year ended February 28, 2019, together with the Reports of the Directors and the Auditors thereon, be and are hereby adopted.

2. **Re-appointment of Auditors**

   To re-appoint the retiring Auditors and to authorize the Directors to determine their remuneration.

   THAT KPMG, Chartered Accountants of 204 Johnsons Centre, #2 Bella Rosa Road, Gros Islet, Saint Lucia, having agreed to continue in office as Auditors of the Company, be and are hereby re-appointed to hold office until the next annual general meeting of the Company AND THAT their remuneration be determined by the Directors.

3. **Remuneration of Directors**

   THAT the amount shown in the audited accounts of the Company for the year ended February 28, 2019 as remuneration to the Directors for their services as Directors be and is hereby approved.

BY ORDER OF THE BOARD

RHORY McNAMARA
DIRECTOR - MCSI INC.
CORPORATE SECRETARY

Dated the 22nd day of May 2019

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1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, speak and vote instead of him. A proxy need not be a member of the Company.
2. 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.
3. A proxy shall be executed by the shareholder or his attorney authorized in writing and is valid only at the meeting in respect of which it is given or any adjournment thereof.
4. Every shareholder, proxy holder or individual authorized to represent a shareholder entitled to be present in person shall have one vote for every share held by the shareholder.
5. If two or more persons hold shares jointly, one of such persons present at the meeting may, in the absence of the other, vote the shares. If, however, two or more of those persons are present, in person or by proxy, they must vote as one on the shares jointly held by them.
6. The attached proxy form must be completed, impressed with stamp duty of $100 (cancelled by the person signing the proxy form) and lodged at the offices of the Company's Registrars, the Jamaica Central Securities Depository Limited, 40 Harbour Street, Kingston, not less than forty-eight (48) hours before the time appointed for holding the meeting.

Corporate Data

Directors
Douglas Hewson, *Chairman*

Patrick McDonald

Jonathan Murphy

Holly Hughes-McNamara

Patricia Francis

Bankers / Financial Agents
Victoria Mutual Banking Society
53 Knutsford Blvd
Kingston 5, Jamaica

First Global Bank
28-48 Barbados Avenue
Kingston 5, Jamaica

Attorneys
Hart Muirhead Fatta
Attorneys-At-Law

Victoria Mutual Building
53 Knutsford Blvd, 2nd Floor
Kingston 5, Jamaica

Auditors
KPMG
204 Johnsons Centre
#2 Bella Rosa Road
Gros Islet, Saint Lucia

Corporate Secretary
McNamara Corporate Services, Inc.
20 Micoud Street
Castries, Saint Lucia

Registered Office
20 Micoud Street
Castries, Saint Lucia

Board of Directors

Douglas Hewson

Non-Executive Chairman

Douglas has over eighteen years of private equity and venture capital experience. He is a Managing Partner of Portland Private Equity; prior to joining AIC Caribbean Fund, he was responsible for co-founding and leading two successful investment management firms. At PPE, he has primary responsibility for investor relations, is a board member of InterEnergy Holdings, IEH Penonome, Grupo IGA, Productive Business Solutions, Merqueo, and an observer to the board of Clarien Bank. He is a member of PCF II's Investment Committee, and involved in all aspects of AIC Caribbean Fund and PCF II's management.

Jonathon Murphy [1, 2]

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 maximize 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 [2]

N. Patrick McDonald is a commercial attorney and a Partner at Hart Muirhead Fatta. Admitted to practice in Jamaica in 1993 and in British Virgin Islands in 1998. 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 (a subsidiary of the RJR Gleaner Group), 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. He also serves as a member of the Office of Utilities Regulation, and is an Associate Tutor at the Norman Manley Law School.

Holly Hughes-McNamara [1]

Holly Hughes-McNamara is a partner at RDM Chambers in St. Lucia, offering Legal and other professional services to a global client base across many industries. 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 has spent 12 years in the Telecommunications Industry across both fixed and mobile in finance, management and then executive leadership roles. Holly is a non-Executive Director of a number of regional companies and offers consultancy services in business optimization, strategic management and finance.

Patricia Francis [1, 2]

Patricia R. Francis, CD, BSc, a global leader in trade and development, currently serves as Senior Advisor to the Executive Director of UN Women on Change Management and Chairman of Jamaica's Trade Facilitation Task Force. She also sits on the advisory board of the IESE Graduate Business School, and in addition to Portland JSX, is a member of the boards of Jamaica Producers Group and B & D Trawling Limited. 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") 2006-2013, 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, the Eminent Persons Group reviewing the African Caribbean & Pacific ("ACP") future relationships with the European Union 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.

[1] Member of Audit Committee

[2] Member of Compensation Committee

The Team – Depth and Alignment

As a limited partner in PCF II, the Company gains access to the management capability of PPE. PPE 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. PPE's Investment Committee 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 an affiliated entity of PCF II investing alongside its partners.

The Investment Team

Michael Lee-Chin

Michael is the 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 NCB Financial Group Limited.

Robert Almeida

Rob is a Managing Partner of Portland Private Equity and helped launch AIC Caribbean Fund. He is an accomplished businessperson 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 Inc. (cable and telecommunications), Kingston Wharves Limited (port operator) and Advantage General Insurance (general insurance). Rob currently serves on the boards of NCB Financial Group Limited, Clarien Bank Limited and several subsidiaries of Portland Holdings Inc.

Joe Vescio

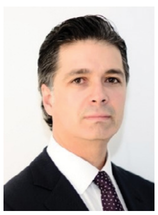
Joe has over twenty years' experience in negotiating, structuring, and closing a wide variety of transaction types. He is a Managing Partner of Portland Private Equity, in addition to his investment origination and portfolio company responsibilities; he looks after the financial operations of AIC Caribbean 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 eighteen years of private equity and venture capital experience. He is a Managing Partner of Portland Private Equity; prior to joining AIC Caribbean Fund, he was responsible for co-founding and leading two successful investment management firms. At PPE, he has primary responsibility for investor relations, is a board member of InterEnergy Holdings, IEH Penonome, Grupo IGA, Productive Business Solutions, Merqueo, and an observer to the board of Clarien Bank. He is a member of PCF II's Investment Committee, and involved in all aspects of AIC Caribbean Fund and PCF II's management.

Ricardo Hutchinson

Ricardo has over twelve years' experience in the Caribbean financial sector. He is currently Vice President — Investment at Portland Private Equity. Prior to joining Portland Private Equity, he worked with some of the Caribbean's leading financial institutions where he successfully closed several capital market transactions. He currently serves on the boards of Productive Business Solutions, Diverze Assets, Chukka Caribbean Adventures and Tropical Battery. He holds a Master's degree in Economics from the University of The West Indies and is a CFA Charterholder.



Pedro Molina

Pedro has over 14 years of Investment Banking experience, having advised clients on more than 40 M&A, Capital Markets, and Debt transactions with aggregate value in excess of $40 billion. Prior to joining Portland, Pedro led the UBS and Citibank investment banking divisions in Colombia and CAC. Pedro also worked for over 8 years as part of the IB teams at Bank of America Merrill Lynch and Stephens Inc. in New York. He currently serves on the board of Merqueo and as an observer on IGA. Pedro holds an MBA, Magna Cum Laude, from Babson College.

Hülya Sögüt

Hülya has over 8 years of experience in Environmental and Social matters, besides expertise in development cooperation. She is the Environmental and Social expert at Portland Private Equity. Hülya formerly worked with PricewaterhouseCoopers in Germany and is fluent in Spanish, French and German.

The Company continued to participate as a limited partner in PCF II. At the end of the fiscal year, PCF II had completed eight investments in eight companies creating a geographically and sectorally diverse portfolio in the LATAM/ Caribbean region. PCF II is continuing to confidently and strategically deploy capital in the region in a timely manner.

Strategy

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 three pre-conditions:

- i. A perception/reality gap;
- ii. Inefficiencies; and
- 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 (with a particular focus on Colombia, Panama, and Costa Rica). The sectors of focus are telecommunications, consumer goods, 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.

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 has already made eight investments to date throughout the LATAM/Caribbean region. Over 66% of total available capital is already deployed or committed. The foundation for future growth of net asset value and internal rate of return is quickly being established in high quality well run businesses. As well as investing, PCF II engages with its portfolio companies to create value. PCF II actively works with the management teams of portfolio companies, participating on their boards and related committees. Significant attention is focused on key strategic areas like capital allocation, compensation alignment, company growth, and financing.

Current Economics Summary & Target Market

Dominican Republic

- Very positive macro environment
- Growth expected to be ~4%
- Inflation and fiscal deficit benign
- Tourist arrivals and remittance flows growing – correlated with US economic growth
- Punta Cana region is experiencing significant growth driven by several factors; airport expansion; new hotel construction and construction of several business parks

Jamaica

- Encouraging and positive investment environment. The current government continues to make growth the number one focus
    - Economic growth is increasing
    - Inflation is relatively benign in line with Bank of Jamaica 5% medium term target
    - IMF targets being met
    - Currency relatively stable
    - Significant local currency liquidity
- Low oil prices and introduction of LNG are a significant wind-assist
- Tourism and remittances are both increasing driven by US economic growth
- Execution of plans for logistics (logistics hub) would be a strong positive catalyst
- Real estate construction (tourism and residential) evident on the ground
- Good companies have used the financial crisis to become more efficient, which makes them good platforms for growth

Trinidad and Tobago

- Adjusting to reality of lower oil and gas prices / demand
- Expected to return to low GDP growth ~2%
- While the government announced its intention to continue to privatize state owned businesses, there has been no material evidence of this intention being executed
- Scarcity of US dollars and there is a substantial difference between the formal FX rate and the black market

Panama

- Attractive growth environment that has potential to be even better
- Growth has slowed to about 3%
- Fiscal deficit is roughly in line with GDP growth
- Canal revenues and tourism growing but decelerating

Colombia

- Overall, we see the current market conditions as creating a positive investment environment
- Long term growth thesis intact
- Slowing growth and currency depreciation have created stress for certain sectors/businesses, thereby creating opportunities
- Macro conditions are acceptable
- Growth improving with expectations in the 3% range
- Inflation stable at under 4%; Policy rate likely to hold at 4.25%
- Imports, which were declining in response to currency depreciation, have stabilized; Current Account Deficit around 3% of GDP

Disclaimer

This document may contain forward-looking statements relating to anticipated future events, results, circumstances, performance or expectations that are not historical facts but instead represent the Manager's expectations regarding future events. By their nature, forward-looking statements must be based on assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions and other forward-looking statements will not prove to be accurate. Readers of this document are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking statements. Actual results may differ materially from the Manager's expectations as projected in such forward-looking statements for a variety of reasons, including but not limited to market and general economic conditions, interest rates, foreign exchange rates, regulatory and statutory developments, the effects of competition in the geographic and business areas in which the Fund may invest and the risks detailed from time to time in the Company's prospectus, and other investor documentation. The foregoing list of factors is not exhaustive and when relying on forward-looking statements to make decisions with respect to investing in the Investment Fund, investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. Due to the potential impact of these factors, neither the Investment Fund nor the Manager undertakes, and specifically disclaims, any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.

Risk Management

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

Corporate level:

These risks are associated with the operation 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 analyze these risks, to set appropriate risk limits and controls, and to monitor the risks.

At the corporate level, the board of directors ("Board") 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 Committee
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, the Joint Advisory Committee comprised of representatives of the limited partners of PCF II, including PJX, provides oversight.

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 largely with cash and short-term investments held by PJX. In its treasury management, PJX must maintain a balance of maximizing returns while maintaining liquidity to meets it PCF II obligations. PJX has established a liquidity management process, which the Board believes meets these objectives. It is monitored by the Board.

Liquidity Risk (continued)

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. Optimizing cash returns on short-term investment;

iv. Managing and matching maturity of treasury instruments with anticipated capital calls; and

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

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, Euro, Colombian peso, and Trinidad and Tobago dollar. 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; and

vii. Execution, Delivery, & Process Management: Data entry errors, accounting errors, failed mandatory reporting, negligent loss of client assets.

Corporate Governance Statement

The Board of Portland JSX Limited is committed to performing at the highest standards of good corporate governance to ensure that the Company succeeds in its primary mandate of creating value for its investors. The Board seeks to maintain mutually beneficial relationships with its shareholders and is committed to ensuring compliance with relevant regulatory requirements, in particular the Jamaica Stock Exchange Main Market Rules (JSE Rules).

Update on Corporate Governance Activities

During the year, in accordance with the requirement of the JSE Rules, the board of directors developed and finalized the Company's Corporate Governance Policy that will assist the Board and management in their execution and performance of their respective roles.

The Company's website www.portlandjsx.com was developed and launched in March 2018 as an additional medium through which the Company communicates with its current and potential stakeholders. The Corporate Governance Policy and other relevant information was thereafter published on the website.

The Board considered and took decisions on a number of governance matters during the year, including the following:

- The Company's policy regarding disclosure of investment transactions undertaken by PCF II, the fund in which the Company has invested as a limited partner.
- The Board determined that as a matter of policy, once a transaction undertaken by PCF II had been deemed to be material by the Fund Managers, it would be disclosed once the transaction closed or was nearing completion, subject only to considerations of confidentiality, notwithstanding that it did not amount to a transaction undertaken directly by the Company.
- The Compensation Committee of the Board reviewed its Terms of Reference during the year, and proposed amendments, which were adopted by the Board, to better suit the unique nature of the management arrangements applicable to the Company and the Committee's oversight in respect of these arrangements.
- The Board reviewed the existing Securities Trading Policy in accordance with the prescribed timetable for review and ratified its continuation without amendment.

Attendance at Meetings of the Board

Meetings of the Board are held quarterly in each calendar year. Recognizing that absence from a Board meeting may be unavoidable for a director from time to time, the Board decided during the year to adjust the quorum requirements of the Company from requiring all Board members to be present in order to conduct the Company's business.

The requirement now stands at a requirement for there to be a simple majority of members present in order to proceed. The attendance record for Directors during the financial year is set out below:

Names of Directors	Meetings Attended
Doug Hewson, *Chairman*	4/4
Jonathan Murphy	4/4
Patricia Francis	3/4
Holly Hughes-McNamara	4/4
Patrick McDonald	4/4

Board Committees

Following the Company's listing on the Jamaica Stock Exchange in 2017, the Board established two Committees, namely the Compensation Committee and the Audit Committee, and their terms of reference were approved. The Audit Committee meets twice in each financial year and the Compensation Committee meets annually. All scheduled meetings were held and attended by the respective Committee members as shown below:

Compensation Committee Membership	Meetings Attended
Jonathan Murphy	1/1
Patrick McDonald	1/1
Patricia Francis	1/1

Audit Committee Membership	Meetings Attended
Jonathan Murphy	1/2
Holly Hughes-McNamara	2/2
Patricia Francis	2/2

Board Performance Evaluation

The Company's Corporate Governance Policy requires an annual evaluation of the Board's performance. In this regard, an appropriate evaluation tool is being developed to undertake the assessment of the Board for the financial year under review.

Directors Shareholdings

List of Shareholdings of Directors and Senior Management and Their Connected Persons as at February 28, 2019

Director	Shareholdings	Connected Persons
Douglas Hewson	Nil	Portland Private Equity II, Ltd. Controlling Shareholder through Preferred Shares
Patricia R. Francis	Nil	-
N. Patrick McDonald	Nil	
Jonathan Murphy	Nil	-
Holly Hughes-McNamara	Nil	-

Senior Management	Shareholdings	Connected Persons
Portland Private Equity II, Ltd.	Nil	Douglas Hewson
McNamara Corporate Services Inc.	Nil	-

Top 10 Shareholders

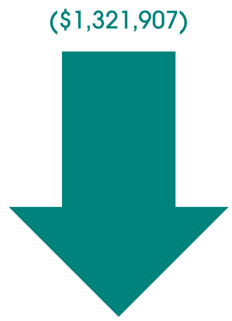
Top Ten (10) Largest Shareholders as at February 28, 2019

Rank	Shareholder	Holdings	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	SJML A/C 3119	20,000,000	6.45%
6	P.A.M LTD - JPS Employees	17,600,510	5.68%
7	WellJen Limited	11,454,500	3.70%
8	Guardian Life Limited	11,454,500	3.70%
9	Guardian Life Limited/Pensions Fund	9,540,900	3.08%
10	VMWealth Equity Fund	9,268,200	2.99%
	Subtotal	**191,607,110**	
	Total	**309,968,261**	

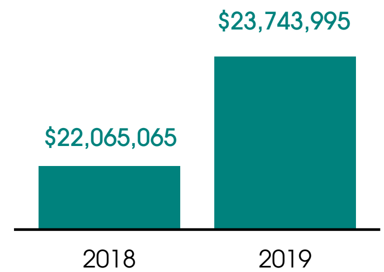
Financial Overview

This decrease in net comprehensive income was primarily due to a net loss on financial assets from a valuation interest in PCF II.

Investment in PCF II increased by $1,678,930, which is the result of an additional investment made in PCF II and of changes in valuation.



Net Comprehensive Income



Investment in PCF II

Operations Highlights

For the year ended February 28, 2019, the Company experienced a decrease in the fair value of the investment in PCF II. The decrease in fair value of PCF II was ($665,282). The decrease in fair value was attributable to a revaluation of PCF II's holdings of NASDAQ traded shares of Liberty Latin America.

Income from distributions of Partnership Interest Income declined relative to the prior year. In the prior year, the Company received distributions in relation to PCF II's investment in Clarien Bank Limited as part of that company's strategic transaction.

Operating expenses were $802,675 for the year. In the prior year, operating expenses totaled $787,309, which included management fees and organization costs. PCF II closed two investments during the year. These investments were in Merqueo S.A.S. and a follow-on investment in Diverze Assets Inc.

JSX Operations

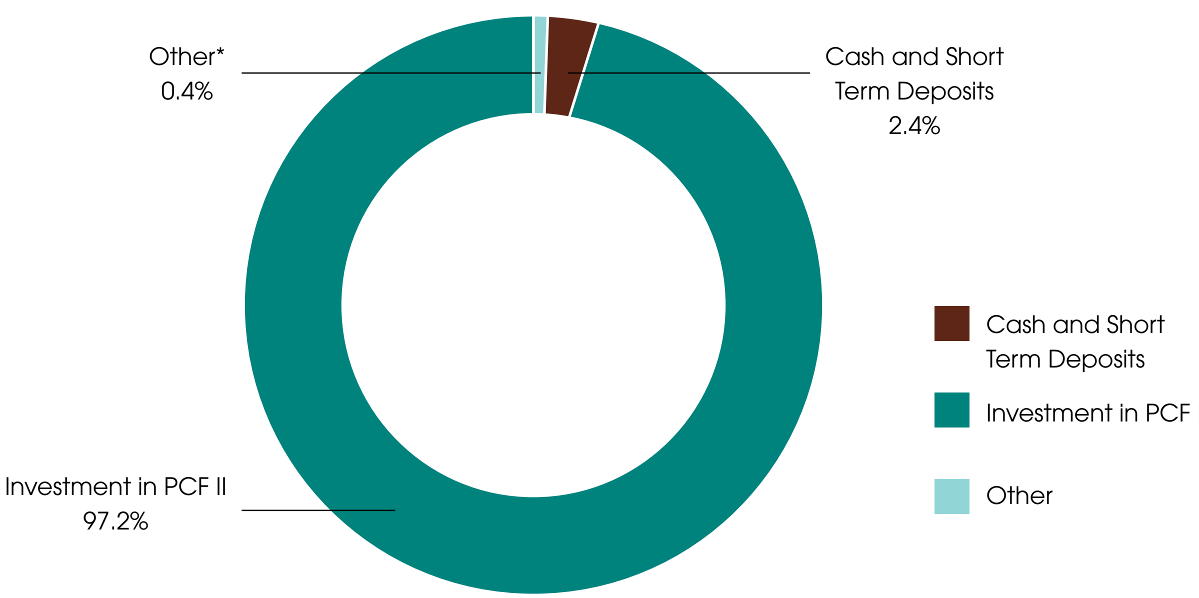
Operating Results	February 28, 2019 (USD)	February 28, 2018 (USD)
Profit before tax	($1,319,658)	$1,897,921
Taxation	(2,249)	(306)
Profit/(loss) after tax	(1,321,907)	1,897,615
Attributable to shareholders of the company	($1,321,907)	$1,897,615

Shareholders' Equity	February 28, 2019 (USD)	February 28, 2018 (USD)
Shareholders' equity brought forward	$25,663,171	$23,765,556
Share capital, opening	25,682,953	25,682,953
Shares issued	-	-
Share capital, ending	25,682,953	25,682,953
Retained earnings, opening	(19,782)	(1,917,397)
Profit/(loss) for the year	(1,321,907)	1,897,615
Accumulated deficit, ending	(1,341,689)	(19,782)
Fair value reserves, closing	(665,282)	2,074,249
Stockholders' equity carried forward	$24,341,264	$25,663,171

Balance Sheet

As in prior periods, the main assets are the investment in PCF II and cash instruments. The following illustrates the asset make up. The allocation will change, as capital calls reduce cash resources.

Year End – February 28, 2019 Asset Breakdown

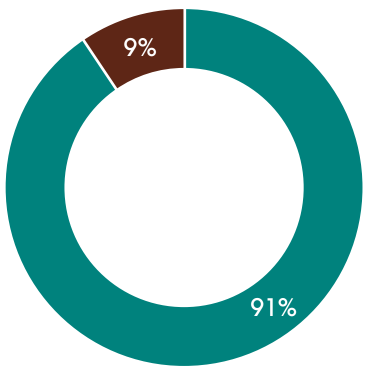


* comprised of receivables and taxation recoverable

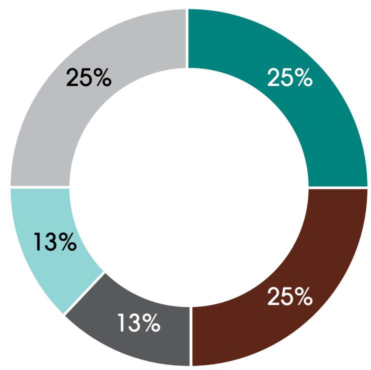
Portfolio Overview

Summary

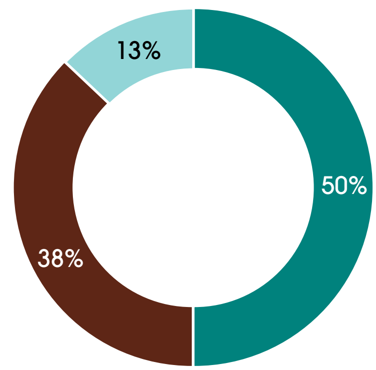
Capital Structure



Sector Diversification



Geographic Diversification



Liberty Latin America ("LILA")

LILA 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. LILA is bringing better broadband to more people in the region.

Investment Date	January 2015 & December 2016
Headquarters	Bermuda
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 • Liberty impact on Cable & Wireless Communications ("CWC") will be positive

Performance Review	• 2018 full year key financial metrics (yoy adjusted for comparability but not for hurricane impact):
	  • Revenue – USD 3,706 million; yoy growth of 2%
	  • Operating Cash Flow – USD 1,487 million; yoy growth of 8%
	  • Property & Equipment Additions – USD 771 million (21% of Revenue)
	  • Free Cash Flow – USD 19 million versus USD (93 million) in 2017
	• Achieved 2018 guidance for Operating Cash Flow of $1,525 million and Free Cash Flow of $125 million. Free Cash Flow per Share growth is the focus.

Panama Wind ("IEH Penonome Holdings")

IEH Penonome Holdings is a holding company for ownership of the second and third phases of the Penonome Wind Power Park consisting of a total of 215MW of installed wind power capacity approximately 150km west of Panama City.

Investment Date	December 2014
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, liquidated damages, and completion incentives • Further PPA signed resulting in higher anticipated revenues • Merger opportunities within Panamanian market to create attractive listed vehicle
Performance Review	• Low winds in the early years have impeded the company's ability to distribute dividends in the early years. The wind pattern is cyclical and has turned positive most recently.

Clarien Bank Limited ("CBL")

A facilitating Loan was made to Clarien Group Limited ("CGL") to enable it to make a capital investment into 100% owned 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 $700 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, 2018, it had $123 million in 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. The co-investment transaction was completed at the end of 2017 with PCF II receiving cash and a 17.92% equity interest, alongside controlling shareholder NCB Financial Group Limited.

Investment Date	March 2016
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
Performance Review	• The business is essentially performing to PPE's plan. • 2017 was expected to be a transition year with a big emphasis on increased compliance and risk management being largely funded by improving operational efficiency and reducing loan loss levels resulting in moderate profitability. • The business has grown Common Shareholder Equity to USD 123mm and is tracking at an ROE of over 8%.

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

The merger of two leading restaurant platforms in Colombia (Andres Carnes de Res, Grupo Conboca) into a single entity is 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.

Investment Date	January 2017
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
Performance Review	• Corporate results are beginning to reflect the efforts made throughout 2018 in terms of rationalizing stores (KKR), revising product offerings (KKR), expanding into other service lines (Aeropuerto VIP), simplifying business models (Mimos), and launching new stores (Andrés). • 2018 EBITDA met the budgeted plan

InterEnergy Holdings ("InterEnergy")

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

Investment Date	January 2018
Headquarters	Guernsey
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
Performance Review	• Company met its 2018 EBITDA numbers and its budgeted dividend target. • It continues to grow organically and inorganically.

Productive Business Solutions Limited ("PBS")

PBS is a vertically integrated business solutions group with its principal activities of the Company and its subsidiaries being the distribution of printing equipment, business machines and related accessories. PBS has exclusive distribution rights for Xerox in 14 countries making it the largest distributor of Xerox in the Western Hemisphere. The Company also maintains regional (Central America and Caribbean) distribution relationships with other large technology brands such as Cisco, Oracle, HP, NCR and L3 in addition to specific country distribution relationships with brands such as NCR, Sony, HP, Dell, Lenovo, Entrust Datacard, SMART, Verifone and Kodak.

Investment Date	July 2017
Headquarters	Barbados, operates in multiple jurisdictions in the Caribbean and Latin America
Investment Thesis	• Growth of existing business through efficiency improvements • Restructuring of the balance sheet with reduction in finance costs. • Expansion into new territories
Performance Review	• Despite challenges in Nicaragua and Colombia in 2018, PBS recorded a 4.3% growth in revenues in 2018 compared to the prior year. The increase largely reflects increases in sales of Cisco, Oracle and L3, which mitigated the loss of Xerox sales in Nicaragua. • Increased revenues coupled with expense management resulted in a 36% improvement in EBITDA to US$20.7 million compared to the prior year. • Financial charges below the EBITDA line continues to negatively impact performance and will be a primary focus for the Company in 2019.

Diverze Assets Inc. ("DAI")

DAI is a Jamaican family controlled holding company, domiciled in St. Lucia, in which Portland Private Equity has an ownership stake. It's three primary holdings are: (i) Chukka Caribbean Adventures Ltd. ("Chukka", "CCA"), a leading operator of tourism attractions and tours in Jamaica, Turks and Caicos Islands, Belize and St. Lucia (ii) Tropical Battery Company Limited ("Tropical Battery") a leading supplier of automotive and industrial batteries in Jamaica. (iii) Diverze Properties Limited ("Diverze Properties") a property holding company holding several commercial properties.

Investment Date	June 2017
Headquarters	St. Lucia, operates in multiple jurisdictions in the Caribbean and Latin America
Investment Thesis	• Regional growth of Chukka • Efficiency improvement and local consolidation for Tropical Battery • Development of real estate properties • Potential local and regional acquisitions for both Chukka and Tropical
Performance Review	• Chukka continues to see increasing revenues primarily from the cruise-shipping segment. • Chukka has completed the acquisition of the Jaguar Paw property in Belize and is currently implementing improvement plans. • Tropical Battery continues to experience growth in revenues by capturing additional market share through marketing and more efficient delivery systems. • Tropical Battery continues to work on improving operational efficiencies.

Merqueo S.A.S ("Merqueo")

Merqueo offers customers a seamless online platform where they can easily shop for groceries that are conveniently delivered to their door, at a price targeted to be 5-10% less expensive than those at a supermarket. Merqueo is a "pure" dedicated online grocery retailer as it offers delivery of its own-inventoried products, which are centrally picked from one of its warehouses.

Investment Date	January 2019
Headquarters	Bogota, Colombia
Investment Thesis	• Significant market opportunity confirmed by solid performance to date • Strong value creation potential through revenue growth and margin expansion • Professional and highly committed founding and management team with a successful track record • Clear exit alternatives through listing or acquisition by strategic player
Performance Review	• Merqueo continues its strong growth path reaching record monthly revenues in February. Basket size per customer has increased, highlighting an improved product portfolio. • Management is highly focused on consolidating the company's presence in its current markets and minimizing capital needs and time to reach profitability. • Analyzing partnership offers to enter new markets, such as Mexico. • Additional investment interest from strategies, high net worth investors, and larger funds.

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 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 17th day of July, 2019, at 11:30 a.m., 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, 2019, together with the Reports of the Directors and the Auditors thereon be and are hereby adopted		
2. **Re-appointment of Auditors** THAT KPMG, Chartered Accountants of 204 Johnsons Centre, #2 Bella Rosa Road, Gros Islet, Saint Lucia, having agreed to continue in office as Auditors of the Company, be and are hereby re-appointed to hold office until the next annual general meeting of the Company AND THAT their remuneration be determined by the Directors.		
3. **Remuneration of Directors** THAT the amount shown in the audited accounts of the Company for the year ended February 28, 2019 as the remuneration to the Directors for their services as Directors be and is hereby approved.		

Affix $100
Postage
Stamp here
and cancel

DATED this day of 2019

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.
7. The Company's Corporate Governance Policy, committee charters and Code of Business Conduct and Ethics are available in print (upon request) and on the Company's website (www.portlandjsx.com).

KPMG

KPMG
204 Johnsons Centre
#2 Bella Rosa Rd
Gros Islet
St. Lucia

Telephone: (758) 453 2298
Email: ecinfo@kpmg.lc

INDEPENDENT AUDITORS' REPORT

To the Members of
PORTLAND JSX LIMITED

Opinion

We have audited the financial statements of Portland JSX Limited ("the Company"), set out on pages 7 to 33, which comprise the statement of financial position as at February 28, 2019, 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, 2019, 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) together with the ethical requirements that are relevant to our audit of the financial statements in Saint Lucia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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, assessing 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 Lisa Brathwaite.

KPMG

Chartered Accountants
St. Lucia

April 24, 2019

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 a 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, 2019
(expressed in United States dollars unless otherwise stated)

	Notes	2019	2018
ASSETS			
NON-CURRENT ASSET			
Financial investment, at fair value through profit or loss	6	23,743,995	22,065,065
CURRENT ASSETS			
Cash and short-term deposits	7	237,545	1,635,504
Securities purchased under resale agreements	8	365,473	1,935,759
Receivables	9	53,962	69,693
Taxation recoverable		37,280	31,560
		694,260	3,672,516
Total assets		$24,438,255	25,737,581
CURRENT LIABILITIES			
Other financial liabilities	10	42,096	43,899
Payables	11	54,895	30,511
Total liabilities		96,991	74,410
EQUITY			
Share capital	12	25,682,953	25,682,953
Accumulated deficit		(1,341,689)	(19,782)
Total equity		24,341,264	25,663,171
Total liabilities and equity		$24,438,255	25,737,581

The financial statements on pages 7 to 33 were approved for issue by the Board of Directors on April 24, 2019 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, 2019
(expressed in United States dollars unless otherwise stated)

	Notes	2019	2018
Income and fair value changes:			
Distributions of partnership interest income		93,108	435,612
Interest income, calculated using the effective interest method		55,191	175,283
Net fair value (losses)/gains on financial assets classified as at fair value through profit or loss		(665,282)	2,074,249
Other income		-	86
		(516,983)	2,685,230
Operating expenses	13	(802,675)	(787,309)
(Loss)/profit before taxation		(1,319,658)	1,897,921
Taxation		(2,249)	(306)
(Loss)/profit for the year, being total comprehensive (loss)/income		$(1,321,907)	1,897,615
(Loss)/profit per stock unit	14	(0.43¢)	0.61¢

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

PORTLAND JSX LIMITED

Statement of Changes in Equity
Year ended February 28, 2019
(expressed in United States dollars unless otherwise stated)

	Share capital (note 12)	Accumulated deficit	Total
Balances at February 28, 2017	25,682,953	(1,917,397)	23,765,556
Profit for the year, being total comprehensive income	-	1,897,615	1,897,615
Balances at February 28, 2018	25,682,953	(19,782)	25,663,171
Loss for the year, being total comprehensive loss	-	(1,321,907)	(1,321,907)
Balances at February 28, 2019	$25,682,953	(1,341,689)	24,341,264

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

PORTLAND JSX LIMITED

Statement of Cash Flows
Year ended February 28, 2019
(expressed in United States dollars unless otherwise stated)

	2019	2018
Cash flows from operating activities		
(Loss)/profit for the year	(1,321,907)	1,897,615
Adjustments for:		
Net fair value losses/(gains) on financial assets through profit or loss	665,282	(2,074,249)
Interest income	(55,191)	(175,283)
Distributions of partnership interest income	(93,108)	(435,612)
Taxation	2,249	306
	(802,675)	(787,223)
Changes in current assets and liabilities		
Other financial liabilities at amortised cost	(1,803)	3,060
Payables	24,384	3,911
Cash used in operations	(780,094)	(780,252)
Interest received	70,922	207,485
Partnership distributions received	93,108	435,612
Taxation paid	(7,969)	(15,279)
Net cash used in operating activities	(624,033)	(152,434)
Cash flows from investing activities		
Financial investments, at fair value through profit or loss, net	(2,344,212)	(8,420,101)
Securities purchased under resale agreements, net	1,570,286	3,359,457
Net cash used in investing activities	(773,926)	(5,060,644)
Net decrease in cash and cash equivalents	(1,397,959)	(5,213,078)
Cash and cash equivalents at beginning of year	1,635,504	6,848,582
Cash and cash equivalents at end of year	$ 237,545	1,635,504
Comprised of:		
Cash at bank	237,545	29,382
Short-term deposits	-	1,606,122
	$ 237,545	1,635,504

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

PORTLAND JSX LIMITED

Notes to the Financial Statements
Year ended February 28, 2019
(expressed in United States dollars unless otherwise stated)

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 PPEC Inc., 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, are allocated 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.

(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.

1. The Company (continued)

(1) Distributions and allocations (continued):

(b) (continued)

(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 organisational 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. Statement of compliance and basis of preparation

(a) Statement of compliance

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

This is the first set of the Company's annual financial statements in which IFRS 9, *Financial Instruments* and IFRS 15, *Revenue from Contracts with Customers* have been applied. Changes to significant accounting policies are described in Note 3.

New and amended standards that have been issued but not yet effective

At the reporting date, certain new 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 them with respect to its operations and has determined that the following are relevant:

2. Statement of compliance and basis of preparation (continued)

(a) Statement of compliance (continued)

(i) Amendments to IFRS 9, *Financial Instruments*, effective retrospectively for annual periods beginning on or after January 1, 2019 clarifies the treatment of:

(i) Prepayment features with negative compensation:

Financial assets containing prepayment features with negative compensation can now be measured at amortised cost or at fair value through other comprehensive income (FVOCI) if they meet the other relevant requirements of IFRS 9.

(ii) Modifications to financial liabilities:

If the initial application of IFRS 9 results in a change in accounting policy arising from modified or exchanged fixed rate financial liabilities, retrospective application is required, subject to particular transitional reliefs. There is no change to the accounting for costs and fees when a liability has been modified, but not substantially. These are recognised as an adjustment to the carrying amount of the liability and are amortised over the remaining term of the modified liability.

(ii) IFRIC 23, *Uncertainty Over Income Tax Treatments*, is effective for annual reporting periods beginning on or after January 1, 2019. IFRIC 23 clarifies that the accounting for income tax treatments that have yet to be accepted by tax authorities is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12.

An entity has to consider whether it is probable that the relevant tax authority would accept the tax treatment, or group of tax treatments, that is adopted in its income tax filing.

If the entity concludes that it is probable that the tax authority will accept a particular tax treatment in the tax return, the entity will determine taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatment included in its income tax filings and record the same amount in the financial statements. The entity will disclose uncertainty.

If the entity concludes that it is not probable that a particular tax treatment will be accepted, the entity has to use the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The decision should be based on which method provides better prediction of the resolution of the uncertainty.

(iii) Amendments to *References to Conceptual Framework in IFRS Standards* is effective retrospectively for annual reporting periods beginning on or after January 1, 2020. The revised framework covers all aspects of standard setting including the objective of financial reporting.

2. Statement of compliance and basis of preparation (continued)

(a) Statement of compliance (continued)

(iii) Amendments to *References to Conceptual Framework in IFRS Standards* (continued)

The main change relates to how and when assets and liabilities are recognised and de-recognised in the financial statements.

- New 'bundle of rights' approach to assets will mean that an entity may recognise a right to use an asset rather than the asset itself;
- A liability will be recognised if a company has no practical ability to avoid it. This may bring liabilities on balance sheet earlier than at present.
- A new control-based approach to de-recognition will allow an entity to derecognize an asset when it loses control over all or part of it; the focus will no longer be on the transfer of risks and rewards.

(iv) Amendment to IAS 1, *Presentation of Financial Statements* and IAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors* is effective for annual periods beginning on or after January 1, 2020, and provides a definition of 'material' to guide preparers of financial statements in making judgements about information to be included in financial statements.

"Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

The Company is assessing the impact that these new and amended standards will have on its financial statements when they are adopted.

(b) 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.

(c) 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 5.

(d) Functional and presentation currency

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

3. Changes in accounting policies

The Company has initially applied IFRS 9, *Financial Instruments* from March 1, 2018. A number of other new standards are also effective from March 1, 2018 but they do not have a material effect on the Company's financial statements.

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39, *Financial Instruments: Recognition and Measurement*. The requirements of IFRS 9 represent a significant change from IAS 39. The new standard brings fundamental changes to the accounting for financial assets and to certain aspects of the accounting for financial liabilities. As a result of the adoption of IFRS 9, the Company has adopted consequential amendments to IAS 1, *Presentation of Financial Statements*, which requires separate presentation in the statement of profit or loss and other comprehensive income of interest revenue calculated using the effective interest method.

Additionally, the Company has adopted consequential amendments to IFRS 7, *Financial Instruments: Disclosures,* which are applied to disclosures about 2018, but have not been applied to the comparative information.

The effect of initially applying IFRS 9 is mainly attributed to additional disclosures [See note 4(d)].

The adoption of IFRS 9 had no material impact on the accumulated deficit of the Company.

(i) Classification and measurement of financial assets and financial liabilities

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). IFRS 9 classification is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

The standard eliminates the previous IAS 39 categories of held-to-maturity, loans and receivables and available-for-sale.

The adoption of IFRS 9 has not had a significant impact on the Company's accounting policies related to financial liabilities as the standard largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities as at amortised cost.

For an explanation on how the Company classifies and measures financial instruments and accounts for related gains and losses under IFRS 9 (See Note 4).

(expressed in United States dollars unless otherwise stated)

3. Changes in accounting policies (continued)

(i) Classification and measurement of financial assets and financial liabilities (continued)

The following table and the accompanying notes explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Company's financial assets as at March 1, 2018. The effect of adopting IFRS 9 did not impact the carrying amounts of financial assets at March 1, 2018 as the amounts determined under the impairment requirements were not deemed material to these financial statements. In addition, there was no impact on the carrying amounts as a result of the new classification requirements.

	Carrying amount at February 28, 2018 $	Original Classification under IAS 39	New classification under IFRS 9
Financial assets			
Financial investment	22,065,065	FVTPL	FVTPL
Cash and short-term deposits	1,635,504	Loans and receivables	Amortised cost
Securities purchased under resale agreements	1,935,759	Loans and receivables	Amortised cost
Interest receivable	16,360	Loans and receivables	Amortised cost
	25,652,688		

(ii) Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with a forward-looking 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortised cost or FVOCI, except for investments in equity instruments. Under IFRS 9, credit losses are recognised earlier than under IAS 39.

The Company has determined that the application of IFRS 9's impairment requirements as at March 1, 2018 was immaterial to these financial statements.

(iii) Transition

Changes in accounting policies resulting from the adoption of IFRS 9 have been applied retrospectively. The Company has taken advantage of the exemption allowing it not to restate comparative information for prior periods with respect to classification and measurement as well as impairment changes.

4. Summary of significant accounting policies

Except for the changes noted in note 3, the Company has consistently applied the accounting policies as set out below to all periods presented in these financial statements.

4. Summary of significant accounting policies (continued)

(a) 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.

(b) 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.

(c) 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.

(d) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

Financial instruments carried on the statement of financial position include financial investment, at fair value through profit or loss, securities purchased under resale agreements, receivables and other financial liabilities.

(i) Recognition and initial measurement

Financial instruments at fair value through profit or loss are recognised initially on the trade date, which is the date on 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 instruments at fair value through profit or loss are measured initially at fair value, with transaction costs recognised in profit or loss. Financial instruments 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

Financial assets- Policy applicable from March 1, 2018

On initial recognition, the Company classifies financial assets as measured at amortised cost or fair value through profit or loss (FVTPL).

4. Summary of significant accounting policies (continued)

(d) Financial instruments (continued)

(ii) Classification (continued)

Financial assets- Policy applicable from March 1, 2018 (continued)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

All other financial assets of the Company are measured at FVTPL.

Business model assessments:

In making an assessment of the objective of the business model in which a financial asset is held, the Company considers all of the relevant information about how the business is managed, including:

- the documented investment strategy and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how the investment manager is compensated: e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity. However, the information about sales activity is not considered in isolation, but as part of an overall assessment of how the Company's stated objective for managing the financial assets is achieved and how cash flows are realised.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

4. Summary of significant accounting policies (continued)

(d) Financial instruments (continued)

(ii) Classification (continued)

Financial assets- Policy applicable from March 1, 2018 (continued)

Business model assessments (continued):

The Company has determined that it has two business models.

- Held-to-collect business model: this includes cash and cash equivalents and securities purchased under resale agreements. These financial assets are held to collect contractual cash flows.
- Other business model: this includes financial investment at fair value through profit or loss. This financial asset is managed and its performance is evaluated, on a fair value basis.

Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI):

In assessing whether the contractual cash flows are SPPI, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers the following:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- leverage features;
- prepayment and extension features;
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features); and
- features that modify consideration for the time value of money (e.g. periodical reset of interest rates).

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the day of the first reporting period following the change in business model.

4. Summary of significant accounting policies (continued)

(d) Financial instruments (continued)

(ii) Classification (continued)

Financial assets- Policy applicable before March 1, 2018

The Company classified its financial assets into one of the following categories:

- Loans and receivables
- At FVTPL

Financial liabilities

The Company classified financial liabilities as measured at amortised cost.

(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, adjusted for any expected credit loss allowance (or impairment allowance before March 1, 2018).

(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.

4. Summary of significant accounting policies (continued)

(d) Financial instruments (continued)

(v) Derecognition

The Company derecognises a financial asset 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.

(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 currently has a legal right to set off the recognised amounts and it intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

(vii) Identification and measurement of impairment

Policy applicable from March 1, 2018

The Company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- financial assets that are determined to have low credit risk at the reporting date; and
- other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

4. Summary of significant accounting policies (continued)

(d) Financial instruments (continued)

(vii) Identification and measurement of impairment (continued)

Policy applicable from March 1, 2018 (continued)

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Company considers a financial asset to have low credit risk when the credit rating of the counterparty is equivalent to the globally understood definition of 'investment grade'.

12-month ECLs are the portion of ECLs that result from default events on a financial instrument that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). Financial instruments for which a 12-month ECL is recognised are referred to as 'Stage 1 financial instruments'.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. Financial instruments for which a lifetime ECL is recognised but which are not credit-impaired are referred to as 'Stage 2 financial instruments'.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as follows:

- *financial assets that are not credit-impaired at the reporting date:* as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive); and
- *financial assets that are credit-impaired at the reporting date:* as the difference between the gross carrying amount and the present value of estimated future cash flows. The Company does not currently have any credit-impaired financial assets.

ECLs are discounted at the effective interest rate of the financial asset.

4. Summary of significant accounting policies (continued)

(d) Financial instruments (continued)

(vii) Identification and measurement of impairment (continued)

Policy applicable from March 1, 2018 (continued)

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

Policy applicable before March 1, 2018

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.

4. Summary of significant accounting policies (continued)

(d) Financial instruments (continued)

(vii) Identification and measurement of impairment (continued)

Policy applicable before March 1, 2018 (continued)

- 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.

(e) Interest income

Interest income is recognised in profit or loss on the accrual basis using the effective interest method. The 'effective interest rate' is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to its gross carrying amount.

When calculating the effective interest rate for financial instruments other than purchased or originated credit impaired assets, the Company estimates future cash flows considering all contractual terms of the financial instrument, but not ECL.

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition of a financial asset.

Amortised cost and gross carrying amount

See definition of amortised cost at Note 4(d)(iii).

The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

4. Summary of significant accounting policies (continued)

(e) Interest income (continued)

Calculation of interest income

The effective interest rate of a financial asset is calculated on initial recognition of a financial asset. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). The effective interest rate is revised as a result of periodic re-estimation of cash flows of floating rate instruments to reflect movements in market rates of interest.

Presentation

Interest income calculated using the effective interest method presented in the statement of profit or loss includes interest on financial assets measured at amortised cost.

(f) 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. Realised gains and losses are calculated using the specific identification method.

(g) 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 or loss for the period, which differs from the profit or loss 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.

(expressed in United States dollars unless otherwise stated)

5. 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 those 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.

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 those reflected in the statement of financial position.

6. 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, 2019, the Company invested a further $2,344,212 in the Fund.

7. Cash and short-term deposits

	2019	2018
Cash at bank (a)	237,545	29,382
Short-term deposit (b)	-	1,181,122
Short-term deposit (c)	-	425,000
	$237,545	1,635,504

(a) This represents savings accounts held with First Global Bank Limited and Victoria Mutual Wealth Management Limited.

(b) This deposit with First Global Bank Limited earned interest at 2.50% per annum, and matured on June 14, 2018.

(c) This deposit with First Global Bank Limited earned interest at 0.72% per annum, and matured on March 7, 2018.

PORTLAND JSX LIMITED

Notes to the Financial Statements (Continued)
Year ended February 28, 2019
(expressed in United States dollars unless otherwise stated)

8. 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.

9. Receivables

	2019	2018
Interest receivable	629	16,360
Prepayments	53,333	53,333
	$53,962	69,693

10. Other financial liabilities at amortised cost

This represents amounts payable to Portland Private Equity II Ltd.

11. Payables

This represents accrued expenses.

12. Share capital

	2019	2018
Authorised, issued and fully paid:		
309,968,261 (2018: 309,968,261) ordinary shares	26,392,474	26,392,474
Non-redeemable preference share (i)	1	1
Transaction costs of share issues	(709,522)	(709,522)
	$25,682,953	25,682,953

(i) Portland Fund II GP, Inc., the general partner of Portland Caribbean Fund II, holds 1 (2018:1) 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.

13. Operating expenses

	2019	2018
Management fees [see note 1, 18(d)]	640,000	640,789
Legal and professional fees	64,938	55,951
Audit fees	32,500	27,000
General and administrative expenses	31,818	27,779
Directors' fees	27,500	27,500
Accounting fees	5,638	4,589
Bank charges	281	418
Miscellaneous	-	1,849
Travel and entertainment	-	1,384
Penalty and interest	-	50
	$802,675	787,309

14. (Loss)/profit per stock unit

(Loss)/profit per share is calculated by dividing the (loss)/profit for the year by the weighted average number of ordinary shares in issue for the year of 309,968,261 (2018: 309,968,261).

15. 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 cash and short-term deposits, 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 certain financial investments with Portland Caribbean Fund II and cash and resale agreements with 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.

15. 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 investment products, 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.

16. 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.

16. 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.

17. 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 5.

17. Fair value of financial instruments (continued)

(a) Accounting classifications and fair values:

The Company's investment in PCF II is measured at fair value and classified at level 3. 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 4.90-11.10 times • 5%-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 increased/(declined) • Market interest rates (increased)/decreased

18. 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.

18. 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:

	2019 $	2018 $
Financial assets at fair value through profit or loss	23,743,995	22,065,065
Due to related entities	(42,096)	(43,899)

PORTLAND JSX LIMITED

Notes to the Financial Statements (Continued)
Year ended February 28, 2019
(expressed in United States dollars unless otherwise stated)

18. 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:

	2019 $	2018 $
Distributions of partnership interest income	93,108	435,612
(Loss)/gain on financial asset classified as at fair value through profit or loss	(665,282)	2,074,249
Management fees (note 13)	(640,000)	(640,789)
Directors' fees (note 13)	(27,500)	(27,500)
General and administrative expenses (note 13)	(31,818)	(27,779)