PORTLAND
JSX LIMITED

2022 ANNUAL REPORT

TABLE OF CONTENTS

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 Portland Private Equity II, Ltd.'s ("PPE" or the "Manager") 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 Portland JSX Limited ("PJX" or the "Company") 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 Company, 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 Company 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. Portland; Portland Holdings; Portland Investment Counsel; and Prosperitas Cum Caritate are trademarks of Portland Holdings Inc. used under license by Portland JSX Limited.

DIRECTORS' REPORT

The Directors of Portland JSX Limited ("PJX" or the "Company") are pleased to present our Annual Report with audited financial statements for the year ended February 28, 2022.

LETTER TO THE SHAREHOLDERS

In the backdrop of the second year of the COVID-19 pandemic, I reflect on the past 12 months and I am proud of the resiliency shown by the Company. Throughout last year, despite new challenges and continued market disruptions, the Company continued to grow in value. In our last annual report our theme was about transitioning from defence to offence. We might have been a bit early, but, the Company ended the year on a continued growth trajectory through a creative investment and the strength of relationships with the investee companies of Portland Caribbean Fund II (the "PCF II Fund").

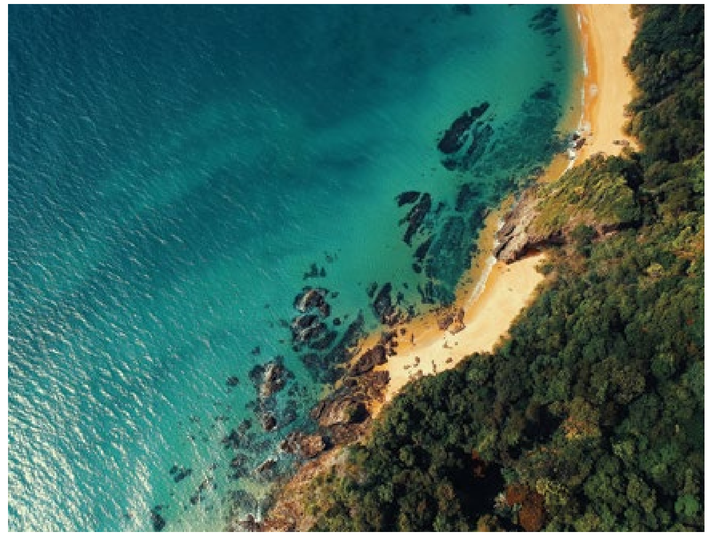
Internally, and through the catalytic guidance of board director Patricia Francis, the Company has actively supported Portland Private Equity II, Ltd. ("PPE") in evolving its leading environmental, social and governance ("ESG") program. In the year, PPE was a founding member of a global industry body promoting gender lens investing called the 2X Collaborative (www.2xcollaborative.org). Additionally, PPE entered into a formal partnership with UN Women (www.unwomen.org) to partner on bringing innovative finance for women owned/led businesses to our region. As a signatory to the UN Principles for Responsible Investment, PPE has been championing gender equality (SDG #5), reducing inequality (SDG #10) and stimulating decent work and economic growth (SDG #8) as core missions – not just because they are the correct things to do but because they are drivers of business value to the Company.

The Company has also been delivering financial value. In April 2021, it completed a re-financing further strengthening its balance sheet. In August 2021, the Company closed an innovative transaction with PCF II Fund investee company Outsourcing Management Limited (it does business as itel www.itelinternational.com) – a bright light in the region's universe of high growth companies. This transaction underscored the unique access the Company enjoys through its relationship with PPE and its opportunity to be a platform for future growth opportunities.

Moving forward, the emphasis will be on strategies that permit the Company to develop fund and co-invest capacities that are common internationally in best in class institutional investors and savvy capital allocators. I am excited for the road ahead, and updating our shareholders on the growth of the Company.

Doug Hewson,
Chair
June 28, 2022

PJX MISSION



To make private equity investments accessible to all types of investors.

PJX VISION

To raise capital through public markets, and provide transformative growth equity to high quality, scalable businesses in The Caribbean and Latin America, bridging the gap between public and private investors.

PPE INVESTMENT FRAMEWORK

Part of the Portland Group,
a Multi-Unicorn Producer and
Global Investment Platform

5 10 3

Inspired by

5 Attributes of Successful Investing

1. Own a few high-quality businesses
2. Thoroughly understand those businesses
3. Ensure these businesses are domiciled on strong, long-term growth industries
4. Use other people's money prudently
5. Hold these businesses for the long run

10 Attributes of Successful Businesses

1. Owner of the business is also the operator of the business
2. Ownership is heavily concentrated
3. Key shareholders are personified in the company and vice versa
4. Autocratic management style
5. Entrepreneurial culture
6. Low turnover in management positions
7. Symmetrical risk and reward for management
8. Business sets goals for the long term
9. Board focus on growth
10. Value of the business is based on fundamentals: sales, market share, margins

3 Preconditions

1. Perception vs. Reality Gap
2. Dearth of Equity Capital
3. Inefficiencies

It is important to note that, in the 5-10-3 framework, each item is necessary but not sufficient for success. Success requires excellence in all of the items. For example, an "autocratic management style" is only expected to lead to success if accompanied by "low management turnover", an "entrepreneurial culture" and more "symmetrical risk and reward sharing for management". When all 4 attributes are combined, the result is a more inclusive, empowered, collaborative, performance driven and accountable organization.

ABOUT US

PJX 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.

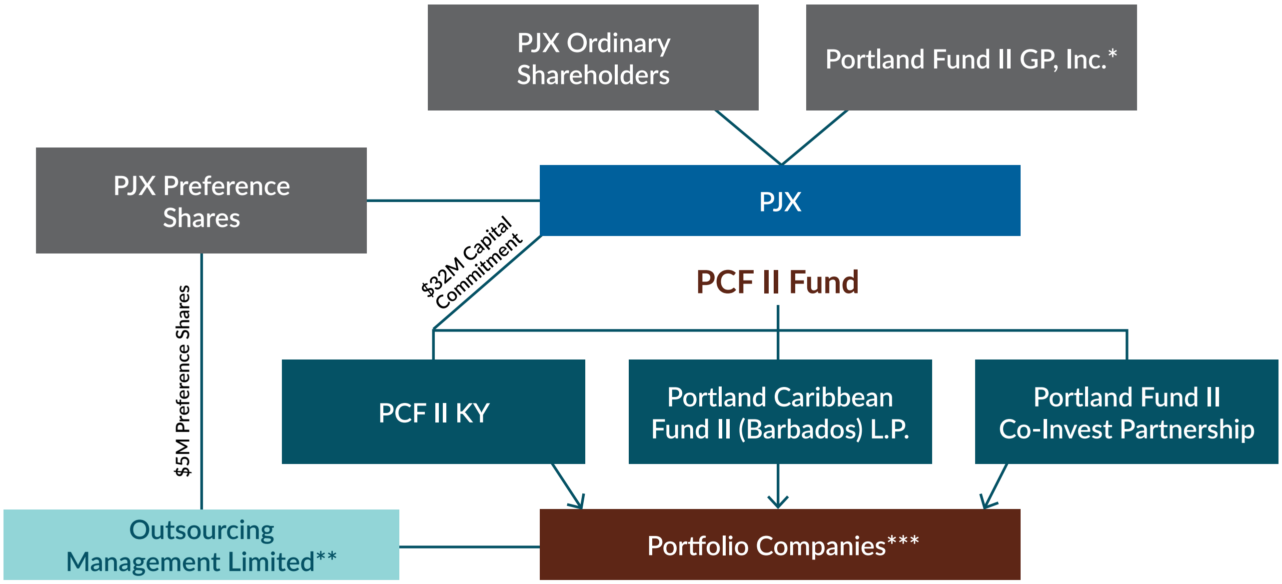
PJX's IPO, which successfully closed in June 2016, raised JMD1.23 billion for the Company. It was the largest IPO for ordinary shares on the Jamaica Stock Exchange at that time.

The primary business of PJX is that of a limited partner in Portland Caribbean Fund II, L.P. ("PCF II KY"). PJX may also co-invest alongside PCF II KY. PJX expects its revenues to be generated from income and capital gains on its direct and indirect investments. PCF II KY is a limited partnership that is one of a set of parallel partnerships that comprise a fund ("PCF II Fund") that invests in quality businesses in the Caribbean and Latin America and is managed by PPE. 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. In addition to the above, the Company is providing a platform to high growth regional companies to reach investors of all types.

PPE, a regular business company incorporated under the laws of Barbados is the Investment Sub-Advisor to AIC Caribbean Fund ("ACF") and Investment Advisor to PCF II Fund, 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.

PCF II Fund has completed its investment cycle and the portfolio is fully built.

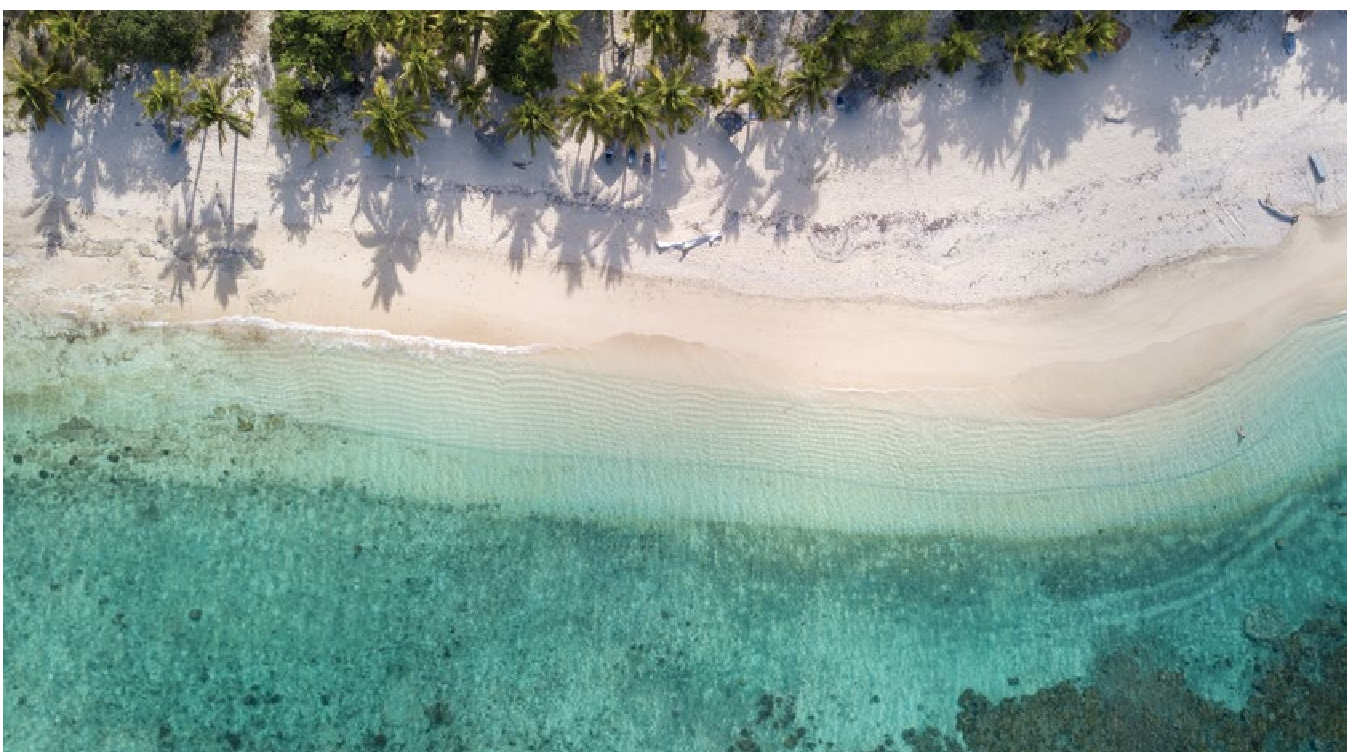
CORPORATE STRUCTURE



**Portland Fund II GP, Inc. the general partner of PCF II Fund, holds 1 non-redeemable preference share in PJX. 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 PJX. 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 PJX.*

***Outsourcing Management Limited is also a portfolio company in PCF II Fund*

****Refer to the next page for a list of all the PCF II Fund portfolio companies*



PORTFOLIO COMPANIES

Company	Sector	Description
LIBERTY LATIN AMERICA	Telecom	NASDAQ listed telecom company, ultimate acquirer of Portland founded Columbus International
CLARIEN	Financial Services	Leading bank and wealth management in Bermuda
InterEnergy Group Limited	Energy / Renewable	Regional power platform
IEH Penonomé Holdings	Wind Energy	Utility scale wind power in Panama
pbs we make things happen	IT Services	Regional IT services platform
CHUKKA	Hospitality	Family-owned conglomerate comprised of a leading tourism experience provider, Jamaican energy storage distributor and real estate developer
GRUPO IGA®	Hospitality	Leading entertainment dining and QSR in Colombia
MERQUEO	Technology	E-grocery retailer in LatAm
INTERLINC GROUP	E-Commerce Logistics	Pan regional distribution platform for electronics and e-commerce fulfillment
itel	Digital Business Services	Leading business process outsourcing services business

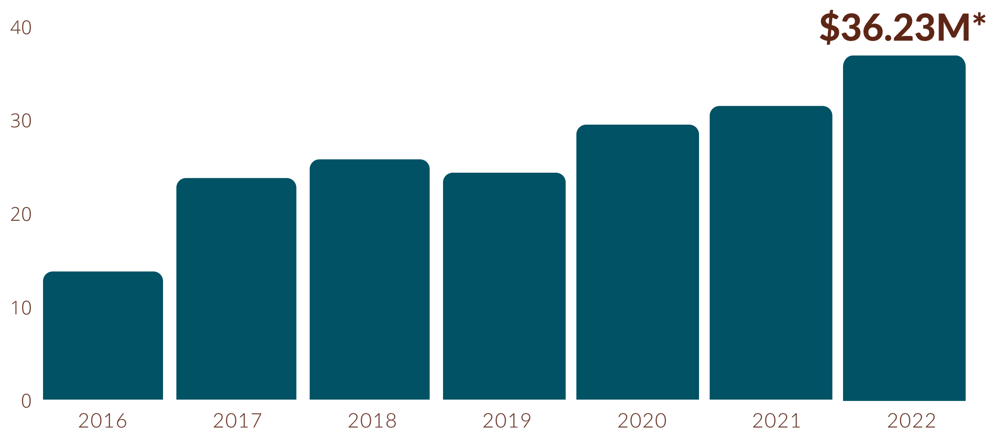
OVERVIEW

$29.6M

TOTAL CAPITAL CONTRIBUTIONS TO PCF II KY TO DATE

$32M

TOTAL CAPITAL COMMITMENT TO PCF II KY



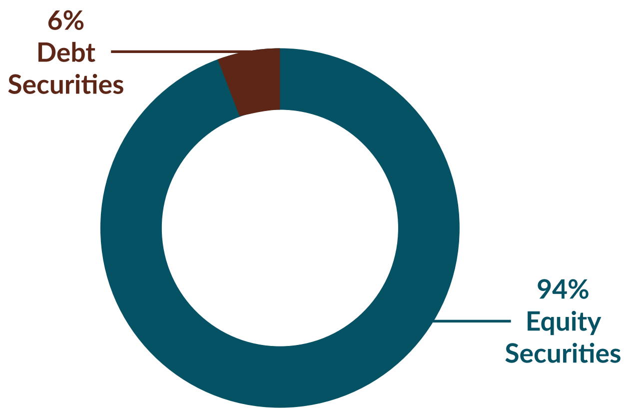
PJX TOTAL ASSETS ($MM)

**Excludes OML Investment. All equity associated with the investment in OML Preference Shares is attributable strictly to the Equity Linked preference shares and should not impact any other shareholders in the Company. This instrument has been structured to preclude recourse against any other assets of the Company, and therefore, equity of any other shareholders. Any discussion in this report may or may not apply, including management discussion & analysis.*

OVERVIEW – PCF II FUND

10
INVESTMENTS

6
SECTORS

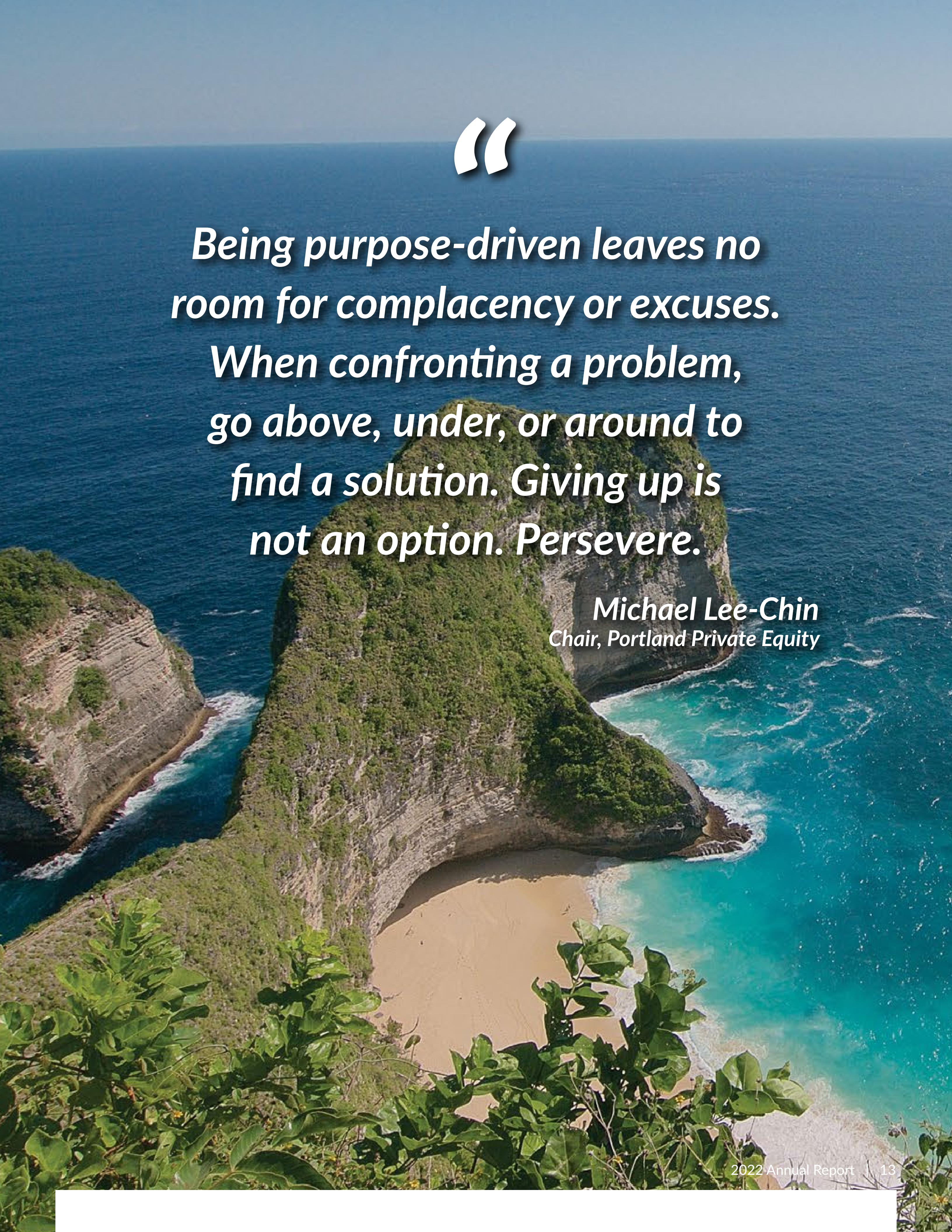


NATURE OF INVESTMENTS

$202.5M
TOTAL CAPITAL COMMITMENTS (USD)

SNAPSHOT:
WHERE WE CURRENTLY DO BUSINESS

While PCF II Fund is invested in the Caribbean region it is not directly invested in Mexico, Cuba or Venezuela



"Being purpose-driven leaves no room for complacency or excuses. When confronting a problem, go above, under, or around to find a solution. Giving up is not an option. Persevere.

Michael Lee-Chin
Chair, Portland Private Equity

CORPORATE DATA

Directors
Douglas Hewson, *Chair*
N. Patrick McDonald
Jonathan Murphy
Patricia Francis

Bankers / Financial Agents
Victoria Mutual Investments Limited
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
Office 204, Johnson's Centre
#2 Bella Rosa Road
Gros Islet, Saint Lucia

Corporate Secretary
MCSI Inc.
Bella Rosa Road
Gros Islet, Saint Lucia

Registered Office
c/o McNamara Corporate
Services, Inc.
20 Micoud Street
Castries, Saint Lucia

2022 Annual General Meeting
The meeting will be video streamed from:
McNamara Corporate Services Inc.
Bella Rosa Road, Gros Islet, Saint Lucia
Tuesday, October 4, 2022

Chukka Caribbean's White River Valley Tubing Adventure

BOARD OF DIRECTORS

DOUGLAS HEWSON

Non-Executive Chair

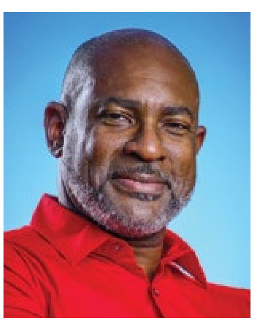
Douglas Hewson has over 25 years of private equity and venture capital experience. He is a Managing Partner of Portland Private Equity. Prior to joining AIC Caribbean Fund, he was responsible for co-founding and leading two successful investment management firms. At PPE, he has primary responsibility for investor relations, is a board member as of year-end of InterEnergy Group, IEH Penonomé, Grupo IGA, Productive Business Solutions, Merqueo, and an observer to the board of Clarien Bank. He is a member of PCF II Fund's Investment Committee, and involved in all aspects of AIC Caribbean Fund and PCF II Fund's management.

BRENDA DUNCAN[1]

Brenda Duncan has over thirty years' audit experience in London and St. Lucia. She is Managing Partner for BDO Eastern Caribbean, which covers Anguilla, Antigua and Barbuda, St. Vincent and the Grenadines and St. Lucia. In addition to the audit practice, through AFCS Inc, Brenda provides services in the international financial services arena as registered agent and corporate secretary for a number of international companies. Prior to this, she has held positions with Chase, Skeete & Boland, a member firm of Pannell Kerr Forster, Coopers & Lybrand, St. Lucia, and Arthur Andersen, London UK. Her audit experience has covered a wide section of industries including tourism, insurance, credit unions, finance, retail, statutory bodies and funding agencies.

PATRICIA FRANCIS[1, 2]

Patricia Francis, CD. is Chair of the Government of Jamaica Trade Facilitation Task Force and is a former Assistant Secretary General and Executive Director of the International Trade Centre and former President of JAMPRO. Mrs. Francis joined the board of Portland JSX from its inception and also serves on the boards of Jamaica Producers Group Ltd., B & D Trawling Ltd., Whiteshield Partners and IESE Graduate Business School. She also volunteers as a Director of Rose Town Foundation for the Built Environment and Alligator Head Foundation where she focuses on solutions to urban poverty and violence as well as the marine environment and sustainable development. As special adviser to the Executive Director of UN Women in 2018-2020, she designed and led the Change Process across the Global organization. Mrs. Francis was awarded the Commander of the Order of Civil Merit by the Government of Spain in 2006 and the Order of Distinction in the Class of Commander by the Government of Jamaica in 2015.



N. PATRICK MCDONALD[2]

N. Patrick McDonald is a commercial attorney and a partner at Jamaican law firm, Hart Muirhead Fatta. Admitted to practice in Jamaica in 1993, he was educated at the University of the West Indies and the Norman Manley Law School. He is a member of the Joint Advisory Committee of PCF II Fund, and a director of Television Jamaica Limited, Independent Radio Company Limited and other broadcast media companies forming part of the RJRGleaner Group.

He is currently a member of the Commercial Law Committee of the Jamaican Bar Association and served for a number of years as an associate tutor at the Norman Manley Law School. Since 2020, he has served as the Honorary Legal Counsel of the PSOJ. He is a past member of the Corporate Governance Committee of the PSOJ and conducts training in public and private sector corporate governance from time to time. He has been consistently named as one of the leading commercial attorneys in Jamaica by Chambers Global.

JONATHAN 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 maximise value for clients. He acts as trustee and director for a small number of families, assisting in the structuring, analysis and management of the underlying assets. He was formerly a manager at Krys Global, a leading regional insolvency practice. He gained his ACA qualification whilst working at Deloitte UK.

[1] Member of Audit Committee

[2] Member of Compensation Committee (Ad Hoc Basis)

THE TEAM

As a limited partner in PCF II KY, 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 the PCF II Fund. The advisory services include monitoring investments in PCF II Fund, research, selection and ongoing monitoring of co-investment opportunities; research, selection and monitoring investments for uncommitted assets; and ongoing research for other investment opportunities. PPE also provides management services to the Company.

PPE is led by Hon. Michael Lee-Chin, O.J. 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 has an ownership stake in the management companies, as well as the portfolio businesses of PCF II Fund. Finding, nurturing, and ultimately, exiting from a successful industry leading business requires a strong alignment of company management, investors, and investment managers. PPE principals have committed USD17 million to an affiliated entity of PCF II KY investing alongside its partners.

MICHAEL LEE-CHIN

Michael Lee-Chin is the Chair of Portland Private Equity and sponsor of AIC Caribbean Fund; founder and Chair of the Portland Holdings group, a privately held investment company, which owns a collection of diversified operating companies; and Chair of NCB Financial Group Limited.

ROBERT ALMEIDA

Robert Almeida 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). Almeida currently serves on the boards of NCB Financial Group Limited, Clarien Bank Limited, and several subsidiaries of Portland Holdings Inc.

DOUGLAS HEWSON

Douglas Hewson has over 25 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 as of year-end of InterEnergy Group, IEH Penonomé, Grupo IGA, Productive Business Solutions, Merqueo, and an observer to the board of Clarien Bank. He is a member of PCF II Fund's Investment Committee and is involved in all aspects of AIC Caribbean Fund and PCF II Fund's management.

TONI TANILLE-KERR

Toni is part of the PPE investment team and works closely with Clarien Bank and other portfolio companies. She has amassed over 15 years of experience in credit risk, investment, and commercial banking. Prior to joining Portland Private Equity, Toni was head of Corporate Underwriting and Portfolio Management at National Commercial Bank Jamaica Limited. Toni holds both a B.Sc. (Hons) and M.Sc. in Economics from the University of the West Indies.

JOE VESCIO

Joe Vescio has over 30 years of experience in negotiating, structuring, and closing a wide variety of transaction types. He is a Managing Partner of PPE, in addition to his investment origination and portfolio company responsibilities; he looks after the financial operations of AIC Caribbean Fund and PCF II Fund. He founded a successful valuation practice earlier in his career and is a Chartered Accountant and Chartered Business Valuator by training.

RICARDO HUTCHINSON

Ricardo Hutchinson has over 13 years of 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 15 years of Investment Banking experience, having advised clients on more than 40 M&A, Capital Markets, and Debt transactions with an 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 been an international sustainability expert for over 13 years. At PPE, she is responsible for the evaluation, guidance, and monitoring of investee companies' environmental and social performance. Hülya is also responsible for PPE's development impact approach and assessment. She also consults for the World Bank/IFC evaluating the E&S performance of financial institutions. Prior to joining PPE, Hülya was a senior consultant for PricewaterhouseCoopers in Germany. She advised companies in improving their sustainability performance and evaluated international development cooperation projects. She is fluent in English, Spanish, German, French, and Turkish.

STATEMENT OF THE CHAIR

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, 2022. The Company's investment in PCF II KY grew by 13.92%. This increase reflects active deployment of capital by the fund to portfolio companies. Profit for the year increased from a net profit of USD2,115,991 (JMD319,197,242*) in the prior year to a net profit of USD4,277,269 (JMD661,907,378*). Profit per ordinary stock unit was USD0.0138 (JMD2.14*) as compared to USD0.0068 (JMD1.03) per share in the prior year. The Company's main focus has been on continuing its support of PCF II KY and its investment/monetization processes.

We are pleased with the performance of the Company's investment in PCF II KY. The fund is into the 'harvest' stage of its investment program and has successfully moved through its pandemic recovery. The increased support and hands-on approach of PPE has been successful. As we anticipate realizations in the PCF II KY portfolio, the board of directors has been evolving the Company's strategy and capital allocation plans with the goal of prudently maximizing shareholder value. We expect the proceeds from realizations to be dynamically allocated amongst the following priorities: i. dividends to ordinary shareholders; ii. reinvestment; iii. share repurchase; and iv. debt reduction.

As the Company becomes more active than in past years, the board has committed to be as communicative as possible and we look forward to sharing more in the coming months/years.

PERFORMANCE HIGHLIGHTS

(USD)	FEB-22	FEB-21
Total Equity	32,233,851	27,802,660
Investment in PCF II KY	35,807,571	31,431,233
Profit/(Loss)	4,277,269	2,115,991
Market Capitalization	16,124,317	14,855,999
Number of Issued Shares	309,968,261	309,968,261

PER SHARE (JMD)	FEB-22	FEB-21
Closing Price	8.05	7.23
Book Value*	16.09	13.53
Earnings Per Share*	2.14	1.03
52 Week High	10.50	11.00
52 Week Low	6.50	7.00

**Calculated using Bloomberg quoted exchange rates as at February 28, 2022 (JMD/USD=154.75) and February 28, 2021 (JMD/USD=150.85)*

INVESTING RESPONSIBLY

PJX is proud to support PPE and the PCF II Fund in its environmental, social and governance (ESG) program that reflects our corporate core values of *"Prosperitas Cum Caritate"* and *"Doing Well by Doing Good"*. The ESG program follows our active, hands-on management approach – we call it a team and contact sport – to improve impact and value of the PCF II Fund portfolio.

OUR APPROACH

Prosperitas Cum Curitate. Do well by doing good.

These values are at the core of our approach. ESG is part of successful risk management, as well as impact and value creation. Guided by international best practices in ESG standards, we, and our portfolio companies, strive to ensure that strong financial returns and sustainable business practices together generate value and impact. We reduce risks from the portfolio and add value. Ultimately, ESG is a value-lever at many levels, making a difference for all stakeholders, including shareholders.

Newstead Primary School, Chukka WRV, 2018. *Schools supported by the Chukka Foundation benefit from distributed school supplies*

Foundación Sol en los Andes Merqueo, 2019. *Merqueo employees actively participate in enrichment activities, fostering learning and development*

OUR ESG PROGRAM

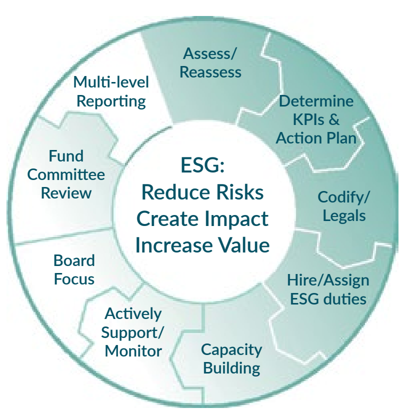
- Screen and Assess Potential Investees
- Determine KPIs & Develop Action Plans
- Codify ESG in Legal Agreements
- Hire or Assign ESG Responsibilities
- Up-skill Investees Through Capacity Building
- Actively Support & Monitor Investees
- Discuss ESG at Board level
- Review ESG at Fund's Committees
- Provide Multi-Level Reporting

DEI STATEMENT

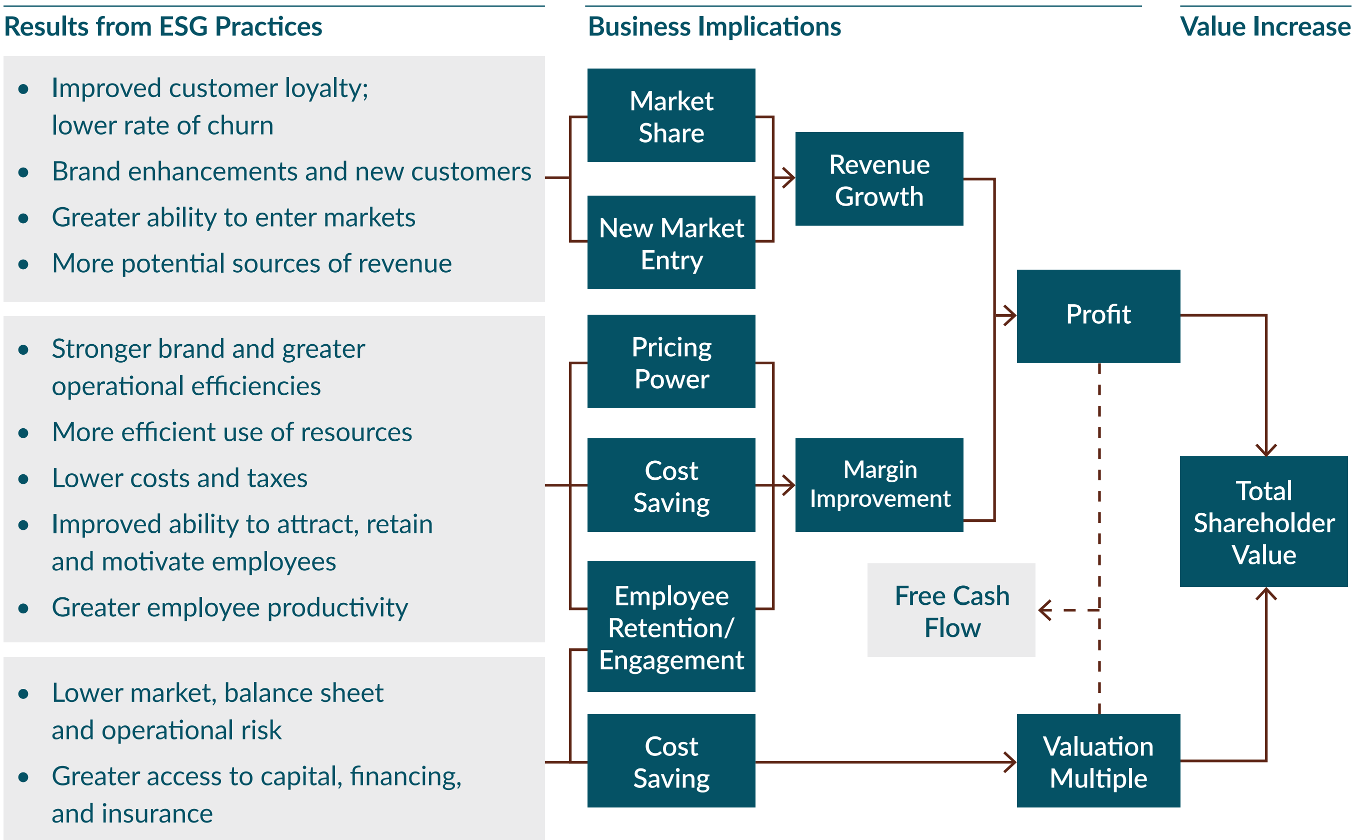
PPE's mission is to grow remarkable, responsible, and entrepreneurial businesses. We believe embracing diversity, equity, and inclusion in our firm and across our portfolio supports this mission. We are a diverse private equity firm fostering equitable inclusion and non-discrimination since inception. Inclusion also forms part of our DNA – an inclusive culture makes room for varied perspectives and promotes creativity and innovation resulting in better decisions.

We are committed to:

- Strengthening further the equitable work environment at our firm and throughout our portfolio
- Advancing diversity in senior management and board seats across our companies, and;
- Championing the important of diversity, equity, and inclusion within our target region



HARNESSING SOCIAL IMPACT DRIVES SHAREHOLDER VALUE



Based on the Business Case for ESG Chart by the CDC Group

We, and our portfolio companies, understand that making the right decisions today not only makes good sense for investors, but also makes a difference for future generations.

GREAT CANADIAN ESG CHAMPIONSHIP

Portland Investment Counsel Inc., in conjunction with Portland Private Equity, was a finalist in The Great Canadian ESG Championship for the Alternatives Category held in Montréal, Québec, presenting their ESG proposal in front of a panel of responsible investment experts and vie for a share in a $90 million investment mandate.

The Great Canadian ESG Championship, 2022. *Doug Hewson and Hülya Sögüt (pictured) presenting their ESG proposal to the judging panel and audience.*

SUPPORTING GLOBAL INITATIVES

To tackle global challenges and seize opportunities, we believe it is key to follow international environmental and social initiatives. PPE is a proud signatory of the UN-supported Principles for Responsible Investment and the Women's Empowerment Principles, and is a founding member of the 2X Collaborative. We are also committed to help achieve the United Nations (UN) Sustainable Development Goals, and use the goals and indicators as guidance in defining our sustainability objectives.

UNITED NATIONS GLOBAL GOALS

Signatory of:

The United Nations (UN) Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by all United Nations Member States in 2015 as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030.

The resulting 17 Global Goals recognize that ending poverty and inequality must include strategies to improve health and education outcomes, protect the planet, and drive economic growth.

We seek to invest in companies that express, and demonstrate, their contributions and commitments to achieving select SDGs.

2X COLLABORATIVE

The 2X Collaborative is a leading industry body for gender lens investing. Its mission is to equip investors and to increase the volume and impact of capital flowing towards women's economic empowerment. PPE is proud to be a founding member of the 2X Collaborative, and of its nomination as one of the 2X Flagship Funds.

UN WOMEN

On December 10, 2021, PPE and UN Women Multi-Country Office Caribbean signed a Memorandum of Understanding, with a view of facilitating cooperation to increase Innovative Financing Options for Gender Equality in the Caribbean region and enhancing capacities across the private sector and governments to ensure women-owned or led businesses have access to capital to develop and scale their businesses.

PORTFOLIO IMPACT

Notable Accomplishments

Responsible + Sustainable + Social

ECONOMIC GROWTH

8:1

US $320M+ invested
into portfolio companies that have attracted more than US $2.5B of additional risk capital

JOB CREATION

22,700 Jobs
Supported by PCF II Fund across portfolio companies

90% of Portfolio
Women-led or with significant share of women (2X aligned)

REDUCED CARBON FOOTPRINT

+400,000
tonnes of CO2 emissions eliminated in 2021

Driving investments in clean technologies, including 360MW solar and wind energy

1st

Caribbean District Energy System
pioneered the development of the first district energy system in the Caribbean

COMMUNITY ENGAGEMENT

Established outreach programs supporting environmental and health education

+90% of portfolio company employees are from surrounding communities

Ensuring support of and engagement with indigenous communities

Education & training programs to enhance local expertise

PROMOTING HUMAN RIGHTS & EMPLOYEE HEALTH & SAFETY

Compliance with core International Labour Organization conventions, including prohibiting child or forced labour

Every company implements occupational health and safety measures and training, lowering accident and injury rates

**Economic growth may include data from ACF as well as PCF II Fund, remainder of the metrics apply to PCF II Fund*

“

It’s not just about returns. It’s also about a commitment we make to doing business in a responsible, sustainable way.

Portland Private Equity

MANAGEMENT DISCUSSION & ANALYSIS

The Company continued to participate as a limited partner in PCF II KY. At the end of the fiscal year, PCF II Fund had completed investments in 10 companies creating a geographically and sectorally diverse portfolio in the LATAM/ Caribbean region. PPE continues to actively work with the management teams and other stakeholders of each portfolio company to increase value.

STRATEGY

PJX is a limited partner in PCF II KY. The strategy of the Company is essentially the same as the PCF II KY strategy – to 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, energy, food services, hospitality/tourism and business outsourcing.

The combination of scarcity of capital, extensive experience of PPE, the investment advisory team behind PCF II Fund, 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 KY in equity or debt securities of private companies located in the Caribbean and Latin America. The Company committed USD32 million to PCF II KY 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 Fund successfully closed in September 2016 raising capital commitments from its limited partners in excess of USD200 million, thereby becoming one of the largest sources of private equity financing in the region. PCF II Fund has made 10 investments throughout the LATAM/Caribbean region. Over 90% 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 Fund engages with its portfolio companies to create value. PCF II KY 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

The ongoing war in Ukraine has struck a harsh blow to recovery of the global economy. The war and its impact on commodity prices and inflation, coupled with resumption of COVID-induced lockdowns in China, led the IMF to revise its 2022 global GDP growth projections down to 3.6% from its 4.4% prediction earlier this year. Monetary tightening continues in many countries to stem rising inflation, with governments also working to navigate continued supply shortages that began during the pandemic.

Higher commodity prices and stronger than expected fiscal support resulted in upward revision to growth estimate of 6.8% for Latin America and Caribbean countries in 2021. For 2022, the region is expected to see lower growth of 2.5% as countries approach their pre-pandemic GDP levels. The Caribbean remains a bright spot with the return of tourists supporting recovery. However, the accompanying withdrawal of monetary stimulus, softening demand due to slower growth in advanced economies, and likely fallout from Russia's invasion of Ukraine could slow the pace of growth.

RISK MANAGEMENT

By nature, the risks faced by PJX are bi-level meaning that they occur at both the corporate level and PCF II Fund investments 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 FUND LEVEL

At the PCF II Fund 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. Participation in Joint Advisory Committee of PCF II Fund
ii. Audit Committee
iii. Compensation Committee
iv. Shareholder Advisory Committee

At the PCF II Fund level, there are several layers of monitoring and oversight. Overall, PCF II Fund is managed by the general partner, Portland Fund II, GP, L.P. Investment and compliance is monitored by the PCF II Fund 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 invested in the PCF II Fund, 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 should provide superior returns. Accordingly, the investment in PCF II KY is illiquid. Monetization will occur by disposition of underlying assets by PCF II KY and distribution to its Limited Partners. PCF II Fund 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 KY 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 meet its PCF II KY 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 KY;

ii. Optimizing cash returns on short-term investment;

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

iv. 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 Fund are managed by PPE.

Reliance on GP/Key Personnel Dependence

All decisions with respect to the management of PCF II Fund's assets and the operation is made exclusively by Portland Fund II GP, L.P. (the "General Partner"). Limited partners have no right to participate in the management of PCF II Fund or to make any decisions with respect to the investments to be made by PCF II Fund. Consequently, Limited partners must rely on the General Partner with respect to the selection of investments and management of PCF II Fund. The success of PCF II Fund depends in substantial part upon the skill and expertise of the management and team of the General Partner and the other individuals employed to assist them. There can be no assurance that it will be able to attract and retain the professionals needed to manage PCF II Fund.

Minority Investment

PCF II Fund may make minority equity investments in entities in which it does not participate in the day-to-day management or otherwise legally control the business or affairs of such entities. The General Partner will monitor the performance of each investment, maintain an ongoing dialogue with each portfolio company's management team and generally seek board representation as a condition of investment. However, it will be primarily the responsibility of the management of the portfolio company to operate the company on a day-to-day basis and PCF II Fund may not have the right to control decisions proposed to be made by such portfolio company.

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.

Interest Rate Risk

Interest rate risk refers to the risks associated with market changes in interest rates. In general, rising interest rates will negatively impact the price of fixed rate debt instruments and falling interest rates will have a positive effect on the price of such debt instruments. Declines in market value, if not offset by any corresponding gains on hedging instruments, may ultimately reduce earnings or result in losses to PCF II Fund. In addition, the prices of long-term debt obligations generally fluctuate more than prices of short-term debt obligations as interest rates change. To the extent PCF II Fund invests in longer-term investments, it will be impacted to a greater degree by changes in market interest rates than if it invested in short-term debt securities.

Credit Risk

PCF II Fund may provide debt financing to companies. As a result, it may be subject to significant credit risk (i.e., the risk that an issuer or borrower will default in the payment of principal and/or interest on a debt instrument) in light of its investment strategy. Credit risk also includes the risk that a counterparty will be unwilling or unable to meet its obligations. Financial strength and solvency of an issuer or borrower are the primary factors influencing credit risk. In addition, degree of subordination, lack or inadequacy of collateral or credit enhancement for a debt instrument may affect its credit risk. In some cases, the credit risk of some of PCF II Fund's investments may be broadly gauged by the credit ratings of such companies. However, ratings are only the opinions of the agencies issuing them, may change less quickly than relevant circumstances, are not absolute guarantees of the quality of the rated securities and are subject to downgrade. Additionally, the Investment Advisors may rely on their own independent analysis of the credit quality and risks associated with individual securities considered for PCF II Fund rather than relying on ratings agencies or third-party research, and there can be no assurance that the Investment Advisors will be successful in this regard.

Failure to Make Capital Contributions

If any Limited Partner fails to fund its subscription obligation or make required capital contributions when due, PCF II Fund's ability to complete its investment program or otherwise continue operations may be impaired. A default by a substantial number of Limited Partners could leave PCF II Fund with less than the minimum capital commitment and would limit opportunities for investment diversification and likely reduce returns to PCF II Fund.

Counterparty Risk

PCF II Fund is subject to credit risk with respect to the counterparties to instruments entered into directly. PCF II Fund will also be subject to the risk that a counterparty to a trade may become unwilling or unable to meet its obligations prior to settlement. If a counterparty becomes bankrupt or otherwise fails to perform its obligations due to financial difficulties, PCF II Fund may experience significant delays in obtaining any recovery in a bankruptcy or other reorganization proceeding.

PCF II Fund may obtain only a limited recovery or may obtain no recovery in such circumstances. The Investment Advisors are not restricted from dealing with any particular counterparty or from concentrating any or all of their transactions with a single counterparty. The ability of the Investment Advisors to transact business with any one or number of counterparties, the lack of any independent evaluation of such counterparties' financial capabilities, and the absence of a regulated market to facilitate settlement may increase the potential for losses by PCF II Fund, especially during unusually adverse market conditions.

REGIONAL INVESTMENT RISK

Economic Risks

The economies of the Caribbean region may differ favorably or unfavorably from the U.S. economy with regard to the rate of growth of gross domestic product, the rate of inflation, capital reinvestment, resource self-sufficiency and balance of payments. Economic institutions are continuing to evolve throughout the Caribbean region and their progress is often difficult to evaluate. Certain enterprises continue to operate under inefficient management structures with little accountability. Capital and advanced technology in certain countries of the Caribbean region are in short supply. Market institutions have not yet developed in such a way as to allocate resources efficiently among firms. While basic bankruptcy laws are evolving, there is insufficient experience in the Caribbean region to ensure that such laws will permit the orderly liquidation of inefficient firms.

Severe Weather and Natural Disasters

The Caribbean region is subject to severe weather and natural disasters, such as hurricanes, tornadoes and thunderstorms and floods which, if severe, could adversely affect the business operations of PCF II Fund portfolio companies and the general economic conditions of the Caribbean region. Furthermore, severe weather and related property damage may require one or more of PCF II Fund's investments to incur additional and unexpected expenses, which may adversely impact the Company's investments.

Tax Risks

Tax laws in many countries in the Caribbean region may be burdensome to private enterprise. Changes to taxation treaties (or their interpretation) between the countries of the Caribbean region and countries through which PCF II Fund or its subsidiaries invest may severely and adversely affect PCF II Fund's ability to efficiently realize income or capital gains. Consequently, it is possible that PCF II Fund may face unfavorable tax treatment in the Caribbean region which may materially adversely affect the value the Company's investment in PCF II Fund.

Political and Social Risks

The availability of investment opportunities for PCF II Fund depends on the continued support of the governments in the Caribbean region for liberalization of economic policies and the development of the private sector. There can be no assurance that these governments will continue these policies or that other factors negatively affecting PCF II Fund will not develop. In either case, prices for securities of issuers in these countries could fail to appreciate as the General Partner anticipates and in fact could decline, thereby impairing the ability of PCF II Fund to achieve its investment objective of capital appreciation.

PCF II Fund does not intend to obtain political risk insurance. Actions of one or more of the governments of the Caribbean region in the future could have a significant effect on the various economies, which could affect private sector companies and PCF II Fund, market conditions, and prices and yields of securities in PCF II Fund's portfolio. Political and economic instability in the Caribbean region or in any particular country in which PCF II Fund invests could adversely affect its investments.

Certain governments in the Caribbean region have held power for a number of years, which has led to a relatively stable political environment, conducive to economic growth and development. The political systems of a number of these countries, however, have little experience with respect to orderly changes of political leadership or control of the government. A variety of political or economic events could result in significant changes in the leadership or political structure of the countries of the Caribbean region.

There can be no assurance that such changes will be carried out in an orderly manner, or that a successor government or administration will not implement policies that have a material adverse effect on the economy of any particular country or PCF II Fund's investments in that country.

Certain countries in the Caribbean region undergo frequent changes in government. Over time, such changes may cause inconsistent economic policy and weaken the economic institutions and consequently the economic growth of such countries.

In certain countries in the Caribbean region, any economic reforms enacted that lead to a more open market and encourage foreign investment may be curtailed or stalled by political opposition. Political opposition could lead to restrictions on foreign direct investment including limitations on investment returns, and such restrictions would have an adverse effect on PCF II Fund's investments.

Territorial disputes and competing territorial claims exist among certain countries in the Caribbean region. These disputes may or may not break out into open hostilities or international crises. In the event such hostilities or crises do materialize, the investment climate in the affected countries could deteriorate and adversely impact PCF II Fund's investments.

Restrictions on Repatriation of Capital

Countries of the Caribbean region may control, in varying degrees, the repatriation of capital and profit that result from foreign investment. Capital markets, often opaque, continue to be highly regulated and will likely be subject to continuing government restrictions. The Company could be adversely affected by delays in or a refusal to grant required governmental registration or approval for any such proposed repatriation. There can be no assurance that the Company will be permitted to repatriate capital or profits, if any, over the life of its activities.

CORPORATE GOVERNANCE STATEMENT

The Board of Directors of PJX is pleased to present the Company's Annual Report for the year ended February 28, 2022 to its shareholders. During the financial year, the Board continued to exercise good corporate governance practices and received the full support of the Fund Managers, Portland Private Equity II, Ltd. (PPE). The outcome of these practices was another year of success in the management of the Company's equity investment portfolio for the benefit of the shareholders.

BOARD OF DIRECTORS

There are now five members on the Board who, taken collectively, possess the skills, qualification and experience that provide strong leadership and oversight of the Company's activities. Through the work of a small Board committee which focused on enhancing board diversity, Ms. Brenda Duncan, a Chartered Accountant, was selected from several eligible candidates to join the Board of Directors effective June 23, 2022. Her addition is expected to further cultivate and ensure an even broader spectrum of demographic attributes and characteristics in the boardroom.

The Board consists mainly of independent non-executive directors which conforms to the Company's Corporate Governance Policy where independence is defined as a non-executive director who, in the determination of the Board, has no material relationship with the Company, either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company.

ROLE OF THE BOARD

The Board is vested with the power to perform all acts that are necessary or considered useful to realize the Company's objectives. It is responsible to oversee the performance of the Fund Managers and to define the general policies under which the operations of the Company are conducted while ensuring compliance with the provisions of the International Business Corporations Act of St. Lucia, the Jamaica Stock Exchange Main Market Rules and other relevant laws and guidelines including the Jamaican Securities Act, and risk mitigation.

ATTENDANCE AT MEETINGS OF THE BOARD

In principle, the Board meets on a quarterly basis in each financial year. During the reporting year, all four meetings were held as well as two special informal meetings that focused on the future strategic direction of the Company and the development of a strategic plan.

See the following attendance record for regular Board meetings:

Names of Directors	Meetings Attended
Douglas Hewson, *Chair*	4/4
Jonathan Murphy	3/4
N. Patrick McDonald	4/4
Patricia Francis	4/4

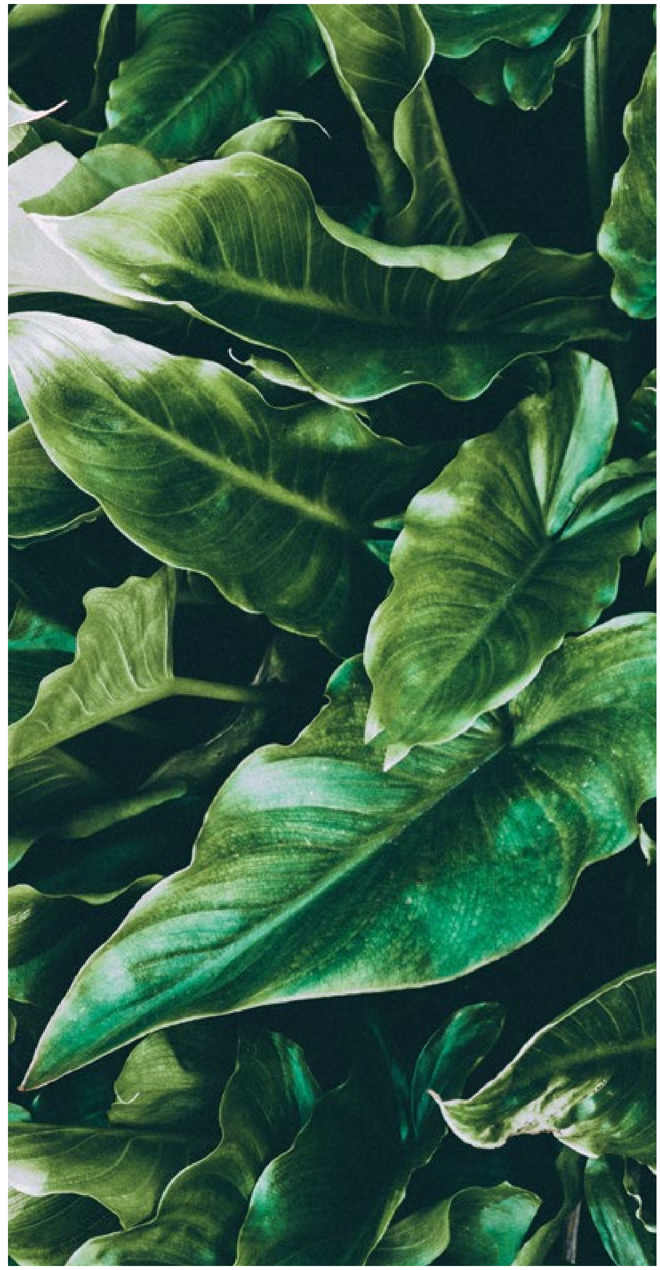
A majority of the Directors also attended and participated in the Company's annual general meeting held on September 15, 2021.

BOARD SUBCOMMITTEES

There are two permanent committees of the Board, namely the Audit Committee and the Compensation Committee. Members of these committees are appointed by the Board and the responsibilities are established by Board approved terms of reference. The Board ensures that the Committees are chaired and comprised mainly of independent directors.

BOARD COMMITTEE – AUDIT

The Audit Committee advises the Board on accounting, audit, and internal control matters, and has responsibility to monitor the integrity of the Company's financial statements and accounting and financial processes, financial statements audits and risk management. It also reviews the Company's corporate governance statement; evaluates the independence and performance of the auditors, particularly the provision of audit-related services, if any; makes regular contact with the external auditors and reviews the quarterly and audited financial reports. The Committee meets twice in each financial year but only one meeting was held in the year at which its members, Director Jonathan Murphy (Acting Chair) and Director Patricia Francis were in attendance. Brenda Duncan has accepted the Board's invitation to sit on the audit committee.



BOARD COMMITTEE – COMPENSATION

The Compensation Committee meets only on an ad hoc basis and its membership is comprised of Directors Jonathan Murphy, N. Patrick McDonald and Patricia Francis. No meetings were held during the reporting year.

BOARD PERFORMANCE EVALUATION

A performance evaluation of the Board and its members was conducted in the financial year and the results of the questionnaires were assessed in July 2021. It was concluded that the Board had a good understanding of the Company's performance and took collective responsibility for the outcomes. However, areas were identified for improvement which the Board and the Managers are in the process of addressing.

“Excellence is the result of caring more than others think is wise, risking more than others think is safe, dreaming more than others think is practical, and expecting more than others think is possible.

Michael Lee-Chin
Chair, Portland Private Equity

DIRECTOR SHAREHOLDINGS

LIST OF SHAREHOLDINGS OF DIRECTORS AND SENIOR MANAGEMENT AND THEIR CONNECTED PERSONS AS AT FEBRUARY, 28, 2022

Director	Shareholdings	Connected Persons
Douglas Hewson	Nil	Portland Fund II GP, Inc. Controlling Shareholder through Preferred Shares
Patricia R. Francis	Nil	-
N. Patrick McDonald	Nil	-
Jonathan Murphy	Nil	-

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

TOP 10 SHAREHOLDERS

TOP TEN LARGEST SHAREHOLDERS AS AT FEBRUARY 28, 2022

Rank	Shareholder	Holdings	Percentage Holdings of PJX
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	Guardian Life Limited	13,063,400	4.21%
8	WellJen Limited	11,500,000	4.07%
9	Guaradian Life Limited/Pensions Fund	11,454,500	3.71%
10	VMWealth Equity Fund	11,265,868	3.63%
	Subtotal	**197,171,778**	**63.6%**
	Total	**309,968,261**	**100%**

FINANCIAL OVERVIEW

OPERATIONS HIGHLIGHTS

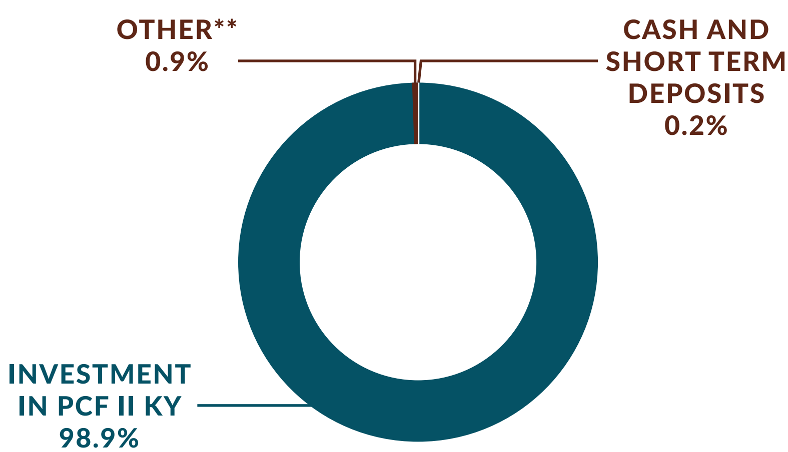
For the year ended February 28, 2022, the Company experienced an increase in the fair value of the investment in PCF II KY. The increase in fair value of the investment in PCF II KY was $4,376,338, which was attributable to one additional investment and a revaluation of the underlying portfolio during the reporting year. The most significant changes in value within the underlying portfolio companies came from Productive Business Solutions Limited, Portland Energy, L.P./Portland Panama Wind, L.P. and Outsourcing Management Limited.

Operating expenses were $860,866 for the year. In the prior year, operating expenses totaled $604,510, which included management fees and operating expenses. PCF II Fund closed one follow-on investment during the year in Merqueo S.A.S, and three loans to Diverze Assets Inc., Merqueo S.A.S & Interlinc Group Limited.

Summary of Investment Activity (USD)	Feb 28, 2022	Feb 28, 2021
Fair Value of Investment in PCF II KY	35,807,571	31,431,233
Cumulative Capital Contributions to PCF II KY	29,591,988	29,539,454
Unfunded Commitment to PCF II KY	2,408,012	2,460,546

ASSET BREAKDOWN

As in prior periods, the main assets are the investment in PCF II KY and cash instruments. The following illustrates the asset make up of the Company*.



**Excludes OML Investment. All equity associated with the investment in OML Preference Shares is attributable strictly to the Equity Linked preference shares and should not impact any other shareholders in the Company. This instrument has been structured to preclude recourse against any other assets of the Company, and therefore, equity of any other shareholders.*

***Comprised of receivables*

PJX OPERATIONS

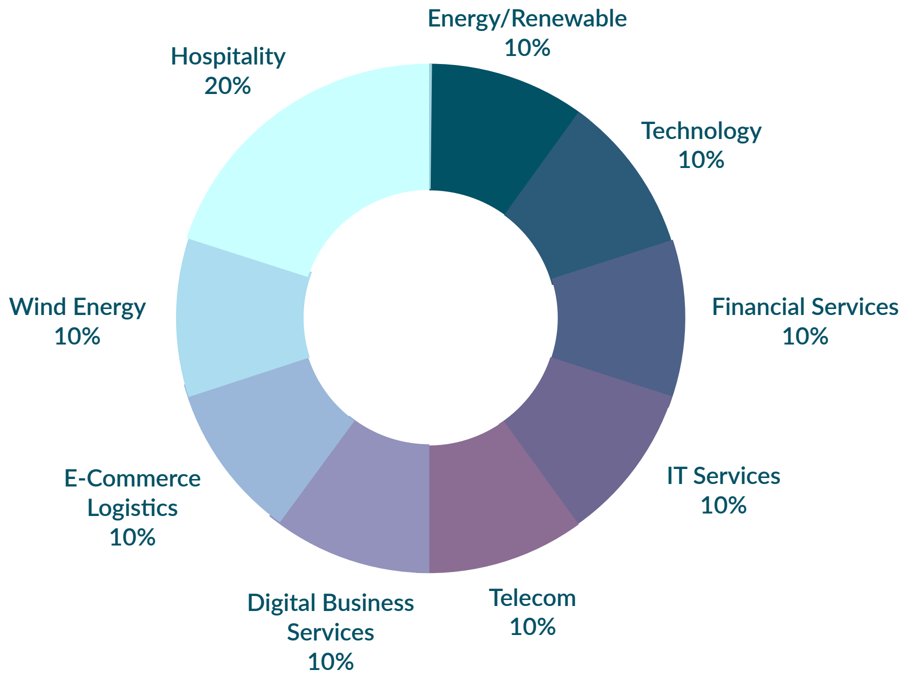
Shareholders’ Equity	Feb 28, 2022	Feb 28, 2021	Feb 29, 2020	Feb 28, 2019	Feb 28, 2018	Feb 28, 2017
Shareholders' Equity Brought Forward	27,802,660	25,686,669	24,341,264	25,663,171	23,765,556	13,777,089
Share Capital, Opening	25,682,953	25,682,953	25,682,953	25,682,953	25,682,953	14,104,694
Shares Issued	-	-	-	-	-	11,578,259
Share Capital, Ending	25,682,953	25,682,953	25,682,953	25,682,953	25,682,953	25,682,953
Retained Earnings (Deficit), Opening	2,119,707	3,716	(1,341,689)	(19,782)	(1,917,397)	(327,605)
Net Profit (Loss)	4,277,269	2,115,991	1,345,405	(1,321,907)	1,897,615	(1,589,792)
Retained Earnings (Deficit), Ending	6,396,976	2,119,707	3,716	(1,341,689)	(19,782)	(1,917,397)
Fair Value Gains (Losses) During the Year	5,349,614	2,603,701	2,309,251	(665,282)	2,074,249	(437,923)
Ordinary Shareholders' Equity Carried Forward	32,233,851	27,802,660	25,686,669	24,341,264	25,663,171	23,765,556
Investment Revaluation Reserve (OML)*	153,922	-	-	-	-	-
Total Shareholders' Equity Carried Forward	32,079,929	-	-	-	-	-

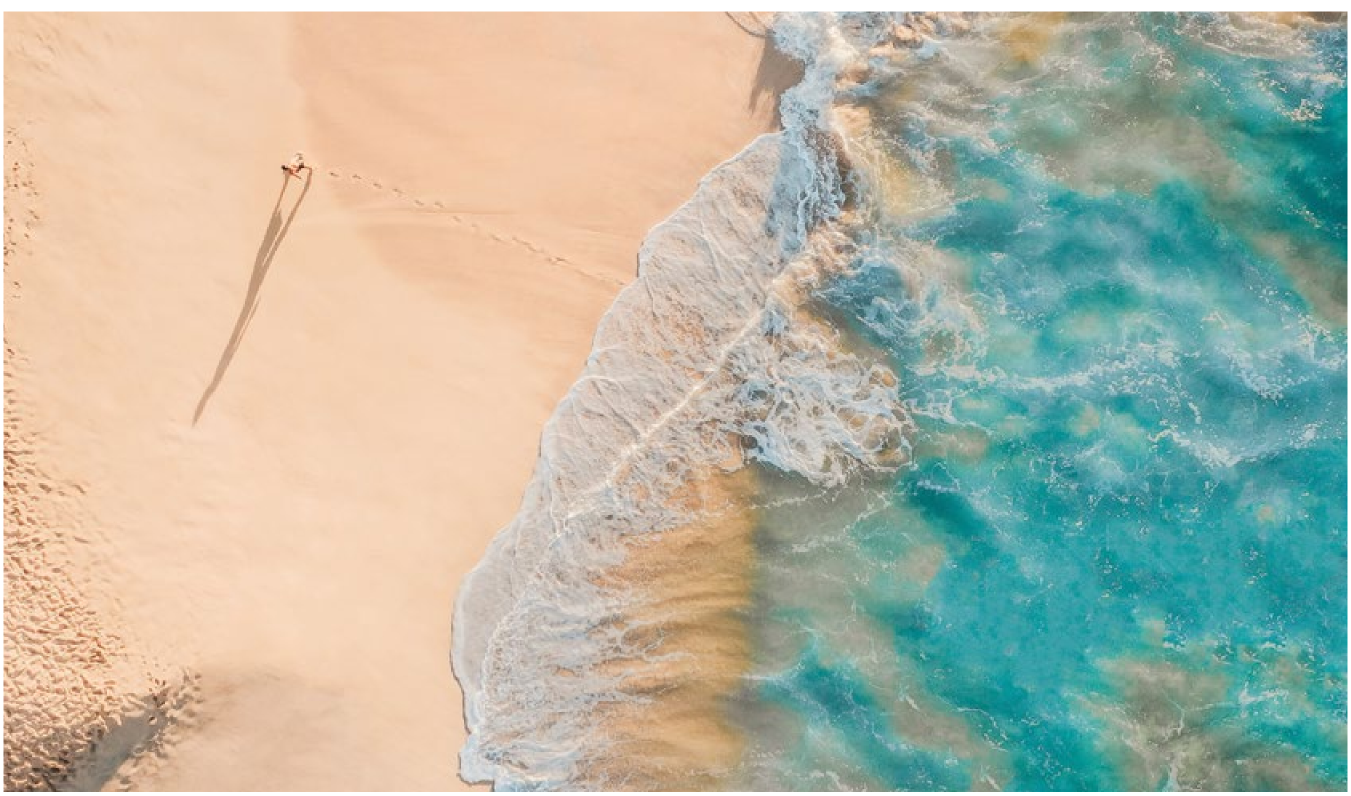
Operating Results (USD)	Feb 28, 2022	Feb 28, 2021	Feb 29, 2020	Feb 28, 2019	Feb 28, 2018	Feb 28, 2017
Profit (Loss) Before Tax	4,277,269	2,115,991	1,345,405	(1,319,658)	1,897,921	(1,589,792)
Taxation	-	-	-	(2,249)	(306)	-
Net Profit (Loss) After Tax	4,277,269	2,115,991	1,345,405	(1,321,907)	1,897,615	(1,589,792)
Attributable to Ordinary Shareholders of the Company	4,277,269	2,115,991	1,345,405	(1,321,907)	1,897,615	(1,589,792)

**Associated with the OML Investment (made in FY2021-2022). All equity associated with the investment in OML Preference Shares is attributable strictly to the Equity Linked preference shares and should not impact any other shareholders in the Company. This instrument has been structured to preclude recourse against any other assets of the Company, and therefore, equity of any other shareholders.*

PORTFOLIO OVERVIEW

SECTOR DIVERSIFICATION





AUDITED FINANCIAL STATEMENTS

YEAR ENDED FEBRUARY 28, 2022

KPMG
204 Johnsons Centre
No. 2 Bella Rosa Road
Gros-Islet
Saint 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 34, which comprise the statement of financial position as at February 28, 2022, 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, 2022, 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 International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (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 investments

The valuation of the Company's unquoted equity investment in Portland Caribbean Fund II, L.P. ('the Fund') and Outsourcing Management Limited ('OML') have been identified as areas of significant risk, given that the measurement of unquoted investments includes significant assumptions and judgments about the performance of the underlying investments, market comparables and discounts used in the valuations.

The valuation estimate involves increased judgement in light of the economic impact of Covid-19 on the underlying investments. The volatility of prices on various markets has increased, which affects the fair value measurement either directly, if fair value is determined based on market prices, or indirectly if a valuation technique is based on inputs that are derived from volatile markets.

Our audit procedures in this area included the following:

- Using our own valuation specialists, assessing the reasonableness of the valuation methodologies employed by the Management Company and the fair value conclusions in respect of the underlying investments up to the reporting date. We considered the provisions of IFRS 13 *Fair Value Measurement* and the sources of data for market comparables, discounts and other assumptions utilised to value the underlying investments.

- Understanding and challenging the key assumptions and judgments affecting the investment valuations prepared by the Management Company.

- Assessing the adequacy and appropriateness of the Company's disclosures relating to its investments, including the valuation techniques and significant inputs in accordance with IFRS 13 (note 18).

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
PORTLAND JSX LIMITED

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.

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.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
PORTLAND JSX LIMITED

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.

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 28, 2022

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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PORTLAND JSX LIMITED

Statement of Financial Position
February 28, 2022
(expressed in United States dollars unless otherwise stated)

	Notes	2022	2021
ASSETS			
NON-CURRENT ASSETS			
Financial investment, at fair value through profit or loss	5	35,807,571	31,431,233
Financial investment, at fair value through other comprehensive income	6	5,000,000	-
		40,807,571	31,431,233
CURRENT ASSETS			
Cash and cash equivalents	7	156,795	1,709
Securities purchased under resale agreements	8	87,918	83,423
Dividend receivable on preference shares		136,111	-
Receivables and prepayments	9	37,875	38,325
		418,699	123,457
Total assets		$41,226,270	31,554,690
CURRENT LIABILITIES			
Due to related parties	19(c)	53,934	208,027
Dividend payable on redeemable preference shares		108,889	-
Payables	10	106,318	96,923
		269,141	304,950
NON-CURRENT LIABILITIES			
Bond payable	11	3,877,200	3,447,080
Redeemable preference shares	12	4,846,078	-
		8,723,278	3,447,080
Total liabilities		8,992,419	3,752,030
EQUITY			
Share capital	13(a)	25,682,953	25,682,953
Investment revaluation reserve	13(b)	153,922	-
Retained earnings		6,396,976	2,119,707
Total equity		32,233,851	27,802,660
Total liabilities and equity		$41,226,270	31,554,690

The financial statements on pages 7 to 34 were approved for issue by the Board of Directors on April 28, 2022 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, 2022
(expressed in United States dollars unless otherwise stated)

	Notes	2022	2021
INCOME			
Interest income, calculated using the effective interest method		2,654	4,428
Net fair value gains on financial investment at FVTPL		5,349,614	2,603,701
Dividend income from financial instrument at FVOCI		136,111	-
Distributions of partnership interest income		-	128,901
Net foreign exchange gains		96,327	330,112
		5,584,706	3,067,142
EXPENSES			
Operating expenses	14	(860,866)	(604,510)
Operating profit before finance costs		4,723,840	2,462,632
Dividends paid to holders of redeemable preference shares		(108,889)	-
Interest expense on bond payable		(337,682)	(346,641)
Total finance costs		(446,571)	(346,641)
Profit for the year		4,277,269	2,115,991
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified to profit or loss:			
Unrealised gains on redeemable preference shares at FVOCI	13(b)	153,922	-
Total comprehensive income		$4,431,191	2,115,991
Earnings per ordinary share (expressed as ¢ per share)	15	1.38¢	0.68¢

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, 2022
(expressed in United States dollars unless otherwise stated)

	Notes	2022	2021
INCOME			
Interest income, calculated using the effective interest method		2,654	4,428
Net fair value gains on financial investment at FVTPL		5,349,614	2,603,701
Dividend income from financial instrument at FVOCI		136,111	-
Distributions of partnership interest income		-	128,901
Net foreign exchange gains		96,327	330,112
		5,584,706	3,067,142
EXPENSES			
Operating expenses	14	(860,866)	(604,510)
Operating profit before finance costs		4,723,840	2,462,632
Dividends paid to holders of redeemable preference shares		(108,889)	-
Interest expense on bond payable		(337,682)	(346,641)
Total finance costs		(446,571)	(346,641)
Profit for the year		4,277,269	2,115,991
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified to profit or loss:			
Unrealised gains on redeemable preference shares at FVOCI	13(b)	153,922	-
Total comprehensive income		$4,431,191	2,115,991
Earnings per ordinary share (expressed as ¢ per share)	15	1.38¢	0.68¢

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

PORTLAND JSX LIMITED

Statement of Changes in Equity
Year ended February 28, 2022
(expressed in United States dollars unless otherwise stated)

	Share capital [note 13(a)]	Investment revaluation reserve [note 13(b)]	Retained earnings	Total
Balances at February 29, 2020	25,682,953	-	3,716	25,686,669
Profit for the year, being total comprehensive income	-	-	2,115,991	2,115,991
Balances at February 28, 2021	25,682,953	-	2,119,707	27,802,660
Unrealised gains on preference Shares at FVOCI, being other comprehensive income	-	153,922	-	153,922
Profit for the year	-	-	4,277,269	4,277,269
Total comprehensive income	-	153,922	4,277,269	4,431,191
Balances at February 28, 2022	$25,682,953	153,922	6,396,976	32,233,851

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

PORTLAND JSX LIMITED

Statement of Cash Flows
Year ended February 28, 2022
(expressed in United States dollars unless otherwise stated)

	2022	2021
Cash flows from operating activities		
Profit for the year	4,277,269	2,115,991
Adjustments for:		
Net fair value gains on financial investment, at FVTPL	(5,349,614)	(2,603,701)
Interest income	(2,654)	(4,428)
Dividend income from financial instrument at FVOCI	(136,111)	-
Distributions of partnership interest income	-	(128,901)
Finance costs	446,571	346,641
Net foreign exchange gains	(96,327)	(330,112)
	(860,866)	(604,510)
Changes in operating assets and liabilities:		
Receivables and prepayments	357	1,877
Proceeds on sale of financial investment at FVTPL	973,276	31,532
Purchase of financial investment at FVOCI	(4,846,078)	-
Net (payment)/receipts from securities purchased under resale agreements	(4,495)	183,220
Due to related parties	(154,093)	102,336
Payables	4,602	(21,679)
Cash used in operations	(4,887,297)	(307,224)
Interest received	2,747	4,689
Partnership distributions received	-	128,901
Interest paid	(332,889)	(347,172)
Net cash used in operating activities	(5,217,439)	(520,806)
Cash flows from financing activities		
Proceeds from issue of redeemable preference shares	4,846,078	-
Proceeds from long-term loan	528,436	385,755
Net cash provided by financing activities	5,374,514	385,755
Net increase/(decrease) in cash and cash equivalents	157,075	(135,051)
Effect of exchange rate changes on cash held	(1,989)	-
Cash and cash equivalents at beginning of year	1,709	136,760
Cash and cash equivalents at end of year	$ 156,795	1,709

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

1. The Company

Portland JSX Limited ("PJX" or "the Company") was incorporated in Saint Lucia on September 15, 2015 as an International Business Company ("IBC") with IBC number 2015-00335, and commenced operations on October 1, 2015. The registered office of the Company is located at the offices of McNamara Corporate Services Inc., 20 Micoud Street, Castries, Saint Lucia. The primary business of the Company is that of a Limited Partner in Portland Caribbean Fund II, L.P. (the "Fund" or the "Partnership"). 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. During the year, the Company added to its investment portfolio preference shares held in Outsourcing Management Limited (note 6).

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, 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:

The Fund pays a Management Fee of 1.75% of invested capital calculated at the beginning of the quarter that the management fee is related to.

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”).

Certain amended standards come into effect during the financial year. The Company has assessed them and determined that none of them had any significant effect on the amounts and disclosures in the financial statements.

Amended standards that have been issued but are not yet effective

At the reporting date, certain 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:

- Amendments to IAS 1 *Presentation of Financial Statements* are effective for annual periods beginning on or after January 1, 2023 and may be applied earlier. The amendments help companies provide useful accounting policy disclosures.

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

(a) Statement of compliance (continued)

Amended standards that have been issued but are not yet effective (continued)

- Amendments to IAS 1 *Presentation of Financial Statements* (continued)

  The key amendments to IAS 1 include:

  - requiring companies to disclose their *material* accounting policies rather than their *significant* accounting policies;
  - clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
  - clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.

  The amendments are consistent with the refined definition of material:

  "Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements".

- Amendments *to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors* are effective for periods beginning on or after January 1, 2023, with early adoption permitted. The amendments introduce a new definition for accounting estimates: clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty.

  The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy.

  Developing an accounting estimate includes both:

  - selecting a measurement technique (estimation or valuation technique) – e.g. an estimation technique used to measure a loss allowance for expected credit losses when applying IFRS 9 *Financial Instruments*; and
  - choosing the inputs to be used when applying the chosen measurement technique – e.g. the expected cash outflows for determining a provision for warranty obligations when applying IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

  The effects of changes in such inputs or measurement techniques are changes in accounting estimates.

- Amendments to IAS 1 *Presentation of Financial Statements*, will apply retrospectively for annual reporting periods beginning on or after January 1, 2023. The amendments promote consistency in application and clarify the requirements on liability is current or non-current.

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

(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 and financial assets at fair value through other comprehensive income.

(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 4.

(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. Summary of significant accounting policies

The company has consistently applied the accounting policies as set out below to all periods presented in these financial statements.

(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 cash equivalents

Cash and cash equivalents include bank balances and highly liquid financial assets with original maturities of less than ninety days from date of placement. Cash and short-term deposits are measured at amortised cost.

(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.

3. Summary of significant accounting policies (continued)

(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, financial investment at fair value through other comprehensive income, cash and cash equivalents, securities purchased under resale agreements, receivables (excluding prepayments), dividend receivable and financial liabilities including bond payable, dividend payable, payables and redeemable preference shares.

(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 financial liabilities are recognised on the date they are originated.

Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost and investments in debt instruments measured at FVOCI, which results in an accounting loss being recognised in profit or loss when an asset is newly 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

On initial recognition, the Company classified its financial assets in the following measurement categories:

- Fair value through profit or loss (FVTPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost.

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 or FVOCI..

3. Summary of significant accounting policies (continued)

(d) Financial instruments (continued)

(ii) Classification (continued)

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.

The Company has determined that it has two business models.

- Held-to-collect business model: this includes cash and cash equivalents, securities purchased under resale agreements, dividend receivable and receivables (excluding prepayments). These financial assets are held to collect contractual cash flows.
- Other business model: this includes financial investment at FVTPL and FVOCI. These financial assets are managed and their performance is evaluated, on a fair value basis.

3. Summary of significant accounting policies (continued)

(d) Financial instruments (continued)

(ii) Classification (continued)

Business model assessments (continued):

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.

Financial liabilities

The Company classifies financial liabilities as measured at amortised cost.

(iii) Amortised cost measurement

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial 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.

3. Summary of significant accounting policies (continued)

(d) Financial instruments (continued)

(iv) Fair value measurement

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

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

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

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

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

(v) Derecognition

The Company derecognises a financial 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.

3. Summary of significant accounting policies (continued)

(d) Financial instruments (continued)

(vi) Offsetting

Financial assets and financial 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

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.

In determining whether the credit risk of a financial asset has increased significantly since initial recognition for 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, 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.

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'.

3. Summary of significant accounting policies (continued)

(d) Financial instruments (continued)

(vii) Identification and measurement of impairment (continued)

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.

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.

(e) Bond payable

A bond is recognised initially at fair value net of directly attributable transaction costs and is subsequently measured at amortised cost. Any difference between the proceeds received (net of transaction costs) and the redemption value is recognised through profit or loss over the period of the loan using the effective interest method.

3. Summary of significant accounting policies (continued)

(f) 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 3(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.

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.

(g) Interest expense

Interest expense is recognised in profit or loss using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the amortised cost of the financial liability.

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 issue of the financial liability.
The 'amortised cost' of a financial liability is the amount at which the financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation of any difference between that initial amount and the maturity amount.

3. Summary of significant accounting policies (continued)

(g) Interest expense (continued)

The effective interest rate of a financial liability is calculated on initial recognition of a financial liability. In calculating interest expense, the effective interest rate is applied to the amortised cost of the liability.

Interest expense presented in the statement of profit or loss and OCI includes financial liabilities measured at amortised cost.

(h) Dividend expense on redeemable preference shares

Dividend payable to the holder of redeemable preference share is recognised in the profit or loss as 'finance costs' when the right to made payment is established.

(i) Net gains and losses from financial assets classified as fair value through profit (FVTPL) or loss and fair value through other comprehensive income (FVOCI)

Financial instrument at FVTPL:

This asset is subsequently measured at fair value. Net gains and losses from this financial instrument includes all realised and unrealised fair value changes but excludes interest, and distributions of partnership income and are recognised in profit or loss within 'net fair value gains on financial investment at FVTPL'. Realised gains and losses are calculated using the specific identification method.

Financial instrument at FVOCI:

This asset is subsequently measured at fair value. Dividends are recognised as income in profit or loss when declared, unless the dividend clearly represents a recovery of part of the cost of the investment and are presented within 'dividend income from financial instrument at FVOCI'. Other net gains and losses are recognised in other comprehensive income and are never reclassified to profit or loss.

(j) Taxation

The Company is subject to tax at 1% of its taxable income in Saint Lucia. Effective January 1, 2019, the tax rate on foreign source income in St. Lucia has moved from being 1% to being exempt from taxation. There was no tax charge during the year.

(k) Segment reporting:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses; whose operating results are regularly reviewed by the entity's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assesses its performance; and for which discrete financial information is available.

Based on the information presented to and reviewed by the CODM, the Company has no separately identifiable operating segment.

4. 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 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 and investment held in Outsourcing Management Limited ('OML preference shares') 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 and OML preference shares from those reflected in the statement of financial position.

5. Financial investment at FVTPL

This represents an unquoted equity investment in the Fund. The Fund is managed by Portland Private Equity II, Ltd. 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"), which excludes Cuba, Mexico and Venezuela. 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.

6. Financial investment at FVOCI

This represents cumulative convertible preference shares held in Outsourcing Management Limited ('OML') – "itel" (the "OML Preference Shares") that were issued at US$1 per share. Itel is a Business Process company providing voice and non-voice (digital) contact services, as well as high-value customer experience management. Dividend is payable at 5% per annum semi-annually and mature within five years. Subject to certain conditions being met, the preference shares are convertible to Series B ordinary shares at the earlier of three years or the investee attaining an agreed upon pre-money valuation, based on an agreed upon multiple and trailing earnings before interest, taxation, depreciation, and amortization.

7. Cash and cash equivalents

Cash and cash equivalents represents deposits in savings accounts held with a licensed commercial bank, of which $155,088 (2021: $NIL) is held for the benefit of JCSD Trustee Services Limited, in respect of bond payable arrangement (note 11).

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.

(expressed in United States dollars unless otherwise stated)

9. Receivables and prepayments

	2022	2021
Interest receivable	98	191
Prepaid management fees [note 19 (c)]	37,777	38,134
	$37,875	38,325

10. Payables

	2022	2021
Management fee payable on redeemable preference shares* [note 19(c)]	5,444	-
Loan review fees payable	-	7,755
Interest payable	57,727	52,934
Withholding tax payable	24	47
Other payables and accruals	43,123	36,187
	$106,318	96,923

* This represents amount payable to the Managers of the Company related to their share of dividend allocated on redeemable preference shares. See note 12.

11. Bond payable

On April 16, 2021, the Company entered into a bond purchase agreement (five-year term) with JCSD Trustee Services Limited for J$600,000,000 (US$3,964,200) to refinance the loan with Victoria Mutual Investments Limited (J$520,000,000). The bond bears interest at a fixed rate of 8% per annum, payable on a quarterly basis. The principal sum (plus any accrued interest) is repayable by way of a lump sum payment at the end of the term.

As at February 28, 2022, the principal amount outstanding amounted to J$600,000,000 (US$3,877,200) [2021: J$520,000,000 (US$3,447,080)].

12. Redeemable preference shares

On August 16, 2021, the Company issued US$5,000,000 redeemable preference shares, less transaction costs of US$153,922. The proceeds from which was used to invest in preference shares of a Portland Caribbean Fund II, L.P. portfolio company, Outsourcing Management Limited. Dividends of 4% per annum are payable semi-annually, which mature within five years. The principal sum is repayable by way of a lump sum payment at maturity. The difference of 1% between the amount payable on these redeemable preference shares and the amount receivable on the Company's investment in OML preference shares (Note 6), is allocated between the Company and the Manager 80%/20%, respectively. See note 10.

The Company's maximum debt to equity should not exceed 3.0x. Redeemable preference shares do not carry the right to vote. All equity associated with the investment in OML Preference Shares (Note 6) is attributable strictly to the Equity Linked preference shares and should not impact any other shareholders in the Company. This instrument has been structured to preclude recourse against any other assets of the Company, and therefore, equity of any other shareholders.

(expressed in United States dollars unless otherwise stated)

13. Share capital and reserves

	2022	2021
(a) Share capital:		
Authorised, issued and fully paid:		
309,968,261 (2020: 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 the Fund, holds 1 (2021: 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.

(b) Investment revaluation reserve:

This represents the accumulative net change in the fair value of financial asset measured at FVOCI, until the asset is derecognised or reclassified.

14. Expenses by nature

	2022	2021
Accounting fees	21,932	25,720
Audit fees	36,155	29,691
Directors' fees [note 19(d)]	16,250	19,518
Other operating expenses	183,881	33,257
Administrative expenses	27,562	18,242
Irrecoverable withholding taxes	663	529
Legal and professional fees	115,230	25,970
Management fees related to redeemable preference shares [note 19(d)]	5,444	-
Management fees [note 19(d)]	453,749	451,583
	$860,866	604,510

15. Earning per ordinary share

The calculation of basic earnings per ordinary share is calculated by dividing the profit for the year by the weighted average number of ordinary shares in issue for the year of 309,968,261 (2021: 309,968,261).

16. 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 cash equivalents, securities purchased under resale agreements and investments in the Fund and OML preference shares.

The Company has a significant concentration of credit risk at the reporting date in respect of certain financial investments with the Fund, OML preference shares and cash and cash equivalents and securities purchased under 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.

(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.

16. Financial risk management (continued)

(c) Market risk (continued)

(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

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The main currency giving rise to this risk is the Jamaica dollar (J$).

At the reporting date, the J$ dollar equivalents of net foreign currency liabilities were as follows:

	2022 J$'000	2021 J$'000
Bond payable	(600,000)	(520,000)
Cash and cash equivalents	24,000	-
Security purchased under resale agreements	3,711	1,112
Interest payable	(8,933)	(7,985)
	(581,222)	(526,873)

The exchange rate of the US$ to the J$ at the reporting date was $154.75 (2020: US$1.00 to J$150.85).

Foreign currency sensitivity

The effect of a 6% (2021: 6%) strengthening of the United States dollar against the Jamaica dollar at the reporting date would, all other variables held constant, have resulted in an increase in profit or loss for the year of US$212,595 (2020: US$205,068). A 2% (2021: 2%) weakening in the exchange rate would, on the same basis, have resulted in a decrease in profit or loss of US$76,650 (2021: US$63,907).

(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 liabilities which includes cash and cash equivalents and securities purchased under resale agreements.

(expressed in United States dollars unless otherwise stated)

16. Financial risk management (continued)

(d) Liquidity risk (continued)

The table below presents the residual contractual maturities of undiscounted cash flows (both interest and principal cash flows) of the Company's financial liabilities.

	2022				
	Within 3 months	3 to 12 months	Over 1 year	Contractual cash flows	Carrying amount
Financial liabilities					
Due to related parties	53,934	-	-	53,934	53,934
Redeemable preference shares	-	114,333	5,085,667	5,200,000	4,846,078
Dividend payable on preference shares	-	108,889	-	108,889	108,889
Payables	100,874	5,444	-	106,318	106,318
Bond payable	92,084	276,251	5,135,675	5,504,010	3,877,200
	$246,892	504,917	10,221,342	10,973,151	8,992,419

	2021				
	Within 3 months	3 to 12 months	Over 1 year	Contractual cash flows	Carrying amount
Financial liabilities					
Due to related parties	208,027	-	-	208,027	208,027
Payables	96,923	-	-	96,923	96,923
Bond payable	81,868	245,604	4,565,945	4,893,417	3,447,080
	$386,818	245,604	4,565,945	5,198,367	3,752,030

17. 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 the Fund, a private equity fund with a mandate to make investments in equity or debt securities of private companies located in the Caribbean and Latin America.

The Company has made a capital commitment to 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.

17. Capital management (continued)

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.

18. 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 4.

(expressed in United States dollars unless otherwise stated)

18. Fair value of financial instruments (continued)

(a) Accounting classifications and fair values (continued):

	2021				
	Carrying amount			Fair value	
	FVTPL $	FVOCI $	Amortised cost $	Level 2 $	Level 3 $
Financial asset measured at fair value:					
Financial investment at FVPTL	31,431,233	-	-	-	31,431,233
Financial assets not measured at fair value:					
Receivables (excluding prepayments)	-	-	191	191	-
Cash and cash equivalents	-	-	1,709	1,709	-
Security purchased under resale agreement	-	-	83,423	83,423	-
	31,431,233	-	85,323	85,323	31,431,233
Financial liabilities not measured at fair value:					
Due to related parties	-	-	208,027	208,027	-
Payables	-	-	96,923	96,923	-
Bond payable	-	-	3,447,080	3,447,080	-
	-	-	3,752,030	3,752,030	-

Financial assets and financial liabilities in table above are classified at level 2 either due to their short-term nature or when non-current due to no discount anticipated on settlement.

(b) Reconciliation of Level 3 fair value:

The following table shows a reconciliation for the financial investment, measured at fair value:

	Unquoted investment	
	2022	2021
Balance at beginning of the year	31,431,233	28,859,063
Net change in fair value recognised in profit or loss	5,349,614	2,603,701
Additional investments during the year	4,846,078	451,348
Net change in fair value recognised in OCI	153,922	-
Financial investment distributions received	(973,276)	(482,879)
Balance at end of year	$40,807,571	31,431,233

19. 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).

(expressed in United States dollars unless otherwise stated)

19. Related party balances and transactions (continued)

(a) Definition of related party (continued):

(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.

(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) Identification 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:

	2022 $	2021 $
Financial investment at FVTPL	35,807,571	31,431,233
Management fee payable on redeemable preference shares (note 10)	5,444	-
Prepaid management fees* (note 9)	37,777	38,134
Due to related entities - Portland Private Equity II Ltd.*	(53,934)	(208,027)

*These related party balances are interest free and unsecured and are expected to be settled within the next twelve months.

(expressed in United States dollars unless otherwise stated)

19. 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:

	2022 $	2021 $
Net fair value gain on financial investment, at FVTPL	5,349,614	2,603,701
Management fees related to redeemable preference shares (note 14)	5,444	-
Key management compensation:		
Management fees (note 14)	(453,749)	(451,583)
Directors' fees (note 14)	(16,250)	(19,518)
	(469,999)	(471,101)

20. Impact of COVID 19

The World Health Organization (WHO) declared the novel Coronavirus (COVID-19) outbreak a pandemic on March 11, 2020. The economy continues to show signs of recovery from the negative impacts of COVID-19 in 2021. The global economy is expected to recover in 2022 with growth being driven by sustained vaccination efforts, greater reopening of the global economy.

There could however be further significant negative financial effects on the Company, depending on factors such as the duration and spread of new variants and possible restrictions and advisories from global Government until the virus is controlled through vaccination, the effects on the financial markets, and the effects on the economy overall, all of which are highly uncertain and cannot be estimated reliably at this time.

The Directors continue to conduct its risk assessments, scenario planning and establish action plans as part of managing the continued operations of the business. At the date of approving these financial statements, the Directors are of the opinion that the Company will be able to meet its obligations for the next twelve months and to continue as a going concern.

PORTLAND
JSX LIMITED