



**CAC 2000 LTD.**

**INTERIM FINANCIAL REPORT  
FOR THREE MONTHS ENDED**

**31-Jan-16**



## **Report to Stockholders: 3 months ended Jan 31, 2016**

The Board of Directors is pleased to present the unaudited results for the Company for the 1<sup>st</sup> quarter ended January 31<sup>st</sup>, 2016.

In 2015 we received approval to change our financial year from one ending July 31<sup>st</sup> to an ending date of October 31<sup>st</sup> but had used the July 31<sup>st</sup> Audit results in our JSE Prospectus. Audited results for October 31<sup>st</sup> are used as the starting balances in this report.

Turnover of \$229.7M reflects an increase of 31% over 2015 (\$175.3M) and the gross profit margin increased by 33% (from \$64.4M to \$85.7M).

Operating expenses movement of 39.2% (from \$42.4M to \$59.0M) reflects the investment in additional resources, started in early 2015, needed to support the expected growth in business and the IPO/public listing (that took place on Jan 7<sup>th</sup> 2016).

Net profit increased from \$22.0M to \$26.7M or by 21% resulting in earnings per share before any taxation of \$0.24

On the balance sheet we had an increase in accounts receivable due to significant invoicing in January, minimal changes in inventory/WIP and an increase in accounts payable. Cash on hand improved from \$67M to \$167M due to IPO net proceeds and operational surplus.

The retrial in the Xray lawsuit, resulting from our successful appeal, took place in December and we remain cautiously optimistic of a positive outcome. Judgement is expected on May 20<sup>th</sup>, 2016.

Lastly, CAC has a positive outlook for the rest of the year as major projects, including the large Melia Braco Hotel project (joint operation with Ingeniera de Instalaciones S.R.L (Inica) of the Dominican Republic) are expected to be invoiced and collected over the next two quarters.

A handwritten signature in black ink, appearing to be 'S. Marston', with a horizontal line underneath it.

Steven Marston  
Chairman and CEO

**CAC 2000 LTD.****UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FIRST QUARTER ENDED JANUARY 31, 2016**

	<b>FIRST QUARTER</b>		<b>AUDITED</b>
	<b>JAN-16</b>	<b>JAN-15</b>	<b>(15 months) OCT-15</b>
Revenue	229,749,328	175,326,074	1,079,253,336
Cost of Sales	(144,070,124)	(110,898,238)	(720,971,689)
<b>GROSS PROFIT</b>	<b>85,679,204</b>	<b>64,427,836</b>	<b>358,281,647</b>
<b>ADMINISTRATIVE &amp; OTHER EXPENSES</b>			
Selling & Distribution	(8,013,295)	(9,986,708)	(41,187,258)
General Administration	(50,770,325)	(38,086,220)	(225,898,676)
	(58,783,619)	(48,072,928)	(267,085,934)
Other Income	81,415	0	13,925,137
<b>PROFIT BEFORE FINANCE COST AND TAXATION</b>	<b>26,977,000</b>	<b>16,354,908</b>	<b>105,120,850</b>
Other Gains and Losses	2,443,956	7,168,714	(3,183,599)
Interest Income	442,000	232,647	1,516,944
Interest Expense	(3,146,124)	(1,739,254)	(18,652,570)
<b>NET FINANCE COST</b>	<b>(260,169)</b>	<b>5,662,107</b>	<b>(20,319,225)</b>
<b>PROFIT BEFORE TAXATION</b>	<b>26,716,831</b>	<b>22,017,015</b>	<b>84,801,625</b>
Taxation	0	0	(20,126,442)
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>26,716,831</b>	<b>22,017,015</b>	<b>64,675,183</b>
Restated shares IAS 33 (note 7)	112,307,153	100,000,000	100,000,000
EPS	0.24	0.22	0.65

# CAC 2000 LIMITED

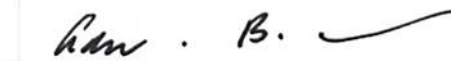
UNAUDITED STATEMENT OF FINANCIAL POSITION  
FIRST QUARTER ENDED JANUARY 31, 2016

	NOTES	Unaudited Jan 2016 \$	Unaudited Jan 2015 \$	Audited (15 months ended) Oct 2015 \$
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, Plant & Equipment	4	34,492,429	10,798,428	30,663,115
Deferred Tax Asset		154,534		154,534
Long-term receivable		3,699,303		3,699,303
		<u>38,346,266</u>	<u>10,798,428</u>	<u>34,516,952</u>
<b>CURRENT ASSETS</b>				
Income Tax Recoverable		454,072	2,552,783	0
Inventories		275,858,560	272,623,876	228,079,780
Trade and Other Receivables		271,581,998	171,472,909	281,168,345
Due from Related Party		7,776,128	6,647,850	6,291,780
Cash and Cash Equivalents		166,935,809	67,444,197	61,343,048
		<u>722,606,567</u>	<u>520,741,615</u>	<u>576,882,953</u>
<b>TOTAL ASSETS</b>		<b>760,952,833</b>	<b>531,540,043</b>	<b>611,399,905</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Share Holders' Equity</b>				
Ordinary Share Capital (Issued & fully paid)	5	138,773,634	500,000	500,000
Share Issue Costs		(9,199,422)	0	0
Retained Earnings		204,632,773	133,018,598	204,632,773
Current Year Profit/(Loss)		26,716,831	22,017,015	0
<b>Total Shareholders' Equity</b>		<u>360,923,815</u>	<u>155,535,613</u>	<u>205,132,773</u>
<b>NON-CURRENT LIABILITIES</b>				
Borrowings		155,232,827	150,733,411	155,651,744
Deferred Tax Liability		0	554,028	0
		<u>155,232,827</u>	<u>151,287,439</u>	<u>155,651,744</u>
<b>CURRENT LIABILITIES</b>				
Borrowings		1,622,266	912,024	1,673,142
Due to Related party	6	19,947,476	16,300,504	53,311,877
Trade payables		211,978,007	207,504,462	182,297,355
Income tax payable		11,248,441	0	13,333,014
		<u>244,796,190</u>	<u>224,716,990</u>	<u>250,615,388</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>760,952,833</b>	<b>531,540,043</b>	<b>611,399,905</b>

Approved by the Board of Directors and signed on its behalf by:



Steven Marston  
Chairman & CEO



Andrew Cocking  
Director

**CAC 2000 LIMITED**STATEMENT OF CHANGES IN CASH FLOW  
FIRST QUARTER ENDED JANUARY 31, 2016

	Jan 2016	Jan 2015	Audited (15 months ended) OCT 2015
	\$	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit/(Loss) for the year	26,716,831	22,017,015	64,675,183
Adjusted for:			
Taxation	0	0	20,126,442
Depreciation	2,358,246	726,355	5,801,947
Allowance for doubtful debts	0	0	(6,867,136)
Provision for inventory obsolescence	0	0	(3,924,116)
Interest expenses	3,146,124	1,739,254	18,652,570
Interest income	(442,000)	(232,647)	(1,516,944)
Operating cash flows before movement in working capital	<b>31,779,201</b>	<b>24,249,977</b>	<b>96,947,946</b>
Movements in Working Capital:			
Inventories	(47,778,780)	(21,454,810)	32,439,898
Trade & other receivables	4,177,007	6,417,900	(86,101,800)
Due from Related Party	(1,484,348)	282,294	491,516
Trade payables and other payables	29,680,652	9,503,101	(33,925,478)
Cash Generated from Operations	<b>16,373,732</b>	<b>18,998,462</b>	<b>9,852,082</b>
Interest paid	(3,146,124)	(1,739,254)	(18,127,582)
Income tax paid	0	0	(5,953,946)
Net Cash (Used) Generated by Operating Activities	<b>13,227,608</b>	<b>17,259,208</b>	<b>(14,229,446)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of property, plant and equipment	(6,187,560)	(1,018,697)	(25,256,191)
Interest received	442,000	232,647	1,499,275
Net Cash (Used) Generated by Investing Activities	<b>(5,745,560)</b>	<b>(786,050)</b>	<b>(23,756,916)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividend paid	(475,588)	0	
Repayment of bank loans	2,876,491	(456,300)	(1,776,222)
Proceeds from bank loans			6,770,000
Increase/(decrease) in amounts due to related parties	(33,364,401)	(13,416,534)	19,812,759
Proceeds from ordinary shares issued	129,074,211	0	0
Proceeds from issue of preference shares	-	22,998,633	38,000,000
Net Cash Provided (Used) for Financing Activities	<b>98,110,713</b>	<b>9,125,800</b>	<b>62,806,537</b>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIV.	105,592,761	25,598,958	24,820,175
Cash and Cash Equivalents at Beginning of Year	61,343,048	41,845,238	36,522,873
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>166,935,809</b>	<b>67,444,196</b>	<b>61,343,048</b>

**CAC 2000 LTD.**STATEMENT OF CHANGES IN SHAREHOLDER'S NET EQUITY  
FIRST QUARTER ENDED JANUARY 31, 2016

	<u>Share Capital</u>	<u>Share Issue Costs</u>	<u>Retained Earnings</u>	<u>Total</u>
Balances as at October 31, 2015	500,000		204,632,773	205,132,773
Shares issued and fully paid (Note 5 )	138,273,634			138,273,634
Share issue costs		(9,199,422)		(9,199,422)
Total Comprehensive Income			26,716,831	26,716,831
<b>Balances as at January 31, 2016</b>	<b><u>138,773,634</u></b>	<b><u>(9,199,422)</u></b>	<b><u>231,349,604</u></b>	<b><u>360,923,816</u></b>
Balances as at October 31, 2014	500,000		133,018,598	133,518,598
Shares issued and fully paid (Note 5 )				
Share issue costs				
Total Comprehensive Income			22,017,015	22,017,015
<b>Balances as at January 31, 2015</b>	<b><u>500,000</u></b>	<b><u>0</u></b>	<b><u>155,035,613</u></b>	<b><u>155,535,613</u></b>

## CAC 2000 LIMITED

### Notes to the Financial Statements

First Quarter Ended January 31, 2016

#### 1. Identification

CAC 2000 Limited (the Company) is incorporated and domiciled in Jamaica. The company is 52% owned by Caribbean Air Conditioning Company Limited, a company incorporated and domiciled in St. Lucia. The principal activities of the company are the sale of air conditioning equipment and installation and maintenance of such systems. The Company's registered office is 231 Marcus Garvey Drive, Kingston 11.

#### 2. Statement of compliance and basis of preparation

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations, issued by the International Accounting Standards Board (IASB) and comply with the provisions of the Jamaican Companies Act.

The financial statements are presented in Jamaican dollars (\$), which is the functional currency of the company. The financial statements are prepared on the historical cost basis.

#### 3. Significant accounting policies

The same accounting policies and methods of computations are followed in the interim financial statements as compared with the most recent annual audited financial statements for the fifteen months ended October 31, 2015.

#### 4. Movements in fixed assets

	Lease Hold Building Improvement	Motor Vehicles	Plant & Machinery	Furniture & Fixtures	Computer & Peripherals	Office Equipment	Tools & Equipment	Paintings	Work-in- Progress	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cost - 01/11/15	9,537	20,526	1,423	1,329	10,220	411	1,574	425	3,260	48,705
Revaluation/Adjustment										-
Additions	5,502	-	-	99	587	-	-	-	-	6,188
Reclassification					3,260				(3,260)	-
Disposal										-
Cost - 31/01/16	15,040	20,526	1,423	1,428	14,066	411	1,574	425	-	54,892
Depreciation - 01/11/15	1,591	6,887	1,132	805	7,207	261	1,188	-	-	18,042
Prior year adj.										-
Disposal										-
Depreciation Charge - Year	580	844	33	26	826	11	37	-	-	2,358
Accumulated Depreciation	2,172	6,710	1,165	831	8,033	263	1,225	-	-	20,400
Net Book Value - JAN 16	12,868	13,815	258	596	6,033	149	349	425	-	34,492
Net Book Value - OCT 15	7,946	14,889	291	624	3,013	180	386	425	3,280	30,683

Assets are depreciated on the straight line basis to write off assets over their useful lives.

## CAC 2000 LIMITED

Notes to the Financial Statements (continued)

First Quarter Ended January 31, 2016

### 5. Share capital

	<u>2015</u> Units	<u>2014</u> Units
Authorised ordinary units of no par value	200,000,000	10,000,000
Issued ordinary units of no par value	129,032,258	5,000,000
Stated capital:	\$	\$
Issued and fully paid ordinary stocks of no par value	138,773,634	500,000

A resolution was passed at a General Meeting on November 27, 2015 that each of the authorized and issued ordinary stocks of CAC 2000 Limited be sub-divided into 20 ordinary stocks (20:1). The stock split preceded the new issue of 29,032,258 stocks on December 23, 2015 at a value of \$138,273,634. Costs associated with the share issue amounted to \$9,199,422.

### 6. Due to Related Parties

Dividend payable to shareholders valuing \$17,440,012.31 was converted to 4,202,412 shares which are included in the new shares issued. Included in these figures was dividend payable to related parties valuing \$16,964,425.

### 7. Restated shares and EPS calculations

The earnings per share (EPS) were restated in accordance with IAS 33 paras 26, 27 and 64. Prior periods January 31, 2015 and October 31, 2015 were restated based on the stock split resulting in 100,000,000 shares. The current period was restated based on the weighted average number of shares to include the new issues amounting to 112,307,153 shares. Actual quantities of issued shares are stated in note 5 above



# CAC 2000 LIMITED

## LIST OF SHAREHOLDERS

FIRST QUARTER ENDED JANUARY 31, 2016

Authorised Share Capital 200,000,000 units  
Issued Share Capital 129,032,258 units

### TOP TEN SHAREHOLDERS

SHAREHOLDERS	SHAREHOLDING	% OF ISSUED SHARES
CAC Caribbean Limited	67,462,522	52%
Colin Roberts	27,355,291	21%
Louis Williams	6,180,000	5%
Howard Chin	3,204,599	2%
Victoria Mutual Building Society	1,919,293	1%
NCB Capital Markets X Trading A/C	1,914,635	1%
PAM - Pooled Equity Fund	1,677,431	1%
MF & G Asset Management Ltd. - NCB CM Unit Trust Scheme (JMD Caribbean Equity Portfolio)	1,256,216	1%
Christine G. Wong	1,232,962	1%
Peter Nicholas Anthony Forde and Patricia Forde	1,232,961	1%
	<b>113,435,910</b>	<b>88%</b>

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### EXECUTIVE AND NON-EXECUTIVE DIRECTORS' SHAREHOLDING

DIRECTORS	SHAREHOLDING	CONNECTED PARTY
Steven Marston	Nil	Gia Abraham
Gia Abraham	300,000	Steven Marston
	67,462,522	CAC Caribbean Ltd.
Colin Roberts	27,355,291	
Edward Alexander	54,286	Charmaine Alexander
Andrew Cocking	Nil	
Kerith Foster	Nil	
Annette Morrison	Nil	
	<b>95,172,099</b>	

### SENIOR MANAGEMENT'S SHAREHOLDING

SENIOR MANAGEMENT	SHAREHOLDING	CONNECTED PARTY
Colleen Ellison-Hall	30,000	Desmond Hall
Michael Matalon	Nil	
Paul Byles	Nil	
	<b>30,000</b>	