



UNAUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2016

RELEASE TO SHAREHOLDERS

The Board of Directors of SWEET RIVER ABATTOIR & SUPPLIES LTD is pleased to present the unaudited financial statements for the three months ended March 31, 2016.

MANAGING DIRECTOR'S REPORT FOR THE 3 MONTHS PERIOD ENDED MARCH 31, 2016

With the longest shortage of pigs in Jamaica's history now coming to an end, significant growth in the industry is expected over the next two years and beyond. The possibility of exporting fresh pork to CARICOM is encouraging as earlier this year Trinidad expressed an interest in importing pork from Jamaica. With Sweet River Abattoir – Jamaica's 9th Agro Park schedule opening in May 2016 the possibilities for export are tremendous as the plant will be fully certified.

Our performance over the quarter ending March 2016 was affected by the shortage of pigs, which resulted in us suffering a loss of \$6.9m compared to a loss of \$1.4m for the same period in 2015. Our year to date performances is showing a net loss of \$6.5m as compared to a net loss of \$3.8m in 2015. This happened as a result of the practice of price gorging during the peak demand season of November to April. We have identified all the contract farmers needed to supply 80% of our demand and will have these contracts signed by June 2016. This will prevent us from having to pay higher prices at that time of the year, which in most instances cannot be passed on to our customers due to contractual arrangement.

We are very excited about the future as the planned opening of the Abattoir in May 2016, coupled with the increase supply of pigs will allow us to satisfy the demand of our customers who have been very patient with us over the past two years. We will seek to enter into a 3-5 years contractual arrangement with our key customers thus ensuring stability of the industry as such arrangement will be passed on to the farmers to guarantee the supply of pigs.

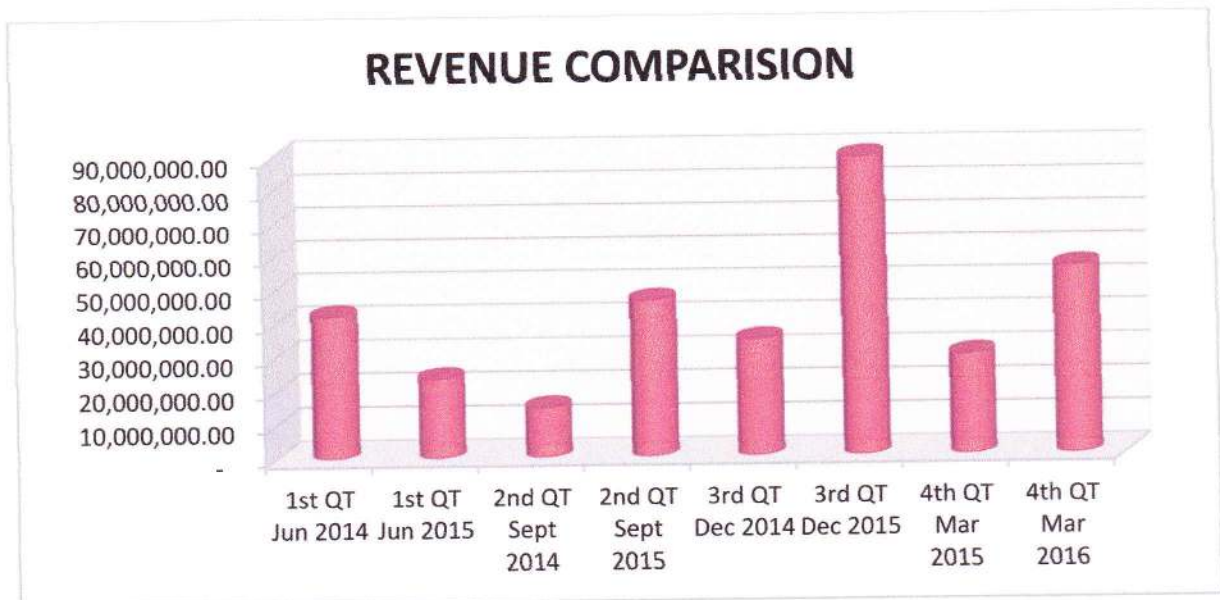
We will be working closer with our supplier of raw materials and technical support to farmers as we are projecting further growth and expansion of our markets over the next few years.

MANAGING DIRECTOR'S REPORT FOR THE 3 MONTHS PERIOD ENDED MARCH 31, 2016 (CONT'D)

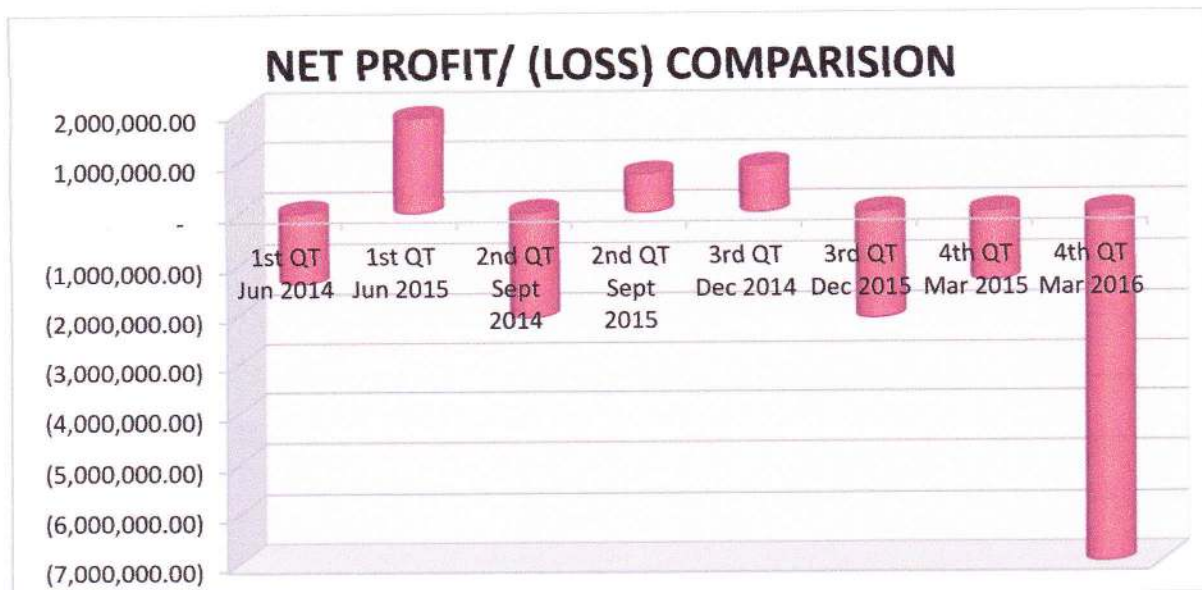
FOURTH QUARTER FINANCIAL HIGHLIGHTS

Highlights of the three months ended March 31, 2016

	<u>Mar 2016</u>	<u>March 2015</u>	<u>Inc/(Dec)%</u>
✚ Sales Revenue	\$55.9m	\$29.7m	88 %
✚ Net Profit/(Loss)	(\$6.9m)	(\$1.4m)	(415) %
✚ Earnings per stock unit	(\$0.07) cents	(\$0.03)cents	(133) %
✚ Total Assets	\$369m	\$341m	8%
✚ Total Stockholders' Equity	\$159m	\$167m	(4)%



MANAGING DIRECTOR'S REPORT FOR THE 3 MONTHS PERIOD ENDED MARCH 31, 2016 (CONT'D)



Three Months Ended March 31st, 2016 compared to March 31st, 2015

▪ **Sales Revenue**

The company generated sales revenues for the quarter ended March 2016 in the amount of \$55.9m compared to \$29.7m of the previous year; an increase of \$26.1m or 88%. This increase is due to greater availability of pigs and the peak seasons for the hotels. However despite the availability of pigs returning we are still being forced to purchase pigs at a higher price in the market in order to get adequate supply.

▪ **Gross Loss**

Gross Loss of \$902 was incurred for the quarter compared to \$5.0m Gross Profit for the previous year; a decrease of \$5.0m or (100%). This Gross Loss was due to higher cost of sales incurred to secure pigs for slaughter .

We hope to see a trending down of prices coming in the following months that will put us in a better position to return to profitability.

▪ **Expenses**

Total operational expenses of \$5.5m compared to \$6.3m; a decrease of \$0.788m or (13%). This decrease was due to saving on haulage expenses.

▪ **Net Loss**

A Net Loss of (\$6.9m) was incurred for the quarter when compared to a net loss of (\$1.4m) for the previous period; an increase of (\$5.6m) or (415%).

MANAGING DIRECTOR'S REPORT FOR THE 3 MONTHS PERIOD ENDED MARCH 31, 2016 (CONT'D)

Twelve Months Ended March 31, 2016 compared to March 31, 2015

- Sales Revenue of \$215.1m, compare to previous years of \$121.6m, an increase of \$93.6m or 77%.
- Gross Profit of \$20.5m, a decrease of \$1.9m or (9%) when compared to the previous period of \$22.4m.
- Total operational expenses of \$23.8m, a decrease of \$2.0m or (8%) when compared to previous year of \$25.9m.
- Net Loss of \$6.5m for the year which represent an increase of \$2.7m or 71% when compare to the previous year a Net Loss of (\$3.8m).



Valdense Gifford
Managing Director

May 7th, 2016

SWEET RIVER ABATTOIR & SUPPLIES COMPANY LIMITED
Unaudited Statement of Comprehensive Income
For the Twelve (12) months ended March 31, 2016

	Three months to March 2016 \$	Three months to March 2015 \$	Twelve months to March 2016 \$	(Audited) March 2015 \$
Revenue	55,872,763	29,742,571	215,149,082	121,485,373
Cost of Sales	(55,873,665)	(24,698,323)	(194,691,366)	(99,898,727)
Gross (Loss)/Profit	(902)	5,044,248	20,457,716	21,586,646
Administrative and General Expenses	(5,495,238)	(6,283,259)	(23,837,555)	(26,124,788)
Operating Loss	(5,496,140)	(1,239,011)	(3,379,839)	(4,538,142)
Finance Income	12,953	265,929	94,661	628,923
Finance Cost	(1,501,779)	(382,574)	(3,183,014)	(2,162,278)
Loss before Taxation	(6,984,966)	(1,355,656)	(6,468,192)	(6,071,497)
Taxation	-	-	-	1,396,284
Loss after taxation, being total Comprehensive Loss for the period	(6,984,966)	(1,355,656)	(6,468,192)	(4,675,213)
Earnings Per Share (Note 6)	(0.07)	(0.03)	(0.06)	(0.06)

SWEET RIVER ABATTOIR & SUPPLIES COMPANY LIMITED

Unaudited Statement of Financial Position

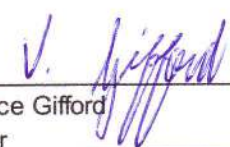
March 31, 2016

	12 Months To March 31, 2016 \$	12 Months To March 31, 2015 \$	(Audited) March 31, 2015 \$
ASSETS			
<u>Non-Current Assets</u>			
Property, Plant and Equipment	339,690,913	304,593,523	288,504,553
Deferred Tax Asset	1,432,522	-	1,432,522
Goodwill	6,580,000	6,580,000	6,580,000
Total Non-Current Assets	<u>347,703,435</u>	<u>311,173,523</u>	<u>296,517,075</u>
<u>Current Assets</u>			
Directors' Current Account	-	-	2,000
Cash and Cash Equivalents	1,539,994	21,098,238	22,346,111
Trade and Other Receivables	17,286,399	8,020,585	17,862,746
Inventories	3,215,897	739,580	19,746,979
Total Current Assets	<u>22,042,291</u>	<u>29,858,403</u>	<u>59,957,836</u>
TOTAL ASSETS	<u><u>369,745,726</u></u>	<u><u>341,031,926</u></u>	<u><u>356,474,911</u></u>
LIABILITIES & EQUITY			
<u>Current Liabilities</u>			
Bank Overdraft	14,986,318	4,616,440	6,861,644
Trade and Other Payables	32,811,800	21,993,946	35,845,489
Income Tax Payable	3,768,483	5,410,446	5,364,048
Directors' Current Account	421,344	2,000	-
Shareholders Loan	7,572,811	-	-
Current Portion of Long Term Loan	-	21,481,826	-
Victoria Mutual Wealth Management Loan	8,249,432	-	25,388,388
Total Current Liabilities	<u>67,810,188</u>	<u>53,504,658</u>	<u>73,459,569</u>
<u>Long Term Liabilities</u>			
Long-term Liabilities	141,949,250	120,346,051	116,560,862
Deferred Tax Liability	-	42,603	-
TOTAL LIABILITIES	<u>209,759,438</u>	<u>173,893,312</u>	<u>190,020,431</u>
<u>Equity</u>			
Share Capital	143,695,713	143,495,713	143,695,713
Accumulated Surplus	16,290,575	23,642,901	22,758,767
Total Equity	<u>159,986,288</u>	<u>167,138,614</u>	<u>166,454,480</u>
TOTAL LIABILITIES & EQUITY	<u><u>369,745,726</u></u>	<u><u>341,031,926</u></u>	<u><u>356,474,911</u></u>

Approved for issue by the Board of Directors on May 7th, 2016 and signed on its behalf by:



Henry Graham
Chairman



Valdense Gifford
Director

SWEET RIVER ABATTOIR & SUPPLIES COMPANY LIMITED
Unaudited Statement of Changes in Shareholders' Equity
For the Twelve (12) months ended March 31, 2016

	Share Capital	Share Advance	Accumulated Surplus/(Deficit)	Total
	\$	\$	\$	\$
Balance as at March 31, 2014	4,500	32,957,629	27,433,980	60,396,109
Allotment of Shares	32,957,629	(32,957,629)	-	-
Shares Issued Net of Transaction Costs	110,733,584	-	-	110,733,584
Loss for the Year	-	-	(3,791,079)	(3,791,079)
Balance as at March 31, 2015	<u>143,695,713</u>	<u>-</u>	<u>23,642,901</u>	<u>167,338,614</u>
Balance as at December 31, 2015	143,695,713	-	22,758,767	166,454,480
Loss for the Period	-	-	(6,468,192)	(6,468,192)
Balance as at March 31, 2016	<u>143,695,713</u>	<u>-</u>	<u>16,290,575</u>	<u>159,986,288</u>

SWEET RIVER ABATTOIR & SUPPLIES COMPANY LIMITED
Unaudited Statement of Cash Flows
For the Twelve (12) months ended March 31, 2016

	March 31, 2016	March 31, 2015	(Audited) March 31, 2015
	\$	\$	\$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before Taxation	(6,468,192)	(3,791,079)	(4,675,213)
Adjustments to reconcile profit for year to net cash provided by operating activities:			
Depreciation	265,478	280,417	280,416
Deferred Tax Income	-	-	(1,475,125)
Interest Income	(94,661)	(628,923)	(465,409)
Taxation Provision	-	-	60,000
Operating Surplus before changes in working capital	(6,297,376)	(4,139,585)	(6,275,331)
Trade and Other Receivables	576,347	18,241,407	8,399,246
Inventories	16,531,082	19,342,804	335,405
Shareholders' Loan	7,572,811	-	-
Accounts Payable & Provisions	(3,033,689)	(45,956,324)	(32,104,781)
Directors' Current Account	423,344	475,806	(479,806)
Net Cash generated by Operations	15,772,519	(12,035,892)	(30,125,267)
Taxation	(1,595,565)	-	(106,398)
Interest Received	94,661	985,955	465,409
Net Cash Inflows from Operating Activities	14,271,615	(11,049,937)	(29,766,256)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of property, plant and equipment	(51,451,838)	(56,870,510)	(40,781,539)
Net cash outflows from investing activities	(51,451,838)	(56,870,510)	(40,781,539)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Proceeds of Long Term Loans	-	(4,418,182)	(4,296,809)
Repayment of Short Term Loans	8,249,432	-	-
Converted Share Advances	-	(32,957,629)	(32,757,629)
Monies received for shares purchased	-	143,491,213	143,491,213
Net Cash Inflows from Financing Activities	8,249,432	106,115,402	106,436,775
(Decrease)/Increase in cash resources	(28,930,791)	36,886,311	35,888,980
Cash Resources at the start of the year	15,484,467	(20,404,513)	(20,404,513)
	(13,446,324)	16,481,798	15,484,467
Cash Resources comprise:			
Cash and Bank Balances	1,539,994	21,098,238	22,346,111
Bank Overdraft	(14,986,318)	(4,616,440)	(6,861,644)
	(13,446,324)	16,481,798	15,484,467

SWEET RIVER ABATTOIR & SUPPLIES COMPANY LIMITED
Notes to the Unaudited Financial Statements
Three Months ended March 31, 2016

1. Identification

Sweet River Limited (“the company”) is incorporated in Jamaica under the Jamaican Companies Act. The company is domiciled in Jamaica with its registered office located at Sweet River, Savanna-lamar, Westmoreland and was listed on the Jamaica Junior Stock Exchange on September 19, 2014.

The company’s main activities are the purveying of pork products and provision of abattoir services.

2. Basis Of Preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and comply with the relevant requirements of the Jamaican Companies Act. The financial statements have been prepared under the historical cost basis and are expressed in Jamaican Dollars. The Interim financial statement has been prepared using the same Accounting policies and method of computation as used in the most recent Audited Financial Statement.

3. 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. An operating segment’s operating results are received regularly by the Board of Directors to make decisions about resources to be allocated to the segment and assess its performances.

Based on the nature of the company’s business activities, management has determined that disclosure of segment information is not applicable as the company is operating in one segment.

4. Taxation

The company’s shares were listed on the Junior Market of the Jamaica Stock Exchange on September 19, 2014. Consequently the company is entitled to a remission of the taxes for 5 years. Taxation has been calculated at 25% of taxable profit for the period April – July 2014 as the remission of taxes does not apply to that period. The company is however entitled to 50% remission of income tax for a period of five years from the date of listing.

SWEET RIVER ABATTOIR & SUPPLIES COMPANY LIMITED
Notes to the Unaudited Financial Statements
Three Months ended March 31, 2016

5. Shareholders' Information

	No. of Units
Directors' Holdings	
As at March 31, 2016:	
Henry Graham	15,035,009
Hector Lyons	7,358,848
Audley Deidrick	5,205,603
Valdence Gifford	4,495,058
Neville Grant	4,654,073
Nigel Morgan	919,763
* Lisa Kay-Bryan	81,700
Top Ten Shareholders	
As at March 31, 2016:	
Henry Graham	15,035,009
Hector Lyons	7,358,848
Audley Deidrick	5,205,603
Valdence Gifford	4,995,058
Kirk Fong	4,689,907
V.M.B.S. Pension Scheme	4,664,000
National Insurance Fund	4,663,300
V.M.B.S.	4,663,213
Neville Grant	4,654,073
J.C.S.D. Trustee Service	3,886,005
Holding of Senior Managers at March 31, 2016:	
Valdence Gifford	4,995,058
Sean Forbes	4,000

* Shareholdings include connected person