

SUPREME VENTURES LIMITED
UNAUDITED FINANCIAL STATEMENTS
AS AT JUNE 30, 2016



Interim Report to Stockholders

For the six (6) months ended 30th June 2016

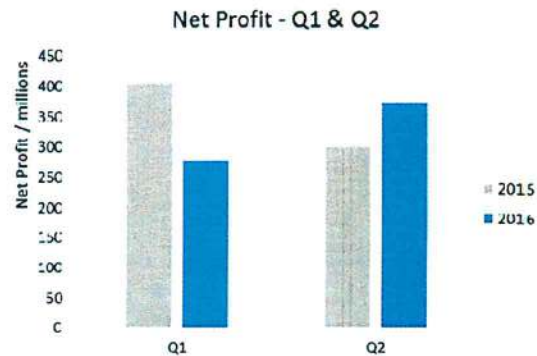
Financial Performance

The Board of Directors of Supreme Ventures Limited presents the unaudited financial results for the Group for the six-month period ended 30th June 2016.

Despite low revenues, the Group achieved an improved performance for the second quarter of 2016. The net profit for Q2, 2016 was \$373.723 million which exceeds both the \$275.341 million earned in Q1, 2016 and the \$299.874 million earned in Q2, 2015. This was primarily due to lower operating expenses. Overall, for the six-month period ended 30th June 2016, the Group earned a net profit of \$649.066 million, relative to \$705.042 million for the comparable period in 2015. Earnings per share was 24.61 cents per share (2015: 26.73 cents per share).

Total revenues of \$22.154 billion for the reporting period are slightly below the comparative six months for 2015, decreasing by \$20.969 million. This is due to the net effect of lower lottery revenues and increased sales from all other operating segments. Direct expenses increased by \$117.632 million, primarily due to increased cost of sales for PIN codes which was partially offset by lower lottery payouts. The combination of lower total revenues and higher direct expenses resulted in the reduction in gross profit of \$138.601 million.

Total assets was \$5.222 billion, compared to \$5.399 billion at the end of 2015, due primarily to lower cash and cash equivalents. Corporate income taxes and dividends paid in the first six months of 2016 accounted for this decline. Total liabilities decreased by \$324.906 million due mainly to a reduction in the income tax payable and trade payables.



Segment Highlights

Lottery segment results decreased by 21% mainly due to higher prior year sales for the Lotto game resulting from an exceptionally high jackpot of \$395 million which was won on 27th May 2015. Lottery revenues have also been negatively impacted by lower CashPot liabilities. Our newest lottery game, PayDay, was launched in January 2016.

Losses for the VLT segment were \$4.096 million, a significant reduction from the loss of \$110.876 million recorded in the corresponding six-month period in 2015. This is a result of improved performance from The Acropolis Gaming lounge, with enhanced product offerings and increased player rewards.

Sports betting is achieving significant revenue growth. However, the segment continues to experience losses, partly due to the initial operating costs associated with the introduction of the QuickSports line of virtual games, which commenced in January, 2016.

Corporate Social Responsibility

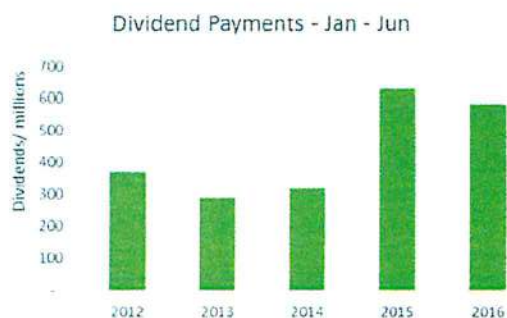
The Supreme Ventures Group remains committed to its corporate social responsibility, as is evidenced by its support of national flagship events, initiatives and institutions. Among the events were the Supreme Ventures Netball Jamaica A&C Division League and the Supreme Ventures Bun & Cheese Easter Egg Hunt. The Heart Foundation of Jamaica and Rise Life Management continue to benefit from our support, and the Group also continues to support the “Real Know Real” Initiative, on which we partner with the United Way to donate food and other basic necessities to Children’s Homes across Jamaica.

In addition, Supreme Ventures has made several life-changing private donations and contributions to individuals, associations and initiatives.

Dividends

Dividends paid in the period amounted to \$501.078 million, which were based on the profit for the last quarter of 2015 and the first quarter of 2016.

At their meeting on 3rd of August 2016, the Board of Directors approved the payment of an interim dividend of \$0.13 to shareholders on record as at 19th August 2016. The distribution will be made on 3rd September 2016.



Announcements

The Company was selected as the preferred bidder for the acquisition of the Caymanas Track operations. The negotiations are in progress.

Outlook

SVL continues to invest and innovate to achieve its strategic goals of growth and diversification of the lottery products, achieving profitability in the sports betting segment and launching our mobile betting platform. We are making significant progress in each area, and expect to meet our timelines for the achievement of these goals.

Paul Hoo – Chairman

Brian George – President and CEO



**Financial
Statements**

SUPREME VENTURES LIMITED
Six Months Ended June 30, 2016

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SUPREME VENTURES LIMITED AND ITS SUBSIDIARIES
Group Statement of Financial Position
At June 30, 2016
(Expressed in thousands of Jamaica dollars)

	Unaudited Six Months Ended June 30, 2016	Audited Year Ended December 31, 2015	Unaudited Six Months Ended June 30, 2015
ASSETS			
Non-current assets			
Property and equipment	742,933	751,905	1,610,356
Investment properties	734,392	756,238	-
Goodwill and intangible assets	643,921	642,779	641,086
Long-term receivables	519,076	550,974	483,970
Available-for-sale investments	5,885	5,363	5,363
Deferred tax assets	143,523	137,882	139,956
Other assets	-	-	1,973
Total non-current assets	<u>2,789,730</u>	<u>2,845,141</u>	<u>2,882,704</u>
Current assets			
Inventories	242,419	149,413	37,613
Income tax recoverable	19,701	13,155	-
Trade and other receivables	700,630	752,155	589,419
Cash and cash equivalents	1,469,515	1,639,049	1,529,382
Total current assets	<u>2,432,265</u>	<u>2,553,772</u>	<u>2,156,414</u>
Total assets	<u><u>5,221,995</u></u>	<u><u>5,398,913</u></u>	<u><u>5,039,118</u></u>
EQUITY AND LIABILITIES			
Stockholders' equity			
Share capital	1,967,183	1,967,183	1,967,183
Capital reserves	62,486	62,486	62,486
Retained earnings	1,712,356	1,564,368	1,533,993
Total shareholders' equity	<u>3,742,025</u>	<u>3,594,037</u>	<u>3,563,662</u>
Current liabilities			
Trade and other payables	1,152,467	1,251,720	1,111,701
Prize liabilities	277,200	268,536	143,219
Loans payable	-	-	7,222
Income tax payable	50,303	284,620	213,314
Total current liabilities	<u>1,479,970</u>	<u>1,804,876</u>	<u>1,475,456</u>
Total stockholders' equity and liabilities	<u><u>5,221,995</u></u>	<u><u>5,398,913</u></u>	<u><u>5,039,118</u></u>

Approved and authorized for issue by the Board of Directors on August 3, 2016 and signed on its behalf by:



 Paul Hoo – Chairman



 Brian George – President and CEO

SUPREME VENTURES LIMITED AND ITS SUBSIDIARIES
Group Statement of Profit or Loss and Other Comprehensive Income
Period ended June 30, 2016
(Expressed in thousands of Jamaica dollars)

	Unaudited Six Months Ended June 30, 2016	Unaudited Six Months Ended June 30, 2015	Unaudited Three Months Ended June 30, 2016	Unaudited Three Months Ended June 30, 2015
Revenue	22,154,119	22,175,088	10,963,643	10,400,428
Direct expenses	<u>(19,862,337)</u>	<u>(19,744,705)</u>	<u>(9,828,331)</u>	<u>(9,200,006)</u>
Gross profit	2,291,782	2,430,383	1,135,312	1,200,422
Operating expenses	<u>(1,412,630)</u>	<u>(1,468,791)</u>	<u>(649,691)</u>	<u>(772,900)</u>
Profit from operations	879,152	961,592	485,621	427,522
Interest income	33,638	35,012	12,220	14,165
Net foreign exchange gain	4,866	3,736	4,531	1,417
Finance costs	(331)	(2,870)	10	(999)
Other gains	<u>522</u>	<u>17,873</u>	<u>522</u>	<u>17,873</u>
Profit before taxation	917,847	1,015,343	502,904	459,978
Taxation	<u>(268,781)</u>	<u>(310,301)</u>	<u>(129,181)</u>	<u>(160,104)</u>
Profit for the period/year, being total comprehensive income	<u>649,066</u>	<u>705,042</u>	<u>373,723</u>	<u>299,874</u>
Earnings per stock unit				
Basic and diluted	<u>24.61</u> cents	<u>26.73</u> cents	<u>14.17</u> cents	<u>11.37</u> cents

SUPREME VENTURES LIMITED AND ITS SUBSIDIARIES
Group Statement of Changes in Equity
Period ended June 30, 2016
(Expressed in thousands of Jamaica dollars)

	Share capital	Capital reserves	Retained earnings	Total
Unaudited Six Months Ended June 30, 2016				
Balance as at December 31, 2015	1,967,183	62,486	1,564,368	3,594,037
Profit for the period, being total comprehensive income for the period	-	-	649,066	649,066
Transactions with stockholders				
Distributions	-	-	(501,078)	(501,078)
Balance as at June 30, 2016	<u>1,967,183</u>	<u>62,486</u>	<u>1,712,356</u>	<u>3,742,025</u>
Unaudited Six Months Ended June 30, 2015				
Balance as at December 31, 2014	1,967,183	62,486	2,015,716	4,045,385
Profit for the period, being total comprehensive income for the period	-	-	705,042	705,042
Transactions with stockholders				
Distributions	-	-	(1,186,765)	(1,186,765)
Balance as at June 30, 2015	<u>1,967,183</u>	<u>62,486</u>	<u>1,533,993</u>	<u>3,563,662</u>

SUPREME VENTURES LIMITED AND ITS SUBSIDIARIES
Group Statement of Cash Flows
Period ended June 30, 2016
(Expressed in thousands of Jamaica dollars)

	Unaudited Six Months Ended June 30, 2016	Audited Year Ended December 31, 2015	Unaudited Six Months Ended June 30, 2015
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for period/year	649,066	1,183,750	705,042
Adjustments for:			
Depreciation of property and equipment	85,887	177,913	95,203
Depreciation of investment properties	21,846	9,102	-
Amortisation of intangible assets	5,778	10,658	4,433
Amortisation of other assets	-	4,381	3,428
(Gain)/Loss on disposal and write-off of property and equipment	(605)	57,782	57,133
Impairment of investment properties	-	102,729	-
Impairment of other assets	-	15,988	14,968
Intangible assets written off	-	3,627	3,627
Gain recognised on available for sale investments	(522)	-	-
Bad debts recognised	55,597	97,331	55,043
Net foreign exchange gain on cash and cash equivalents	(12,742)	(6,400)	(1,161)
Interest income	(33,638)	(74,538)	(35,012)
Interest expense	331	2,973	2,870
Taxation	268,781	431,080	310,301
Operating cash flow before movement in working capital	<u>1,039,779</u>	<u>2,016,376</u>	<u>1,215,875</u>
Decrease/(increase) in operating assets			
Inventories	(93,006)	(47,693)	64,107
Trade and other receivables	5,790	(164,855)	20,059
Increase/(Decrease) in liabilities			
Trade and other payables	(99,253)	114,696	(25,609)
Prizes liabilities	8,664	(330,552)	(455,868)
Cash generated by operations	<u>861,974</u>	<u>1,587,972</u>	<u>818,563</u>
Income tax paid	(515,285)	(240,605)	(180,051)
Interest paid	(331)	(3,879)	(3,490)
Cash provided by operating activities	<u>346,358</u>	<u>1,343,488</u>	<u>635,022</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment	(78,402)	(124,250)	(31,273)
Acquisition of intangible assets	(6,920)	(12,191)	(4,272)
Proceeds on disposal of property and equipment	2,092	353	353
Long-term receivables	25,351	(162,362)	(93,960)
Interest received	30,323	72,216	51,401
Cash used in investing activities	<u>(27,556)</u>	<u>(226,234)</u>	<u>(77,751)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid	(501,078)	(1,635,098)	(1,186,765)
Loans repaid	-	(77,000)	(69,778)
Cash used in financing activities	<u>(501,078)</u>	<u>(1,712,098)</u>	<u>(1,256,543)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(182,276)	(594,844)	(699,272)
Effect of exchange rate changes on the balance of cash held			
in foreign currency	12,742	6,400	1,161
Cash and cash equivalents at the beginning of the year	<u>1,639,049</u>	<u>2,227,493</u>	<u>2,227,493</u>
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD/YEAR	<u>1,469,515</u>	<u>1,639,049</u>	<u>1,529,382</u>

**SUPREME VENTURES LIMITED
AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
UNAUDITED SIX MONTHS ENDED JUNE 30, 2016
(Expressed in thousands of Jamaica dollars)**

1. Identification

Supreme Ventures Limited (the Company) is a public limited liability company which is listed on the Jamaica Stock Exchange. The Company's registered office is located at the 4th Floor, The R. Danny Williams Building, 28-48 Barbados Avenue, Kingston 5, Jamaica, W.I.

The main activity of the Company is the management of its subsidiary companies (subsidiaries).

The Company and its subsidiaries are collectively referred to as "the Group" and are all incorporated in Jamaica.

The subsidiaries that are consolidated and their principal activities are as follows:

<u>Name of company</u>	<u>Principal activity</u>	<u>Percentage ownership</u>
		%
Prime Sports (Jamaica) Limited and its wholly-owned subsidiaries:	Betting, gaming and lottery operations licensed by the Betting, Gaming and Lotteries Commission (BGLC)	100
Bingo Investments Limited	Not trading	
Chillout Ventures Limited	Not trading	
Supreme Ventures Financial Services Limited	Not trading	100
Supreme Ventures Lotteries Limited	Not trading	100
Transtel Jamaica Limited	Not trading	100
Big 'A' Track 2003 Limited	Pin code sales (effective November 1, 2014)	100

In addition to the entities above, the Group also includes Jamaica Lottery Company Limited, which has been placed into members' voluntary liquidation.

2. Statement of compliance and basis of preparation

(a) Statement of compliance

These unaudited interim financial statements have been prepared in accordance with IAS 34, *Interim Financial Reporting*. The accounting policies followed in these interim financial statements are consistent with those used in the audited financial statements for the year ended December 31, 2015.

(b) Basis of measurement

The financial statements are prepared on the historical cost basis, except for the inclusion of available-for-sale investments at fair value.

(c) Functional and presentation currency

The financial statements are presented in Jamaica dollars (\$), which is the functional currency of the Group.

**SUPREME VENTURES LIMITED
AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
UNAUDITED SIX MONTHS ENDED JUNE 30, 2016**
(Expressed in thousands of Jamaica dollars)

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

(d) Use of estimates and judgements

The preparation of the financial statements to conform with IFRS requires management to make estimates and assumptions that affect the reported amount of, and disclosures relating to assets, liabilities and contingent assets and contingent liabilities at the reporting date and the income and expenses for the period ended. Actual amounts could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, and future years, if the revision affects both current and future period.

Judgements made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next financial period are presented below:

(i) Allowance for impairment losses on receivables

In determining amounts recorded for impairment of accounts receivable in the financial statements, management makes judgements regarding indicators of impairment, that is, whether there are indicators that suggest there may be a measurable decrease in the estimated future cash flows from accounts receivable, for example, repayment default and adverse economic conditions. Management also makes estimates of the likely estimated future cash flows from impaired accounts receivable, as well as the timing of such cash flows. Historical loss experience is applied where indicators of impairment are not observable on individual significant accounts receivable and total trade accounts receivable with similar characteristics, such as credit risks.

(ii) Residual value and expected useful life of property and equipment and investment properties

The residual value and the expected useful life of an asset are reviewed at least at each financial period, and, if expectations differ from previous estimates, the change is accounted for. The useful life of an asset is defined in terms of the asset's expected utility to the Group.

(iii) Impairment of goodwill and intangible assets

Impairment of goodwill and intangible assets is dependent upon management's internal assessment of future cash flows from the cash-generating units that gave rise to the goodwill and intangible assets. That internal assessment determines the amount recoverable from future use of those units. In addition, the estimate of the amount recoverable from future use of those units is sensitive to the discount rates used.

(e) Where necessary, comparative amounts have been reclassified to conform with changes in the presentation in the current reporting period.

**SUPREME VENTURES LIMITED
AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
UNAUDITED SIX MONTHS ENDED JUNE 30, 2016
(Expressed in thousands of Jamaica dollars)**

3. Significant accounting policies

(a) Property and equipment

(i) Owned assets

Freehold land, art and paintings are stated at historical cost. All other property and equipment are stated at cost, less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the assets.

The cost of self-constructed assets includes the cost of materials and direct labour, plus related borrowing costs and any other costs directly attributable to bringing the asset to a working condition for its intended use.

The cost of replacing part of an item of property and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied with the part will flow to the Group and its costs can be measured reliably. The costs of day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

(ii) Depreciation

Property and equipment, with the exception of freehold land, art and paintings on which no depreciation is provided, are depreciated on the straight-line basis at annual rates estimated to write down the assets to their residual values over their expected useful lives. The depreciation rates are as follows:

Freehold buildings	20-40 years
Video lottery terminal (VLT) equipment	5-10 years
Furniture, fixtures machinery & equipment	3-10 years
Computer equipment	3-5 years
Motor vehicles	5-8 years
Signs & posters	5-10 years
Leasehold improvements	Shorter of lease term and useful life

The depreciation methods, useful lives and residual values are reassessed at each reporting date.

(b) Investment properties

Investment properties, comprising freehold land and buildings, are held for long-term rental yields, are not occupied by the Group and are carried at cost less accumulated depreciation and impairment losses. Land is not depreciated. Freehold buildings are depreciated on the straight line basis over their expected useful lives of 20 years.

**SUPREME VENTURES LIMITED
AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
UNAUDITED SIX MONTHS ENDED JUNE 30, 2016
(Expressed in thousands of Jamaica dollars)**

3. Significant accounting policies (continued)

(c) Goodwill and Intangible assets

(i) Goodwill

Goodwill represents amounts arising on acquisition of subsidiaries and other business ventures. It comprises the excess of the cost of the acquisition over the fair value of the net identifiable assets acquired.

Goodwill is stated at cost, less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is tested annually for impairment. Negative goodwill arising on acquisition is recognised directly in profit or loss.

(ii) Trademarks and licences

Trademarks, licences and permits with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate, with the effect of any changes in estimate being accounted for on a prospective basis. Amortisation is charged on the straight-line basis over the estimated useful lives. Useful lives are currently estimated as follows.

Licenses and permits	5 years
Trademarks	10 years

Trademarks, licences and permits with indefinite useful lives are carried at cost less accumulated impairment losses. The useful lives of such assets are reviewed at each reporting date to determine whether events and circumstances continue to support an indefinite useful life assessment for those assets. If they do not, the change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate.

(ii) Other intangible assets

Other intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged on the straight-line basis over its estimated useful life. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate, with the effect of any changes in the estimate being accounted for on a prospective basis.

The amortisation rates are as follows:

Computer software	3 years
Software usage rights	10 years

(iii) Derecognition of goodwill and intangible assets

Goodwill and intangible assets are derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from the derecognition of goodwill and intangible assets, measured as the difference between the net proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

**SUPREME VENTURES LIMITED
AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
UNAUDITED SIX MONTHS ENDED JUNE 30, 2016
(Expressed in thousands of Jamaica dollars)**

3. Significant accounting policies (continued)

(d) Impairment of non-financial assets

The carrying amounts of non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For goodwill, the recoverable amount is estimated at each reporting date.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of other assets in the unit on a pro rata basis. Impairment losses are recognised in profit or loss.

(i) Calculation of recoverable amount

The recoverable amount of non-financial assets is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

(ii) Reversals of impairment

An impairment loss in respect of goodwill is not reversed. In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(e) Cash and cash equivalents

Cash comprises cash in hand and demand and call deposits. Cash equivalents are short-term, highly liquid financial assets that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. These include certificates of deposit where the maturities do not exceed three months from the date of acquisition. Cash and cash equivalents are carried at amortised cost.

**SUPREME VENTURES LIMITED
AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
UNAUDITED SIX MONTHS ENDED JUNE 30, 2016
(Expressed in thousands of Jamaica dollars)**

4. Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's results are reviewed regularly to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results are reported to the Group's executive management (collectively considered the chief operating decision maker) which includes items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

All transactions between business segments are conducted on an arm's length basis, with intersegment revenue and cost eliminated on consolidation. Income and expenses directly associated with each segment are included in determining business segment performance.

No geographical segment reporting is recognised as the Group's operations are located solely in Jamaica.

Period ended June 30, 2016

	Period ended June 30, 2016						Group
	Lottery	Gaming & Hospitality	Sports Betting	Pin Codes	Other	Unallocated	
External revenue	17,413,332	186,007	393,463	4,112,172	41,994	7,151	22,154,119
Total revenue	<u>17,413,332</u>	<u>186,007</u>	<u>393,463</u>	<u>4,112,172</u>	<u>41,994</u>	<u>7,151</u>	<u>22,154,119</u>
Result							
Segment result	951,486	(4,096)	(112,616)	48,221	40,705	(44,548)	879,152
Interest income							33,638
Net foreign exchange loss							4,866
Finance cost							(331)
Other gains and losses							522
Profit before taxation							917,847
Taxation							(268,781)
Profit for the year							<u>649,066</u>
Other information							
Capital expenditure	<u>36,938</u>	<u>4,343</u>	<u>11,632</u>	<u>-</u>	<u>-</u>	<u>32,409</u>	<u>85,322</u>
Depreciation, amortisation and write-offs property, plant and equipment	<u>20,864</u>	<u>30,733</u>	<u>8,879</u>	<u>-</u>	<u>-</u>	<u>53,035</u>	<u>113,511</u>
Segment assets	<u>1,518,166</u>	<u>447,453</u>	<u>187,604</u>	<u>735,783</u>	<u>-</u>	<u>2,332,989</u>	<u>5,221,995</u>
Segment liabilities	<u>564,527</u>	<u>24,086</u>	<u>22,016</u>	<u>704,963</u>	<u>-</u>	<u>164,378</u>	<u>1,479,970</u>

**SUPREME VENTURES LIMITED
AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
UNAUDITED SIX MONTHS ENDED JUNE 30, 2016**
(Expressed in thousands of Jamaica dollars)

4. Segment reporting (continued)

Period ended June 30, 2015

	Period ended June 30, 2015						Group
	Lottery	Gaming & Hospitality	Sports Betting	Pin Codes	Other	Unallocated	
External revenue	18,587,969	130,429	231,468	3,185,010	40,212	-	22,175,088
Total revenue	<u>18,587,969</u>	<u>130,429</u>	<u>231,468</u>	<u>3,185,010</u>	<u>40,212</u>	<u>-</u>	<u>22,175,088</u>
Result							
Segment result	1,210,038	(110,876)	(96,440)	25,580	40,212	(106,922)	961,592
Interest income							35,012
Net foreign exchange loss							3,736
Finance cost							(2,870)
Other gains and losses							17,873.00
Profit before taxation							1,015,343
Taxation							(310,301)
Profit for the year							<u>705,042</u>
Other information							
Capital expenditure	<u>11,380</u>	<u>17,800</u>	<u>1,398</u>	<u>-</u>	<u>-</u>	<u>4,967</u>	<u>35,545</u>
Depreciation, amortisation and write-offs property, plant and equipment	<u>17,430</u>	<u>52,411</u>	<u>12,637</u>	<u>-</u>	<u>-</u>	<u>96,314</u>	<u>178,792</u>
Segment assets	<u>1,469,418</u>	<u>604,711</u>	<u>164,051</u>	<u>588,301</u>	<u>-</u>	<u>2,212,637</u>	<u>5,039,118</u>
Segment liabilities	<u>510,729</u>	<u>35,344</u>	<u>16,634</u>	<u>547,528</u>	<u>-</u>	<u>365,221</u>	<u>1,475,456</u>

5. Contingencies – Litigations

Epsilon Global Equities:

On December 15, 2008 a civil suit was filed by Epsilon Global Equities Limited (Epsilon) citing as defendants the Company and its founding stockholders. The matter was decided in 2011, with a judgement in favour of the stockholders and the Company. Epsilon appealed the judgement. The appeal was heard in April 2015. It is expected that the Court will give its decision by December 31, 2016. The attorneys representing the Company expect to succeed and that the appeal will not result in a financial liability to the Company.

Talisman Capital Alternative Investment Fund and EGE Limited:

In August 2012, a civil suit was filed in the Courts of Florida, USA, by Talisman Capital Alternative Investment Fund and EGE Limited citing as defendants the Company and certain of its stockholders. This suit is in respect of most of the same issues decided in the Supreme Court in Jamaica in favour of the Company and some of its stockholders (see above).

In April 2013, the Federal Bankruptcy Court in Florida granted a motion by SVL and other defendants to dismiss the complaint. The plaintiffs then filed objections to the dismissal. Subsequently, the court granted a motion by SVL and other defendants to strike out the objections. The plaintiffs then moved for reconsideration of the order. The motions were heard and SVL and other defendants were successful on the motions and were either discharged from the proceedings or the plaintiffs were ordered to re-file the proceedings. The Plaintiffs have appealed the Order. The Appeal has been heard and the decision is pending.

The attorneys representing SVL expect its position to be upheld by the Florida Courts.



Shareholdings

Supreme Ventures Limited - Top 10 Shareholders
As at June 30, 2016

NAME	JOINT HOLDERS	Volume	%
Intralot Caribbean Ventures Ltd		1,315,895,445	49.896
Ian Kent Levy		320,541,171	12.154
	Matthew Levy	4,000,000	0.152
		324,541,171	12.306
Paul Hoo		170,000,000	6.446
		27,821,082	1.055
		197,821,082	7.501
Janette Stewart		179,035,112	6.789
	Steven Hudson	587,433	0.022
		179,622,545	6.811
Stephen Castagne		144,396,828	5.475
Mayberry West Indies Limited		69,612,718.	2.640
Sunfisher Corporation		24,648,118	0.935
Sagicor Pooled Equity Fund		23,313,478	0.884
JCSD Trustee Services Ltd - Sigma Optima		21,838,339	0.828
Keith Binns		20,000,000	0.758

Supreme Ventures Limited - Directors Holdings

As at June 30, 2016

Directors Name				
Accounts (s)	Primary Holder	Joint Holders/Connected Interest	Volume	Percentage
Paul Hoo	Paul Hoo		170,000,000	6.446
			27,821,082	1.055
			197,821,082	7.501
Ian Kent Levy	Ian Kent Levy	Matthew Kent Levy	320,541,171	12.154
			4,000,000	0.152
			324,541,171	12.306
Steven A. Hudson	Janette Stewart	Steven A. Hudson	587,433	0.022
			587,433	0.022
Brian R. George	Brian R. George		90,941	0.003
			155,706	0.006
			246,647	0.009
John George Graham	John George Graham KRASS Investments Limited	Tracey Elaine Adams-Goldson John Graham	1,000	0.000
			4,223,602	0.160
			4,224,602	0.160
Barrington Chisholm	Barrington Chisholm	Anna-Kaye Chisholm	994,871	0.038
			2,941,177	0.112
			3,936,048	0.149
Georgios Sampson			Nil	Nil
Nikolaos Nikolakopoulos			Nil	Nil
Peter Chin			Nil	Nil
Ian Moore			Nil	Nil
Robert Nader			Nil	Nil

Supreme Ventures Limited - Senior Management's Shareholdings

As at June 30, 2016

Name Account (s)	Joint Holders/Connected Interest	Volume	Percentage
Brian George		90,941	0.0034
		155,706	0.0059
		246,647	0.0094
James Morrison	Joan M. Morrison	333,050	0.0126
Lancelot Thomas		NIL	NIL
Wayne Boodasingh		NIL	NIL
Lorna Gooden	Gregory Paul Anthony Gooden	8,300	0.0003
		8,300	0.0003
		16,600	0.0006
Andrew Bromley		4,000	0.0002
Adam Harris		NIL	NIL
Krista-Gaye Fisher		NIL	NIL
Tashia Hutton		NIL	NIL
Andre Marks	Opel Marks	2,200	0.0001
		5,500	0.0002
		7,700	0.0003
Vassilis Hadjidiakos		NIL	NIL
Simone Clarke-Cooper		NIL	NIL
Carolyn Bolt-Nicholas		NIL	NIL



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