



UNAUDITED FINANCIAL RESULTS FOR THE THREE MONTHS ENDED MARCH 31, 2017

RELEASE TO SHAREHOLDERS

The Board of Directors of SWEET RIVER ABATTOIR & SUPPLIES LTD is please to present the unaudited financial statements for the three months ended March 31, 2017.

MANAGING DIRECTOR'S REPORT FOR THE THREE MONTHS PERIOD ENDING MARCH 31, 2017

For the quarter ending March 31, 2017 we generated sales revenues of \$88.2m compared to \$55.9m for the same period in 2016. We also experienced a 96% increase in our operational expenses over the period due mainly to the trucking of water, electricity and increase staffing to fill vacant positions at the new plant. It is also important to note that we have been operating at the new plant for the past ten months and there are still other vacant positions to be filled. Our sales for the last quarter were below expectation as the period included the winter tourist season when most hotels were full.

Having identified our core group of farmers the supply of pigs is expected to be maintained and increase where necessary as our effort to increase our markets shares intensified. Our farmers will then be able to operate at full capacity thus maximizing their profitability with and through increase productivity and economy of scale. Efforts are made to have them exposed to the latest technology and contacts have been made to explore overseas training.

We are in dialogue to have in place a marketing contract with all our markets thus ensuring a continuous flow from the farm to the fork. These contracts will guarantee that we maintain viable production levels on the farms, at the abattoir and to our customers. These contracts will run for periods of six months, one year and three to five years depending on the nature

of the business. Our marketing efforts will not be limited to the domestic market as we are working on getting all the necessary certification for export.

New Business Line

Not included the increase mentioned above we have offered slaughtering service that accounts for an additional 30% of the volume over the ten months we are operating at the new plant. Our customers are delighted with the quality of the carcasses supplied so far and have reported increase yield and have increase their level of production.

Outlook

We are expecting even better results in 2018 and beyond as we continue to improve in all areas of productions. Cost shaving in utilities, haulage and productivity will be given high priority in the weeks, months and years to come.

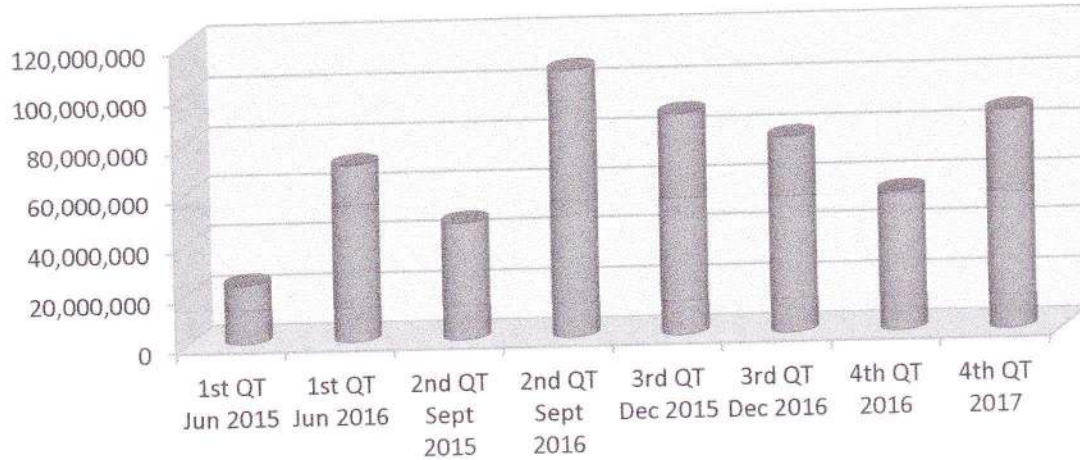
We remain committed to honor all the projects that were mentioned in our prospectus in 2014, these includes but not limited to: the slaughtering of sheep and goats, increase in the local market shares and export.

THIRD QUARTER FINANCIAL HIGHLIGHTS

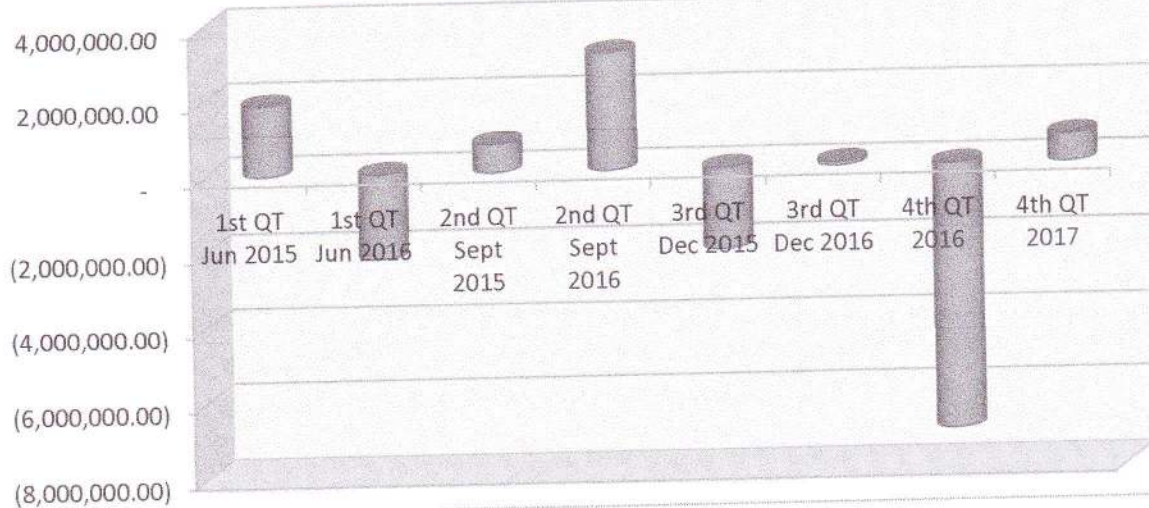
Highlights of the three months ended March 31 2017

	<u>March 17</u>	<u>March 16</u>	<u>Inc/(Dec)%</u>
⬇ Sales revenue	\$88.2 m	\$55.9m	58 %
⬇ Net profit/ (Loss)	\$.720m	(\$7.0m)	110 %
⬇ Earnings per stock unit	0.01 cents	(0.07) cents	114%
⬇ Total assets	\$467m	\$370m	26%
⬇ Total stockholders 'equity	\$163.0m	\$160m	2%

REVENUE COMPARISON



NET PROFIT COMPARISON



Three Months Ended March 31st, 2017 compared to March 31st, 2016

- **Sales Revenue**

The company generated sales revenues in the Fourth quarter of 2017 in the amount of \$88.2m when compared to \$55.9m of the previous year; an Increase of \$32m or (58) %. This increase was due to us expanding our market share.

- **Gross profit**

Gross profit of \$15.4 m when compared to the previous period of (\$902.00); an increase of \$15.4m this was due as a result of an abundance of supply and a reduction in price been paid for pigs.

- **Expenses**

Total operational expenses of \$10.8m when compared to previous period of \$5.5 m; an increase of \$5.3m or 96 %. This increase was as a result of our cost in Factory; trucking, administrative as we had to employ additional staff to ensure that we adequately staff the new plant. We also incurred some spoilage which further erodes our profitability. Our Finance cost remain high moving to \$3.8m when compare to the previous period of \$1.5m an increase of \$2.3m or 156% ,while we continue to face these finance cost we are still working to find a more cost effective way of accessing working capital funding to move the new plant forward while we fine tune our operation .

▪ **Net Profit**

A net profit of \$.719m was realized when compared to a net loss of (\$6.9m) of the previous period; a turnaround of \$7.7m or 110% .

Twelve Months Ended March 31, 2017 compared to December 31, 2016

- **Sales revenue** of \$345.3 m when compared to the previous period of \$215.1m, an increase of \$130.1m or 60%.
- **Gross profit** of \$49.1M when compared to \$20.5m of the previous period, an increase of \$28.6m or 140%.
- **Total operational expenses** of \$35.3m when compared to previous period of \$23.8m an increase of \$11.5m or 48% due.

Net Profit of \$1.8m for the period, when compared to the previous period of a loss (\$6.5m an increase of \$8.2m or 127 % . This we hope to increase going forward in our new financial year.

The company continues its growth trajectory in its revenue and hope to continue to bring greater value and reward to all our stake holders growing from strength to strength.


Valence Gifford
Managing Director
May 7th, 2017

SWEET RIVER ABATTOIR & SUPPLIES COMPANY LIMITED

**Unaudited Statement of
Comprehensive Income**

For the Twelve Months Period Ending March 31st, 2017

	Three months to March 2017	Three months to March 2016	Twelve months to March 2017	Twelve months to March 2016	Audited 31- Mar 2016
	\$	\$	\$	\$	\$
Revenue	88,152,569	55,872,763	345,251,760	215,149,082	215,152,210
Cost of sales	(72,793,244)	(55,873,665)	(296,149,467)	(194,691,366)	(194,693,506)
Gross Profit	15,359,325	(902)	49,102,293	20,457,716	20,458,704
Administrative and General Expenses	(10,798,077)	(5,495,238)	(35,307,832)	(23,837,555)	(24,177,518)
Operating (loss)/profit	4,561,248	(5,496,140)	13,794,461	(3,379,839)	(3,718,814)
Finance Income	-	12,953	-	94,661	94,680
Finance Cost	(3,841,938)	(1,501,779)	(12,034,208)	(3,183,014)	(3,603,662)
(Loss)/profit before Taxation	719,310	(6,984,966)	1,760,253	(6,468,192)	(7,227,796)
Taxation	-	-	-	-	1,696,950
comprehensive (loss)/profit for the period	719,310	(6,984,966)	1,760,253	(6,468,192)	(5,530,846)
Earnings per share (Note 6)	0.01	(0.07)	0.02	(0.06)	(0.07)

SWEET RIVER ABATTOIR & SUPPLIES COMPANY LIMITED
Unaudited statement of financial position
March 31, 2017

	12 Months To March 31, 2017	12 Months To March 31, 2016	(Audited) Mar 31, 2016
	\$	\$	\$
ASSETS			
Non-Current Assets			
Property, plant and equipment	402,165,314	339,690,913	364,695,514
Deferred Tax Asset	3,189,472	1,432,522	3,189,472
Deferred Interest	6,411,267	-	6,411,267
Goodwill	6,580,000	6,580,000	6,580,000
Total non-current assets	<u>418,346,053</u>	<u>347,703,435</u>	<u>380,876,253</u>
Current Assets			
Directors' Current Account	-	-	-
Cash and Cash Equivalents	4,051,594	1,539,994	1,533,983
Trade and other receivables	21,715,814	17,286,399	15,437,871
Inventories	23,397,167	3,215,897	3,220,434
Total current assets	<u>49,164,575</u>	<u>22,042,291</u>	<u>20,192,288</u>
TOTAL ASSETS	<u><u>467,510,628</u></u>	<u><u>369,745,726</u></u>	<u><u>401,068,541</u></u>

LIABILITIES & EQUITY

Current Liabilities

Bank overdraft	-	14,986,318	15,060,958
Trade and Other Payables	96,245,291	32,811,800	15,048,044
Income Tax Payable	-	3,768,483	3,721,980
Directors' current account	1,830,356	421,344	421,344
Current portion of long term Payables	13,882,816	-	13,882,816
Current portion of long term loan	36,813,331	0	20,813,331
Total current liabilities	<u>148,771,794</u>	<u>51,987,945</u>	<u>68,948,473</u>

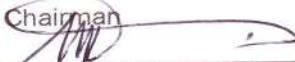
Long Term Liabilities

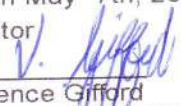
Long-term liabilities	99,288,217	141,949,250	129,228,671
Long-term Payables	27,790,420		27,790,420
VMWM LTD loan	11,000,000	8,249,432	
Shareholders Loan	17,976,310	7,572,811	14,177,343
Deferred tax liability	-	-	-
Total Liabilities	<u>304,826,741</u>	<u>209,759,438</u>	<u>240,144,907</u>

Equity

Share capital	143,695,713	143,695,713	143,695,713
Accumulated surplus	18,988,174	16,290,575	17,227,921
Total Equity	<u>162,683,887</u>	<u>159,986,288</u>	<u>160,923,634</u>
Total Liabilities & Equity	<u><u>467,510,628</u></u>	<u><u>369,745,726</u></u>	<u><u>401,068,541</u></u>

Approved for issue by the Board of Directors on May 7th, 2017 and signed on its behalf by:

Chairman

 Henry Graham

Director

 Valence Gifford

SWEET RIVER ABATTOIR & SUPPLIES COMPANY LIMITED

Unaudited statement of changes in shareholders' equity
for the Twelve Months ended 31st March
2017

	Share Capital	Share Advance	Retained Earnings	Total
	\$	\$	\$	\$
Balance as at March 31, 2014	4,500	32,957,629	27,433,980	60,396,109
Converted share advance	32,957,629	(32,957,629)	-	-
Monies received for shares purchased	110,733,584			110,733,584
Net Profit attributable to Shareholders			(3,791,079)	(3,791,079)
Balances as at March 31, 2015	143,695,713	-	23,642,901	167,338,614
	143,695,713		22,758,767	166,454,480
Net Profit attributable to Shareholders			(6,468,192)	(6,468,192)
Balances as at March 31, 2016	143,695,713	-	16,290,575	159,986,288
	143,695,713		17,227,921	160,923,634
Net profit attributable to shareholders			1,760,253	1,760,253
Balances as at March 31, 2017	143,695,713		18,988,174	162,683,887

SWEET RIVER ABATTOIR & SUPPLIES COMPANY LIMITED

Unaudited statement of cash flows
for the period ended March 31st 2017

	March 31, 2017	March 31, 2016	(Audited) Mar 31, 2016
	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation	1,760,253	(6,468,192)	(5,530,846)
Adjustments to reconcile profit for year to net cash provided by operating activities:			
Bad debt	-	-	-
Depreciation	251,512	265,478	444,526
Deferred tax Income	-	-	(1,756,950)
Deferred tax Interest	-	-	(6,411,267)
Interest income	-	(94,661)	(11,541)
Taxation Provision	-	-	60,000
Operating surplus before changes in working capital	2,011,765	(6,297,376)	(13,206,078)
Trade and other receivables	(6,277,943)	576,347	2,424,875
Inventories	(20,176,733)	16,531,082	16,526,545
Directors' current account	-	2,000	-
Shareholders loan	-	7,572,811	-
Accounts payable & provisions	81,197,247	(3,033,689)	(20,797,445)
Directors' current account	1,409,012	421,344	423,344
Net cash generated by operations	58,163,348	15,772,519	(14,628,759)
Taxation	(3,721,980)	(1,595,565)	(1,702,068)
Interest received	-	94,661	11,541
Net cash inflows from operating activities	54,441,368	14,271,615	(16,319,286)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	(37,721,312)	(51,451,838)	(76,635,487)
Net cash outflows from investing activities	(37,721,312)	(51,451,838)	(76,635,487)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term Loan	(29,940,454.00)	8,249,432	-
Proceeds of long term Payables	-	-	41,673,236
proceeds of long term loan Net	16,000,000	-	8,092,752
VMWM LTD loan	11,000,000	-	-
Shareholders loans	3,798,967	-	14,177,343
Bank Overdraft	(15,060,958)	-	8,199,314
Net cash inflows from financing activities	(14,202,445)	8,249,432	72,142,645
(Decrease)/Increase in cash resources	2,517,611	(28,930,791)	(20,812,128)
Cash resources at the start of the year	1,533,983	15,484,467	22,346,111
	4,051,594	(13,446,324)	1,533,983
Cash resources comprise:			
Cash and bank balances	4,051,594	(13,446,324)	1,533,983
	4,051,594	(13,446,324)	1,533,983

SWEET RIVER ABATTOIR & SUPPLIES COMPANY LIMITED

Notes to the Unaudited Financial Statements Twelve Months Period Ended March 31st, 2017

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, Sav-la-mar, 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
Twelve Months Period Ended March 31st, 2017

5. Shareholders' Information

	No. Of Units
Directors' Holdings	
As at March 31, 2017:	
HENRY GRAHAM	15,035,009
HECTOR LYONS	7,358,848
AUDLEY DEIDRICK	5,205,603
VALDENCE GIFFORD	4,995,058
NEVILLE GRANT	4,654,073
NIGEL MORGAN	919,763
Top Ten Shareholders	
As at March 31, 2017:	
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 FUNDS	4,663,300
V.M.B.SOCIETY	4,663,213
NEVIL GRANT	4,654,073
J.C.S.C.D TRUSTEE SERVICE	3,886,005
Holding of Senior Managers as March 31, 2017	
Valdence Gifford	4,995,058
Sean Forbes	4,000