



Interim Report to Stockholders

FOR THE NINE (9) MONTHS ENDED 30TH SEPTEMBER 2018

INTERIM REPORT TO STOCKHOLDERS

For the nine (9) months ended 30th September 2018

FINANCIAL PERFORMANCE

The Group's unaudited financial statements are presented for the nine months ended September 30, 2018. The presentation of the quarterly results are changed based on the requirements of the accounting standards now effective for 2018 that affects the reporting format of revenues relating to Video Lottery Segments (VLTs) and PIN codes, but does not change the final numbers reported.

The results showed \$46.32 billion in revenues representing a 12.32% increase over the corresponding period in 2017. Direct expenses increased by \$4.5 billion or 12.18% over prior year. There was a 12% increase in statutory fees to the Government of Jamaica, totalling \$4.12 billion for the period under review. With the adoption of IFRS 15 (Revenue from Contracts with Customers), the sale of PIN codes are no longer classified as revenue, but the net commission is classified as other income.

Gross profits increased by \$564 million, a 13.54% increase over the same period in September 2017, attributed to higher amounts for key Lottery products, Horse Racing, VLT and Sports Betting. PIN codes are no longer reported in Gross profits in 2018 unlike 2017.

The year to date net profits of \$1.52 billion reflect an increase of \$192.65 million or 14.52% when compared to the similar period in 2017. This represents the best third quarter performance in the history of the Company's operations.

The Group's total segment performance of Earnings before Interest & Taxes reflects a 17.82% increase when compared to the same period last year. Net results for the three months ended September 30, 2018 showed an increase over the same period prior year, from \$406.79 million to \$468.87 million, reflecting a 14.58% increase.

The Group's performance for the quarter is attributed to the continued focus on strategic priorities and the execution of key initiatives, which include revenue growth of 10% driven by improved performances in Sports Betting, Lottery, Horse Racing and VLTs. The increase in the Group's operating expenses was mainly due to the timing of operating expenses across the Group. Accordingly, the Group's operating expense ratio remained relatively flat at 5.56%.

Earnings per share for the quarter is 17.78 cents (2017: 15.52 cents), while the year to date earnings per share is 57.62 cents, versus 50.32 cents in 2017 a 14.56% and 14.50% increase respectively.

During the quarter, the company took the decision to dispose of the Harbour Street property, for \$66 million, which is included in the Cash Flow Statement. This decision was made in an effort to dispose of assets not being utilized efficiently.

SEGMENT RESULTS

Revenues from the lottery games portfolio continue to show a strong growth trend, driven by the successful deployment of marketing and retail initiatives. Major promotional activities for the year to date include Mega Pot, Mega Cup and Cash Pot in The Streets.

Sports Betting revenues have grown significantly for the current period, benefitting from the execution of key initiatives and the JustBet Goal Rush World Cup campaign momentum. YTD segment performance improved by \$12.8 million or 33.7%, when compared to the similar period in 2017.

VLTs recorded increased activity and segment performance compared to the similar prior year period, due to increased customer activity. The segment results increased by \$21.6 million, or 1,364% when compared to 2017 Q3.

Horse Racing recorded an increase in revenue of 2% or \$23.8 million over 2017, and management is focused on consistent delivery of an improved product to maintain the momentum achieved. The segment incurred a loss for the period, particularly resulting from increased expenditure on necessary repairs and maintenance. The Amtote platform

was officially launched in July 2018 and fully integrated in SVREL operations, which represents a significant investment in the infrastructure and earning potential of the segment.

OUTLOOK

The Group will continue to maintain the positive momentum achieved in 2018 through the timely execution of key strategic initiatives for the remainder of the year.

The performance of the Horse Racing segment in particular is being closely monitored in order to stem losses experienced year to date, and several key initiatives are already being deployed to positively impact the business, which are beginning to show improved results.

A key strategic and operational focus is the development and deployment of a mobile solution to further enhance the Group's product offerings and customer experience. The company will be continuing on its strategic focus on building and growing its mobile solutions.

The Guyana project has entered the buildout phase with the objective of a rollout in the coming months.

CORPORATE SOCIAL RESPONSIBILITY

The Group's annual Robotics camp provided over 100 primary school children, with hands-on introduction to the exciting world of Robotics, with four children receiving \$50,000 each in scholarships. The company's "Simply Vested In Love" contributed \$2 million towards back to school expenses for over 200 children. The Nine Turns Basic school in Clarendon benefited from assistance for students through a partnership with Gift of Love Jamaica.

The official handover of a Vivid Q portable echocardiogram machine, acquired by the University Hospital of the West Indies through a \$4 million donation from SVL, was also a high point of the third quarter.

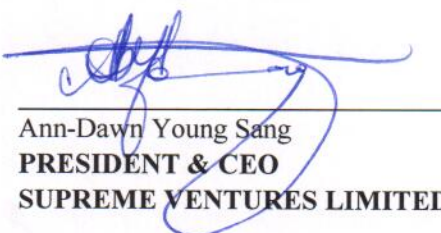
The company also renewed its annual football sponsorship of the Red Stripe Premier League, and to demonstrate that 'Supreme Supports' the environment, SVL was proud to partner alongside several corporate entities for International Coastal Clean Up Day.

As always, we thank all our stakeholders for their continued confidence in Supreme Ventures, and extend special gratitude to our shareholders, Board of Directors, Retailer network, management, staff and our loyal patrons, for their continued support.



David McConnell

CHAIRMAN
SUPREME VENTURES LIMITED



Ann-Dawn Young Sang

PRESIDENT & CEO
SUPREME VENTURES LIMITED



FINANCIAL STATEMENTS

Nine Months Ended September 30, 2018

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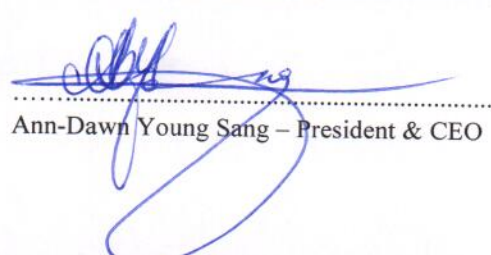
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SUPREME VENTURES LIMITED AND ITS SUBSIDIARIES**Group Statement of Financial Position****September 30, 2018***(Expressed in thousands of Jamaica dollars)*

Notes	Unaudited Nine Months Ended September 30, 2018	Audited Year Ended December 31, 2017	Unaudited Nine Months Ended September 30, 2017
ASSETS			
Non-current assets			
Property and equipment	1,234,648	1,164,479	1,356,542
Investment properties	591,278	618,299	782,505
Goodwill and intangible assets	296,847	317,555	648,050
Long-term receivables	28,912	29,782	455,409
Available-for-sale investments	1,883	1,883	1,883
Other investments	18,852	18,852	18,837
Deferred tax assets	182,993	166,180	211,929
Total non-current assets	2,355,413	2,317,030	3,475,155
Current assets			
Inventories	100,309	197,461	167,612
Income tax recoverable	23,695	25,680	18,194
Assets held for sale	-	92,010	-
Short-term investments	-	100,000	-
Trade and other receivables	1,044,836	1,002,229	920,882
Cash and cash equivalents	2,614,895	2,440,750	2,431,106
Total current assets	3,783,735	3,858,130	3,537,794
Total assets	6,139,148	6,175,160	7,012,949
EQUITY AND LIABILITIES			
Stockholders' equity			
Share capital	1,967,183	1,967,183	1,967,183
Capital reserves	62,485	62,486	62,486
Retained earnings	897,033	1,091,555	2,065,568
Total shareholders' equity	2,926,701	3,121,224	4,095,237
Non-current liabilities			
Long-term payables	101,321	276,871	292,153
Finance lease obligation	445,938	315,712	321,684
Total non-current liabilities	547,259	592,583	613,837
Current liabilities			
Prize liabilities	576,789	400,780	286,198
Trade and other payables	1,976,713	1,746,177	1,768,545
Income tax payable	111,686	314,396	249,132
Total current liabilities	2,665,188	2,461,353	2,303,875
Total stockholders' equity and liabilities	6,139,148	6,175,160	7,012,949

Approved and authorized for issue by the Board of Directors on October 26, 2018 and signed on its behalf by:


 W. David McConnell – Chairman


 Ann-Dawn Young Sang – President & CEO

SUPREME VENTURES LIMITED AND ITS SUBSIDIARIES
Group Statement of Profit or Loss and Other Comprehensive Income
Period Ended September 30, 2018
(Expressed in thousands of Jamaica dollars)

		Unaudited Nine Months Ended September 30, 2018	Unaudited Nine Months Ended September 30, 2017	Unaudited Three Months Ended September 30, 2018	Unaudited Three Months Ended September 30, 2017
	<u>Notes</u>				
Revenue	4	46,317,447	41,237,861	15,375,318	13,868,321
Direct expenses	4	<u>(41,588,126)</u>	<u>(37,072,539)</u>	<u>(13,805,555)</u>	<u>(12,438,667)</u>
Gross profit		4,729,321	4,165,322	1,569,763	1,429,654
Operating expenses		<u>(2,825,168)</u>	<u>(2,419,202)</u>	<u>(967,937)</u>	<u>(903,156)</u>
Profit from operations		1,904,153	1,746,120	601,826	526,498
Interest income		47,521	71,425	16,759	29,357
Net foreign exchange loss		(16,152)	(3,178)	(7,013)	(2,301)
Finance costs		(41,311)	(45,486)	(13,324)	(25,922)
Other income		<u>157,522</u>	<u>3,742</u>	<u>53,658</u>	<u>3,742</u>
Profit before taxation		2,051,733	1,772,623	651,906	531,374
Taxation		<u>(532,039)</u>	<u>(445,577)</u>	<u>(183,039)</u>	<u>(122,153)</u>
Profit for the period		1,519,694	1,327,046	468,867	409,221
Other comprehensive income					
Item that may be reclassified to profit or loss					
Unrealised gain on available-for-sale investments		-	-	-	(2,436)
Total comprehensive income for the period		<u>1,519,694</u>	<u>1,327,046</u>	<u>468,867</u>	<u>406,785</u>
Earnings per stock unit		<u>57.62</u> cents	<u>50.32</u> cents	<u>17.78</u> cents	<u>15.52</u> cents

SUPREME VENTURES LIMITED AND ITS SUBSIDIARIES
Group Statement of Changes in Equity
Period Ended September 30, 2018
(Expressed in thousands of Jamaica dollars)

	Share capital	Capital reserves	Fair value reserves	Retained earnings	Total
Unaudited Nine Months Ended September 30, 2018					
Balance as at December 31, 2017	1,967,183	62,486	-	1,091,555	3,121,224
Profit for the period	-	-	-	1,519,694	1,519,694
Total comprehensive income for the period	-	-	-	1,519,694	1,519,694
Transactions with stockholders					
Distributions	-	-	-	(1,714,217)	(1,714,217)
Balance as at September 30, 2018	<u>1,967,183</u>	<u>62,486</u>	<u>-</u>	<u>897,032</u>	<u>2,926,701</u>
Unaudited Nine Months Ended September 30, 2017					
Balance as at December 31, 2016	1,967,183	62,486	3,480	1,767,052	3,800,201
Profit for the period	-	-	-	1,327,046	1,327,046
Other comprehensive income:					
Realised gain on available-for-sale investments transferred to profit or loss	-	-	(3,480)	-	(3,480)
Total comprehensive income for the period	-	-	(3,480)	1,327,046	1,323,566
Transactions with stockholders					
Distributions	-	-	-	(1,028,530)	(1,028,530)
Balance as at September 30, 2017	<u>1,967,183</u>	<u>62,486</u>	<u>-</u>	<u>2,065,568</u>	<u>4,095,237</u>

SUPREME VENTURES LIMITED AND ITS SUBSIDIARIES**Group Statement of Cash Flows****Period Ended September 30, 2018***(Expressed in thousands of Jamaica dollars)*

	Unaudited Nine Months Ended September 30, 2018	Unaudited Nine Months Ended September 30, 2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for period	1,519,694	1,327,046
Adjustments for:		
Depreciation of property and equipment	185,305	172,840
Depreciation of investment properties	27,021	32,770
Amortisation of intangible assets	24,615	12,127
Gain/(loss) on disposal and write-off of property and equipment	41,164	12,292
Gain recognised on available for sale investments	-	(3,742)
Bad debts recovered	(1,896)	8,754
Net foreign exchange gain on cash and cash equivalents	(35,353)	5,577
Interest income	(47,521)	(71,425)
Interest expense	41,311	45,486
Taxation	532,039	445,577
Operating cash flow before movement in working capital	<u>2,286,379</u>	<u>1,987,302</u>
Decrease/(increase) in operating assets		
Inventories	97,152	34,326
Trade and other receivables	(45,646)	(53,881)
Increase/(decrease) in liabilities		
Trade and other payables	275,186	317,965
Other assets	-	830
Prizes liabilities	176,009	43,359
Cash generated by operations	<u>2,789,079</u>	<u>2,329,901</u>
Income tax paid	(749,577)	(316,159)
Interest paid	(43,875)	(43,191)
Cash provided by operating activities	<u>1,995,627</u>	<u>1,970,551</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Business acquisition	-	(658,061)
Acquisition of property and equipment	(392,082)	(163,142)
Acquisition of intangible assets	(3,907)	(13,453)
Proceeds on disposal of property and equipment	191,896	8,787
Long-term receivables	870	57,419
Short-term investments	100,000	-
Interest received	50,578	68,971
Cash used in investing activities	<u>(52,645)</u>	<u>(699,479)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(1,714,217)	(1,028,530)
Long term payables repaid	(220,200)	372,549
Finance lease net	130,226	321,684
Cash used in financing activities	<u>(1,804,191)</u>	<u>(334,297)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	138,792	936,775
Effect of exchange rate changes on the balance of cash held in foreign currency	35,353	(5,577)
Cash and cash equivalents at the beginning of the period	<u>2,440,750</u>	<u>1,499,908</u>
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	<u>2,614,895</u>	<u>2,431,106</u>

**SUPREME VENTURES LIMITED
AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
UNAUDITED NINE MONTHS ENDED SEPTEMBER 30, 2018**

(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	
Big 'A' Track 2003 Limited	Pin code sales	100 %
Supreme Ventures Racing and Entertainment Limited	Betting and horse-racing operations licensed by BGLC and Jamaica Racing Commission (JRC)	100 %
Supreme Ventures Financial Services Limited	Not trading	100 %
Supreme Ventures Lotteries Limited	Not trading	100 %
Transtel Jamaica Limited	Not trading	100 %
Jamaica Lottery Company Holdings Limited	Not trading	100 %
Supreme Ventures Holding Limited	Not trading	100 %
Socrates Betting Company Limited	Not trading	100 %

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*, and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended December 31, 2017. They do not include all of the information required for a complete set of International Financial Reporting Standards (IFRS) financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements. The accounting policies followed in these interim financial statements are consistent with those used in the audited financial statements as at and for the year ended December 31, 2017 and corresponding interim reporting period, except for the adoption of new standards as set out in note 3 below.

(b) Basis of measurement

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

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UNAUDITED NINE MONTHS ENDED SEPTEMBER 30, 2018**
(Expressed in thousands of Jamaica dollars)

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

(c) Functional and presentation currency

The financial statements are presented in Jamaica dollars (\$), which is the functional currency of the Company and all its subsidiaries.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with IFRS requires management to make estimates, assumptions and judgments that affect the application of accounting policies and the reported amounts of, and disclosures relating to, assets, liabilities, contingent assets and contingent liabilities at the reporting date and the income and expenses for the period ended. Although these estimates are based on management's best knowledge of current events and actions, actual amounts could differ from these 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, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended December 31, 2017.

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

3. New standards adopted by the group in note 4

A number of new standards became applicable for the current reporting period and the group had to change its accounting policies and make retrospective adjustments as a result of adopting the following standards:

1. IFRS 9 Financial Instruments, and
2. IFRS 15 Revenue from Contracts with Customers.

The impact of the adoption of these standards and the new accounting policies are disclosed in note 4 below.

4. Changes in accounting policies

This note explains the impact of the adoption of IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers on the group's financial statements and also discloses the new accounting policies that have been applied from January 1, 2018, where they are different to those applied in prior periods.

a) Impact on the financial statements

As a result of the changes in the entity's accounting policies, the prior year opening retained earnings will be restated. As explained below, IFRS 9 was generally adopted without restating comparative information. The reclassifications and the adjustments arising from the new impairment rules will be recognised in the opening retained earnings on January 1, 2018.

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(Expressed in thousands of Jamaica dollars)

4. Changes in accounting policies (continued)

b) Trade receivables (IFRS 9)

The group has the following financial assets that are subject to IFRS 9's new expected credit loss model:

- Trade receivables for sales of horseracing products sold through our agent network
- Long term receivables
- Available for sale investments
- Other investments and other receivables

The group was required to revise its impairment methodology under IFRS 9 for each of these classes of assets. The impact of the change in impairment methodology on the group's financial statements is not expected to be material. The group will apply the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and other receivables. No material impact is expected for available for sale and other investments.

To measure the expected credit losses, trade receivables, long term receivables and contract assets will be grouped based on shared credit risk characteristics and the days past due. Trade receivables include unbilled invoices to agents and have substantially the same risk characteristics as the trade receivables for the same types of contracts. Long term receivables will be measured in accordance with IFRS 9, with interest being computed on the appropriate market rate.

During the year, the Company renegotiated the interest rate on the Long term loan and the impact of the change in interest rates is being assessed under IFRS 9.

c) Revenue from contracts with customers (IFRS 15)

The group has adopted IFRS 15 Revenue from Contracts with Customers from 1 January 2018 which resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. In accordance with the transition provisions in IFRS 15, the group has used the modified retrospective transition approach. No material impact is expected to the opening retained earnings.

Disaggregated Revenue	<u>Sep 30, 2018</u>	<u>Sep 30, 2017</u>
Lottery Draws	32,976,479	29,746,867
Sports Betting	839,594	516,367
Horseracing	4,620,263	3,163,694
VLT Gaming	7,622,546	273,429
Pin Codes	-	7,402,548
Others	258,565	134,956
	<u>46,317,447</u>	<u>41,237,861</u>

The disaggregated revenues are recognised at a point in time.

(i) Gross ticket sales (Lottery)

Gross ticket sales comprise the wagers placed across a portfolio of games that include draw-based games. For draw-based games, income is recognised on a draw-by-draw basis, at the point the draw takes place. Where players wager in advance, this income is deferred and only recognised in the Statement of Comprehensive Income once the draw has taken place. Lottery tickets are sold to players by contracted retail agents and our company owned locations. There are a number of games that are fixed odds wager gaming contracts and this will be treated in accordance with IFRS 9.

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(Expressed in thousands of Jamaica dollars)

4. Changes in accounting policies (continued)

(ii) VLT gaming

Revenue is recognised as the net win from gaming activities, which is the difference between gaming wins and losses before deducting costs and expenses at the end of each gaming day. Under IFRS 15, the Company will recognise revenue as bets in and also fully recognize the bets out as direct expenses at the time of play at the Video Lottery Terminals (VLT). Currently, these transactions are reported on the net amounts. For Video Lottery Gaming, instances of variable consideration are noted but are not considered material to the financial statements.

(iii) Sports betting

Revenue represents the gross sales of the bets taken on international sporting events at all branches and agents, net of refunds. Revenue is recognised when wagers are placed by players evidenced by ticket sales. These wagers are fixed odds wagering gaming contracts at the time that a player places his/her wager, the winning pay-out is known and will not change, this is under the scope of IFRS 9. The advance sales of \$ 886,900 are included in other payables in the Group Statement of Financial Position at September 30, 2018 and are considered a derivative financial instrument and will be disclosed separately on the face of the financial statement. For Sports Betting, instances of variable consideration are noted but are not considered material to the financial statements.

(iv) PIN codes

PIN codes are sold to the public by contracted retail agents. Revenue is recognised when pin codes are sold. Based on guidance from IFRS 15, the Company is classified as an Agent and therefore results in a change in the presentation of the financial statements from Revenue to Net Commission (other income). The resulting presentation is as follows:

	Unaudited Nine Months Ended September 30, 2018	Unaudited Three Months Ended September 30, 2018
Revenue		
Pin codes as reported	7,291,122	2,477,624
Direct expenses		
Included in direct expenses	(7,133,600)	(2,423,966)
Would be restated in Revenue		
Commission Income	157,522	53,658

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5. Standards issued but not yet adopted

(a) IFRS 16 Leases

IFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not significantly change.

The standard will affect primarily the accounting for the group's operating leases. The standard is mandatory for first interim periods within annual reporting periods beginning on or after 1 January 2019. The result of the adoption of IFRS 16 will result in the capitalization of existing operating leases using the modified transition approach. The Service contracts will be grandfathered and as such the same treatment will apply. There will also be expanded disclosures under IFRS 16.

6. Significant events and transactions

Management believes that the Group is well positioned to cope within the current economy. Factors contributing to the Group's strong position are:

- a) No significant decline in sales performance across business segments.
- b) The Group does not expect to need additional borrowing facilities in the next 12 months as a result of its significant financial resources, existing facilities and strong liquidity reserves. The Group has significant headroom to comply with its debt covenants
- c) The Group's major customers have not experienced financial difficulties. Credit quality of trade receivables as at 30 September 2018 is considered to be good.

Overall, the Group is in a strong position and has sufficient capital and liquidity to service its operating activities and debt. The Group's objectives and policies for managing capital, credit risk and liquidity risk are described in its recent annual financial statements.

7. 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. The Group has five main operating segments which represents the key products: Lotteries, Gaming, Horseracing, Sports Betting and Pin Codes.

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.

During the period to 30 September 2018, there have been no changes from prior periods in the measurement methods used to determine operating segments and reported segment profit or loss.

**SUPREME VENTURES LIMITED
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UNAUDITED NINE MONTHS ENDED SEPTEMBER 30, 2018**
(Expressed in thousands of Jamaica dollars)

7. Segment reporting (continued)

	Period ended September, 2018							Group
	Lottery	Gaming	Horseracing	Sports Betting	Other	Unallocated	Eliminations	
External revenue	32,976,479	7,622,546	4,620,263	839,594	196,985	61,580	-	46,317,447
Result								
Segment result	1,991,506	18,779	(193,045)	(25,284)	87,013	25,184	-	1,904,153
Interest income								47,521
Net foreign exchange loss								(16,152)
Finance cost								(41,311)
Other gains and losses								157,522
Profit before taxation								2,051,733
Taxation								(532,039)
Profit for the year								<u>1,519,694</u>
Other information								
Capital expenditure	48,581	17,420	193,808	928	-	135,252	-	395,989
Depreciation, amortisation and write-offs	54,373	22,508	88,288	20,241	-	66,457	-	251,867
Segment assets	2,651,613	283,567	915,140	23,120	-	2,265,708	-	6,139,148
Segment liabilities	1,436,726	62,120	861,826	20,964	-	830,811	-	3,212,447

	Period ended September 30, 2017							Group	
	Lottery	Gaming	Horseracing	Sports Betting	Pin Codes	Other	Unallocated *		Eliminations
External revenue	29,746,867	281,041	3,271,879	516,374	7,402,548	5,615	13,537	-	41,237,861
Inter-segment revenue			2,876					(2,876)	-
Total revenue	29,746,867	281,041	3,274,755	516,374	7,402,548	5,615	13,537	(2,876)	41,237,861
Result									
Segment result	1,923,187	16,549	(193,979)	(38,100)	100,491	2,914	(64,942)	-	1,746,120
Interest income									71,425
Net foreign exchange loss									(3,178)
Finance cost									(45,486)
Other gains and losses									3,742
Profit before taxation									1,772,623
Taxation									(445,577)
Profit for the year									<u>1,327,046</u>
Other information									
Capital expenditure	100,824	24,185	703,796	-	-	-	5,851	-	834,656
Depreciation, amortisation and write-offs	31,316	40,169	50,018	14,514	-	-	94,012	-	230,029
Segment assets	2,349,668	696,645	894,140	142,145	1,055,544	-	1,874,807	-	7,012,949
Segment liabilities	981,911	26,839	929,458	20,150	803,440	-	155,914	-	2,917,712

**SUPREME VENTURES LIMITED
AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
UNAUDITED NINE MONTHS ENDED SEPTEMBER 30, 2018**
(Expressed in thousands of Jamaica dollars)

8. Contingencies – Litigations

Epsilon Global Equities:

On December 15, 2008, a civil suit was filed by Epsilon Global Equities Limited (Epsilon) naming as defendants the Company and its founding stockholders. The matter was decided in 2011, with a judgment in favour of the stockholders and the Company. Epsilon appealed the judgment. The Judgment in the appeal was delivered on May 30, 2017 and the Company was successful. Epsilon has since indicated that it proposes to appeal to the Privy Council in the United Kingdom (which is our highest appellate body) in an effort to reverse the Court of Appeal's decision and to that end it has filed an application in the Court of Appeal seeking conditional leave to appeal to the Privy Council. The application has not yet been heard. We have been advised that the Company will succeed in the appeal to the Privy Council, if the appeal is pursued.

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 SVL's position to be upheld by the Appeal Court.

SHAREHOLDINGS

**SUPREME VENTURES LIMITED
TOP 10 SHAREHOLDINGS
As at September 30, 2018**

NAME	JOINT HOLDER/CONNECTED INTERESTS	VOLUME	PERCENTAGE
Zodiac Caribbean Ventures Limited	Brent Sankar	819,957,783	31.091
	Colin Mouttet	7,740,455	0.294
		827,698,238	31.385
Mayberry Jamaican Equites Limited	Christopher Berry; Gary Peart	398,085,974	15.095
Ian Kent Levy		320,541,171	12.154
Ian Kent Levy	Matthew Levy	4,000,000	0.152
		324,541,171	12.306
Janette Stewart		65,000,000	2.465
Janette Stewart		105,005,043	3.982
Janette Stewart	Steven Hudson	587,433	0.022
		170,592,476	6.469
Stephen Castagne		94,052,136	3.566
ST. Elizabeth International Limited	W David McConnell	65,984,174	2.502
Sagicor Pooled Equity Fund		48,313,478	1.832
JCSD Trustee Services Ltd - Sigma Optima		40,523,713	1.537
PWL Bamboo Holdings Group Limited	Christopher Berry	28,171,385	1.068
Konrad Berry	Christopher Berry	27,582,898	1.046

**SUPREME VENTURES LIMITED
DIRECTORS' SHAREHOLDINGS**

As at September 30, 2018

DIRECTOR NAME	PRIMARY HOLDER	JOINT HOLDER/CONNECTED INTERESTS	VOLUME	PERCENTAGE
W David McConnell	St. Elizabeth International Ltd	Director / Shareholder	65,984,174	2.5020
	Ironrock Insurance Company Limited	Director / Shareholder	1,650,000	0.0626
	Scotia Investments Limited	Director / Shareholder	-	-
	St. Elizabeth Holding Ltd	Director / Shareholder	2,600,000	0.0986
			70,234,174	2.6632
Ian Kent Levy	Ian Kent Levy		320,541,171	12.1543
	Ian Kent Levy	Matthew Kent Levy	4,000,000	0.1517
			324,541,171	12.3060
Steven A. Hudson	Janette Stewart	Steven A. Hudson	587,433	0.0223
	Janette Stewart	Connected	65,000,000	2.4647
	Janette Stewart	Connected	105,005,043	3.9816
			170,592,476	6.4686
Peter McConnell	Peter McConnell	Stephanie McConnell	8,271,842	0.3137
	United Estates Ltd Pension Plan	Connected	638,224	0.0242
	Trade Winds Citrus Ltd, Pension Fund	Connected	591,121	0.0224
	Wakefield Farms Ltd.	Connected	2,000,000	0.0758
	Worthy Park Estate	Director / Shareholder	-	-
	RSF Holdings	Director / Shareholder	-	-
	Stephen McConnell	Son	5,010	0.0002
	Rebecca Ashley McConnell	Daughter	-	-
	Fraser Nicholas McConnell	Son	-	-
	Stephanie Ann McConnell	Wife	-	-
			11,506,197	0.4363
Brent Sankar	Zodiac Caribbean Ventures Limited	Officer	819,957,783	31.0913
	Colin Mouttet	Connected	7,740,455	0.2935
	Ice Jamaica Ltd	Director	-	-
			827,698,238	31.3848
Ian Moore	Ian Moore		-	-
	Cws Limited	Connected	-	-
Ansel Howell	Ansel Howell		-	-
Ann-Dawn Young Sang	Ann-Dawn Young Sang		99,000	0.0038
	Young Sang Bakery & Superette	Connected	-	-
	Gerald Young Sang	Connected	-	-
			99,000	0.0038

SUPREME VENTURES LIMITED
DIRECTORS' SHAREHOLDINGS Cont'd
As at September 30, 2018

DIRECTOR NAME	PRIMARY HOLDER	JOINT HOLDER/CONNECTED INTERESTS	VOLUME	PERCENTAGE
Lance Hylton	Lance Hylton	Hylton & Hylton Attorneys-At-Law	-	-
Christopher Berry	Mayberry Jamaican Equites Limited	Director	398,085,974	15.0947
	PWL Bamboo Group Holdings Limited	Director	28,171,385	1.0682
	Apex Pharmacy	Shareholder	5,000,000	0.1896
	Apex Health Care	Shareholder	-	-
	Konrad Limited	Connected	2,000,000	0.0758
	Broadleaf Properties	Connected	-	-
	Konrad Berry	Connected	27,582,898	1.0459
	A+ Plus Medical Centre Ltd	Shareholder	500,000	0.0190
	Mayberry Investments Ltd	Director	-	-
	Lasco Financial	Director	-	-
	Caribbean Producers Jamaica	Director	-	-
	Ho Choi Ltd	Shareholder	13,000,000	0.4929
	Mayberry Investments Limited Pension Scheme	Sponsor Trustee	2,393,603	0.0908
	Mayberry Investments Limited Retirement Scheme	Sponsor Trustee	1,331,226	0.0505
	Mayberry Investments Superannuation Fund	Sponsor Trustee	-	-
	Ironrock Insurance Company Limited	Director	1,650,000	0.0626
	Green Shoots Jamaica Limited	Chairman	-	-
	Patricia Yap	Connected	-	-
	William Berry	Connected	-	-
	Lauren Berry	Connected	-	-
			479,715,086	18.1899
Gary Peart	VDWSD Ltd	Shareholder	22,161,128	0.8403
	Mayberry Jamaican Equites Limited	Connected	-	-
	Ironrock Insurance Company Limited	Director / Shareholder	1,650,000	0.0626
	Lasco Financial Services Ltd	Director / Shareholder	-	-
	Lasco Distributors Ltd	Director / Shareholder	-	-
	Mayberry Managed Employee Portfolio	Connected	-	-
			23,811,128	0.9029

**SUPREME VENTURES LIMITED
SENIOR MANAGEMENT'S SHAREHOLDINGS**

As at September 30, 2018

NAMES	JOINT HOLDERS/CONNECTED INTEREST	VOLUME	PERCENTAGES
Ann-Dawn Young Sang		99,000	0.0038
Dennis Chung		-	-
Heather Goldson	David L Goldson	253,800	0.0096
Lorna Gooden	Gregory Paul Anthony Gooden	8,300	0.0003
		18,300	0.0007
		26,600	0.0010
Andrew Bromley		4,000	0.0002
Adam Harris		-	-
Krista-Gaye Fisher		-	-
Tashia Hutton		-	-
Andre Marks		2,200	0.0001
	Opel Marks	8,000	0.0003
		10,200	0.0004
Simone Clarke-Cooper		-	-
Perry Crawford		-	-
Cheryl Hylton		-	-
Carolyn Bolt-Nicholas		-	-



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