



THE LAB

PROSPECTUS

FOR LISTING ON THE
JUNIOR MARKET STOCK EXCHANGE JAMAICA

PROSPECTUS

Dated: June 28, 2019

A copy of this Prospectus was delivered to the Registrar of Companies for registration pursuant to section 40(2) of the Companies Act 2004 and was so registered on July 4, 2019. The Registrar of Companies accepts no responsibility whatsoever for the contents of this Prospectus.

A copy of this Prospectus was also delivered to the Financial Services Commission for registration pursuant to section 26 of the Securities Act and was so registered on July 8, 2019. The Financial Services Commission has not approved the Shares for which subscription is invited nor has the Commission passed upon the accuracy or adequacy of this Prospectus.

INVITATION FOR SUBSCRIPTION

Up to 189,138,050 Ordinary Shares at the Subscription Price of \$1.00 per Share, including Shares offered to Reserved Share Applicants
Payable in full on Application

Please note that the Jamaica Central Securities Depository charges an application fee of approximately **\$140 plus General Consumption Tax** in respect of each application for Shares.

THE LIMNERS AND BARDS LIMITED (THE LAB)

Registered Head Office: 69-75 Constant Spring Road,
Kingston 10, St. Andrew, JAMAICA
Telephone: (876) 908-4080
Website: thelabjamaica.com

The Company has made 50,000,050 Shares available for subscription by the general public at the Subscription Price and additionally, up to another 139,138,000 Shares in the Invitation (“the Reserved Shares”) are initially reserved for priority Application from and subscription by, the following persons:

- (a) **2,000,000 Shares (“the Industry Reserved Shares”)** for certain industry partners, contributors and influencers of the Company (“the Industry Persons”) shall be made available for subscription for them at the Subscription Price;
- (b) **1,600,000 Shares (“the Employee Reserved Shares”)** for all employees of the Company (“the Employees”) will be given an opportunity to purchase Shares at the Subscription Price;
- (c) **50,000,000 Shares (“the NCB Cap Reserved Shares”)** shall be made available for subscription by NCB Capital Markets Limited at the Subscription Price; and
- (d) **85,538,000 Shares (“the Key Partner Reserved Shares”)** shall be made available for subscription by such persons that the Company shall deem to be key and germane to its operations and/or this IPO (“the Key Partners”) at the Subscription Price.

If any of the Reserved Shares are not subscribed for by the persons entitled to them, they will become available for subscription by the general public at the Subscription Price. This policy will be applied absolutely across all categories of Reserved Shares as set out in paragraphs (a) to (d) above. See section 6.5 of this Prospectus for the terms and conditions of the Invitation.

Continued PROSPECTUS

This policy will be applied absolutely across all categories of Reserved Shares as set out in paragraphs (a) to (d) above. See Section 6.5 of this Prospectus for the terms and conditions of the Invitation.

Applicants eligible to apply for Reserved Shares and the general public in respect of the Shares are to apply online via <https://goipo.jncb.com>. The subscription list for the Shares will open at 9:00 a.m. on **July 17, 2019**. Applications submitted prior to the Opening Date will be received, but not processed until the Opening Date. The subscription list for the Shares will close at 4:30 p.m. on the Closing Date, **July 31, 2019**, subject to the right of the Company to (a) close the subscription list at any time after it opens at 9:00 a.m. on the Opening Date once the issue is fully subscribed and (b) extend the Closing Date for any reason, subject to the provisions of Section 48 of the Companies Act.

In the event of an early closing of the subscription list, or an extension of the Closing Date, notice will be posted on the website of the Jamaica Stock Exchange (www.jamstockex.com). It is the intention of the Company to apply to the JSE for admission of the Shares to the Junior Market. The application to the JSE is dependent upon the Company's ability to: (i) raise at least \$189,138,050 (as per Rule 501(2)(b) of the Junior Market Rules) as a result of the Invitation; and (ii) meet the criteria for admission.

Please note that this statement of the Company's intention is not a guarantee that the Shares will in fact be admitted to trade on the Junior Market. If, however, the Invitation is not fully subscribed and the Company does not raise \$189,138,050 (as per Rule 501(2)(b) of the Junior Market Rules) as a result of it, the Company will not make an application for the Shares to be admitted to the Junior Market and all Applications will be returned to the persons making them, along with any payments made pursuant thereto.

SHARE CAPITAL

Authorised Share Capital	\$5,000,000,000
Maximum to be issued in the Offer fully paid assuming:	\$189,138,050
i. all 50,000,050 Shares are subscribed by the general public at the Subscription Price	\$50,000,050
ii. all Reserved Shares are subscribed by all parties stated and set out below:	
(a) 2,000,000 of the Industry Reserved Shares at the Subscription Price	\$ 2,000,000
(b) 1,600,000 of the Employee Reserved Shares at the Subscription Price	\$ 1,600,000
(c) 50,000,000 of the NCB Cap Reserved Shares at the Subscription Price	\$50,000,000
(d) 85,538,000 of the Key Partner Reserved Shares at the Subscription Price	\$85,538,000
TOTAL CONSIDERATION	\$189,138,050

Details of the issued share capital of the Company prior to and after the Invitation, assuming that it is fully subscribed, are set out in section 7.5 of this Prospectus.

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IMPORTANT DISCLAIMER

Responsibility for the Contents of this Prospectus

This Prospectus has been reviewed and approved by the Board of Directors of the Company. The Directors of the Company whose names appear in section 8 of this Prospectus are the persons responsible (both individually and collectively) for the information contained in it. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is in accordance with the facts and no information has been omitted which is likely to materially affect the import of information contained herein.

Neither the FSC nor any Government agency or regulatory authority in Jamaica has made any determination on the accuracy or adequacy of the matters contained in the Prospectus.

Contents of the Prospectus

This Prospectus contains important information for prospective investors in the Company. All prospective investors should read the Prospectus carefully in its entirety before submitting an Application.

This Prospectus also contains summaries of certain documents which the Board of Directors of the Company believe are accurate. Prospective investors may wish to inspect the actual documents that are summarised, copies of which will be available for inspection as described in section 15. Any summaries of such documents appearing in this Prospectus are qualified in their entirety by reference to the complete document.

The publication of this Prospectus shall not imply that there has been no change in the business, results of operations, financial condition or prospects of the Company since the date of this Prospectus.

No person is authorised to provide information or to make any representation whatsoever in connection with this Prospectus, which is not contained in this Prospectus.

The Invitation is made to Jamaican Residents in Jamaica Only

This Prospectus (the “**Prospectus**”) is intended for use in Jamaica only and is not to be construed as making an invitation to persons outside of Jamaica to subscribe for any Shares. The distribution or publication of this Prospectus and the making of the invitation in certain jurisdictions outside of Jamaica is prohibited by law.

Application to Subscribe for Shares

This Prospectus is not a recommendation by the Company that prospective investors should submit an application to subscribe for Shares in the Company. Prospective investors in the Company are expected to make their assessment of the Company and the merits and risks of subscribing for Shares. Prospective investors are also expected to seek appropriate advice on the financial and legal implications of subscribing for Shares, including but not limited to any tax implications.

Each Applicant who submits an Application acknowledges and agrees that:

- (i) he/she has been afforded a meaningful opportunity to review the Prospectus (including the terms and conditions in section 6.5) and to gather and review all additional information considered by him/her to be necessary to verify the accuracy of the information contained in this Prospectus;
- (ii) he/she has not relied on the Company or any other persons in connection with his/her investigation of the accuracy of such information or his/her investment decision;
- (iii) no person connected with the Company has made any representation concerning the Company or this Prospectus not contained in this Prospectus, on which the Applicant has relied in submitting his/her Application;
- (iv) the Company has the discretion to treat multiple Applications by any person (whether in individual or in joint names) as a single Application, or accept or reject multiple Applications in its sole discretion; and
- (v) the Company may notwithstanding, that the intention of the Company is to allot the Shares on a first-come, first-served basis, reserve the right to allot the Shares to Applicants on a basis to be determined by it in its sole discretion in the event the Invitation is oversubscribed, including on a pro rata basis.

Summary of Key Information on the Invitation

Issuer:	The Limners and Bards Limited ("THE LAB").
Securities:	Up to 189,138,050 Shares, inclusive of 139,138,000 Reserved Shares*
Subscription Price:	\$1.00 per Share payable in full on Application
Application:	Visit: https://goipo.jncb.com or use the Application Form located in Appendix II
Terms and Conditions:	See section 6.5 of the Prospectus
Acceptable Payment Method:	All Applications must be submitted together with payment for the Shares and/or proof of payment.

Payment Using GoIPO for all NCB Bank Online Users (persons with an NCB Bank account with online access to their NCB account)

- (a) NCB Online users may use the GoIPO portal to fund the purchase of Shares. Go directly to <https://goipo.jncb.com>, select the National Commercial Bank account or NCBCM broker account from which proceeds are to be taken to make payment for the Shares.

Payment Using GoIPO for NCB Capital Markets Clients without NCB Bank online access

- (a) Authorisation may be given from the applicant electronically via <https://goipo.jncb.com>, instructing NCBCM to make payment from cleared funds held with NCBCM. The payment must be coming from the applicant's NCBCM broker account in which the Shares are expected to be held.

Payment for all Other Applicants

- (a) Transfer or direct deposit to NCB Capital Markets Limited account stated below:

Beneficiary Bank: National Commercial Bank Jamaica Limited.

BIC: JNCBJMKX

Branch: 1-7 Knutsford Blvd. /New Kingston

Beneficiary account #: 241406067

Beneficiary account name: NCB Capital Markets

Include Comments: **THE LAB – [Applicant's Name]**

All Applicants applying electronically will be required to enter via <https://goipo.jncb.com> the payment reference details for amounts transferred to NCB Capital Markets Limited. Payment reference details include:

- Date of transfer of funds
- Institution from which funds were sent
- Amount transferred
- Confirmation/Reference Number
- Senders Account Number (account from which funds were sent)

Summary of Key Information on the Invitation *Continued*

Timetable of Key Dates:

Registration of Prospectus at the Companies Office: July 4, 2019

Registration of Prospectus at the FSC: July 8, 2019

Publication of Prospectus: July 10, 2019

Opening Date 9:00 A.M. July 17, 2019

Closing Date 4:30 P.M. July 31, 2019 See ** below

Early Applications:

All Applications must be submitted to NCB Capital Markets Limited, along with the requisite payment, in immediately available funds, via the method set out in section 6.5. Early Applications may be submitted to NCB Capital Markets Limited. Any such Applications will be received, but may not be processed until the Opening Date. All early Applications will be treated as having been received at the same time, being 9:00 a.m. on the Opening Date and shall be allotted pro rata.

Confirmation of Share Allotments:

All Applicants may refer to the confirmation instructions that will be posted on the website of the Jamaica Stock Exchange (www.jamstockex.com) after the Closing Date (or the extended Closing Date, as the case may be).

Unprocessed Applications/Refunds:

Where applicable, refunds will be processed as per instructions provided during the application process on <https://goipo.jncb.com>, within ten (10) days of the Closing Date (or the extended Closing Date, as the case may be).

Final Allotment and Admission of Shares to Junior Market

Within ten (10) calendar days of the Closing Date. ***

*Up to 139,138,000 Reserved Shares in the Invitation are reserved for priority Application from and subscription by, the Reserved Share Applicants at the prices set out on pages 2-3 herein. If any of the Reserved Shares are not absolutely subscribed by the Industry Partners, the Employees, NCB Capital Markets and/or the Key Partners, they will become available for subscription by the general public at the Subscription Price.

**The subscription list will close at 4:30 p.m. on the Closing Date July 31, 2019 subject to the right of the Company to (a) close it at any time after 9:00 a.m. on the Opening Date July 17, 2019 once the issue is fully sold and subscribed and (b) extend the Closing Date for any reason, subject to the provisions of section 48 of the Companies Act. In either case, notice will be posted on the website of the JSE (www.jamstockex.com).

***It is the intention of the Company to apply to the Board of the JSE for admission of the Shares to trading on the Junior Market. The application for admission is dependent on the Company's ability to (i) raise a minimum of \$189,138,050 (as per Rule 501(2)(b) of the Junior Market rules) as a result of the Invitation made in the Prospectus and (ii) meet the criteria for admission set out in the Junior Market Rules. Please note that this statement of the Company's intention is not a guarantee that the Shares will in fact be admitted to trade on the Junior Market. If, however, the Invitation is not fully subscribed and the Company does not raise at least \$189,138,050 (as per Rule 501(2)(b) of the Junior Market Rules) as a result of it, the Company will not make an application for the Shares to be admitted to the Junior Market and all Applications will be returned to the persons who made them, along with any payments made in relation thereto.



SECTION 3
LETTER TO PROSPECTIVE INVESTORS



**THE LIMNERS AND BARDS LIMITED
(THE LAB)**

Registered Head Office: 69-75 Constant Spring Road,
Kingston 10, St. Andrew, JAMAICA
Telephone: (876) 908-4080
Website: thelabjamaica.com

Dear Prospective Investors,

The Directors of the Company are pleased to invite you to apply for up to 189,138,050 Shares in the capital of the Company on the terms and conditions set out in this Prospectus.

The Company

The Company was incorporated on March 30, 2009 as **“The Production Lab Limited”** and on April 22, 2014 it changed its name to **“The Limners and Bards Limited”**, which imports a descriptive element to its name. However, since its name change, the Company is commonly referred to by its acronym **“The LAB”**. Before the Company's incorporation, “The Production Lab” was registered as a partnership in 2007 between Miss Kimala Bennett and Miss Melissa Llewelyn. Upon the incorporation of the Company, the business of “The Production Lab” was transferred to it and, therefore, the business has been trading for approximately a collective 12 years.

The Company is a multiple award-winning strategy-to-execution advertising agency and film production company that is trusted by its diverse portfolio of leading blue-chip companies and high growth potential SMEs to provide cutting-edge, creative solutions with verifiable impact. The Company which started with the partnership of Kimala Bennett and Melissa Llewelyn as a music video production team in 2007, has grown to a full-scale operation. It is supported by approximately 24 in-house staff and some 100 contracted workers and freelancers. The Company is widely respected by corporate decision makers and international film houses and agencies. Now in its (collective) 12th year of business (between the partnership and the subsequent transition to a company), the Company continues to be sought out to undertake both world-class film projects and local advertising campaigns. It has built and maintained a reputation for creating stand-out campaigns for clients such as Grace Kennedy, HEART Trust NTA, JPS, NCB, Wendy's, Domino's and the Digicel Group through a data-driven approach that fosters strategic creativity.

The Company offers its services through three (3) main divisions: Agency, Media and Production. All three (3) service groupings may be offered to its clients either separately or on an integrated basis, and each offers several products and services as the Company continues to diversify its revenue streams. The Company's core services include brand/communication strategy, campaign concepts and execution, media buying and film production. With a reputation for high speed world-class film production, the Company has consistently proven its ability to perform at the highest level, serving not only local firms and businesses but also facilitating international film projects for persons such as: Drake, Rihanna, Nick Cannon and Victoria Rowell.

A balance of corporate and creative production has allowed the team to stay current while earning average annual revenues of \$322M over the last five (5) financial years.

The executive team remains dedicated advocates for local creative professionals and continues to innovatively and strategically expand the Company's market share. In more than a decade of operating as a business, the Company's industry focus, global network, training and data-driven approach has allowed it to consistently exceed its revenue targets. Using research to forecast trends, the Company is currently working with its international network to pursue at-hand opportunities via services with high earning potential, regional growth and strategic partnerships.

The Company is committed to a business model which not only provides core services, but related support services for a fully integrated experience. See *Information about the Company* in section 7 for more details about the Company's capabilities, services and clients.

You are invited to review the *Management Discussion and Analysis* in Section 9, the *Financial Highlights* in Section 10 and the *Auditor's Report and Historical Financial Data* in Section 11 for more information on the Company and its performance to date.

The Invitation

In order to support its investments pursuant to its growth and strategic goals set out in Section 7.3 herein, the Company is seeking to raise approximately \$189,138,050 by inviting subscriptions for up to 189,138,050 Shares from the general public and the Reserved Share Applicants. The Company estimates that the expenses in the Invitation will not exceed approximately \$10M, inclusive of General Consumption Tax, which includes fees for the following services:

- a. Arranger, financial advisory and brokerage fees;
- b. Legal fees;
- c. Auditor and Accounting fees;
- d. Statutory fees including initial listing fees;
- e. Marketing expenses;
- f. Registrar and Transfer Agent fees.

The subscription list opens at 9:00 a.m. on the Opening Date: July 17, 2019 and closes at 4:30 p.m. on the Closing Date: July 31, 2019, subject to the right of the Company to shorten or extend the time for closing of the subscription list in the circumstances specified in this Prospectus.

LETTER TO PROSPECTIVE INVESTORS

Continued

If the Invitation is fully subscribed and is successful in raising at least \$189,138,050 as per Rule 501(2)(b) of the Junior Market Rules, the Company will make an application to the JSE for the Shares to be admitted to the Junior Market within ten (10) calendar days of the Closing Date (or the extended Closing Date, as the case may be). Please note that this statement of the Company's intention is not a guarantee that the Shares will in fact be admitted to trade on the Junior Market.

The Invitation represents an opportunity for prospective investors to partake in the success of the Company. The Company is also pleased to announce the recent appointments of Ms. Tashara-Lee Johnson, Ms. Rochelle Cameron, Mr. Douglas Lindo, Ms. Maxine Walters and Mr. Steven Gooden to the Board of Directors, as independent non-executive Directors. Considering the collective qualifications and vast corporate regulatory and compliance experience of the Board of Directors, the Jamaica Stock Exchange has waived the requirement of the Company to appoint a Mentor pursuant to Rule 503(1)(a) of the Junior Market rules.

If, however, the Invitation is not fully subscribed and the Company does not raise at least \$189,138,050 as per Rule 501(2)(b) of the Junior Market Rules, as a result, the Company will not make an application for the Shares to be admitted to the Junior Market and all Applications will be returned to the persons who made them, along with any payments made in relation thereto. Similarly, if after application for listing the Shares are not admitted to trade, all Applications will be returned in accordance with the terms and conditions set out in Section 6.5.

Benefits of Listing on the Junior Market of the Jamaica Stock Exchange

The Company believes that listing on the Junior Market will raise its profile while allowing it to raise funds in order to support its investments pursuant to its growth and strategic goals set out in Section 7.3 herein. This will allow the Company to augment its revenue stream and thereby its profitability and its ability to pay dividends on a consistent basis.

In addition, the Company believes that the funds raised from the Invitation, if successful, will enable it to improve both its balance sheet and its capacity to take on debt in future, if required.

The Company further believes that listing will enable it to take advantage of a special concessionary tax regime for Junior Market companies provided that the Company remains listed for fifteen (15) years. In its first five (5) years on the Junior Market, the Company will not be liable to pay any corporate income tax and in the sixth to tenth year on the Junior Market, the Company will only be liable to pay corporate income tax at one-half of the applicable rate. Furthermore, Shareholders who sell their Shares via the JSE will not be liable to pay a transfer tax in respect of such sales. See section 14.2 of this Prospectus for further details of the concessionary tax regime for Junior Market Companies.

Use of Proceeds

It is the Company's intention to use the proceeds of the public offering to support its investments pursuant to its growth and strategic goals set out in Section 7.3 herein.

The Company also intends to use a part of the proceeds of the fundraising to pay the expenses of the Invitation which, the Company estimates, will not exceed \$10 Million, inclusive of General Consumption Tax, and includes fees for the following services:

- a. Arranger, financial advisory and brokerage fees;
- b. Legal fees;
- c. Auditor and Accounting fees;
- d. Statutory fees including initial listing fees;
- e. Marketing expenses; and
- f. Registrar and Transfer Agent fees.

Future Prospects

The Company sees its future growth being derived from continued organic growth, an imminent acquisition of a related business, regional and international expansion and the establishment and build out of a public relations department and digital department.

Dividend Policy

If the Company is admitted to the Junior Market, the Directors intend to pursue a liberal dividend policy that projects an annual dividend of up to twenty-five per cent (25%) net profit available for distribution, subject to the need for reinvestment in the Company from time to time.

How to Subscribe for Shares

Those investors who are interested in subscribing for Shares should read the Prospectus in its entirety and the terms and conditions of the Invitation set out in Section 6.5 and then complete the Application by visiting <https://goipo.jncb.com>.

The Directors hope that prospective investors will join the Company in this exciting new phase of its development as it readies itself to be the first advertising agency and production company to list on the Junior Market of the Jamaica Stock Exchange.

Yours sincerely,

For and on behalf of the Company,



Kimala Bennett
Chief Executive Officer

DEFINITION

DEFINITIONS USED IN THIS PROSPECTUS

Act	means the Companies Act, 2004
Allotment	means the allotment of the Shares to successful Applicants by Jamaica Central Securities Depository Limited, in its capacity as registrar and transfer agent of the Company, on its behalf
Applicant	means a person (being an individual or a body corporate resident in Jamaica, whether a Reserved Share Applicant, or a member of the general public) who submits an Application in accordance with the terms and conditions of this Prospectus
Application	means the application to be completed by applicants who wish to make an offer to subscribe for Shares in the Invitation by visiting https://goipo.jncb.com or using the attached Application in Appendix II
Articles of Incorporation	means the Articles of Incorporation of the Company adopted on February 25, 2019 (as they may be amended by the shareholders of the Company from time to time)
Audit Committee	means the audit committee required to be constituted by both rules 503 and 504 and which is required to have a majority of independent non-executive Directors as members
Auditor's Report	means the report of Hall Wilson & Associates, Chartered Accountants set out in Section 11 that precedes the Historical Financial Data
Board of Directors	means the Board of Directors of the Company, details of which are set out in Section 8 of the Prospectus
Company/The LAB	means The Limners and Bards Limited, a company duly incorporated under the Laws of Jamaica, bearing company number: 77929 and whose registered office is located at Unit 4, 69 Constant Spring Road, Kingston 10, Jamaica
Closing Date	means the date on which the subscription list in respect of the Invitation closes, being 4:30 p.m. on July 31, 2019 subject to the right of the Company to either shorten or extend the subscription period in the circumstances set out in the Prospectus
Corporate Governance Committee	means the corporate governance committee constituted at a meeting of the Board of Directors convened on February 25, 2019, and which has a majority of independent non-executive Directors as members
Director	means a director of the Company
Forward-Looking Statements	means the forward-looking statements referred to in Section 5 of the Prospectus, which are disclaimed by the Company on the terms and for the reasons set out therein
FSC	means the Financial Services Commission in Jamaica
Historical Financial Data	means the figures set out in Section 11, including those extracted from the audited financial statements of the Company for each of the financial reporting periods ended October 31 st in the years 2014 to 2018, the Unaudited Financial Statements of the Company in respect of the period of November 30, 2018 to January 31, 2019
Invitation	means the invitation to subscribe for 189,138,050 Shares on the terms and conditions set out in Section 6.5 of the Prospectus
IPO	means "initial public offering" as defined in Appendix I of the Junior Market



SECTION 4

DEFINITIONS USED IN THIS PROSPECTUS *Continued*

JSE	means the Jamaica Stock Exchange
Junior Market	means the Junior Market of the JSE
Opening Date	means the date on which the subscription list in respect of the Invitation opens, being 9:00 a.m. on July 17, 2019
NCB Capital Markets or NCBCM	means NCB Capital Markets Limited, a company duly incorporated under the Laws of Jamaica, bearing company number, 37,771 and whose registered office is located at Head Office, The Atrium, 32 Trafalgar Road, Kingston 10, Jamaica and being the lead broker to the Company for the purposes of the Invitation
Prospectus	means this document, which constitutes a prospectus for the purposes of the Companies Act, 2004 and the Securities Act
RTGS	means the Real Time Gross Settlement System implemented by the Bank of Jamaica
Registrar	means the Jamaica Central Securities Depository Limited
Remuneration Committee	means the remuneration committee required to be constituted by both Rules 503 and 504 and which is required to have a majority of independent non-executive Directors as members
Reserved Shares	means up to 139,138,000 Shares in the Invitation which are specifically reserved for Application from and subscription by, the Reserved Share Applicants at the designated applicable discounted price(s)
Reserved Share Applicants	means the persons (as referred to herein) who are entitled to subscribe for Reserved Shares in their respective categories, namely the Industry Partners, the Employees, NCB Capital and the Key Partners
Shares	means the ordinary shares of no par value in the capital of the Company, inclusive of the 189,138,050 that are offered for subscription in the Invitation on the terms and conditions set out in this Prospectus and the expression "Shares" shall include the Reserved Shares where the context permits
Shareholders	means the holders of Shares
Subscription Price	means \$1.00 per Share or such price as it relates to the Employee Reserved Shares, as applicable
Terms and Conditions of the Invitation	means the terms and conditions for Applicants set out in Sections 6.5 of the Prospectus
Unaudited Financial Statements	means the unaudited financial statements of the Company for the three (3) month period ended January 31, 2019 that are set out in section 10 of the Prospectus
\$	means Jamaican Dollars, unless otherwise indicated

DISCLAIMER – FORWARD-LOOKING STATEMENTS

Save for the Historical Financial Data concerning the Company contained in this Prospectus, certain matters discussed in this Prospectus, including without limitation, statements of expectations, the discussions of future plans and financial projections, contain forward-looking statements. Forward-looking statements are statements that are not about historical facts and speak only as of the date they are made. Although the Directors believe that in making any such statements its expectations are based on reasonable assumptions, such statements may be influenced by factors that could cause actual outcomes and results to be materially different from those projected. Prospective investors in the Company are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the dates on which they have been made. Future events or circumstances could cause actual results to differ materially from historical or anticipated results.

When used in this Prospectus, the words “anticipates”, “believes”, “expects”, “intends” and similar expressions, as they relate to the Company, are intended to identify those forward-looking statements. These forward-looking statements are subject to numerous risks and uncertainties. Once this Prospectus has been signed by or on behalf of the Company and prior to the admission of the Company to the Junior Market, the Company undertakes no obligation to update publicly or revise any of the forward-looking statements in light of new information or future events, including changes in the Company's financial or regulatory position, or to reflect the occurrence of unanticipated events (subject to any legal or regulatory requirements for such disclosure to be made). There are important factors that could cause actual results to differ materially from those in forward-looking statements, certain of which are beyond the Company's control. These factors include, without limitation, the following:

- economic, social and other conditions prevailing both within and outside of Jamaica, including actual rates of growth of the Jamaican and regional economies, instability, high domestic interest rates or exchange rate volatility;
- adverse climatic events and natural disasters;
- unfavourable market receptiveness to any of the Company's new products;
- changes in any legislation or policy adversely affecting the revenues or expenses of the Company;
- any other factor negatively impacting on the realisation of the assumptions on which the Company's financial projections are based;
- other factors identified in this Prospectus; and
- other factors not yet known to the Company.

Neither the FSC, nor any Government agency or regulatory authority in Jamaica, has made any determination on the accuracy or adequacy of the matters contained in this Prospectus.



SECTION 6
THE INVITATION

THE INVITATION

6.1 General Information

The Company is seeking to raise \$189,138,050 from subscriptions for the 189,138,050 Shares in the Invitation at the Subscription Price of \$1.00 per Share. Up to 139,138,000 of the aforementioned Shares are Reserved Shares that are specifically reserved for Application from and subscription by, the Reserved Share Applicants. Any Reserved Shares not taken up by the Reserved Share Applicants shall be made available for Application from, and subscription by, the general public.

Assuming that all of the 189,138,050 Shares are subscribed for and taken up by both the Reserved Share Applicants and the general public in the Invitation, the Company will make application to the JSE for the Shares to be admitted to the Junior Market. If the application is successful, it is anticipated that the Shares will be admitted to trade within ten (10) calendar days of the Closing Date (or the extended Closing Date, as the case may be). In the event that the Company does not raise at least \$189,138,050 as per Rule 501(2)(b) of the Junior Market Rules and/or the Shares are not admitted to trade on the Junior Market, all Applications will be returned to Applicants, along with any payments made in relation thereto.

Prospective investors should carefully read all of the sections referred to together with the remainder of this document. Those prospective investors who wish to subscribe for Shares should also refer to the full terms and conditions set out in section 6.5 before completing the Application by visiting: <https://goipo.jncb.com> or using the attached Application in Appendix II.

6.2 Minimum Fundraising

For the purposes of section 48 of the Companies Act, the minimum amount which, in the opinion of the Directors, must be raised as a result of the Invitation and received by the Company as a result of the subscription of its Shares in the Invitation in order to provide for the matters set out in paragraph two of the Third Schedule to the Act is \$189,138,050.

6.3 Use of Proceeds

It is the Company's intention to use the proceeds of the public offering to support its investments pursuant to its growth and strategic goals set out in section 7.3 herein.

The Company also intends to pay the expenses associated with the Invitation out of the fundraising proceeds. The Company estimates that the expenses in the Invitation will not exceed approximately \$10M, inclusive of General Consumption Tax, which includes fees for the following services:

- (a) Arranger, financial advisory and brokerage fees;
- (b) Legal fees;
- (c) Auditor and Accounting fees;
- (d) Statutory fees including initial listing fees;
- (e) Marketing expenses; and
- (f) Registrar and Transfer Agent fees.

6.4 Key Dates

An Application for use by all Applicants may be found by visiting: <https://goipo.jncb.com> or in Appendix II. The subscription list for the Shares will open at 9:00 a.m. on the Opening Date: July 17, 2019 and will close at 4:30 p.m. on the Closing Date July 31, 2019, subject to the right of the Company to (a) close the subscription list at any time after 9:00 a.m. on the Opening Date: July 17, 2019 once the issue is fully subscribed and (b) extend the Closing Date for any reason. In either case, the Company will arrange for an informational notice to be posted on the website of the JSE (www.jamstockex.com). It is the intention of the Company to apply to the JSE for admission of the Shares to the Junior Market.

The application is dependent on the Company's ability to (i) raise at least \$189,138,050 as per Rule 501(2)(b) of the Junior Market Rules as a result of the Invitation and (ii) meet the criteria for admission. If such application is made and it is successful, the Company expects the Shares to be admitted to trade on the Junior Market within ten (10) calendar days of the Closing Date (or the extended Closing Date, as the case may be) and for dealings to commence on that date. In the event that the Shares are not admitted to trade on the Junior Market, all Applications received by the Company will be returned to Applicants as set out in section 6.5.

6.5 Terms and Conditions for Applicants

1. All Applicants (whether Reserved Share Applicants or members of the general public) must apply electronically via <https://goipo.jncb.com> or using the attached Application in Appendix II. Reserved Share Applicants will apply by indicating the relevant reserve pool.
2. All Applicants will be deemed to have accepted the terms and conditions of the Invitation and any other terms and conditions set out in this Prospectus, including any terms and conditions set out in this section 6 and Appendix I.
3. Each Applicant acknowledges and agrees that:
 - (a) he/she has been afforded a meaningful opportunity to review the Prospectus (including the terms and conditions set out in this section 6.5) and to gather and review all additional information considered by him/her to be necessary to verify the accuracy of the information contained in this Prospectus;
 - (b) he/she has not relied on the Company or any other connected persons in connection with his/her investigation of the accuracy of such information or his/her investment decision; and
 - (c) no person connected with the Company has made any representation concerning the Company or this Prospectus not contained in this Prospectus, on which the Applicant has relied in submitting his/her Application.
4. Application from the general public must request a minimum of 1,000 Shares and shall be made in multiples of 100. Application from the general public in other denominations will not be processed or accepted.
5. All Applications must be submitted together with payment for the Shares in the form of either:

Payment Using GoIPO for all NCB Bank Online Users (persons with an NCB Bank account with online access to their NCB account)

- NCB Online users may use the GoIPO portal to fund the purchase of the Shares. Go directly to <https://goipo.jncb.com> and select the National Commercial Bank account or NCB Capital Markets broker account from which proceeds are to be taken to make payment for the Shares.

Payment Using GoIPO for NCB Capital Markets Clients without NCB Bank online access

- Authorisation can be given from the applicant electronically via <https://goipo.jncb.com>, instructing NCBCM to make payment from cleared funds held with NCBCM. The payment must be coming from the applicant's NCBCM broker account in which the shares are expected to be held.

Payment for all Other Applicants

- Transfer or direct deposit to NCBCM account stated below:

Beneficiary Bank: National Commercial Bank Jamaica Limited

BIC: JNCBJMKX

Branch: 1-7 Knutsford Blvd. /New Kingston

Beneficiary account #: 241406067

Beneficiary account name: NCB Capital Markets

Include Comments: THE LAB – [Primary Applicant's Name]

All Applicants applying electronically will be required to apply via <https://goipo.jncb.com> with the payment reference details for amounts transferred to NCB Capital Markets Limited. Payment reference details include:

- Date of transfer of funds
 - Institution from which funds were sent
 - Amount transferred
 - Confirmation/Reference Number
 - Senders Account Number (account from which funds were sent)
6. All Shares in the Invitation are priced at the Subscription Price of \$1.00 per Share.
7. Applications submitted to NCB Capital Markets in advance of the Opening Date (early Applications) will be received but may not be processed until the Opening Date. All early Applications will be treated as having been received at 9:00 a.m. on the Opening Date, July 17, 2019. All Applications received from 9:00 a.m. onwards on the Opening Date will be time stamped for processing in the order in which they were received. That is, the Applications will be processed on a first-come, first-served basis. Applications that meet the requirements set out in this section 6.5 will be processed.

8. For the purposes of paragraph 7, above the Directors of the Company, in their sole discretion, may:
- (a) accept or reject any Application in whole or part without giving reasons and neither the Company nor the Directors shall be liable to any Applicant or any other person for doing so; and
 - (b) allot Shares to Applicants on a basis to be determined by it in its sole discretion. Multiple Applications by any person (whether in individual or joint names) may be treated as a single Application.
9. Neither the submission of an Application by an Applicant nor its receipt by the Company will result in a binding contract between the Applicant and the Company. Only the allotment of Shares by the Registrar on behalf of the Company to an Applicant (whether such Shares represent all or part of those specified by the Applicant in his/her Application) will result in a binding contract under which the Applicant will be deemed to have agreed to subscribe for the number of allotted Shares at the Subscription Price, subject to the Articles of Incorporation and these terms and conditions set out in section 6.5.
10. If the Invitation is successful in raising at least \$189,138,050 as per Rule 501(2)(b) of the Junior Market Rules and the Shares are admitted to trade on the Junior Market, successful Applicants will be allotted Shares for credit to their account at the Registrar specified in their Application. Applicants may refer to the informational notice that will be posted on the website of the JSE (www.jamstockex.com) after the Closing Date. Applicants who wish to receive share certificates must make a specific request to the Registrar.
11. The Company will endeavour to return amounts refundable to Applicants whose Applications are not accepted, or whose Applications are only accepted in part, to NCB Capital Markets within ten (10) days after the Closing Date (or the extended Closing Date, as the case may be) or as soon as practicable thereafter. Each refund will be processed by payment to the account stated in the electronic application submitted via <https://goipo.jncb.com> or using the attached Application in Appendix II.
12. Applicants must be at least eighteen (18) years old. However, Applicants who have not yet attained the age of eighteen (18) years, may apply jointly with Applicants who are at least eighteen (18) years of age.

THE INVITATION

Continued

SECTION 7

ABOUT THE COMPANY



INFORMATION ABOUT THE COMPANY

7.1 ABOUT THE COMPANY

Current and Future Service Offerings

The Company is an award-winning, full-service advertising agency and production company that offers its services through three (3) main business divisions, albeit all three (3) main service groupings may be offered to its clients either separately or on an integrated basis. The Company's three (3) main service groupings are as follows. **Please note that where the word “(future)” is stated at the end of a service, this means that said service has been earmarked for roll out in the near future.**

a. Agency

As the main creative engine of the Company, this division covers strategy development, concept creation and execution. This unit collaborates with the client to understand their brand, market space, channels and any specific challenges. This is supported by strategic analysis and creative conceptualisation. All projects are closely monitored and budgets and timelines managed based on optimal efficiency. The Company's agency services are listed below:

- Brand Analysis and Strategy
- Creative Concept Development
- Campaign and Promotion Development
- Branding & Design
- Copywriting
- Innovation Sessions
- Public Relations (future)
- Product Design/Development (future)

b. Media

This division purchases the time/space in media that the work created by the Agency (or delivered by client) uses for broadcasting to the client's customer base. Not just a purchasing department, however, the Company's approach to media involves a careful understanding of media channels, polling numbers/viewership surveys, as well as cultural trends. The media department considers all these variables in the formulation of a media strategy that targets specific audiences, curated based on each client's customer universe and specific needs, at the best possible times for maximum exposure. The Company benefits from a 15 -18% media sales commission. Media services are listed below:

- Media Strategy Development
- Media Investment Management
- Media Planning
- Media Buying
- Social Media Management (future)
- Web Optimisation (SEO) (future)
- Digital Geofencing Advertising (future)

c. Production

Production covers both live production (shooting) and post-production (video editing and sound recording). The department also offers a la carte production services to other suppliers, including film production, equipment rental and transport, audio and photo studio rental, as well as video and audio editing. For advertising clients, the department will scout shoot locations, identify talent and conduct the shoot with all necessary personnel. Production services are listed below:

- Creative Direction
- Film and Video Production
- Production Management
- Post-Production
- Audio Production
- Motion and 3D Graphics
- Equipment Rental
- Digital Content Creation (future)

The Company has a client portfolio of nation-leading brands and intends to embark upon other integrated business lines in order to continue adding value to its clients and to attract new ones. The Company also continues to refine its existing capabilities and increase its market share.

INFORMATION ABOUT THE COMPANY

Strong Partnerships

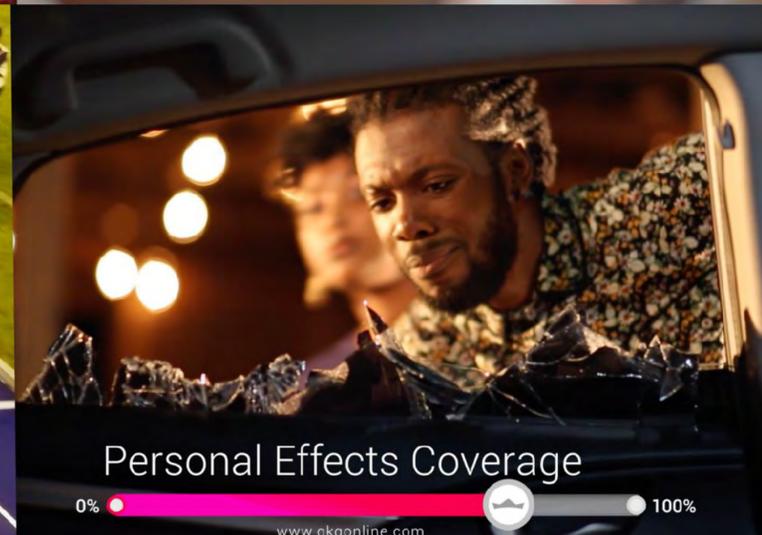
The Company has built strong client relationships with leading consumer brands that trust it to develop and execute local and regional campaigns. The Company's portfolio includes Grace Kennedy, HEART Trust NTA, JPS, NCB, Wendy's, Domino's and the Digicel Group, to name a few.

World-Class Productions

The Company has contributed to the repertoire of expert-level Caribbean filmmaking, having produced over 400 projects including commercials, corporate videos, music videos and served as the local production house that facilitated international feature films such as Nick Cannon's **"King of the Dancehall"** and music videos such as Rihanna's **"Man Down"** and Drake's **"Find Your Love"**. In the process, the Company presented Jamaica (and the Caribbean) as a prime filmmaking destination with all the skills present locally to execute world-class productions.

On the local corporate front, the Company produced NCB's **"Capital Quest"**, a first-of-its-kind business reality television show. The show saw several small to medium sized enterprises (SMEs) compete for up to \$50 million Jamaican dollars in private equity investment.

Some of the Company's more notable work includes Digicel 'Set for the Summa', Grace 'Christmas with Flava', Grace 'Flairy Mackerel', JPS 'Powering What Matters', NCB mPOS, Heart Trust NTA 'Forward Together', GKGI 'GKG Online'



INFORMATION ABOUT THE COMPANY

7.2 IT'S HISTORY

The Company was incorporated on March 30, 2009 as **“The Production Lab Limited”** and on April 22, 2014, it changed its name to **“The Limners and Bards Limited”**. However, since its name change, the Company is more colloquially and commonly referred to by its acronym **“The LAB”**.

BEGINNINGS

The Company is one of the country's premier advertising agencies and production companies staffed by an elite team of creatives, marketers and filmmakers. The 12-year-old business is led by founding director, Miss Kimala Bennett, whose insight into world-class filmmaking was built during her training as an intern at the renowned HSI Productions, a leading production house in Los Angeles. Through this professional network, Bennett parlayed this experience into high-profile projects with names like Hype Williams and Kanye West. Upon her return to Jamaica, she founded The Production Lab in 2007 (as a partnership) with then business partner, US-based producer, Melissa Lewellyn. With JMD\$20,000, a MAC computer and a hungry vision, Bennett and Lewellyn leveraged a small team to realise their dream of producing high quality film work for the Jamaican market.

EVOLUTION

Over the years, the Company transitioned from an upstart production house into a full-scale operation. The Company is now a hub of creative specialists who provide 360° advertising and film production services, with a mandate to make commercially viable products for the global marketplace. The Company considers itself a disruptor on a mission to set the standard for creative work in the Caribbean. The Company has grown stride by stride, raising its standard of performance to tackle bigger goals such as spreading its wings across the Caribbean and building out a digital arm.

By maintaining its unique advantage through investment in film production and a proactive approach to serving its clients, the Company has retained the trust of its clientele by going the distance to provide the best possible product. This was demonstrated in the collaborative approach taken to “NCB Capital Quest”, a groundbreaking reality television show for which the Company brought in a consultant from the American reality TV series “The Apprentice” to ensure first-world quality. Collaborations of this nature are incorporated into the Company's growth strategy to continuously increase the capabilities of the team. The Company continues to facilitate high net worth international film projects attached to names like Nick Cannon and Victoria Rowell (the project with Rowell earned Emmy nominations). The Company has garnered international awards and has created many of the most memorable and recognizable advertisements and shows on local television.

OPERATIONS OVERVIEW

The Company is supported by approximately 24 in-house staff and some 100 contracted workers and freelancers. The team places high importance on researching advertising/production trends in the global market and thrives on aggressive recruitment, training and collaborative exposure within its management team. This strategy has allowed the Company to offer world-class output, which has created regional demand for its services. The Company intends to build out departments in high growth potential fields, as well as secure international clientele and forge partnerships based on global trend mapping and industry analysis.

INDUSTRIES SERVED

The Company currently services the telecommunications, financial services, food & beverage, gaming and sports, education, non-profit industries and government.

COMPANY HIGHLIGHTS

The Company:

Enjoys an over 75% success rate in winning project bids;

Is trusted by a diverse, high net worth client list of industry leaders;

Has Won four (4) ADDY® Awards from the American Advertising Federation for work done for its clients including a gold award for Grace Nannyville. The ADDY® Awards honours excellence in advertising and cultivates the highest creative standards in the industry. It is the largest creative awards competition in the advertising industry, attracting over 40,000 entries every year;

Is a nimble, disruptive and millennial-embracing business, focused on delivering long-term value through trend mapping;

Employs best-in-class technology and collaborates with top talent locally and globally to produce cutting-edge work;

Is registered with the National Contracts Commission which allows it to bid on Government of Jamaica contracts;



COMPANY HIGHLIGHTS

Continued

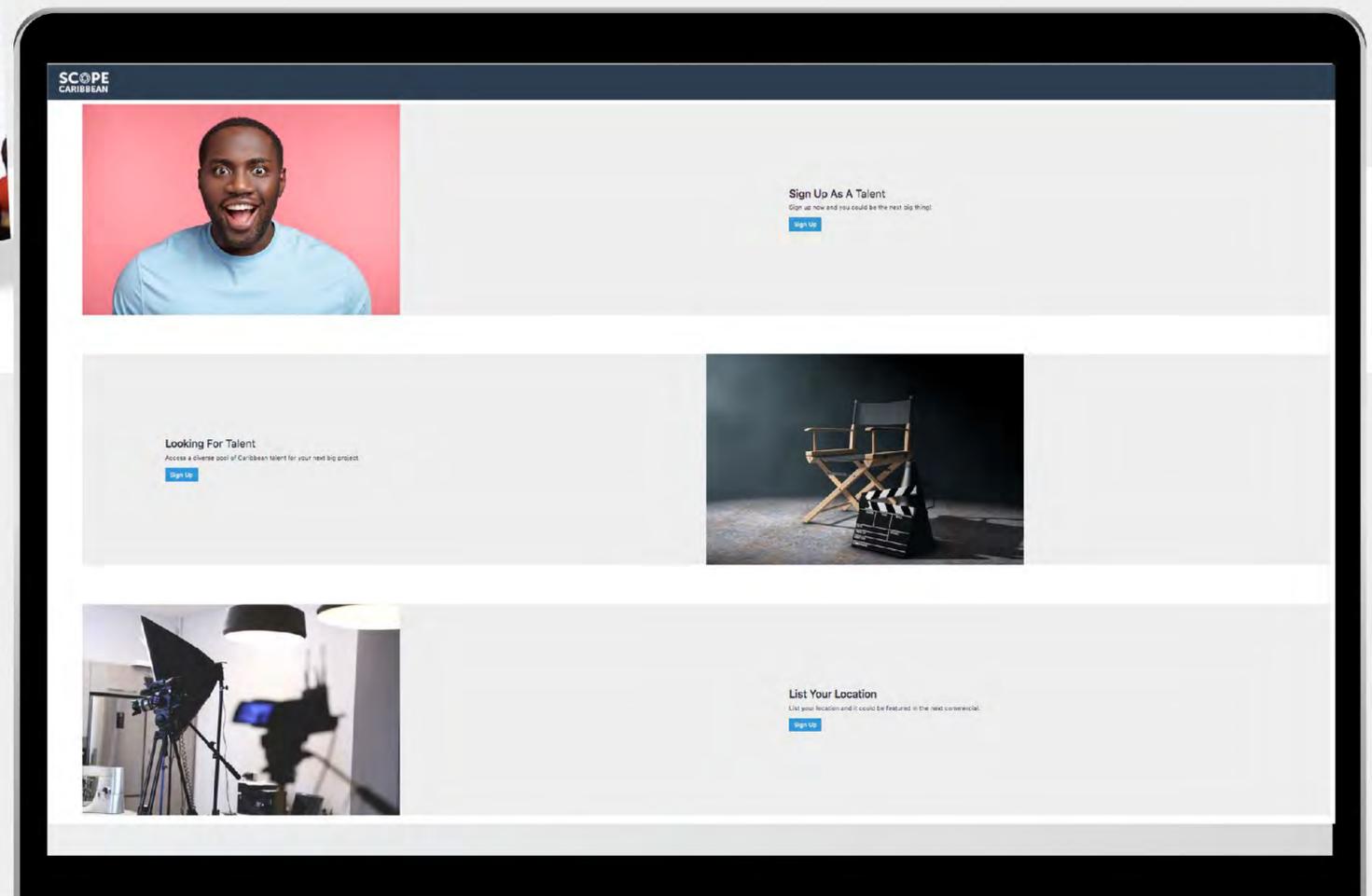
WWW.SCOPECARIBBEAN.COM

Developed “Scope Caribbean”, a first of its kind digital platform that will allow international film crews to remotely book locations and talent from across the region.



THE LAB “THINK TANK”

Created and executed the inaugural “LAB Think Tank”, a targeted marketing education forum featuring “Millennial Whisperer” Tina Wells. The event created an added revenue stream for the Company and showcased its research focus through the commissioning of a Jamaican millennial market study.



CLIENTS



PETER LLOYD

FORMER MARKETING DIRECTOR, DIGICEL JAMAICA

“We have worked very closely with the LAB over the last eleven years and have put our faith in their team to guide us through some of our largest campaigns. Their team produces top notch work and over our time working with them we have been able to call on them to craft and execute fresh concepts, or to collaborate with our agencies around to world to put a Jamaican spin on our international campaigns. Working with the LAB is an experience in true passion and consummate customer service. They take the time to truly understand the brand, our needs and in the case of Digicel, our pace. Dependable service and consistently high quality content. That is what you can expect from the LAB.”



ANGELINE GILLINGS

MANAGING DIRECTOR, GRACE FOODS LIMITED

The LAB was first introduced to the team of Grace Foods’ marketers through a bid process for a new Grace Brand campaign. At that time we knew there had be a shift to a more modern feel to our campaigns but then we were cautious about the transitioning process. From the bid process, it was clear that we had seen a deck that was fresh, clean (uncluttered) and exciting - quite different from the traditional but still represented the essence of the brand. It was from that process that the LAB was formerly appointed the Creative Agency for the Grace Brand. That started a journey which included bigger projects than just launching a new advertising campaign. In fact, the campaign came a few years later. Together the LAB and Grace Foods joined with overseas consultants to carve out the strategy for the Grace Brand Refresh project. The results have been exciting with new connections and increased engagements, while bolstering the passion from our core longstanding consumers. Our consumer research and brand tracking results support the anecdotal feedback we have been receiving. The creative use of our Ambassadors in our campaigns and community initiatives have been very effective both in our local and international markets. This has led to Awards on the regional and international stage, one such being the Addy Awards (American Advertising Awards). Our Nannyville run-a-bout activation and documentary featuring Ding Dong was first world standard. This along with others like the Flairy mackerel video and Christmas Trailer. In summary, the LAB has been bold, creative and fresh with a keen eye for production excellence. It has been an exciting journey and there is so much more to come.



NADEEN MATTHEWS BLAIR

CHIEF DIGITAL AND MARKETING OFFICER, NCB

The LAB has been a key strategic partner of NCB for over six years. In addition to producing advertising campaigns that help to drive our brand and growth objectives, we partnered with The LAB when we decided to produce the business reality television show NCB Capital Quest. This programme sought to educate the viewing public about private equity as a financing alternative, and on the keys to running a successful business. This was an unconventional idea for a financial services organization, but we needed a game-changing and innovative approach to quickly build the awareness and market receptiveness to private equity. The LAB helped us take this unconventional idea from concept to reality. To do this, the team combined the expertise of global reality television producers and creatives with top local talent to help us create a world class edutainment product. In addition to strong viewership of NCB Capital Quest, the two season series created tangible business growth for all participating SMEs. The LAB remains one of NCB’s key strategic partners because of its creative and innovative concepts, willingness to go above and beyond to meet our needs, high accountability and integrity. The LAB is in constant pursuit of new world class methodologies and techniques and proactively seeks to create value for our business.



RACHEL MCKENLEY

SENIOR MARKETING OFFICER, GK INSURANCE

“My experience working with the LAB has been absolutely amazing. The LAB is Innovation with passion. This was the agency that truly guided us through our rebranding process in 2015, from Jamaica International Insurance Company to GK General Insurance Company, otherwise known as GK Insurance. We truly believe that the switch was a successful one as noted by our increasing growth in brand awareness from 2015 until now! We were able to have a creative team that was really listening and that was able to interpret our unique needs. They helped us keep all the goodwill of the previous brand and successfully integrate it into the new corporate brand. And all along the way they helped us as a complete team. Each member of the team exudes a certain passion regardless of the area that they’re in. Just talk to anyone in the agency and you’ll see what I mean. You’ll leave every interaction truly happy.”



THE EMPLOYEES

The Company continuously strives to maintain a highly motivated and structured workforce. This has been achieved by the following initiatives:

a. Effective Management

The Company has an effective, progressive-thinking and decisive management team. Each employee of the Company was selected based on unique multidimensional expertise, qualifications and proven performance. Focus is placed on being well rounded team players, thus managers are trained to engage with both business and creative decision making. Managers emphasise quality and efficiency as the highest priorities. Based on experience and qualifications, seven department heads have been selected. While department heads have high levels of autonomy, management styles hinge on the them working collaboratively so that all variables are considered. The departments are General Administration, Strategy, Finance, Media, Client Services, Creative and Production.

b. Profit Share System

Profit share is linked to performance and follows a preapproved rubric crafted and approved by management which is adjusted each year in line with the Company expectations for that year.

c. Employee Share Ownership

An opportunity for employees to own Shares by means the availability of the Reserved Shares for subscription.

d. Group Health and Life Insurance Scheme

The Company pays 50% of the premium for its employees' participation in the Company's health scheme.

e. Policies and Procedures

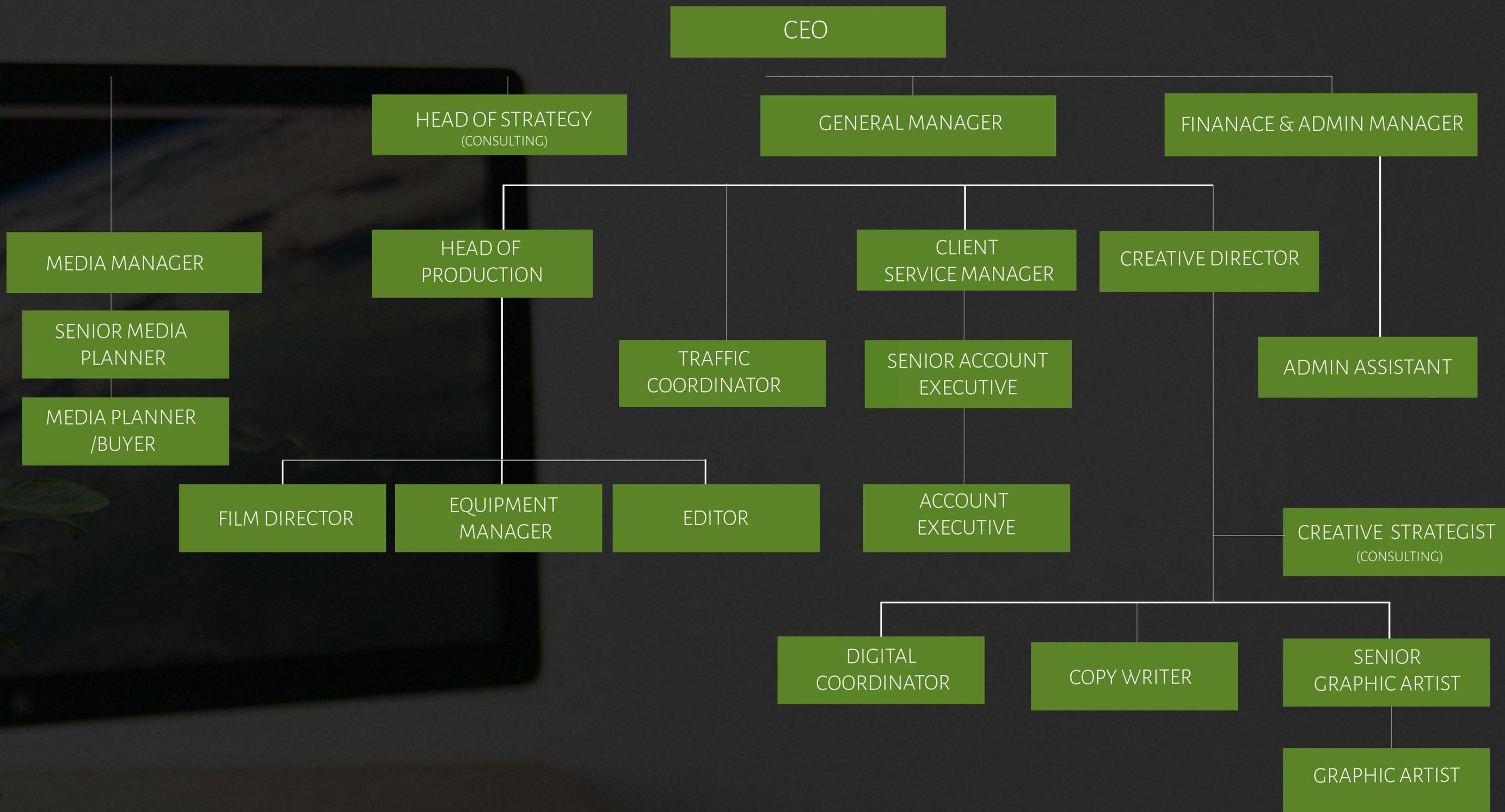
The Company has well-established disciplinary guidelines, rules and regulations, which have been codified in the form of an employee handbook that is shared with every employee.

It is anticipated that within the calendar year, the Company will begin compiling established best practices into Standard Operating Procedures (SOPs) to facilitate team expansion locally and regionally.

A more fulsome representation of the organisational structure of the Company is set out in the chart on page 26:



ORGANISATIONAL CHART



7.3 THE COMPANY'S STRATEGIC GOALS

The Company has settled upon several growth strategies for immediate execution, some of which are set out below:

a. ORGANIC GROWTH

In addition to its current client base, the Company is positioned to onboard new clients that have requested agency, media and production services. The Company also expects increased business from its existing clients. This is based on the fact that the Company's clients operate and trade within highly competitive industries and markets which are compounded by the increasingly improving economic environment in Jamaica, which has stimulated the private sector's appetite for growing its businesses and market share locally, regionally and internationally.

b. ACQUISITION

The Company has already identified a target for acquisition to continue the build out of its service offerings in the short term. Owners of the target company have indicated that they are amenable to sale of its business and assets to the Company. Negotiations and a due diligence exercise are on-going as at the date of this Prospectus. In the interest of continuity, it is the intention of the Company to retain the management of this target subsequent to its acquisition.

c. REGIONAL AND INTERNATIONAL EXPANSION

The Company intends to enter regional markets in 2019, given immediate opportunities that have been identified for exploitation.

The Company also intends to enter the USA market by 2021. This would give a cost and labour arbitrage and "nearshore" advantage to USA clients who outsource their agency and production services to the Company based on geographical proximity. Underpinning these advantages is the assumption of the highest level of creative output given the Company's track record and extensive professional dossier with respect to campaign development, production and international films.

The Company's objective is to have regional and international clients account for at least 25% of its revenue by the end of 2021.

d. PUBLIC RELATIONS

The Company intends to build out a public relations department as a business line on its own and for integration with the Company's current service offerings. This initiative is in response to the increasing articulated demands from the Company's existing clients and opportunities that the Company has identified.

e. DIGITAL

The Company intends to strengthen its digital offerings via a build out of its digital arm including both social media management and web development services. This is a key component of its growth strategy. The Company has already created "Scope Caribbean", a digital location and talent scouting platform which allows local and overseas film crews to prepare remotely for Caribbean shoots long before arrival, making production and filmmaking in Jamaica more convenient and thus attractive.

7.4 INCORPORATION AND STRUCTURE

The Company was incorporated on March 30, 2009 and has no subsidiaries.

The shareholders of the Company have approved and adopted new Articles of Incorporation with effect from February 25, 2019 and the re-registration of the Company as a public company.

7.5 Details of Authorised and Issued Share Capital and the Shares in the Invitation

Capital Structure of the Company

As at the date of this Prospectus, the authorised and issued share capital of the Company was as follows:

Authorised:	5,000,000,000
Issued:	756,552,202

The Shares in the Invitation will be newly issued Shares of the Company.

Recent Capital Reorganisation

Following a Directors' meeting held on February 25, 2019 and an extraordinary general meeting of the Company held on February 25, 2019, the following steps were approved in respect of the capital structure of the Company:

- The Company's authorised share capital was restructured by increasing the authorised ordinary share capital of the Company from 100 ordinary shares without par value to 1000 ordinary shares without par value as per Article 46 of the Company's Articles of Incorporation.
- Thereafter the Company's ordinary share capital was sub-divided with each ordinary share being divided into 5,000,000 ordinary shares pursuant to section 65(1)(b) of the Companies Act, 2004 and Article 47 of the Company's Articles of Incorporation (see illustrative Share Restructuring Table).
- Thereafter, Kimala Bennett Private Company Limited and Tashara-Lee Johnson were allotted 728,181,394 Shares and 28,370,708 Shares, respectively. The result of the foregoing is set out in the illustrative Share Restructuring Table.
- 189,138,050 Shares are all being offered to the general public and/or the Reserved Share Applicants in the Invitation.
- The re-registration of the Company as a public company under the provisions of the Companies Act, 2004.
- The adoption of new Articles of Incorporation, which are available for inspection as set out in section 15 herein.

ILLUSTRATIVE SHARE RESTRUCTURING TABLE

Issued and Authorised Shares Before Increase in Authorised Share Capital	Shares After the Authorised Share Capital was Increased	Shares After the Sub-Division of the Authorised Share Capital	Issued Shares After Further Allotments Made
100	1000	5,000,000,000	756,552,202

7.6 SHAREHOLDINGS

As at the date of this Prospectus, the complete holdings of Shares in the capital of the Company were as follows:

Name of Shareholder	Number of Shares before Opening Date
Kimala Bennett Private Company Limited	728,181,394
Kimala Bennett	100
Tashara-Lee Johnson	28,370,708

After the subscription lists for the Invitation are closed and assuming that the Invitation for the public and the Reserved Share Applicants to subscribe to for up to 189,138,050 Shares is taken up in full, the percentage shareholdings in the Company will be as follows:

Name of Shareholder	Number of Shares after Opening Date	Percentage of Issued Share Capital after Opening Date
Kimala Bennett Private Company Limited	728,181,394	76.99999%
Kimala Bennett	100	0.000001%
Tashara-Lee Johnson	28,370,708	3.00%
Reserved Share Applicants	139,138,000	14.70%
General Public	50,000,050	5.30%
TOTALS	945,690,252	100.00%

7.7 APPLICABLE REGULATORY REGIME

The current business of the Company does not require it to be regulated as a bank, financial institution, insurer or otherwise as a regulated entity.

The regulatory information referred to in this section will be available for inspection as described in section 15.

7.8 INTELLECTUAL AND REAL PROPERTY

As at the date of this Prospectus, the Company has the following interests in intellectual and real property:

INTELLECTUAL PROPERTY

The Company has made an application to register the following logo (*see below*) as its trademark, as per the provisions of the Trademarks Act, at the Jamaica Intellectual Property Office in Class 35 & Class 41.

The registration process is expected to be completed by the end of December 2019.

LOGO	Classes to Be Registered
	<p>Services: Class 35 & Class 41</p>

The Company has also applied to register a trademark for the word "The LAB" as per the provisions of the Trademarks Act, at the Jamaica Intellectual Property Office in Class 35 & Class 41.

A copy of the reception letter dated 2019 in relation to the application for registration in Class 35 is available for inspection as described in section 15.

REAL PROPERTY

As at the date of this Prospectus:

1. The Company is the registered proprietor of its offices located at Unit #4, 69-75 Constant Spring Road, Kingston 8, Saint Andrew which is registered at Volume 1239 Folio 502 in the Register Book of Titles ("**the Property**").
2. The Company has entered into a sale and leaseback arrangement with Kimala Bennett Realty Company Limited ("**the Purchaser**") pursuant to which Completion shall occur after the IPO and the Listing. Both companies are majority beneficially owned by Kimala Bennett. The consideration to be paid by the Purchaser pursuant to the Agreement for Sale of Realty between the parties is the market value of the Property, as per professional valuation.
3. The effective date of the Commercial Lease Agreement between the parties is the date of Completion of the sale of the property to the Purchaser. The rent payable by the Company to the Purchaser has been structured to match the mortgage payments that the Company is currently obligated to make to the mortgagee (NCB) as closely as possible. The Company shall also be sub-leasing the Property to a related company (CR8 Space) at market rates and will therefore be earning income therefrom.
4. Copies of the aforementioned Agreement for Sale Commercial Lease Agreement and letter will be available for inspection as described in section 15.

7.9 MATERIAL CONTRACTS

Given the nature of its business, most of the Company's contractual arrangements are on-going dealings in the ordinary course of business.

The following is a list of the Company's material (written) contracts:

	Date	Counterparty	Brief Description
1.	September 5, 2018	Government of Jamaica	NCC Registration
2.	Various	GK General Insurance Company Limited; General Accident Insurance Company Jamaica Limited and Lloyd's of London	Comprehensive General Liability Insurance, Media Liability Insurance and Employers' Liability
3.	July 1, 2019	Kimala Bennett Realty Company Limited	Commercial Lease Agreement
4.	June 5, 2019	Kimala Bennett Realty Company Limited	Agreement for Sale of Realty
5.	March 28, 2018	NCB	Mortgage Loan

The material contracts set out above will be available for inspection as described in Section 15.

7.10 LITIGATION

As at the date of this Prospectus, the Company is not involved in any litigation, arbitration or similar proceedings pending and/or threatened against the Company.

7.11 DIVIDEND POLICY

The Directors expect that the Company's investments and strategic plans, which are to be implemented in the short to medium term, will result in growth of its profits, subject to any adverse changes in the local and regional economic climate. Accordingly, the Directors anticipate a payment of an annual dividend of up to 25% of the annual profits after any applicable income tax, where such profits are available for distribution and subject to the Company's need for reinvestment of some or all of its profits from time to time in order to finance its further growth and development.

7.12 INSURANCE ARRANGEMENTS

The Company has procured sufficient insurance cover for all major risks that relate to its business. This includes:

	Type of Insurance Policy	Expiration Date
a.	Media Liability	April 17, 2020
b.	Comprehensive General Liability (Employer and General Liability)	November 2, 2019
c.	Employers' Liability	November 2, 2019
d.	Keyman Insurance	November 28, 2019

Confirmation of the insurance arrangements referred to in this section will be available for inspection as described in Section 15.

7.13. CHARGES REGISTERED AGAINST THE ASSETS OF THE COMPANY

As at the date of this Prospectus, the Company has two (2) charges against its assets as follows:

1. A Bill of Sale in relation to a motor vehicle loan; and
2. The mortgage loan in respect of the Property.

The abovementioned charges aggregate to approximately \$48 Million.

8.1

BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of the Directors and Senior Management of the Company are set out in this section. The Directors' addresses are set out in section 14 hereto and they may be contacted for business purposes c/o its office located at **Unit #4, 69-75 Constant Spring Road, Kingston 8, St. Andrew, Jamaica; Telephone: (876) 908-4080; Website: thelabjamaica.com.**

SECTION 8

THE DIRECTORS AND THEIR INTERESTS



the directors

STEVEN *Gooden*



INDEPENDENT
NON EXECUTIVE CHAIRMAN

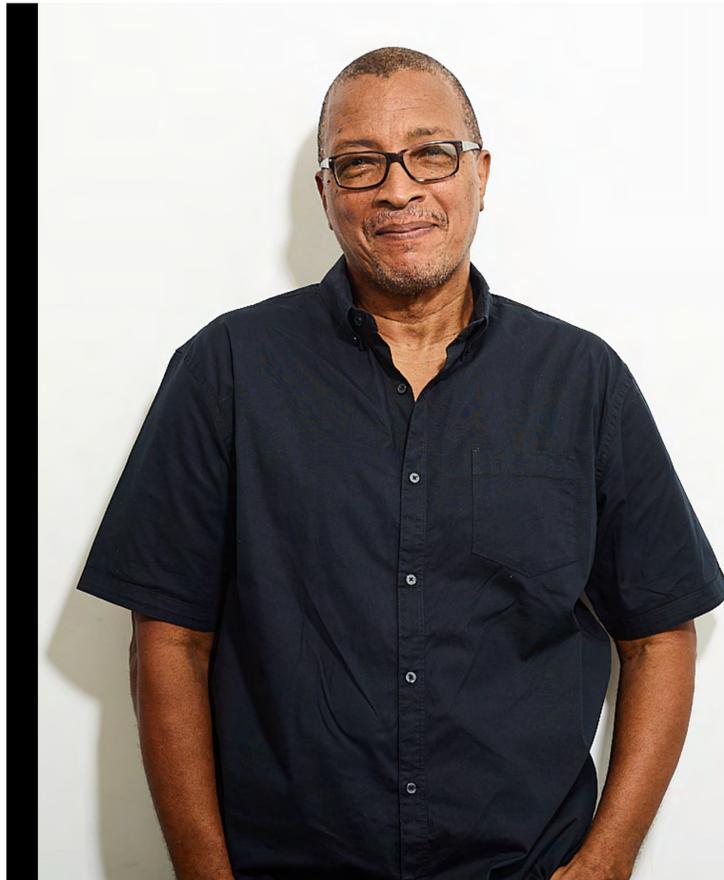
Steven Gooden is the Chief Executive Officer of NCB Capital Markets Limited, which under his leadership has expanded into the southern and eastern Caribbean via the establishment of hubs in the Cayman Islands, Trinidad & Tobago and Barbados. Steven's ascension to executive management was at 26 years old when he was appointed General Manager for one of Jamaica's leading fund management companies. In 2009, he rejoined NCB Capital Markets as Vice President, Investments and Trading where he successfully integrated the investment management functions of the Group's subsidiaries with combined assets exceeding US\$2 Billion. Steven is a holder of the Chartered Financial Analyst (CFA) designation, has a master's degree in Finance and Economics and a bachelor's degree in Economics and Accounting. He has also participated in executive development courses at Chicago Booth and Wharton Business schools covering strategy, change leadership and mergers & acquisitions. Steven sits on the board of directors of several companies within the NCB Group, the Jamaica Stock Exchange Limited and the Caribbean Mezzanine Fund Limited. Additionally, he is the Chairman of NCB Global Finance Ltd and NCB Capital Markets (Barbados)Limited as well as President of the Jamaica Securities Dealers Association.

KIMALA *Bennett*



EXECUTIVE DIRECTOR

Kimala Bennett is CEO and founder of the LAB with over a decade of experience in the film production and advertising sector. Kimala holds a bachelor's degree from Mount Holyoke College and is currently pursuing an Executive MBA at the Jack Welsh Management Institute. She sits on several boards and is a member of the Grace Kennedy Innovation Council. Kimala is a published author specializing in entrepreneurial manuals such as 'Starting a Business in Jamaica' and 'The Young Entrepreneurs' Handbook'. She is also a recipient of the PSOJ '50 Under Fifty Business Leaders Shaping Jamaica's Future Awards'. The film director turned entrepreneur was named the 2019 Anthony Sabga Laureate for Caribbean Excellence in Entrepreneurship.

MICHEAL *Bennett*NON EXECUTIVE
DIRECTOR

Michael Bennett is a local legend in the music and entertainment industry. Michael is known for his philanthropic music ventures including coordinating the two year USAID funded FiWi programme at the University of Technology Jamaica which taught musical skills as well as entertainment management and entrepreneurship. Michael holds a bachelor's degree in Business Administration from NCU and is the owner and Creative Director of the renowned Grafton Studios, which has nurtured acts from JC Lodge to Chronixx. Michael has received countless awards for his musical work including the 2018 Iconic Mentorship award from the Jamaica Reggae Industry Association (JaRIA). He has produced national projects including the Jamaica 50 Anthem and the Heart of Jamaica Album for J. Wray and Nephew.

MAXINE *Walters*INDEPENDENT
NON EXECUTIVE DIRECTOR

Maxine Walters is one of Jamaica's most respected filmmakers with over 25 years of experience as the island's go-to film partner for high budget international projects. Her brand has built a reputation for providing world-class filmmaking in the Caribbean. Her company is credited with work for brands such as Virgin Media, Puma and Gatorade. Maxine is known for bringing Hollywood to Jamaican film, creating exposure and on-set training opportunities for local film crews. She has made her mark in various parts of the entertainment sector and is one of the founders of Reggae Sunsplash. She broke ground being credited as associate producer of the American TV show "Going to Extremes", the first Jamaican to do so in the US space.

TASHARA-LEE *Johnson*

EXECUTIVE DIRECTOR

Tashara-Lee Johnson is the General Manager of the LAB where she has been a team member for 3 years, and plays a key role in the strategic growth and day to day operations of the Company. She holds a bachelor's degree in Media & Communication with a minor in International Relations from The University of the West Indies and has completed a course in Leadership at the Jack Welch Management Institute. Having served primarily in production management roles in previous jobs, Tashara has extensive international experience with campaigns, commercials, feature films, and documentaries. Some of these include King of the Dancehall by Nick Cannon, Hooked by Max Emerson, Flight by Kia Moses, and OTR II Beyonce and Jay-Z. She recently represented Jamaica at the Black Women Film Network Festival, as the producer of "Flight" which won the Audience Award, Best Screenplay, Best Cinematography as well as the overall top prize. The film has also been recognized by the Cannes Film Festival.

the directors

ROCHELLE *Cameron*



INDEPENDENT
NON EXECUTIVE DIRECTOR

Rochelle Cameron is an attorney-at-law with 20 years at the Jamaican Bar. She served for several years as Vice President of Legal and Regulatory for Flow Caribbean where she was also Company Secretary of Cable & Wireless Jamaica Limited and its subsidiaries. Rochelle is currently the Assistant Vice President of Human Resource Development and Public Relations at the Jamaica Broilers Group. She is well known for her strategic management, leadership abilities, and mentorship. Her diverse experience has given her considerable expertise in corporate governance, mergers & acquisitions, and business development. She has also become a widely called on public speaker for motivation and training in the corporate sphere.

DOUGLAS *Lindo*

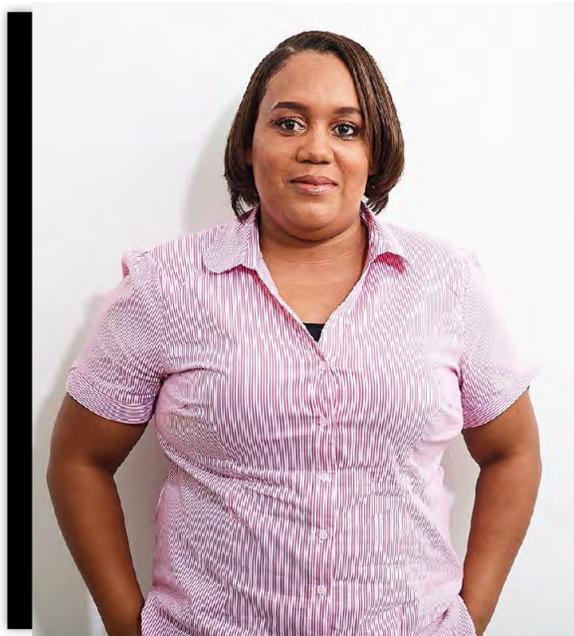


INDEPENDENT
NON EXECUTIVE DIRECTOR

Douglas Lindo is the co-owner, and Managing Director of Bellindo Ltd., one of the country's leading manufacturers of designed metal products for the commercial and residential sectors. He is also a member of the adjunct faculty of the University of the West Indies, Mona School of Business and Management, where he co-ordinates and lectures the module on New Ventures and Entrepreneurship and provides consultancy services on a range of entrepreneurship related projects through his other company – Windward Holdings. He has also owned and managed businesses in the agriculture and beverage manufacturing sectors. Over the last twenty years, Douglas has held senior executive positions both in the private and public sector. He has provided consultation services to the Government of Jamaica, overseas investors with business interests in Jamaica, and a range of locally based entrepreneurs. Douglas is a recipient of the PSOJ '50 Under Fifty Business Leaders Shaping Jamaica's Future Awards' & the 2012 Young Entrepreneur Award, given by the Young Entrepreneurs Association in recognition of his contribution in the field of entrepreneurship.

senior management

NATASSIA *Benjamin*



ACCOUNT MANAGER

Natassia Benjamin is an accounting specialist with over seven (7) years experience and has a background in auditing. She holds certifications in the Association of Accounting Technicians (AAT) levels 2-4 and Association of Chartered Certified Accountants (ACCA) Level 1. Natassia's range of experience in accounting also includes her course certification in Forensic Accounting from the Institute of Chartered Accountants of Jamaica (ICAJ). She joined the Company in 2017 and has proven herself to be a strong asset to the Company.

TASHAN *Hendricks*



CREATIVE DIRECTOR

Tashan Hendricks has eight (8) years of experience in the creative industry having worked with a range of local agencies. Tashan holds a bachelor's degree in Entertainment & Cultural Enterprise Management from the University of the West Indies and several certificates in event marketing and management. She has worked with the LAB for a total of three (3) years during which she has also acted as a copywriter and account executive. Tashan has led the creative conceptualization of over 100 projects with the LAB, and draws on her experience in artistic and event management to guide the Company's creative talent.

DEXTER *Musgrave*



CREATIVE STRATEGIST (CONSULTING)

Dexter Musgrave has over ten (10) years of experience as a creative lead in the field of advertising, working with agencies across the region and in the United States. Dexter has worked with the LAB for two (2) years as both creative director/strategist and consultant. He is a former senior writer at McCann Erickson Trinidad and creative director of Publicis Caribbean. He has brought his creative thinking to brands like Digicel, Scotia Bank, Cable & Wireless (both as LIME and Flow) and international brands like Nestle, and Coca Cola. Some of his most notable creative campaign achievements have been the Digicel "Be Extraordinary" launch in the Trinidad, Guyana, Barbados and St. Lucia markets. He has worked with marketing and production teams in Jamaica on brands such as NCB, JPS, US Embassy Jamaica, SM Jaleel and the Grace Kennedy Group. Dexter has conceptualised, written and directed commercials that have received local and international awards by such bodies as the Advertising Agencies Association of Trinidad and Tobago, (AAATT), the Caribbean Advertising Federation (CAF) and the American Advertising Federation (AAF).

senior management

SAMANTHA *Whyte*



MEDIA MANAGER

Samantha Whyte has over fifteen (15) years of experience as a media buyer in the advertising arena, working with local and international agencies such as McCann Erickson. She has worked with the Company for the last three (3) years. Samantha graduated cum laude from UCC with an associate's degree in Business Administration. She also holds certificates in Media Planning from the Advertising Agencies Association of Jamaica (AAA) and Caribbean School of Media and Communication (CARIMAC). Samantha's meticulous attention to detail and deep understanding of the media landscape have allowed her to work on large media executions including the local campaign launches of Red Bull, and the National Health Fund, as well as the brand transition from b-mobile to LIME, and the rebranding of RBTT to RBC. Her international work includes campaigns for Nestle in Trinidad and Europe. Her undeniable experience and strong professional network have brought her recognition for her excellence. Samantha has received certificates for outstanding contributions in media from both the Jamaica Observer and the Sunday Herald.

RANDY *Rowe*



HEAD OF STRATEGY (CONSULTING)

Randy Rowe has consulted with the Company since 2016, where his analytical skills have assisted with business development and financial growth strategy. He has also been involved in the development of client acquisition tools such as the inaugural LAB Think Tank marketing seminar. Randy has twelve (12) years of diverse business experience including eight (8) years at Carreras where he worked in Business Analysis, Finance, and IT, as well as Research and Marketing. He holds both Bloomberg and JSE certifications in Trading and Investment. With a unique view on a wide range of topics, he has worked closely with the senior management team in the shaping and positioning of the Company's brand. Randy's ability to connect the dots has proven valuable in the Company's continuing development. His creative brand strategies have steered the team towards many successful campaigns.

senior management

TRICIA *Knott-Francis*



HEAD OF PRODUCTION

Tricia Knott-Francis has over fifteen (15) years of experience in event and film production and has worked with the Company for ten (10) years. She is at the core of the production department, managing executions for the full range of the Company's clientele with a team of some 100 crew members. Her talent and comprehensive experience bring a level of capability and energy to the film production services for the Company. Tricia has a solid reputation for efficiency having managed several multi-million-dollar budgets for both local and international productions. Productions include NCB Capital Quest and JPS PowerSmart Energy Challenge reality TV shows, Digicel Set For The Summer and Grace Flava with a Beat, to name a few.

COLLEEN *Corke-Campbell*



CLIENT SERVICE MANAGER

Colleen Corke-Campbell has over eight (8) years of experience in client services, entertainment and project management. Colleen graduated from the University of the West Indies in 2011 with a bachelor's degree in Entertainment and Cultural Enterprise Management and holds a CAPM certification in Project Management. Colleen has led and overseen some of Digicel's biggest projects in Jamaica and the region, as well as coordinating production from concept to execution for large brands. She is a skilled task manager and has efficiently managed several concurrent accounts for household names including HiLo and GK General Insurance.

8.2 Director's Interests in Ordinary Shares

The following senior managers, who are also Executive Directors of the Company hold the following interests in the Shares (including legal and beneficial holdings) as at the date of this Prospectus which are set out below:

Name of Directors	Number of Shares Before Opening Date
Kimala Bennett	728,181,494
Tashara-Lee Johnson	28,370,708

No Director or senior manager receives Shares, or options in respect of Shares in consideration of the services rendered by him or her to the Company.

8.3 Corporate Governance and Accountability

The Board has constituted two (2) committees, namely the Audit Committee and the Remuneration Committee, as required pursuant to the provisions of the Junior Market Rules and has additionally constituted a Corporate Governance Committee, although not strictly required by the Junior Market Rules. The members of each committee include a majority of independent non-executive Directors, as required by Rule 504(2)(b) of the Junior Market Rules. The Corporate Governance Committee has also adopted the requirements of the aforementioned Rule in its charter. The members of the respective committees are as follows:

Audit Committee	Remuneration and Nomination Committee	Corporate Governance Committee
Douglas Lindo (Chairman)	Rochelle Cameron (Chairman)	Steven Gooden (Chairman)
Maxine Walters	Douglas Lindo	Kimala Bennett
Steven Gooden	Maxine Walters	Rochelle Cameron
		Michael Bennett



8.4 DIRECTORS' FEES AND EXECUTIVE EMOLUMENTS

Currently, the Company does not pay any fees or other emoluments to its Directors for their services rendered to the Company in the capacity of Directors. However, post-IPO the Company's fee structure for its independent non-executive Directors shall be as set out below, subject to any decision made otherwise by the Board of Directors:

Position	Fee
Member of the Board of Directors	\$25,000 per meeting
Chairman of the Board of Directors	\$30,000 per meeting (additional fee)
Chairman of a Committee of the Board of Directors	\$30,000 per meeting (additional fee)
Member of a Committee of the Board of Directors	\$25,000 per meeting (additional fee)

SECTION 9

Management Discussion and Analysis

About the Company

The Company is one of Jamaica's leading advertising agencies and production companies offering services to companies with respect to their operations both in Jamaica and internationally.

Despite the various competitors in the advertising and marketing space, the Company differentiates itself by being a full service advertising agency that offers agency, media and production services. This is unique as most of the major competitors specialises in one or two of these areas. Additionally, through its management and organisation, the Company maintains flexibility to adjust its team by utilizing an efficient combination of full time and sub-contract employees.

Current Operating Environment

The Jamaican economy continues to improve having recorded GDP growth of 1.9% for 2018 which according the Planning Institute of Jamaica is attributable to an increase in external demand for Jamaica's export. This growth has been supported by historically low interest rates, controlled inflation and the general stability of the Jamaican Dollar relative to its major counterparts. Further, with unemployed down to an historic low of 8% as of January 2019 and a recent Fourteen Billion Jamaican Dollars (\$14,000,000,000.00) in tax cut announced by the Government in the 2019/20 budget, it can be expected that consumer spending locally may increase.

This likely increase in spending along with a robust capital markets, signals a unique opportunity for local businesses to raise capital at historically low cost to reinvest for expansion. This should further drive increased competitiveness among firms seeking to attract customers both locally and regionally. This, we believe, will provide significant opportunities for the Company to increase its service offerings to existing clients as well as attract new businesses seeking to utilize marketing as a tool to drive revenues.

Future Prospects for the Company

While there is insufficient data on the size of the market for advertising agencies, the Company has managed to distinguish itself from its competitors through its creative solutions, organisation and reliability. Far from a start-up agency, the Company prides itself on being able to deliver quality solutions on a timely basis for its clients. The Company expects to continue its growth by increasing its share of the Jamaican advertising market through three key strategies:

1. Acquisition of New Clients

The acquisition of new clients and new business is key to the continued growth of the Company. Having taken the last few years to develop various competencies in-house as well as improve the effectiveness of the sales force, the Company is ready to target local entities for new business. This includes small and medium enterprises (SMEs), large corporations as well as government agencies

2. Maximize share of wallet from its existing Clients

An analysis of its client base indicates that a large portion of its clients currently offered by The LAB from alternative providers. The Company sees this as an opportunity to increase its services to these clients which would minimize the hassle for the client of dealing with multiple service providers. This could lead to lower cost for the clients but simultaneously increase the Company's revenues.

3. Expansion of service offerings through acquisitions of new business

The Company intends to continue to innovate and expand its offerings to its customers in order to meet and exceed their expectations. In the coming year, the objective is to execute on this mandate through key acquisitions aimed at adding services and talents to the Company that will improve our profitability, push the boundaries of the industry locally and regionally and maintain our continued relevance in a dynamic space. The Company also intends to acquire a digital agency in order to expand its capacity in this area.

In addition to the quality of its body of work, the Company intends to use the equity raised from the IPO along with leveraging the increased brand equity from being a listed company on an internationally recognised stock exchange, to propel its regional expansion beginning in 2019.

summary of financial performance

	AUDITED YEAR END RESULTS FOR LAST FIVE (5) YEARS					
Statement of Profit or Loss and Other Comprehensive Income	October 2013	October 2014	October 2015	October 2016	October 2017	October 2018
Operating revenue	73,215,484.00	111,750,479.00	360,567,338.00	363,058,092.00	291,073,155.00	483,190,186.00
Cost of operating revenue	(52,270,405.00)	(68,629,706.00)	(275,376,256.00)	(242,119,634.00)	(181,797,031.00)	(320,508,814.00)
Gross profit	20,945,079.00	43,120,773.00	85,191,082.00	120,938,458.00	109,276,124.00	162,681,372.00
Loss on Disposal of property, plant and equipment					-	(1,454,543.00)
Other income	154,884.00		354,558.00	165,000.00	-	
Administration expenses	(17,912,950.00)	(29,762,717.00)	(57,723,613.00)	(92,204,752.00)	(107,454,321.00)	(82,528,118.00)
Profit before net finance cost and taxation	3,187,013.00	13,358,056.00	27,822,027.00	28,898,706.00	1,821,803.00	78,698,711.00
Finance income	948,859.00	3,342.00	782,815.00	824,322.00	30,450.00	413,610.00
Finance cost	(227,792.00)	(331,396.00)	(502,697.00)	(579,051.00)	(3,873,064.00)	(2,578,386.00)
Net finance (cost)/income 11 (328,054) 721,067	721,067.00	(328,054.00)	280,118.00	245,271.00	(3,842,614.00)	(2,164,776.00)
Profit/(Loss) before taxation	3,908,080.00	13,030,002.00	28,102,145.00	29,143,977.00	(2,020,811.00)	76,533,935.00
Taxation	(799,835.00)	(3,373,571.00)	(4,690,891.00)	(6,384,784.00)	(1,161,210.00)	(14,220,077.00)
Net profit/(Loss), being total comprehensive Income for the	3,108,245.00	9,656,431.00	23,411,254.00	22,759,193.00	(3,182,021.00)	62,313,858.00
Statement of Financial Position	October 2013	October 2014	October 2015	October 2016	October 2017	October 2018
CURRENT ASSETS						
Cash and cash equivalents	1,802,102.00	2,018,345.00	18,185,452.00	5,124,543.00	3,529,579.00	61,875,027.00
Due from related party	4,242,344.00	6,541,802.00	5,971,246.00	24,118,432.00	19,421,769.00	24,773,860.00
Accounts receivable	4,596,290.00	26,871,830.00	36,552,611.00	45,831,300.00	46,162,164.00	64,919,960.00
Taxation Recoverable					1,915,443.00	-
Total Current Assets	10,640,736.00	35,431,977.00	60,709,309.00	75,074,275.00	71,028,955.00	151,568,847.00
CURRENT LIABILITIES						
Bank overdraft	-	1,309,416.00				
Accounts payable and accrued charges	5,192,203.00	21,618,148.00	35,477,677.00	30,461,327.00	30,660,203.00	58,194,361.00
Current Maturity of Long Term loan					938,825.00	2,560,784.00
Taxation	809,543.00	2,378,021.00	2,779,221.00	4,423,704.00		9,818,696.00
Total Current Liabilities	6,001,746.00	25,305,585.00	38,256,898.00	34,885,031.00	31,599,028.00	70,573,841.00
Net current assets	4,638,990.00	10,126,392.00	22,452,411.00	40,189,244.00	39,429,927.00	80,995,006.00
NON-CURRENT ASSET						
Property, plant and equipment	5,185,372.00	8,214,799.00	19,539,572.00	24,170,051.00	31,923,374.00	91,580,148.00
Total Non-Current Asset	5,185,372.00	8,214,799.00	19,539,572.00	24,170,051.00	31,923,374.00	91,580,148.00
Total Net Current Assets & Non Current Assets	9,824,362.00	18,341,191.00	41,991,983.00	64,359,295.00	71,353,301.00	172,575,154.00
SHAREHOLDERS' EQUITY						
Share capital	100.00	100.00	100.00	100.00	100.00	100.00
Retained earnings	7,862,607.00	17,519,038.00	40,930,292.00	63,689,485.00	60,507,464.00	122,821,322.00
Total Shareholders' Equity	7,862,707.00	17,519,138.00	40,930,392.00	63,689,585.00	60,507,564.00	122,821,422.00
NON-CURRENT LIABILITIES						
Long Term Loan					9,056,175.00	48,155,400.00
Due to related parties	1,722,130.00	437,021.00	437,021.00	-		
Deferred taxation	239,525.00	385,032.00	624,570.00	669,710.00	1,789,562.00	1,598,332.00
Total Non Current Liabilities	1,961,655.00	822,053.00	1,061,591.00	669,710.00	10,845,737.00	49,753,732.00
Total Equity & Non Current Liabilities	9,824,362.00	18,341,191.00	41,991,983.00	64,359,295.00	71,353,301.00	172,575,154.00

summary of financial performance

Statement of Cash Flows	October 2013	October 2014	October 2015	October 2016	October 2017	October 2018
CASH FLOWS FROM OPERATING ACTIVITIES						
Net profit/(Loss) for the year	3,108,245.00	9,656,431.00	23,411,254.00	22,759,193.00	(3,182,021.00)	62,313,858.00
Adjustments to reconcile net profit for the year to net cash provided by operating activities:						
Depreciation	866,280.00	1,321,146.00	2,989,915.00	3,859,291.00	6,217,973.00	10,557,482.00
Loss on disposal of PPE						1,454,543.00
Interest income	(7,332.00)	(3,342.00)	(47,794.00)	(53,089.00)	(30,450.00)	(92,428.00)
Interest Expense				-	9,881.00	2,806,135.00
Taxation	799,835.00	3,373,571.00	4,690,891.00	6,384,784.00	1,161,210.00	14,220,077.00
	4,767,028.00	14,347,806.00	31,044,266.00	32,950,179.00	4,176,593.00	91,259,667.00
Changes in Working capital components:						
Due from related party	(845,211.00)	(2,299,458.00)	570,556.00	(18,147,186.00)	4,696,663.00	(5,352,091.00)
Accounts receivable	7,044,183.00	(22,275,540.00)	(9,680,781.00)	(9,278,689.00)	(330,864.00)	(18,757,797.00)
Accounts payable and accrued charges	(115,475.00)	16,425,945.00	13,859,529.00	(5,016,350.00)	188,995.00	27,534,157.00
	10,850,525.00	6,198,753.00	35,793,570.00	507,954.00	8,731,387.00	94,683,936.00
Interest Paid						(2,806,135.00)
Taxation paid	-	(1,659,586.00)	(4,050,153.00)	(4,695,161.00)	(6,380,505.00)	(2,677,167.00)
Tax deducted at source	(1,834.00)	-	-	-		
Net cash provided/(used) by operating activities	10,848,691.00	4,539,167.00	31,743,417.00	(4,187,207.00)	2,350,882.00	89,200,634.00
CASH FLOWS FROM INVESTING ACTIVITY						
Interest income	7,332.00	3,342.00	47,794.00	53,089.00	30,450.00	92,428.00
Addition to property, plant and equipment	(2,761,638.00)	(4,350,573.00)	(14,314,688.00)	(8,489,770.00)	(13,971,296.00)	(71,668,798.00)
Net cash (used) by investing activity	(2,754,306.00)	(4,347,231.00)	(14,266,894.00)	(8,436,681.00)	(13,940,846.00)	(71,576,370.00)
CASH FLOWS FROM FINANCING ACTIVITY						
Bank Loan	-	-	-		9,995,000.00	40,721,184.00
Due to related parties,	(6,677,310.00)	(1,285,109.00)	-	(437,021.00)	-	-
Net cash provided by/(used in) by financing activities	(6,677,310.00)	(1,285,109.00)	-	(437,021.00)	9,995,000.00	40,721,184.00
Net increase/(decrease) in cash and cash equivalents	1,417,075.00	(1,093,173.00)	17,476,523.00	(13,060,909.00)	(1,594,964.00)	58,345,448.00
Cash and cash equivalents at start of year	385,027.00	1,802,102.00	708,929.00	18,185,452.00	5,124,543.00	3,529,579.00
Cash and cash equivalent at end of year	1,802,102.00	708,929.00	18,185,452.00	5,124,543.00	3,529,579.00	61,875,027.00



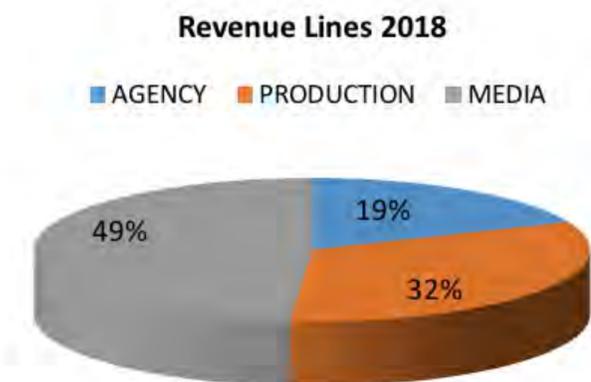
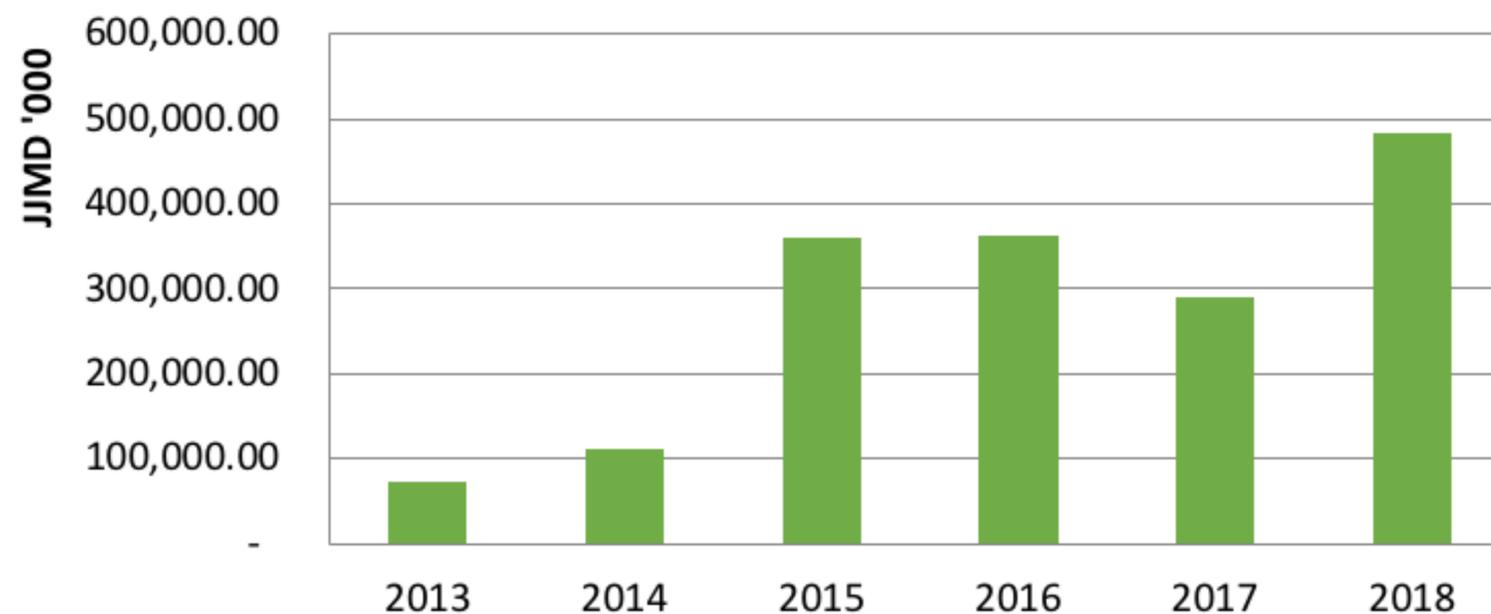
SECTION 10

FINANCIAL HIGHLIGHTS

FINANCIAL ANALYSIS (Five Audited Financial Years ended October 31st, 2013-2018)

The Company's financial year is from November 1st to October 31st.

Revenue



During the period 2013 to 2018, the Company experienced significant growth in revenues with a compounded annual growth rate (CAGR) of 46%. This level of growth has been relatively consistent with the exception of 2017 when revenues fell by 19.80%. The decline in 2017 followed a record year in 2016. This occurred as a result of the Company taking the strategic decision to focus on team development and training, while also reworking the Company structure with the objectives of increasing efficiency in service delivery. These objectives were to be met by developing specific in-house capabilities and competitive strengths that would position the Company to deliver greater value to clients and boost revenues. This resulted in a reduction in sales and new business generation for the 2017 financial year.

In 2018, the Company saw its reorganization and training efforts bear fruit with the newly structured company delivering a 66% increase in revenues relative to 2017 and 33% relative to 2016.

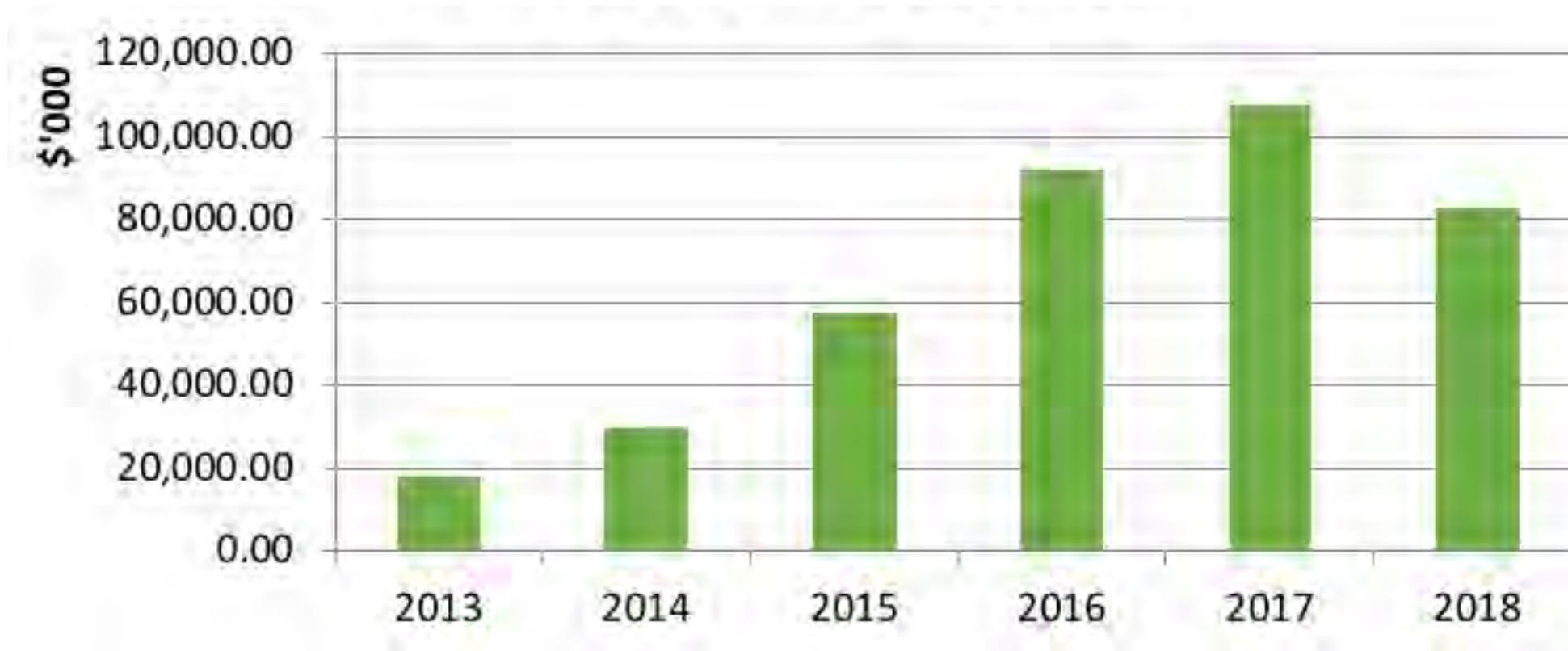
As mentioned, the Company operates three main service groupings. The pie chart above shows a break out of revenue by grouping for the 2018 financial year:

Gross Profit



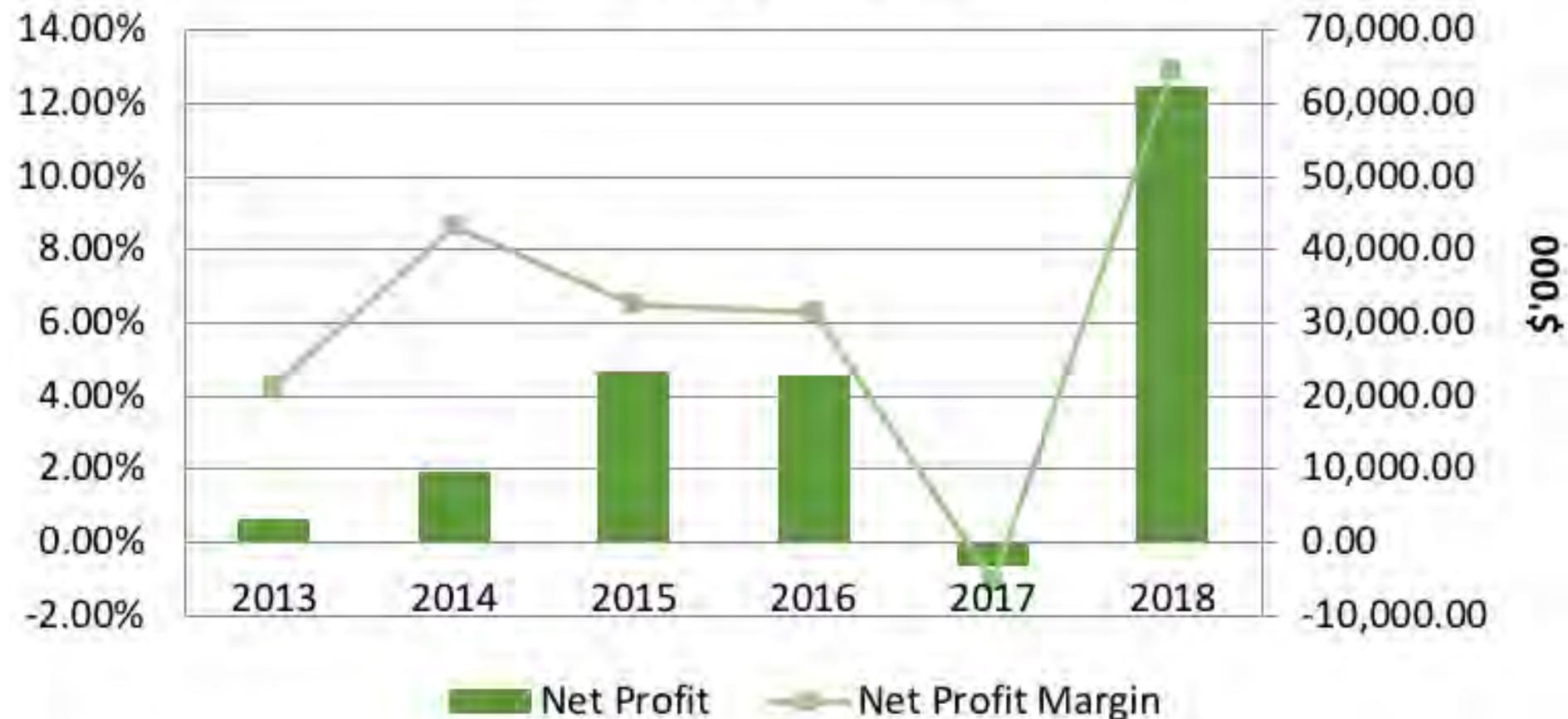
Gross Profit has grown at an average of 57% since 2013 moving from \$20Mn to \$163Mn in 2018. The Gross profit margin ranged between 28% to 38% for the period under review with the exception of 2015 when it fell to 23.6%. The general consistency in these margins particularly over the last three years over the period indicates that the Company has successfully managed to grow its revenue while containing its marginal costs.

Administrative Expense



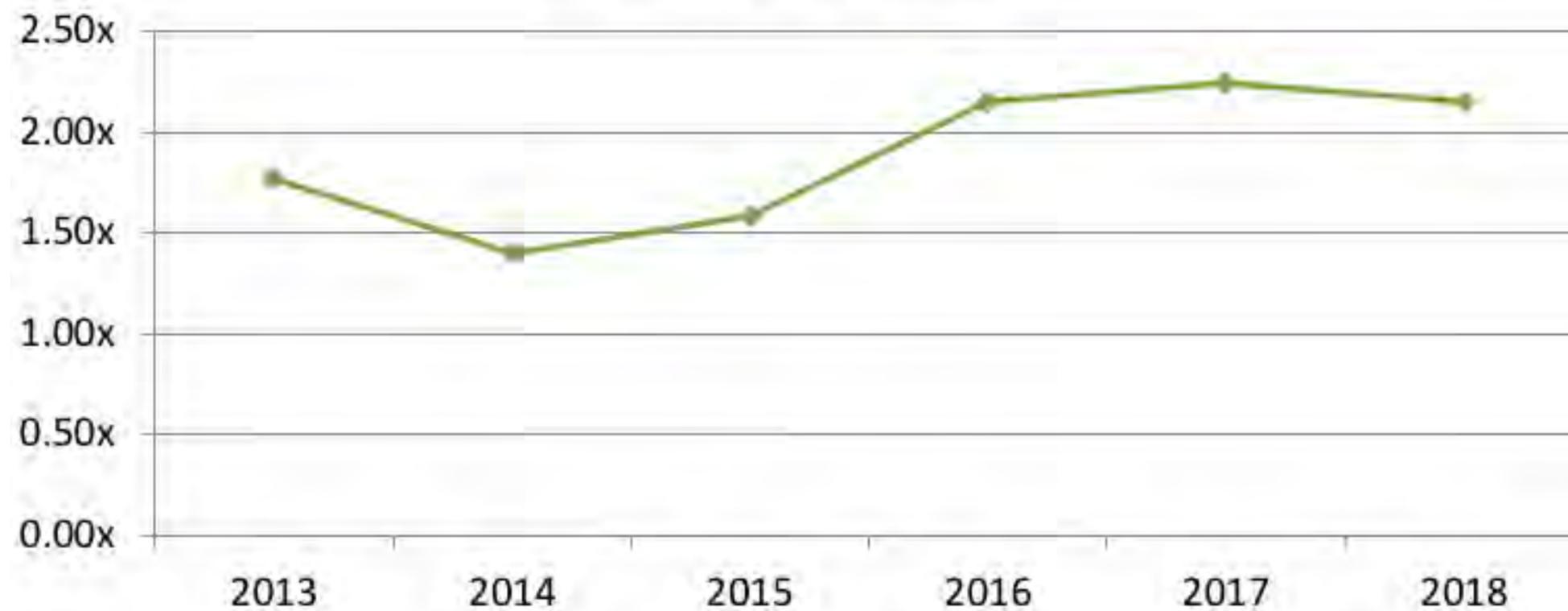
Over the review period, administrative expense increased from J\$17M to J\$82M which coincided with growth in the Company's operations. Despite this increase, the Company managed to keep this administrative expense contained within a band of 16% to 25% of revenues with the exception of 2017 when it spiked to 37%. It should be noted that most of the increase in 2017 was due to increases in costs associated with staff training and build out of the new office facilities. In 2018, the general year over year growth in administrative expense that was the seen in prior year was reversed and there was a 22% fall primarily due to efficiency gains as a result of reductions in sub-contractor costs and overall improvements in cost management.

Net Profit



The Company's net profit has grown from \$3.1Mn in 2013 to \$62.313Mn in 2018 –representing a CAGR of 82.14%. The Company has been profitable each year since 2013 with the exception of 2017 when the recorded a loss of \$3.18Mn. This was attributed to the reduction in revenues and increased administrative cost in 2017 that occurred due to the fact that the Company underwent a strategic reorganization and retooling of its team. The benefits of these changes are evident in the performance of the team in 2018 as net profits jumped to \$62Mn. The Net Profit Margin also improved in 2018 to 12.90% relative to a historic average of 6.2

Current Ratio



The Company continues to manage its liquidity and working capital needs efficiently. This is evidenced by a current ratio that is consistently above 1.40x suggesting that the Company is able to meet its working capital needs using internal liquidity.

Shareholder's Equity



Shareholder's equity stood at \$122M at the end of 2018 financial year having grown from \$7.862M in 2013. This represents a CAGR of 58.11%. The growth in Shareholder equity is primarily due to retained earnings. Additionally, return on equity has averaged 39% since 2013 and has been generally positive since 2013 with the exception of 2017 when the Company recorded its only net loss.

financial highlights

Unaudited Financial Information (for the three month period ended January 31st, 2019 – FIRST QUARTER 2018/2019 FY)

	Unaudited Three Months Ending	Unaudited Three Months Ending
	31-Jan-19	31-Jan-18
Operating revenue	189,371,979	124,457,164
Cost of operating revenue	<u>-121,172,891</u>	<u>-66,979,777</u>
Gross profit	68,199,088	57,477,387
Administration expenses	<u>-24,782,237</u>	<u>-21,677,067</u>
Profit before net finance cost and taxation	43,416,851	35,800,320
Finance income	25,806	575,084
Finance cost	<u>-1,298,482</u>	<u>0</u>
Net finance cost	<u>-1,272,676</u>	<u>575,084</u>
Profit/(loss) before taxation	42,144,175	36,375,404
Taxation	<u>-9,583,500</u>	<u>-6,365,696</u>
Net profit, being total comprehensive	<u>32,560,675</u>	<u>30,009,708</u>

For the first quarter of the Company 2018/2019 financial year, the Company's revenues grew by over 52% relative to the same period in the prior year. This was driven by growth in Media and Production revenues. There was an increase in the cost of operating income margin which was driven by costs **associated with Production**. Despite this increase, the Company recorded an 18% increase in Gross Profit and an increase of over 15% for Profit before tax.

Administration expense increase by 14% or \$3.1M while Finance cost of \$1.3M was recorded which was due to a J\$50Mn loan taken on by the company and used to purchase office space during the last financial year. It should be noted that the company intends to enter into a sale and lease back agreement with a related party for the property, the details of which are set out in section 7.8. The impending sale and leaseback transaction was considered in the valuation exercise of the Company.

financial highlights

	Unaudited Three Months Ending 31-Jan-19	Unaudited Three Months Ending 31-Jan-18
Non – current asset		
Property, plant and equipment	<u>95,393,938</u>	<u>34,171,311</u>
Current assets		
Accounts receivable	149,236,973	79,746,677
Due from related parties	6,747,961	13,709,914
Cash and cash equivalents	<u>53,066,407</u>	<u>22,211,241</u>
	<u>209,051,341</u>	<u>115,667,832</u>
Total assets	<u>304,445,279</u>	<u>149,839,143</u>
Shareholders' equity		
Share capital	100	100
Retained earnings	<u>115,381,997</u>	<u>90,517,172</u>
	<u>115,382,097</u>	<u>90,517,272</u>
Non - current liabilities		
Long - term loans	47,534,455	8,751,962
Deferred taxation	<u>558,580</u>	<u>1,789,562</u>
	<u>48,093,035</u>	<u>10,541,524</u>
Current liabilities		
Accounts payable and accrued charges	101,412,980	45,729,339
Current maturity of long - term loans	2,560,784	1,020,629
Related party loan	16,565,807	0
Taxation payable	<u>20,430,576</u>	<u>2,030,379</u>
	<u>140,970,147</u>	<u>48,780,347</u>
Total equity and liabilities	<u>304,445,279</u>	<u>149,839,143</u>

With the acquisition of a new property, the Company's non-current asset shows a sizable increase in the first quarter of the 2018/2019 financial year relative to the same quarter in the prior year. It should be noted that the Company plans to sell the property to a related party and subsequently lease the property for a fee approximately equivalent to current mortgage payments and will also be receiving rental income from a sub-lease of the said property to another related entity. The current ratio for the periods was 2.37x in 2018 and 1.26x in 2019 illustrating the continued ability of the Company to cover its working capital needs. Shareholder's equity increased by 27.47% and the Company also declared a dividend of J\$40,000,000.00 dollars.



SECTION 11

AUDITOR'S REPORT AND
HISTORICAL FINANCIAL DATA

HALL, WILSON & ASSOCIATES

CHARTERED ACCOUNTANTS
KINGSTON, JAMAICA, W.I.

52b MOLYNES ROAD,
KINGSTON 10
TELEPHONE: 923-2038
901-3067
757-8395
TELEFAX: 901-8370

May 2, 2019

The Directors
The Limners and Bards Limited
Unit # 4, 69 - 75 Constant Spring Road
Kingston 10

Dear Sirs,

Re: Prospectus for The Limners and Bards Limited

We have given and have not withdrawn our consent to the inclusion of our name, reports and all references thereto in the Prospectus of The Limners and Bards Limited.

Hall Wilson & Associates
Chartered Accountants

HALL, WILSON & ASSOCIATES

CHARTERED ACCOUNTANTS
KINGSTON, JAMAICA, W.I.

52b MOLYNES ROAD,
KINGSTON 10

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757-8395

TELEFAX: 901-8370

May 3, 2019

The Directors
The Limners and Bards Limited
Unit # 4, 69 - 75 Constant Spring Road
Kingston 10

Dear Sirs,

We performed our review in accordance with International Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. Such a review consists primarily of applying analytical procedures to financial data and making enquiries of and having discussions with persons responsible for financial and accounting matters. An interim review is less in scope than an audit and its objective is the expression of an opinion regarding the financial statements. An interim review does not provide assurance that we would become aware of any or all significant matters that might be identified in an audit.

Based on our review, we are not aware of any material modification that need to be made for audited financial statements to be in accordance with International Financial Reporting Standards.

This letter is provided solely for the purpose of assisting the securities regulatory authorities to which it is addressed in discharging their responsibilities and should not be used for any other purpose. Any use that a third party makes of this letter, or any reliance or decision made based on it, are the responsibility of such third parties. We accept no responsibility for loss or damages, if any, suffered by any third party as a result of decisions made or actions taken on this letter.

Further, we hereby irrevocably consent to the inclusion of this report in the prospectus in the form and context in which it has so included.

Hall Wilson & Associates
Chartered Accountants

HALL, WILSON & ASSOCIATES

CHARTERED ACCOUNTANTS
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901-3067
757-8395
TELEFAX: 901-8370

May 3, 2019

The Directors
The Limners and Bards Limited
Unit # 4, 69 - 75 Constant Spring Road
Kingston 10

Dear Sirs,

We have audited, in accordance with International Standards on Auditing, the financial statements of The Limners and Bards Limited as at October 31, 2013, October 31, 2014, October 31, 2015, October 31, 2016, October 31, 2017 and October 31, 2018 and for each of the six years ended on those dates and in our reports dated June 9, 2014, June 5, 2015, March 7, 2016, September 29, 2017, September 4, 2018 and February 14, 2019 respectively, we expressed unqualified opinions on those financial statements.

In our opinion, the extracted statements of financial position, statements of profit or loss and other comprehensive income and statements of cash flows set out in section 9 of the prospectus are consistent, in all material respects, with the financial statements referred to above, from which they were derived.

For a better understanding of the company's financial position at the end of the reporting periods referred to above, the results of its operations for each of the respective periods ended on those dates and the scope of our audit, the summarised financial statements should be read in conjunction with the financial statements from which they were derived and our audit reports thereon.

Hall Wilson & Associates
Chartered Accountants

THE LIMNERS AND BARDS LIMITED

Financial Statements
Year ended October 31, 2018

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Statement of Profit or Loss and Other Comprehensive Income	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8-18

*

HALL, WILSON & ASSOCIATES

CHARTERED ACCOUNTANTS
KINGSTON, JAMAICA, W.I.

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KINGSTON 10

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To the Members of
THE LIMNERS AND BARDS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The Limners And Bards Limited ("the Company") set out on pages 4 to 18, which comprise the statement of financial position as at October 31, 2018, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information. In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at October 31, 2018, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the Jamaican Companies Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and the Board of Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS and the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is responsible for overseeing the Company's financial reporting process.

HALL, WILSON & ASSOCIATES

CHARTERED ACCOUNTANTS
KINGSTON, JAMAICA, W.I.

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Independent Auditor's Report

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To the Members of
THE LIMNERS AND BARDS LIMITED

Report on the Audit of the Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

HALL, WILSON & ASSOCIATES

CHARTERED ACCOUNTANTS
KINGSTON, JAMAICA, W.I.

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Independent Auditor's Reports

3

To the Members of
THE LIMNERS AND BARDS LIMITED

Report on the Audit of the Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that presents a true and fair view.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on additional matters as required by the Jamaican Companies Act

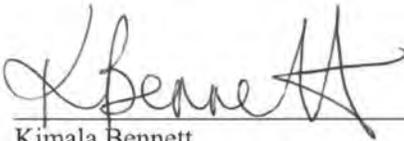
We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit. In our opinion, proper accounting records have been maintained, so far as appears from our examination of those records, and the financial statements, which are in agreement therewith, give the information required by the Jamaican Companies Act, in the manner required.

Hall Wilson & Associates
Chartered Accountants
February 14, 2019

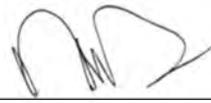
Statement of Financial Position
At October 31, 2018

	<u>Notes</u>	<u>2018</u> \$	<u>2017</u> \$
<u>Non – current asset</u>			
Property, plant and equipment	3	<u>91,580,148</u>	<u>31,923,374</u>
<u>Current assets</u>			
Cash and cash equivalents		61,875,027	3,529,579
Due from related parties	4	24,773,860	19,421,769
Accounts receivable	5	64,919,960	46,162,164
Taxation recoverable		-	1,915,443
		<u>151,568,847</u>	<u>71,028,955</u>
Total assets		<u>243,148,995</u>	<u>102,952,329</u>
<u>Shareholders' equity</u>			
Share capital	6	100	100
Retained earnings		<u>122,821,322</u>	<u>60,507,464</u>
		<u>122,821,422</u>	<u>60,507,564</u>
<u>Non - current liabilities</u>			
Long - term loans	7	48,155,400	9,056,175
Deferred taxation	8	<u>1,598,332</u>	<u>1,789,562</u>
		<u>49,753,732</u>	<u>10,845,737</u>
<u>Current liabilities</u>			
Accounts payable and accrued charges	9	58,194,361	30,660,203
Current maturity of long - term loans	7	2,560,784	938,825
Taxation payable		<u>9,818,696</u>	-
		<u>70,573,841</u>	<u>31,599,028</u>
Total equity and liabilities		<u>243,148,995</u>	<u>102,952,329</u>

The financial statements on pages 4 to 18 were approved for issue by the Board of Directors on February 14, 2019 and signed on its behalf by:



Kimala Bennett Director



Micheal Bennett Director

Statement of Profit or Loss and Other Comprehensive Income
Year ended October 31, 2018

	<u>Notes</u>	<u>2018</u> \$	<u>2017</u> \$
Operating revenue	10	483,190,186	291,073,155
Cost of operating revenue		(320,508,814)	(181,797,031)
Gross profit		162,681,372	109,276,124
Loss on disposal of property, plant and equipment		(1,454,543)	-
		161,226,829	109,276,124
Administration expenses		(82,528,118)	(107,454,321)
Profit before net finance cost and taxation	11	<u>78,698,711</u>	<u>1,821,803</u>
Finance income		413,610	30,450
Finance cost		(2,578,386)	(3,873,064)
Net finance cost	12	(2,164,776)	(3,842,614)
Profit/(loss) before taxation		76,533,935	(2,020,811)
Taxation	13	(14,220,077)	(1,161,210)
Net profit/(loss), being total comprehensive income/(deficit) for the year		<u>62,313,858</u>	(3,182,021)
Earnings per stock unit	14	<u>623,139</u>	(31,820)

The accompanying notes form an integral part of the financial statements.

Statement of Changes in Equity
Year ended October 31, 2018

	<u>Share capital</u> \$	<u>Retained earnings</u> \$	<u>Total</u> \$
Balance at October 31, 2016	100	63,689,485	63,689,585
Total comprehensive deficit for the year	<u>-</u>	<u>(3,182,021)</u>	<u>(3,182,021)</u>
Balance at October 31, 2017	100	60,507,464	60,507,564
Total comprehensive income for the year	<u>-</u>	<u>62,313,858</u>	<u>62,313,858</u>
Balance at October 31, 2018	<u>100</u>	<u>122,821,322</u>	<u>122,821,422</u>

Statement of cash flows
 Year ended October 31, 2018

	<u>2018</u>	<u>2017</u>
	<u>\$</u>	<u>\$</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit/(loss) for the year	62,313,858	(3,182,021)
Adjustments to reconcile net profit/(loss) for the year to net cash provided by operating activities:		
Depreciation	10,557,482	6,217,973
Loss on disposal of property, plant and equipment	1,454,543	-
Interest income	(92,428)	(30,450)
Interest expense	2,806,135	9,881
Taxation	<u>14,220,077</u>	<u>1,161,210</u>
	91,259,667	4,176,593
Working capital components:		
Due from related parties	(5,352,091)	4,696,663
Accounts receivable	(18,757,797)	(330,864)
Accounts payable and accrued charges	<u>27,534,157</u>	<u>188,995</u>
Cash provided by operating activities	94,683,936	8,731,387
Interest paid	(2,806,135)	-
Tax paid	<u>(2,677,167)</u>	<u>(6,380,505)</u>
Net cash provided by operating activities	<u>89,200,634</u>	<u>2,350,882</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	92,428	30,450
Addition to property, plant and equipment	<u>(71,668,798)</u>	<u>(13,971,296)</u>
Net cash used in investing activities	<u>(71,576,370)</u>	<u>(13,940,846)</u>
CASH FLOWS FROM FINANCING ACTIVITY		
Long – term loans, net, being net cash provided by financing activity	<u>40,721,184</u>	<u>9,995,000</u>
Net increase/(decrease) in cash and cash equivalents	58,345,448	(1,594,964)
Cash and cash equivalents at start of year	<u>3,529,579</u>	<u>5,124,543</u>
Cash and cash equivalents at end of year	<u>61,875,027</u>	<u>3,529,579</u>

The accompanying notes form an integral part of the financial statements

Notes to the Financial Statements
Year ended October 31, 2018

1. Corporate structure and nature of business

The company is incorporated in Jamaica under the Companies Act and is domiciled in Jamaica. The registered office of the company is situated at 17 Holborn Road, Kingston 10 and its principal place of business is situated at Unit # 4, 69 - 75 Constant Spring Road, Kingston 10.

The principal activities of the company are the production of television and multimedia commercials, video productions feature films and advertising agency.

2. Statement of compliance, basis of preparation and significant accounting policies

(a) Statement of compliance:

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

At the date of approval of the financial statements, there were certain standards and interpretations which were in issue but were not yet effective. Those which are considered relevant to the company and their effective dates are as follows:

- *IFRS 9, Financial Instruments* (effective for annual periods beginning on or after January 1, 2018) introduces new requirements for classifying and measuring financial assets. The standard also amends some of the requirements of *IFRS 7, Financial Instruments: Disclosures* including added disclosures about investments in equity instruments designated at fair value through other comprehensive income.
- *IFRS 15, Revenue from contracts with Customers* (effective for annual periods beginning on or after January 1, 2018) replaces *IAS 11, Construction Contracts* and *IAS 18, Revenue*. The new standard applies to contracts with customers. However, it does not apply to insurance contracts or financial instruments which fall in the scope of other IFRSs. It also does not apply if two companies in the same line of business exchange non-monetary assets to facilitate sale to other parties. Furthermore, if a contract with a customer is partly in the scope of another IFRS, then the guidance on separation and measurement contained in the other IFRS takes precedence.
- *IFRS 16, Leasing* (effective for annual periods beginning on or after January 1, 2019). Under IAS 17, lessees were required to make a distinction between a finance lease (on statement of financial position) and an operating lease (off statement of financial position). IFRS 16 now requires lessees to recognise a lease liability reflecting future lease payments and a 'right-of-use asset' for virtually all lease contracts. The IASB has included an optional exemption for certain short – term leases of low – value assets; however, this exemption can only be applied by lessees.

The adoption of IFRS 9, IFRS 15 and IFRS 16 is expected to result in adjustments and additional disclosures to the financial statements. However, management has not completed its evaluation of the impact of adopting these standards on the financial statements.

b) Basis of preparation:

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

The accounting policies have been applied consistently with prior year. Where necessary, prior year comparatives have been restated and reclassified to conform to current year presentation.

Notes to the Financial Statements (Continued)
Year ended October 31, 2018

2. Statement of compliance, basis of preparation and significant accounting policies (cont'd)

(c) Use of estimates and judgement:

The preparation of the financial statements to conform to IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, contingent assets and contingent liabilities at the statement of financial position date, and the income and expenses for the year then ended. 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.

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 year are discussed below.

(i) Allowance for impairment losses on receivables:

In determining amounts recorded for impairment losses 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 receivables, for example, based on default and adverse economic conditions.

(ii) Residual value and expected useful life of property, plant and equipment:

The residual value and the expected useful life of an asset are reviewed at least at each financial year end 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 company.

(d) Cash and cash equivalents:

Cash and cash equivalents comprise cash and bank balances including short-term deposits and other monetary investments with maturities ranging between one and three months from the date of statement of financial position.

Bank overdrafts, repayable on demand and forming an integral part of the company's cash management activities, are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(e) Accounts receivable:

Accounts receivable is stated at cost less impairment losses.

(f) Related parties:

A party is related to the company, if:

(i) directly, or indirectly through one or more intermediaries, the party:

(a) is controlled by, or is under common control with the company;

(b) has a direct or indirect interest in the company that gives it significant influence; or

(c) has joint control over the company;

(ii) the party is an associate of the company;

Notes to the Financial Statements (Continued)
 Year ended October 31, 2018

2. Statement of compliance, basis of preparation and significant accounting policies (cont'd)

(f) Related parties (continued):

A party is related to the company, if:

- (iii) the party is a joint venture in which the company is a venturer;
- (iv) the party is a member of the key management personnel of the company;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the company, or of any entity that is a related party of the company.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged. The company has a related party relationship with its directors and key management personnel, representing certain senior officers of the company.

(g) Accounts payable:

Trade and other payables are stated at cost.

(h) Provisions:

A provision is recognised in the statement of financial position when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects market assessments of the time value of money and, where appropriate, the risks specific to the obligation.

(i) Property, plant and equipment:

- (i) Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

(ii) Depreciation:

Property, plant and equipment are depreciated on a straight-line basis at annual rates estimated to write off the assets over their expected useful lives. The depreciation rates are as follows:

Equipment, furniture, fixtures & building improvements	10%
Building	5%
Computers & motor vehicles	20%

Depreciation methods, useful lives and residual values are reassessed annually.

Notes to the Financial Statements (Continued)
Year ended October 31, 2018

2. Statement of compliance, basis of preparation and significant accounting policies (cont'd)

(j) Impairment:

The carrying amounts of the company's assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated at the statement of financial position date. An impairment loss is recognised whenever the carrying amount of an asset or a group of operating assets exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Impairment losses are recognised in the statement of comprehensive income.

(k) Financial instruments:

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise. For the purpose of these financial statements, financial assets have been determined to include cash and cash equivalents, accounts receivable and amounts due from related parties. Similarly, financial liabilities include accounts payable and long – term loans

(l) Taxation:

Taxation on the profit or loss for the year comprises current and deferred tax. Taxation is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the date of the statement of financial position, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted at the date of the statement of financial position.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

(m) Determination of fair value:

Fair value amounts represent estimates of the arm's length consideration that would be currently agreed between knowledgeable, willing parties who are under no compulsion to act and is best evidenced by a quoted market price, if one exists. Some financial instruments lack an available trading market. These instruments have been valued using present value or other valuation techniques and the fair value shown may not necessarily be indicative of the amounts realisable in an immediate settlement of the instruments.

Notes to the Financial Statements (Continued)
Year ended October 31, 2018

2. Statement of compliance, basis of preparation and significant accounting policies (cont'd)

(n) Revenue recognition:

Revenue is recognised in the statement of comprehensive income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

(o) Expenses:

(i) Net finance costs:

Net finance costs comprise interest payable on borrowings calculated using the effective interest rate method, interest receivable on funds invested, material bank charges and foreign exchange gains and losses recognised in the statement of comprehensive income.

(ii) Operating lease payments:

Payments made under operating leases are recognised in the statement of comprehensive income on a straight-line basis over the term of the lease.

3. Property, plant and equipment

	<u>Motor Vehicle</u> \$	<u>Computers</u> \$	<u>Equipment</u> \$	<u>Office Furniture & equipment</u> \$	<u>Building & Building improvement</u> \$	<u>Total</u> \$
<u>At cost</u>						
October 31, 2016	-	5,186,210	24,992,711	2,474,497	2,283,649	34,937,067
Additions	<u>9,665,724</u>	<u>55,620</u>	<u>3,287,268</u>	<u>962,684</u>	<u>-</u>	<u>13,971,296</u>
October 31, 2017	9,665,724	5,241,830	28,279,979	3,437,181	2,283,649	48,908,363
Disposals	-	-	-	-	(2,283,649)	(2,283,649)
Additions	<u>-</u>	<u>-</u>	<u>3,099,446</u>	<u>1,316,619</u>	<u>67,252,733</u>	<u>71,668,798</u>
October 31, 2018	<u>9,665,724</u>	<u>5,241,830</u>	<u>31,379,425</u>	<u>4,753,800</u>	<u>67,252,733</u>	<u>118,293,512</u>
<u>Depreciation</u>						
October 31, 2016	-	2,619,441	6,630,580	916,253	600,742	10,767,016
Charge for the year	<u>1,933,145</u>	<u>884,747</u>	<u>2,827,998</u>	<u>343,718</u>	<u>228,365</u>	<u>6,217,973</u>
October 31, 2017	1,933,145	3,504,188	9,458,578	1,259,971	829,107	16,984,989
Disposal	-	-	-	-	(829,107)	(829,107)
Charge for the year	<u>1,933,145</u>	<u>841,992</u>	<u>3,137,942</u>	<u>475,380</u>	<u>4,169,023</u>	<u>10,557,482</u>
October 31, 2018	<u>3,866,290</u>	<u>4,346,180</u>	<u>12,596,520</u>	<u>1,735,351</u>	<u>4,169,023</u>	<u>26,713,364</u>
<u>Net book values</u>						
October 31, 2018	<u>5,799,434</u>	<u>895,650</u>	<u>18,782,905</u>	<u>3,018,449</u>	<u>63,083,710</u>	<u>91,580,148</u>
October 31, 2017	<u>7,732,579</u>	<u>1,737,642</u>	<u>18,821,401</u>	<u>2,177,210</u>	<u>1,454,542</u>	<u>31,923,374</u>

Motor vehicle and building were pledged as security for loans (See note 7).

Notes to the Financial Statements (Continued)
 Year ended October 31, 2018

4. Due from related parties

The balances are interest free and have no fixed repayment terms.

5. Accounts receivable

		<u>2018</u>	<u>2017</u>
		\$	\$
Trade receivables	(i)	53,765,395	33,282,853
Deposit on property, plant and equipment		-	5,240,775
Other receivables	(ii)	<u>11,470,156</u>	<u>7,638,536</u>
		65,235,551	46,162,164
Less: Allowance for doubtful debts		<u>(315,591)</u>	<u>-</u>
		<u>64,919,960</u>	<u>46,162,164</u>

(i) The aging of trade receivables at the reporting date was:

	<u>2018</u>		<u>2017</u>	
	Gross	Impairment	Gross	Impairment
	\$	\$	\$	\$
Current	34,503,452	-	23,142,887	-
Past due 31-60 days	11,207,632	-	6,246,138	-
More than 60 days	<u>8,054,311</u>	<u>315,591</u>	<u>3,893,828</u>	<u>-</u>
Trade accounts receivable	<u>53,765,395</u>	<u>315,591</u>	<u>33,282,853</u>	<u>-</u>

The movement in allowance for doubtful receivables during the year was as follows:

	<u>2018</u>	<u>2017</u>
	\$	\$
Balance at November 1	-	-
Impairment loss recognized, net	<u>315,591</u>	<u>-</u>
	<u>315,591</u>	<u>-</u>

(ii) Other receivables is comprised of:

Loans and prepayments	<u>11,470,156</u>	<u>7,638,536</u>
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6. Share capital

	<u>2018</u>	<u>2017</u>
	\$	\$
Authorized, issued and fully paid: 100 ordinary shares of no par value	<u>100</u>	<u>100</u>

Notes to the Financial Statements (Continued)
Year ended October 31, 2018

7. Long-term loans

	<u>2018</u>	<u>2017</u>
	\$	\$
7.5% National Commercial Bank Jamaica Limited	(i) 9,056,175	9,995,000
8.5% National Commercial Bank Jamaica Limited	(ii) <u>41,660,009</u>	<u>-</u>
	50,716,184	9,995,000
Current maturity of long - term loans	(<u>2,560,784</u>)	(<u>938,825</u>)
	<u>48,155,400</u>	<u>9,056,175</u>

(i) This loan is secured by a bill of sale over a motor vehicle owned by the company. The vehicle is comprehensively insured with the bank's interest noted as mortgagor. The loan is repayable in ninety-six equal monthly payments. (See note 3).

(ii) The loan is secured by first legal mortgage over commercial building situated at Unit 4, 69 to 75 Constant Spring Road. The loan is repayable in one hundred and eighty equal monthly payments. (See note 3).

8. Deferred taxation

	<u>2018</u>	<u>2017</u>
	\$	\$
Deferred taxation is attributable to:		
Property, plant and equipment	1,598,332	1,792,032
Interest payable	<u>-</u>	(<u>2,470</u>)
	<u>1,598,332</u>	<u>1,789,562</u>

All changes in the provision for deferred taxation are recognized in the statement of profit or loss and other comprehensive income.

9. Accounts payable and accrued charges

	<u>2018</u>	<u>2017</u>
	\$	\$
Trade payables	46,470,847	20,098,226
Other payables and accrued charges	<u>11,723,514</u>	<u>10,561,977</u>
	<u>58,194,361</u>	<u>30,660,203</u>

10. Operating revenue

Operating revenue represents the invoiced value of services provided by the company, net of general consumption tax.

11. Disclosure of expenses

Profit before net finance cost is stated after charging:

	<u>2018</u>	<u>2017</u>
	\$	\$
Directors' remuneration	6,617,933	5,248,051
Staff costs	33,021,896	56,025,871
Audit fees	600,000	480,000
Depreciation	<u>10,557,482</u>	<u>6,217,973</u>

Notes to the Financial Statements
Year ended October 31, 2018

12. Net finance cost

	<u>2018</u>	<u>2017</u>
	<u>\$</u>	<u>\$</u>
Finance income:		
Foreign exchange gain	321,182	-
Interest income	<u>92,428</u>	<u>30,450</u>
	<u>413,610</u>	<u>30,450</u>
Finance cost:		
Foreign exchange loss	-	(607,941)
Loan charges and interest	(2,806,135)	(2,610,703)
Loan charges – prior year refunded	988,360	-
Bank charges	<u>(760,611)</u>	<u>(654,420)</u>
	<u>(2,578,386)</u>	<u>(3,873,064)</u>
	<u>(2,164,776)</u>	<u>(3,842,614)</u>

13. Taxation

	<u>2018</u>	<u>2017</u>
	<u>\$</u>	<u>\$</u>
(a) Current taxation	14,411,307	45,811
Tax relieved under the M.P.I.A.	-	(4,453)
Deferred taxation:		
Origination of temporary differences	<u>(191,230)</u>	<u>1,119,852</u>
Total taxation in the statement of comprehensive income	<u>14,220,077</u>	<u>1,161,210</u>
(b) Reconciliation of effective tax rate:		
Profit/(loss) before taxation	<u>76,533,935</u>	<u>(2,020,811)</u>
Computed "expected" tax expense @ 25%	19,133,484	(505,203)
Tax relieved under the M.P.I.A.	-	(4,453)
Employment tax credit	<u>(4,985,245)</u>	-
Difference between results for financial statements and tax reporting purposes in respect of:		
Disallowed items, net	<u>71,838</u>	<u>1,670,866</u>
Actual tax expense in the income statement	<u>14,220,077</u>	<u>1,161,210</u>

14. Earnings per stock unit

The calculation of earnings per stock unit is based on the profit after taxation and the weighted average number of stock units in issue during the year.

	<u>2018</u>	<u>2017</u>
	<u>\$</u>	<u>\$</u>
Net profit/(loss) attributable to shareholders	62,313,858	(3,182,021)
Weighted average of ordinary stock units	100	100
Basic earnings per stock unit	<u>623,139</u>	<u>(31,820)</u>

Notes to the Financial Statements (Continued)
 Year ended October 31, 2018

15. Financial risk management

Exposure to various types of financial instrument risk arises in the ordinary course of the company's business. The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyse risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies are reviewed on a regular basis and reflect changes in market conditions and the company's activities.

(a) Credit risk:

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. At the date of the statement of financial position, there were no significant concentration of credit risk and the maximum exposure to credit risk is represented by the carrying amount of each financial asset.

The maximum exposure to credit risk at the reporting date was:

	<u>2018</u>	<u>2017</u>
	\$	\$
Cash and cash equivalents	61,875,027	3,529,579
Due from related parties	24,773,860	19,421,769
Accounts receivable	<u>64,919,960</u>	<u>46,162,164</u>
	<u>151,568,847</u>	<u>69,113,512</u>

Cash and cash equivalents and investments are held with reputable and regulated financial institutions which present minimal risk of default.

(b) Market risk:

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security or its issuer, or factors affecting all securities traded in the market. The company has no significant exposure to market risk as financial instruments subject to this risk are not material.

(i) Interest rate risk:

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Bank overdrafts are subject to interest rates which may be varied by appropriate notice by the lender.

At October 31, 2018, interest bearing assets aggregated \$16,473,962 (2017: \$2,182,104) financial liabilities subject to interest aggregated \$50,716,184 (2017: \$9,995,000).

An increase in interest rates of 100 basis points would decrease profit for the year and retained earnings by approximately \$342,422 (2017: \$78,129 increase). A reduction in interest rates of 100 basis points would have an equal but opposite effect, assuming all other variables remain constant.

Notes to the Financial Statements (continued)
 Year ended October 31, 2018

15. Financial risk management (continued)

(b) Market risk (continued):

(ii) Foreign currency risk:

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The company incurs foreign currency risk primarily on purchases of equipment and the provision of services that are denominated in a currency other than the Jamaican dollar. The principal foreign currency risk of the company is denominated in United States dollars (US\$).

The company manages foreign exchange exposure by maintaining adequate liquid resources in appropriate currency and by managing the timing of payments of foreign currency liabilities.

At October 31, 2018, the company had net foreign currency assets of US\$196,124 (2017: US\$55,184).

Average exchange rates were as follows:

	<u>US \$1.00</u>
At October 31, 2017	127.29
At October 31, 2018	128.59
At February 14, 2019	134.82

Sensitivity analysis:

A 5% strengthening or weakening of the United States dollar against the Jamaican dollar would increase/(decrease) equity and profit by \$1,260,978 (2017: \$351,219). This analysis assumes that all variables, in particular, interest rates remain constant. The analysis is performed on the same basis for 2017.

(c) Liquidity risk:

Liquidity risk, also referred to as funding risk, is the risk that the company will encounter difficulty in raising funds to meet commitments associated with financial instruments. The company manages liquidity risk by maintaining adequate amounts of liquid financial assets of appropriate terms and currencies, by pursuing prompt payment practices generally, and by putting in place appropriate stand-by credit arrangements.

	<u>Carrying amount</u> \$	<u>Contractual cash flows</u> \$	<u>0-1 year</u> \$	<u>2-5 year</u> \$	<u>>5 year</u> \$
October 31, 2018					
Accounts payable	58,194,361	58,194,361	58,194,361	-	-
Taxation payable	9,818,696	9,818,696	9,818,696	-	-
Long – term loans	<u>50,716,184</u>	<u>84,616,880</u>	<u>6,687,403</u>	<u>26,749,613</u>	<u>51,179,864</u>
	<u>118,729,241</u>	<u>152,629,937</u>	<u>74,700,460</u>	<u>26,749,613</u>	<u>51,179,864</u>

Notes to the Financial Statements (continued)
 Year ended October 31, 2018

15. Financial risk management (continued)

(c) Liquidity risk (continued):

	<u>Carrying amount</u> \$	<u>Contractual cash flows</u> \$	<u>0-1 year</u> \$	<u>2-5 year</u> \$	<u>>5 year</u> \$
October 31, 2017					
Accounts payable	30,660,203	30,660,203	30,660,203	-	-
Long – term loans	<u>9,995,000</u>	<u>13,460,621</u>	<u>1,665,231</u>	<u>6,660,926</u>	<u>5,134,464</u>
	<u>40,655,203</u>	<u>44,120,824</u>	<u>32,325,434</u>	<u>6,660,926</u>	<u>5,134,464</u>

(d) Operational risk:

Operational risk is the risk of direct or indirect losses arising from a variety of causes associated with the entity's processes, personnel, technology, infrastructure and external factors, other than financial risks, such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

The company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to its reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

16. Capital management

The company's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns to its shareholders and benefits for other stakeholders and maintain a strong capital base to support the development of its business.

17. Fair value of financial instruments

The fair value of short - term monetary assets and liabilities are assumed to approximate their carrying values due to their relatively short - term nature. Long – term loans are carried at the contractual settlement amounts.

THE LIMNERS AND BARDS LIMITED
SUPPLEMENTARY INFORMATION TO THE
FINANCIAL STATEMENTS
YEAR ENDED OCTOBER 31, 2018

Detailed Income Statement
 Year ended October 31, 2018

	<u>2018</u>	<u>2017</u>
	\$	\$
Operating revenue:	<u>483,190,186</u>	<u>291,073,155</u>
Cost of operating revenue		
Media buying, placement and research	202,200,773	68,866,930
Production, design and development costs	38,773,823	44,191,339
Printing	8,212,570	2,109,982
Directing and editing	3,997,687	10,865,393
Talent fees	19,166,497	16,404,811
Sub-contractors	31,605,546	21,293,097
Venue costs	2,390,096	2,722,031
Equipment rental	1,575,030	7,923,434
Transportation	2,123,270	5,441,583
Rights purchased	2,920,522	1,978,431
Conference costs	<u>7,543,000</u>	<u>-</u>
	<u>320,508,814</u>	<u>181,797,031</u>
Gross profit	162,681,372	109,276,124
Loss on disposal of property, plant and equipment	(1,454,543)	<u>-</u>
	161,226,829	109,276,124
Administration expenses	(82,528,118)	(107,454,321)
Profit for the year before net finance cost and taxation	<u>78,698,711</u>	<u>1,821,803</u>

Administration Expenses
 Year ended October 31, 2018

	<u>2018</u>	<u>2017</u>
	\$	\$
Staff costs:		
Salaries, wages and related costs	30,870,886	49,307,660
Staff welfare	<u>2,151,010</u>	<u>6,718,211</u>
Total staff cost	<u>33,021,896</u>	<u>56,025,871</u>
Other administration expenses:		
Directors' remuneration	6,617,933	5,248,051
Advertising, promotion and entertainment	295,516	685,571
Travel	264,000	12,900
Professional fees	953,000	1,733,698
Security	1,392,082	241,938
Motor vehicle expenses	425,927	233,318
Rent	1,810,805	3,749,055
Utilities	2,943,862	2,689,680
Stationery and other office expenses	1,781,280	1,338,777
Repairs and maintenance	2,291,926	4,863,233
Depreciation	10,557,482	6,217,973
Audit and accounting fees	685,000	822,000
Contractors fee	14,451,748	20,199,497
Cleaning and sanitation	317,431	656,013
Donation and subscription	1,006,665	139,073
Property tax	90,482	-
Asset tax and filing fees	188,098	250,000
Penalty and interest	204,388	561,246
Insurance	2,186,342	1,044,864
Miscellaneous expenses	122,843	741,562
Irrecoverable GCT	470,490	-
Bad debt	<u>448,922</u>	<u>-</u>
	<u>49,506,222</u>	<u>51,428,450</u>
	<u>82,528,118</u>	<u>107,454,321</u>

SECTION 12

RISK FACTORS



Risk Factors

Macroeconomic Policies

The Company is subject to the risks presented by potential shifts in the local & international macroeconomic environment as well as changes in fiscal and monetary policies and their impact on variables such as business and consumer confidence, commerce and capital markets including the Junior Market. Shifts in the macroeconomic environment are a normal part of the business cycle and can present both opportunities as well as challenges for the Company. Factors such as movements in interest rates, exchange rates, oil and other commodity prices, inflation and the general level of economic activity are all critical to the Company's operations. These risks are not unique to the Company and are borne by all trading businesses.

Operational Risk

The Company is subject to the risk of loss resulting from disruptions to its business, inadequate or failed internal processes, people and systems, or from external events (including severe weather, other Acts of God, social unrest or insurrection). This definition also includes systemic risk (including the risk of accounting errors, failure to procure appropriate insurance coverage and compliance failures), legal risk and reputation risk. This catch-all category of risks also includes employee errors, system failures (computer and manual), security failures, fire, floods or other losses to physical assets and fraud or other criminal activity or any other risk that affects the volume of visitor arrivals to the island. The Company is prudent and, therefore, it insures itself against some (but not all) of these risks. For instance, the Company has general liability insurance, employers' liability insurance and media liability insurance. It may not be feasible for the Company to insure itself in respect of all the risks mentioned, because no coverage may be available, or it may not be economical to do so.

New Accounting Rules or Standards

The Company may become subject to new accounting rules or standards that differ from those that are presently applicable. Such new accounting rules or standards could require significant changes in the way the Company currently reports its financial position, operating results or cash flows. Such changes could be applied retrospectively. This is a risk that is not faced by the Company alone, but also by any trading business.

Admission of the Shares to the Junior Market

After the Closing Date and assuming that the Company is able to raise at least \$189,138,050 as per Rule 501(2)(b) of the Junior Market Rules as a result of the Invitation by the Closing Date, the Company will make application to the JSE to admit the Shares to the Junior Market. However, the Company is not able to guarantee the full subscription of the Shares in the Invitation or the admission of the Shares to the Junior Market.

Volatility in Price of Shares

Following their proposed admission to trading on the Junior Market, the Shares may experience volatility in their market price which may extend beyond the short term and which may be dependent on the Company's financial performance, as well as on investors' confidence and other factors over which the Company has no control.

Revocation of Tax Concessions Risk

If the Invitation is successful in raising at least \$189,138,050, as per Rule 501(2)(b) of the Junior Market Rules by the Closing Date and the Company is admitted to the Junior Market, it must remain listed on the JSE trading platforms for a period of 15 years in order to be eligible for the concessionary tax regime described in Section 14.2.

The instrument governing the concessionary tax regime is the Income Tax Act (Jamaica Stock Exchange Junior Market) (Remittance) Notice dated August 13, 2009, which was made by the Minister of Finance under Section 86 of the Income Tax Act. The instrument provides that if the Company is de-listed at any time during the 15-year period, it will become retrospectively liable to pay corporate income tax at the rate that would otherwise have been applicable to it during the concessionary period.

Key Personnel

It is important that the Company attracts and retains appropriately skilled personnel, including the Directors of the Company, who specialise in distinct areas of the Company's management. It is also important for the Company to replace personnel whose employment may be terminated for any reason within a reasonable time. In Jamaica, there is a limited number of persons with the requisite skills, knowledge and experience required by the Company. The Company will need to attract and retain honest, qualified personnel and failure to do so could have a material adverse impact on the Company's prospects.

Key Partners

The Company relies on its key and on-going business relationships with clients and suppliers. If the Company's relationship with any of these parties is disrupted or terminated for any reason, the Company would have to identify new clients and suppliers. However, this risk may be mitigated against by the Company's policy of creating and maintaining symbiotic relationships with its key partners and by seeking to acquire the components of its products by investing in integrated businesses.

Uninsured Risks

The Company has procured insurance in respect of certain risks facing its business, as described in Section 7.11 of this Prospectus. If the Company suffered loss or damage to its property or facilities or as a result of a claim by a third party and was not able to claim successfully under its policies of insurance for that purpose, its finances could suffer, and its operations could be disrupted temporarily or permanently. The Company does, however, have consequential loss insurance which would allow it to mitigate against losses occasioned by an interruption of business.

SECTION 13

PROFESSIONAL ADVISORS TO THE COMPANY



PROFESSIONAL ADVISORS

**Financial Advisor, Arranger & Lead Stock
Broker**

NCB Capital Markets Limited

The Atrium
32 Trafalgar Road
Kingston 10
876-935-2508



**Attorneys to the Company in the Invitation
MH&CO., Attorneys-at-Law**

7 Barbados Avenue (Second Floor)
Kingston 5



**Auditor and Reporting Accountant
Hall Wilson & Associates**

52B Molynes Rd
Kingston 10



**Registrars and Transfer Agents
Jamaica Central Securities Depository
Limited**

40 Harbour Street
KINGSTON, Jamaica



14.1

Statutory Information required to be set out in this Prospectus by Section 42 and the Third Schedule to the Companies Act

1. The Company has no founders' or management or deferred shares.
2. The Articles of Incorporation fix the shareholding qualification for Directors **(Article 84)** by the Company in a General Meeting and unless and until so fixed no qualification is required.
3. The Articles of Incorporation contain the following provisions with respect to the remuneration of Directors:
 - a. The remuneration of the directors shall from time to time be determined by the Company in a General Meeting. Such remuneration shall be deemed to accrue from day to day. The directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings or any committee of the directors or general meetings of the Company in connection with the business of the Company. **(Article 82)**;
 - b. A director of the Company may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested as shareholder or otherwise and no such director shall be accountable to the Company for any remuneration or other benefits received by him as a director or officer of, or from his interest in, such other company unless the Company otherwise directs. **(Article 85)**;
 - c. A director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of director for such period and on such terms (as to remuneration and otherwise) as the directors may determine and no director or intending director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract, or any contract or management entered into by or on behalf of the Company in which any director is in any way interested, be liable to be avoided, nor shall any director so contracting or being so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason of such director holding that office or of the fiduciary relation thereby established. **(Article 93(3))**;

STATUTORY AND GENERAL INFORMATION *Continued*

- d. Any director may act by himself or his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a director, provided that nothing herein contained shall authorize a director or his firm to act as auditor to the Company. (Article 93(5));
- e. The Directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any Director who has held any other salaried office or place of profit with the Company or to his widow or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance. (Article 96); and
- f. Managing Director shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Directors may determine and it may be made a term of his appointment that he be paid a pension or gratuity on retirement from office. (Article 1117)

The names and addresses of the Directors appear in Section 8 of this Prospectus. The residential addresses of the respective directors are as follows:

Name of Director	Address
Kimala Bennett	10a West Kings House Road, Kingston 8, St Andrew
Michael Bennett	29 Second Avenue, Kingston
Tashara Lee Johnson	20 Annette Crescent, Kingston 10, St Andrew
Rochelle Cameron	37 Paddington Terrace, Kingston 6, St. Andrew
Douglas Lindo	3B Heathwood Place, Kingston 8, St. Andrew
Maxine Walters	P.O. Box 2017, St Ann's Bay, St Ann
Steven Gooden	8 West Close, West Norbrook Heights, Kingston 8, St Andrew

4. The minimum amount required to be raised out of the proceeds of the Invitation to provide for the matters set out in paragraph 2 of Part 1 of the Third Schedule to the Companies Act (the “minimum subscription”) is at least \$189,138,050, as per Rule 501(2)(b) of the Junior Market Rules. The Company estimates that the expenses in the Invitation will not exceed approximately \$10M, inclusive of General Consumption Tax, which includes fees for the following services:
 - a. Arranger, financial advisory and brokerage fees;
 - b. Legal fees;
 - c. Auditor and Accounting fees;
 - d. Statutory fees including initial listing fees;
 - e. Marketing expenses; and
 - f. Registrar and Transfer Agent fees.
5. The Invitation will open for subscription at 9:00 a.m. on July 17, 2019 and will close at 4:30 pm on the Closing Date, July 31, 2019, subject to the Company’s right to close the application list at any time after 9:00 a.m. on the Opening Date if Applications have been received for an amount in excess of the Shares offered under this Prospectus, or to extend the Closing Date for any reason whatsoever.
6. All Applicants (including Reserved Share Applicants) will be required to pay in full the Subscription Price of \$1.00 per Share. No further sum will be payable on allotment.
7. No previous offer of Shares has been made to the public.
8. Save for the entitlement of the Reserved Share Applicants, no person has, or is entitled to be given, any option to subscribe for any Shares in, or debentures of, the Company.
9. As at the date of this Prospectus, the Company held no trade investments, quoted investments other than trade investments nor any unquoted investments other than trade investments.
11. Details of the Company’s trademark, real property and business name are set out in Section 7.8 of this Prospectus. However, there is no amount for goodwill, patent, or trademarks shown in the financial statements of the Company and there is no contract for sale and purchase which would involve any goodwill, patent or trademark.
12. As at the date of this Prospectus, the aggregate principal amount of indebtedness of the Company is approximately \$48M.
13. No amount is currently recommended for distribution by way of dividend.
14. Within the two (2) preceding years, no commissions have been paid, nor will any be payable to anyone for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any Shares or debentures of the Company.
15. The Company expects to pay the expenses of the Invitation out of the proceeds of its fundraising and the Company estimates that the expenses in the Invitation will not exceed approximately \$10M, inclusive of General Consumption Tax, which includes fees for the following services:
 - a. Arranger, financial advisory and brokerage fees;
 - b. Legal fees;
 - c. Auditor and Accounting fees;
 - d. Statutory fees including initial listing fees;
 - e. Marketing expenses; and
 - f. Registrar and Transfer Agent fees.

See point 16 on page 87 for further details.

16. Within the last two (2) years preceding the date of this Prospectus, no amount or benefit has been paid or given or is intended to be paid or given to any promoter, save for NCB Capital Markets, for arrangement, financial advisory and brokerage services associated with the Invitation and listing on the Junior Market under an agreement dated February 4, 2019. The agreement provides for NCB Capital Markets to act as arranger and financial advisor to the Invitation and for NCB Capital Markets to act as lead broker for which it is entitled to purchase 50,000,000 of the Reserved Shares in exchange for their brokerage services (which includes valuation services, lead brokerage and the development of a marketing strategy for the purposes of the Invitation).
17. The issue is not underwritten.
18. The material contracts of the Company are set out in section 7.9.
19. The name and address of the auditors to the Company is Hall Wilson & Associates, Chartered Accountants of 52B Molynes Rd, Kingston 10.
20. Hall Wilson & Associates, Chartered Accountants, have given and have not withdrawn their consent to the issue of this Prospectus with the inclusion of the Auditor's Report and Historical Financial Information and his name in the form and context in which it is included.
21. The Company was incorporated on Friday, March 30, 2009 and it has carried on business since that date. The Company does not have any subsidiaries.

14.2 Taxation of Junior Market Companies: Concessionary Regime

Companies that successfully apply for admission to the Junior Market of the JSE will benefit from a concessionary tax regime, details of which are set out below:

- Pursuant to the Minister of Finance's powers under section 86 of the Income Tax Act, Jamaican Junior Market companies are not liable to pay corporate income tax in the first five (5) years after listing. In years six (6) to ten (10) on the Junior Market, the Company will only be liable to pay corporate income tax at half the usual rate. The aforementioned corporate income tax concession requires Jamaican Junior Market companies to maintain their listing on the JSE (on either or both of the Main or Junior Markets) for a period of fifteen (15) years. If such a Company is de-listed at any time during the fifteen (15) year period, it will become retrospectively liable to pay corporate income tax at the rate that would otherwise have been applicable to it during the concessionary period.
-
- Section 17(1)(d) of the Transfer Tax Act provides that transfers of shares made in the ordinary course of business on the JSE will not attract transfer tax.
- The Schedule to the Stamp Duty Act provides that transfers of shares in the ordinary course of business on the JSE will not attract stamp duty.
- Section 12(v) of the Income Tax Act provides that profits or gains from transactions in shares carried out on the JSE that accrue to an individual that does not hold himself out as a dealer are exempt from income tax, where such profits or gains do not exceed one half of that person's statutory income from all other sources for the year of assessment, or (where the person so elects) those profits or gains which, taken with profits or gains (or losses) on such transactions by him/her in the two (2) immediately preceding years of assessment, do not exceed one half of that persons statutory income from all other sources for the year of assessment and those two (2) preceding years.
- Section 34(1) paragraph 6 of the Income Tax Act provides that payments of interest or other payments made to holders of shares out of the assets of a company that is quoted on a recognized stock exchange, including the JSE, are exempt from income tax.
- Prospective investors should seek advice on the taxation of Junior Market companies and their prospective investment in the Company from a professional advisor and should not rely on the summary set out above.

SECTION 15

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the offices Messrs. MH&CO., Attorneys-at-Law between the hours of 9:00 a.m. and 4:00 p.m. on Monday to Friday, up to and including the Closing Date (or the extended Closing Date, as the case may be):

1. The Articles of Incorporation of the Company adopted on February 25th, 2019
2. The Company's Certificate of Incorporation.
3. Company Status Letter issued by the Companies Office of Jamaica.
4. The Company's Tax Compliance Certificate.
5. The Auditor's Report and audited financial statements of the Company for the five (5) fiscal years ended October 31st, 2018.
6. The consent of the auditors of the Company dated May 2, 2019, referred to in paragraph 20 of Section 14.1.
7. Copy of any documents related to the trademark applications referred to in Section 7.8.
8. The material contracts referred to in Section 7.9.
9. Confirmation of the insurance arrangements referred to in Section 7.12.

SECTION 16

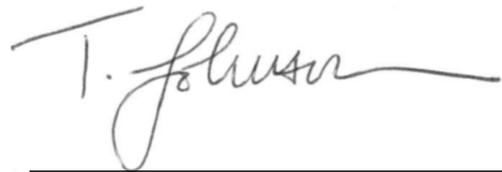
DIRECTOR'S SIGNATURES



KIMALA BENNETT



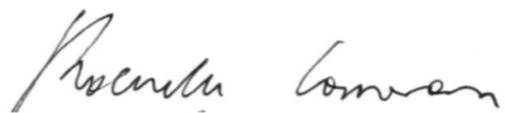
STEVEN GOODEN



TASHARA-LEE JOHNSON



MICHAEL BENNETT



ROCHELLE CAMERON



MAXINE WALTERS



DOUGLAS LINDO



Appendix I



How to Apply Guide

1. On your personal device visit <https://goipo.jncb.com>. *(If you do not have access to a computer or smart device with online access, our offices are equipped with tablets and representatives to assist you.)*
2. Select “Apply for an IPO”.
3. Select “The Lab”.
4. Select “View Details”.
5. Select “Apply Now” beside the relevant pool in which you intend to apply. Only reserved applicants will be allowed to apply from the reserved pools. However, the general pool is open for all applicants.
6. Select your investor category:
 - a. **NCB Online Investor** *(This is for persons with online access to their NCB bank account.) or*
 - b. **All Other Investor** *(This is for persons without NCB online access including applicants without an NCB Capital Markets Account.)*

For NCB Online Investors *(This is for persons with online access to their NCB bank account who wish to pay from their NCB or NCBCM account.)*

- Select **NCB Online Investor** option.
- Enter your NCB online username and password.

Step 1

- Enter the amount of money you wish to spend on the IPO.
- Select your JCSD number then **save and continue**.
(If your JCSD number is not seen then select “Add JCSD Number” to add your JCSD number)

Step 2

- Select your funding account from the list seen, then **save and continue**.

Step 3

- Select your refund account and dividend mandates account from the lists seen, then **save and continue**.

Step 4

- Review your application details and select **Submit**.

Tips:

- If your funds are with another institution, then you may transfer the funds to your NCB or NCBCM account before starting the process or use the “All Other Investors Option”.

- Navigate to your dashboard to view your application and all previously completed applications.
- Check your email for notifications on order submission status.

For All Other Investors (This is for persons without online access to their NCB bank account and applicants who are not clients of NCBCM.)

- Select the **All Other Investor** option.
- Read and accept the site's terms and conditions in order to proceed.

Step 1

- Enter the amount of money you wish to spend on the IPO.
- Complete the Primary Holder information.
- Complete the Joint Holder information, if applicable, then **continue**.

Step 2

- Select the appropriate funding method and complete the required fields (see below) and **continue**.

- For Existing NCBCM Account

This is only for NCBCM investors providing instructions to NCBCM to make payment from cleared funds on their NCBCM broker account. The payment must be coming from the applicant's NCBCM broker account in which the shares are expected to be held.

- For ACH/RTGS

This is for all investors who are making payment by electronic transfer or direct deposit to NCB Capital Markets Limited. Payments sent via this method to NCBCM must use the instructions below:

BIC:	JNCBJMKX
Branch:	1-7 Knutsford Blvd. /New Kingston
Beneficiary account #:	241406067
Beneficiary account name:	NCB Capital Markets
Include Comments:	THE LAB - [Applicant's Name]

Step 3

- Complete refund and dividend mandates and **continue**.

Step 4

- Upload image of valid government-issued photo identification & signed signature document.
(The signature document may be signed on screen and then uploaded or printed, signed and uploaded.)
- Submit your application.

Tips:

- You can track your application with the reference number provided.
- Your application will only be processed once payments indicated in Step 2 are received and confirmed by NCBCM.
- You should upload copies of a government-issued ID and TRN or SSN for all applicants (or just a Jamaican Driver's Licence).



INITIAL PUBLIC OFFER

APPENDIX 1**APPLICATION PROCEDURES, TERMS AND CONDITIONS**

1. All Applicants will be deemed to have accepted the terms and conditions of the Invitation and any other terms and conditions set out in this Prospectus, including any terms and conditions set out in section 6 of the Prospectus and Appendix I.
2. Each Applicant acknowledges and agrees that:
 - (a) he/she has been afforded a meaningful opportunity to review the Prospectus (including the terms and conditions set out in this section 6.5) and to gather and review all additional information considered by him/her to be necessary to verify the accuracy of the information contained in this Prospectus;
 - (b) he/she has not relied on the Company or any other connected persons in connection with his/her investigation of the accuracy of such information or his/her investment decision; and
 - (c) no person connected with the Company has made any representation concerning the Company or this Prospectus not contained in this Prospectus, on which the Applicant has relied in submitting his/her Application.
3. Application from the general public must request a minimum of 1,000 Shares and shall be made in multiples of 100. Application from the general public in other denominations will not be processed or accepted.
4. All Applications must be submitted together with proof of payment for the Shares in the form of either:
 - 4.1 By Real Time Gross Settlement System ("RTGS System") or Automated Clearing House (ACH) for amounts below J\$1,000,000.00 to the Broker using the following information, and evidence of such payment supplied with the completed and signed Application Form:

NCB CAPITAL MARKETS LIMITED
Bank: National Commercial Bank Jamaica Limited
BIC: JNCBJMKX
Branch: 1-7 Knutsford Boulevard (New Kingston)
Account Name: NCB Capital Markets Limited
Beneficiary Address: NCB Atrium, 32 Trafalgar Road, Kingston 10
Account number: 241406067
(The LAB: Please include the applicant's name and JCS account number or TRN in the transaction details of the RTGS or ACH)
 - 4.2. Applicants who have an NCBJ bank account may use NCBJ online or do a direct deposit in an NCBJ branch using the above banking information and evidence of such payment supplied with the completed and signed application form.
 - 4.3. Applicants who have an investment account with the Broker (i.e. NCB Capital Markets Limited) may submit a letter of instruction to the Broker authorising the Broker to apply funds standing to the credit of such Applicant against the invitation price payable for Shares proposed to be purchased.
 - 4.4. Payment may also be made via a Manager's Cheque drawn on a Jamaican commercial bank made payable to the NCBCM and will be accepted only in respect of payments for less than \$1,000,000.00
5. All Shares in the Invitation are priced at the Subscription Price of \$1.00 per Share.
6. Applications submitted to NCB Capital Markets in advance of the Opening Date (early Applications) will be received but may not be processed until the Opening Date. All early Applications will be treated as having been received at 9:00 a.m. on the Opening Date, July 17, 2019. All Applications received from 9:00 a.m. onwards on the Opening Date will be time stamped for processing in the order in which they were received. That is, the Applications will be processed on a first-come, first-served basis. Applications that meet the requirements set out in this section 6.5 will be processed.
7. For the purposes of paragraph 6, above the Directors of the Company, in their sole discretion, may:
 - (a) accept or reject any Application in whole or part without giving reasons and neither the Company nor the Directors shall be liable to any Applicant or any other person for doing so; and
 - (b) allot Shares to Applicants on a basis to be determined by it in its sole discretion. Multiple Applications by any person (whether in individual or joint names) may be treated as a single Application.
8. Neither the submission of an Application by an Applicant nor its receipt by the Company will result in a binding contract between the Applicant and the Company. Only the allotment of Shares by the Registrar on behalf of the Company to an Applicant (whether such Shares represent all or part of those specified by the Applicant in his/her Application) will result in a binding contract under which the Applicant will be deemed to have agreed to subscribe for the number of allotted Shares at the Subscription Price, subject to the Articles of Incorporation and these terms and conditions set out in section 6.5 of the Prospectus.
9. The Company will endeavour to return amounts refundable to Applicants whose Applications are not accepted, or whose Applications are only accepted in part, to NCB Capital Markets within ten (10) days after the Closing Date (or the extended Closing Date, as the case may be) or as soon as practicable thereafter. Each refund will be processed by payment to the account stated in the electronic application submitted via <https://goipo.jncb.com> or using the attached Application in Appendix II.
10. Applicants must be at least eighteen (18) years old. However, Applicants who have not yet attained the age of eighteen (18) years, may apply jointly with Applicants who are at least eighteen (18) years of age.
11. See list of NCB Capital Markets Ltd. locations on page '4' of application form

APPENDIX I: APPLICATION FORM - ORDINARY SHARES

PLEASE READ CAREFULLY BEFORE COMPLETING THIS FORM

To: LIMNERS AND BARDS LIMITED ("The LAB")

Re: Invitation for Subscription for up to 189,138,050 ordinary shares (the "Application Shares") in The LAB made pursuant to the Prospectus - dated the 28th day of June, 2019 (the "Prospectus").

I/We confirm that I/we have read and understood and hereby agree to be bound by the terms and conditions contained in the Prospectus, all of which are incorporated in this Application Form by reference.

I/We hereby apply for _____ [units of] Ordinary Shares in The LAB on and subject to the terms and conditions of the Invitation set out in the Prospectus at the price of JMD 1.00. I/We have made/remitted payment of the sum of JMD for my/our subscription/purchase and the JCSD processing fee of JMD _____ 163.10 (inclusive of GCT) with proof of payment attached or I/we request my broker, NCB Capital Markets Limited to make payment on my/our behalf from cleared funds held by them in my /our names in account numbered, with them.

I/We agree to accept the Application Shares or any smaller number in respect of which this application may be accepted, subject to the terms and conditions in the Prospectus and the Articles of Incorporation of The LAB, by which I/We agree to be bound. I/We request you to sell and/or transfer to me/us the number of Application Shares, which may be allocated to me/us at the close of the said invitation on the terms and conditions governing applications, as set forth in the Prospectus. I/We hereby agree to accept the Application Shares that may be allocated to me/us to be credited to an account in my/our name(s) in the Jamaica Central Securities Depository.

Instructions to completing application form: All fields are relevant and must be completed. (If you already have an account with the JCSD, please ensure that you indicate your JCSD Account number). Please indicate your JCSD account number here

Reserved Shares Key Partners Staff Creatives General

(If applicable, see the Prospectus)

SECTION I - PRIMARY HOLDER

Full Name of Applicant (Individual or Company)			
TRN		Occupation/ Line of Business	
Address			
Nationality or Incorporation Country		Telephone (Home)	
Telephone (Work)		Telephone (Cellular)	
Email Address			Broker Code
JCSD Number		Broker Account Number	
		Date of Application	
Signatures (Company)	DIRECTOR		DIRECTOR/SECRETARY
Signature (individual)	APPLICANT		SEAL OR STAMP REQUIRED FOR COMPANIES

SECTION II - SECONDARY HOLDERS

Full Name (First Joint Holder)			
TRN		Mobile	
		Email	
Signature (Individual)			Date
Full Name (Second Joint Holder)			
TRN		Mobile	
		Email	
Signature (individual)			Date
Full Name (Third Joint Holder)			
TRN		Mobile	
		Email	
Signature (individual)			Date

SECTION VI – FOR USE BY BROKER ONLY

Full Name of Applicant

Date Application Received Time Received :

Payment Method: **Cheque** **Authorisation Letter** **RTGS/ACH** **Online Transfer** **NCB Capital Markets Account**

Date of Transaction

Payment Amount Pool

Broker Authorised Signatory & Stamp

NCB CAPITAL MARKETS BRANCH LOCATIONS

1-7 Knutsford Blvd, Kingston, Jamaica, W.I.	Half-Way Tree, 94 HWT Rd., Kingston, Jamaica, W.I.
Matildas Corner, 15 Northside Plaza, P.O. Box 72, Kingston, Jamaica, W.I.	St. Jago, St. Jago Shopping Centre, St. Catherine, Jamaica, W.I.
University Branch, Mona Campus, Kingston, Jamaica, W.I.	Portmore, 13- 14 West Trade Way, Portmore, St. Catherine, Jamaica, W.I.
Duke & Barry Street, 37 Duke St., Kingston, Jamaica, W.I.	Constant Spring, 124-126 Constant Spring Rd., Kingston, Jamaica, W.I.
Cross Roads, 90-94 Slipe Rd. P.O. Box 5 Kingston, Jamaica, W.I.	Atrium, 32 Trafalgar Road, Kingston, Jamaica, W.I.
Fairview, Lot B3 – Section 1-5, Bogue Estate, Montego Bay, St. James	Santa Cruz, 7 Coke Drive, Santa Cruz P.O., St. Elizabeth, Jamaica, W.I
St. Ann's Bay, 19-21 Main St. St. Ann's Bay, St. Ann, Jamaica, W.I	Mandeville, 6 Perth Road, P.O. Box 61 Mandeville, Manchester, Jamaica, W.I
41 Main St., P.O. Box 29, May Pen, Clarendon, Jamaica, W.I	Ocho Rios 40 Main St., Ocho Rios, St. Ann, Jamaica, W.I
Savanna-La-Mar, 68 Great Georges St. P.O Box 10 Savanna-la-mar, Jamaica, W.I	Private Client Services – (separate from Constant Spring) 124-126 Constant Spring Rd., Kingston, Jamaica, W.I.



THE LAB

