



UNAUDITED FINANCIAL RESULTS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2016

RELEASE TO SHAREHOLDERS

The Board of Directors of SWEET RIVER ABATTOIR & SUPPLIES LTD is please to present the unaudited financial statements for the three months ended September 30, 2016.

MANAGING DIRECTOR'S REPORT FOR THE 6 MONTHS PERIOD ENDING SEPTEMBER 2016

With the supply of pigs back to normal levels and our network of farmers back to full production we are positioned to meet the demand of our customers in during the usual peak season. Our performance for the quarter was much better than the comparable quarter in 2015 when the company generated sales revenue of\$107m in 2016 compared to \$47m in 2015.

We are in the process of securing contracts from our major customers thus ensuring that both entities can operate at full capacity. In return we will re-new and expand our contract to pig farmers to maintain a steady supply of pigs all year round to the plant. Our contract to pig farmers will guarantee not just only a market for their pigs but will also provide all the training that they need to produce animals of the highest quality. Such training will be provided directly and or indirectly from input providers.

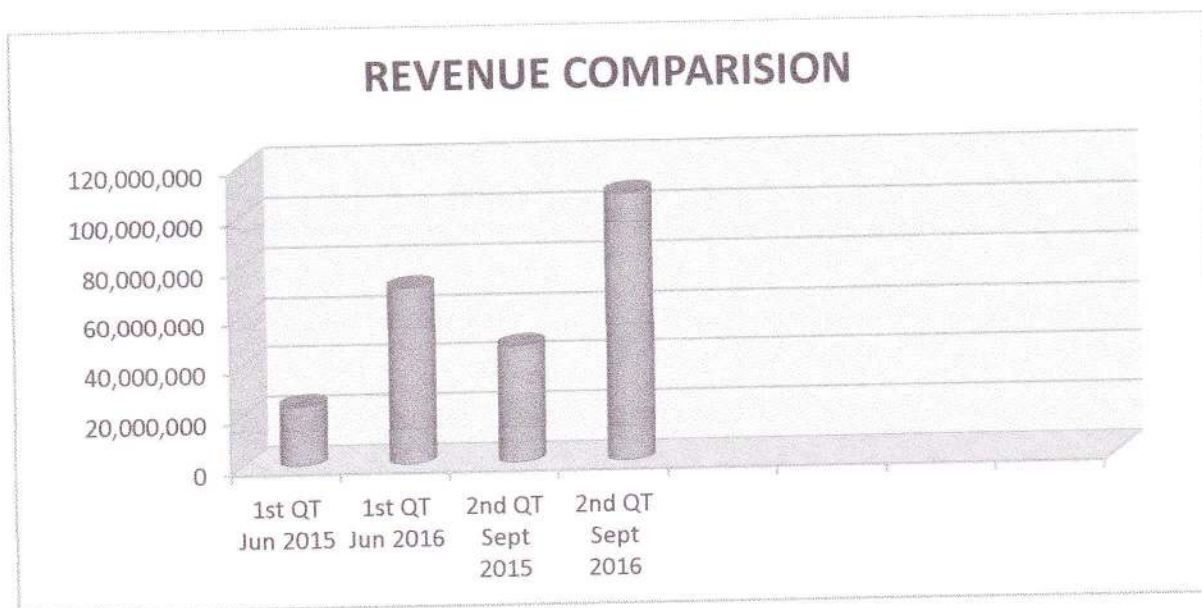
We are happy to report that this marks the first full quarter since we began operating from our own plant which was opened in June 2016. With the opening of the new plant we now have the capacity to slaughter up to 800 animals weekly. This extra capacity will allow us to offer slaughtering service to farmers, companies and or institutions. The plant will in the very near future be certified for export.

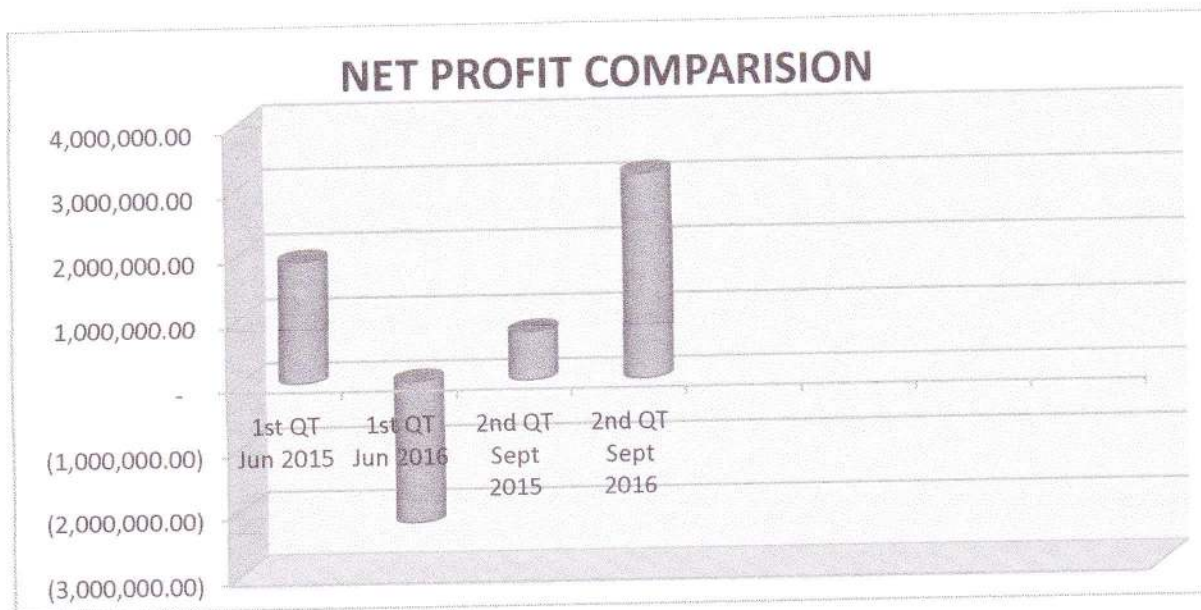
We are excited about the opportunities that are available to us and are looking forward in fulfilling our mandate of being Jamaica's 9th Agro Park that is to include the slaughtering of small ruminants and the provision of slaughtering service to farmers in the county of Cornwall.

SECOND QUARTER FINANCIAL HIGHLIGHTS

Highlights of the three months ended Sept 30 2016

	<u>Sept 2016</u>	<u>Sept 2015</u>	<u>Inc/(Dec)%</u>
⊕ Sales revenue	\$107.m	\$47.0m	131 %
⊕ Net profit/ (Loss)	\$3.2m	\$.744m	324 %
⊕ Earnings per stock unit	0.03 cents	0.01 cents	116 %
⊕ Total assets	\$427m	\$348m	22%
⊕ Total stockholders 'equity	\$162m	\$169m	(4)%





Three Months Ended Sept 30th, 2016 compared to Sept 30th, 2015

- **Sales Revenue**

The company generated sales revenues in the Second quarter of 2016 in the amount of \$107m when compared to \$47m of the previous year; an increase of \$61m or 131 %. This increase is due to the Slaughtering of three thousand three hundred and ninety (3,391) pigs.

- **Gross profit**

Gross profit of \$15.0 m when compared to the previous period of \$7.3m; an increase of \$7.5m or 104% this was due mainly to an increase in pig supplies and a reduction in price been paid for pigs .

- **Expenses**

Total operational expenses of \$8.5m when compared to previous period of \$6.1 m; an increase of \$2.4m or 40 %. This increase was due to utilities, haulage and interest payment on loan which have now become due since our restructuring of our loan.

- **Net Profit**

A net profit of 3.2m was realized when compared to a net profit of \$.744m of the previous period; an increase of \$2.4m or 324 %.

Six Months Ended September 30, 2016 compared to September 30, 2015

- **Sales revenue** of \$178.0 m when compared to the previous period of \$70.0 m, an increase of \$108.0 m or 154%.
- **Gross profit** of \$19.8M when compared to \$15.2m of the previous period, an increase of \$4.6.m or 30%.
- **Total operational expenses** of \$14.8m when compared to previous period of \$11.6m an increase of \$3.2m or 30% due mainly to we operating out of our new facility this we hope to reduce as we continue to look at areas to reduce cost and make the operation more efficient.
- **Net Profit** of \$.952 m for the period, a when compared to the previous of \$2.6m decrease of \$1.7m or (64) %, due mainly to our higher cost of expenses incurred in the new plant coupled with our loan repayment interest.

Despite a challenging economic environment, the company has experienced growth in its revenue. SRA is committed to maintaining high standards in our efficient product movement and market penetration, while we continues to strengthen our relationships with our customers, suppliers, employees and other stakeholders.



Valence Gifford
Managing Director

Nov 7th, 2016

SWEET RIVER ABATTOIR & SUPPLIES COMPANY LIMITED

Unaudited Statement of

Comprehensive Income

For the Six Months Period Ending September 30th, 2016


	Three months to September 2016	Three months to September 2015	Six months to September 2016	Six months to September 2015	Audited 31- Mar 2016
	\$	\$	\$	\$	\$
Revenue	107,231,712	46,519,311	178,229,955	70,118,720	215,152,210
Cost of sales	(92,415,455)	(39,250,214)	(158,454,583)	(54,954,681)	(194,693,506)
Gross Profit	14,816,257	7,269,097	19,775,372	15,164,039	20,458,704
Administrative and General Expenses	(8,460,367)	(6,058,926)	(14,751,209)	(11,559,738)	(24,177,518)
Operating profit/(loss)	6,355,890	1,210,171	5,024,163	3,604,301	(3,718,814)
Finance Income	-	-	-	11,103	94,680
Finance Cost	(3,201,294)	(465,868)	(4,072,061)	(992,434)	(3,603,662)
Profit/ (Loss)before Taxation	3,154,596	744,303	952,102	2,622,970	(7,227,796)
Taxation	-	-	-	-	1,696,950
Profit/ (Loss)after taxation, being total comprehensive profit/ (loss)for the period	3,154,596	744,303	952,102	2,622,970	(5,530,846)
Earnings per share (Note 6)	0.03	0.01	0.01	0.05	(0.07)

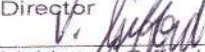
SWEET RIVER ABATTOIR & SUPPLIES COMPANY LIMITED

Unaudited statement of financial position
Sept 30, 2016

	3 Months To Sept 30, 2016 \$	3 Months To Sept 30, 2015 \$	(Audited) Mar 31, 2016 \$
ASSETS			
Non-Current Assets			
Property, plant and equipment	386,414,700	311,512,496	364,695,514
Deferred Tax Asset	3,189,472	1,432,522	3,189,472
Deferred Interest	6,411,267	-	6,411,267
Goodwill	6,580,000	6,580,000	6,580,000
Total non-current assets	402,595,439	319,525,018	380,876,253
Current Assets			
Directors' Current Account	-	-	-
Cash and Cash Equivalents	1,331,833	3,011,043	1,533,983
Trade and other receivables	8,153,367	10,828,416	15,437,871
Inventories	14,517,652	14,932,198	3,220,434
Total current assets	24,002,852	28,771,657	20,192,288
TOTAL ASSETS	426,598,291	348,296,675	401,068,541
LIABILITIES & EQUITY			
Current Liabilities			
Bank overdraft	9,851,189	10,150,944	15,060,958
Trade and Other Payables	27,879,250	17,698,855	15,048,044
Income Tax Payable	0	5,470,446	3,721,980
Directors' current account	1,300,568	4,071,104	421,344
Current portion of long term Payables	13,882,816	-	13,882,816
Current portion of long term loan	36,813,331	21,481,826	20,813,331
Total current liabilities	89,727,154	58,873,175	68,948,473
Long Term Liabilities			
Long-term liabilities	129,228,671	120,346,050	129,228,671
Long-term Payables	27,790,420	-	27,790,420
Shareholders Loan	17,976,310	-	14,177,343
Deferred tax liability	-	-	-
Total Liabilities	264,722,555	179,219,225	240,144,907
Equity			
Share capital	143,695,713	143,695,713	143,695,713
Accumulated surplus	18,180,023	25,381,737	17,227,921
Total Equity	161,875,736	169,077,450	160,923,634
Total Liabilities & Equity	426,598,291	348,296,675	401,068,541

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

Chairman

Henry Graham

Director

Valdenza Gifford

**SWEET RIVER ABATTOIR & SUPPLIES COMPANY
LIMITED**

**Unaudited statement of changes in shareholders' equity
for the three months ended 30th September 2016**

	Share Capital \$	Share Advance \$	Retained Earnings \$	Total \$
Balances as at March 31, 2015	4,500	32,957,629	22,758,767	55,720,896
Converted share advance	32,957,629	(32,957,629)	-	-
Monies received for shares purchased	110,733,584			110,733,584
Net Profit attributable to Shareholders		-	-	-
Balance as at September 30, 2015	143,695,713	-	22,758,767	166,454,480
Net Profit attributable to Shareholders	-	-	2,622,970	2,622,970
Balance as at September 30, 2015	143,695,713	-	25,381,737	169,077,450
Balances as at March 31, 2016	143,695,713	-	17,227,921	160,923,634
Net profit attributable to shareholders			952,102	952,102
Balances as at Sept 30, 2016	143695713		18,180,023	161,875,736

SWEET RIVER ABATTOIR & SUPPLIES COMPANY LIMITED

 Unaudited Statement of Cash Flow Position for
 Period Ended September 30th, 2016

	Sept 30, 2016	Sept 30, 2015	(Audited) Mar 31, 2016
	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation	952,102	2,622,970	(5,530,846)
Adjustments to reconcile profit for year to net cash provided by operating activities:			
Bad debt	-	-	-
Depreciation	125,756	140,208	444,526
Deferred tax Income	-		(1,756,950)
Deferred tax Interest	-		(6,411,267)
Interest income	-	(11,103)	(11,541)
Taxation Provision	-	-	60,000
Operating surplus before changes in working capital	1,077,858	2,752,075	(13,206,078)
Trade and other receivables	7,284,504	7,034,330	2,424,875
Inventories	(11,297,218)	4,814,781	16,526,545
Directors' current account	-	2,000	-
Shareholders loan	-	-	-
Accounts payable & provisions	12,831,206	(18,146,634)	(20,797,445)
Directors' current account	879,224	4,071,104	423,344
Net cash generated by operations	10,775,574	527,656	(14,628,759)
Taxation	(3,721,980)	106,398	(1,702,068)
Interest received	-	11,103	11,541
Net cash inflows from operating activities	7,053,594	645,157	(16,319,286)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	(21,844,942)	(23,148,152)	(76,635,487)
Net cash outflows from investing activities	(21,844,942)	(23,148,152)	(76,635,487)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds of long term Payables	-	-	41,673,236
proceeds of long term loan Net	16,000,000	(121,373)	8,092,752
Shareholders loans	3,798,967	-	14,177,343
Bank Overdraft	(5,209,769)	3,289,300	8,199,314
Nat cash inflows from financing activities	14,589,198	3,167,927	72,142,645
(Decrease)/Increase in cash resources	(202,150)	(19,335,068)	(20,812,128)
Cash resources at the start of the year	1,533,983	22,346,111	22,346,111
	1,331,833	3,011,043	1,533,983
Cash resources comprise:			
Cash and bank balances	1,331,833	3,011,043	1,533,983
	1,331,833	3,011,043	1,533,983

SWEET RIVER ABATTOIR & SUPPLIES COMPANY LIMITED

Notes to the Unaudited Financial Statements Three Months Period Ended September 30th, 2016

1. Identification

Sweet River Limited ("the company") is incorporated in Jamaica under the Jamaican Companies Act. The company is domiciled in Jamaica with its registered office located at Sweet River, Sav-la-mar, Westmoreland and was listed on the Jamaica Junior Stock Exchange on September 19, 2014. The company's main activities are the purveying of pork products and provision of abattoir services.

2. Basis Of Preparation

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

3. Segment Reporting

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses. An operating segment's operating results are received regularly by the Board of Directors to make decisions about resources to be allocated to the segment and assess its performances.

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

4. Taxation

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

SWEET RIVER ABATTOIR & SUPPLIES COMPANY LIMITED

Notes to the Unaudited Financial Statements Three Months Period Ended September 30th, 2016

5. Shareholders' Information

	No. Of Units
Directors' Holdings	
As at September 30, 2016:	
HENRY GRAHAM	15,035,009
HECTOR LYONS	7,358,848
AUDLEY DEIDRICK	5,205,603
VALDENCE GIFFORD	4,995,058
NEVILLE GRANT	4,654,073
NIGEL MORGAN	919,763
Top Ten Shareholders	
As at September 30th, 2016:	
HENRY GRAHAM	15,035,009
HECTOR LYONS	7,358,848
AUDLEY DEIDRICK	5,205,603
VALDENCE GIFFORD	4,995,058
KIRK FONG	4,689,907
V.M.B.S (PENSION SCHEME)	4,664,000
NATIONAL INSURANCE FUNDS	4,663,300
V.M.B.SOCIETY	4,663,213
NEVIL GRANT	4,654,073
J.C.S.C.D TRUSTEE SERVICE	3,886,005
Holding of Senior Managers as September 30th, 2016	
Valdence Gifford	4,995,058
Sean Forbes	4,000