

**CAC 2000 Limited**  
**Audited Financial Report to Stockholders**  
**For the financial year ended October 31, 2016**

The year started positively with CAC being listed on the Junior Market of the Jamaica Stock Exchange but ended with a major surprise as the Supreme Court issuing a ruling against CAC for a lawsuit that commenced in 2003.

One important note is that the previous financial year was a 15-month year as we had changed our financial year-end to Oct 31 and, for the year on year comparisons below, we used unaudited accounts for the comparable period last year. For completeness, the table below compares current year with both the 12-month unaudited and 15-month audited results for last year.

SUMMARY OF FINANCIAL RESULTS					
	12 Months Oct. 2016	12 Months Unaudited Comparatives Oct. 2015	15 Months Audited Oct. 2015	12 Months Comparatives Percentage Change	15 Months Comparatives Percentage Change
Revenue	1,017,610,974	877,392,531	1,079,253,336	16%	-6%
Gross Profit	410,083,480	329,146,042	358,281,647	25%	14%
Other Income	169,411	12,872,576	13,925,137	-99%	-99%
Selling, distribution & Admin expenses	(287,354,830)	(224,415,432)	(266,690,190)	28%	8%
Court awarded damages	(104,181,618)	0	0		
Finance costs	(7,400,718)	(12,929,564)	(20,319,225)	-43%	-64%
Profit before tax	11,315,725	104,673,622	84,801,625	-89%	-87%
Gross profit and other income increased by 20%					
PBT excluding damages increased by 10%					

We recorded our highest ever revenues, passing the billion-dollar mark for the first time, of \$1,017,610,974 – a growth of 16% over last year.

Our gross profit was \$410,083,480 - a growth of 25% over last year. Gross profit lumped with other income increased by 20%.

One of our expected challenges was coping with the increased volume of work and we had budgeted for a sizeable increase in our resources with the result that our operating expenses increased to \$287,354,830 or 28% more than last year.

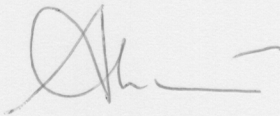
Finance costs reduced significantly to \$7,400,718 (down by 43%) mostly due to gains in foreign exchange which countered interest (with rates currently at 8.44%) on the preference shares.

Profit before tax increased to \$115,497,343 or by 10% vs. last year but, after the full provision of the \$104,181,618 for the judgement our profit before tax fell to \$11,315,725. Taxation was also reduced (because of the listing) and profit after tax ended up at \$10,469,979 or \$0.08 per stock unit.

We have already paid the damages and loss of profit for the Xray judgement but have filed an appeal as we intend to challenge both the term (13 years awarded despite the claimant being

back in operation with new equipment in less than 6 months) and the unrealistic interest rates (9.25% on US\$ and 14.13% on J\$ portions) awarded to the claimant.

We continue to see new opportunities in the 2016/17 financial year and, despite the adverse one-off judgement we are anticipating an even more successful year and our focus will be on quickly building back our cash reserves (to facilitate working capital and further growth) along with some initiatives to improve our operational efficiencies – these are expected to improve our best in class service and delivery of engineered air-conditioning and energy solutions to our customers.

A handwritten signature in black ink, appearing to read 'Steven Marston', with a stylized flourish at the end.

Steven Marston  
Chairman/CEO