UNAUDITED FINANCIAL RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2018

DIRECTORS' STATEMENT

PERFORMANCE HIGHLIGHTS

Net Operating Revenue	J$9.32 billion, grew by 15%
Net Interest Income	J$4.35 billion, up 16%
Net Profit	J$2.07 billion, up 24%
Earnings per Stock Unit	J$1.25, up from J$1.03

The Directors are pleased to announce that the JMMB Group posted net profit of J$2.07 billion and earnings per share of J$1.25 for the six months ended 30 September 2018.

GROUP CEO'S COMMENTARY

Six months into the financial year the JMMB Group is pleased to report credible results across all business lines in the three Countries in which we operate.

During the period, in keeping with our strategy execution roadmap for the year, we have made steady progress in driving for improved operational efficiency and embedding our client experience and our financial partnership culture, the latter being a key strategic differentiator.

On September 12 2018, JMMB Express Finance, our consumer finance business line was successfully launched in Trinidad and Tobago. Through this business line we offer unsecured loans of up to TT$ 40,000 to finance client short term needs. Though first launched in Trinidad we will in the future expand this offering across the region, to create transparent and empowering solutions for potential clients who we believe may be underserved by traditional financial services. This approach of financial partnership to a new client segment will see us extending our reach to a previously untapped segment for us and support the build out of the Group's financial inclusion strategy.

In the last quarter specifically, the Group has made significant inroads in our standardization efforts across all territories, especially in our banking business line. Our aim is to synchronize technology platforms and processes across all business lines, which will both improve the experience of our clients as well as ensure that all our processes are executed in the most efficient and simplified, client friendly manner. Even in the absence of standardization being completed this approach has filtered down to all our teams, has resulted in efficiencies in key processes for client on-boarding resulting in improved client wait times and in branch experiences to date in Jamaica. With standardization these key accomplishments in one market will quickly redound to the benefit of all markets.

The Board is pleased with the second quarter results; net profits have exceeded expectations and this performance demonstrates not only a commitment to building core revenues but also an agile approach to maximizing any market opportunities presented in the short term. With the strategic plans currently in progress we remain confident that the Group will deliver sustained results for the benefit of all stakeholders not only for this financial year but into the future as key pillars for growth continue to be established.

GROUP FINANCIAL PERFORMANCE

Net Operating Revenue

The JMMB Group posted net operating revenue of J$9.32 billion for the six months ended September 30, 2018. This represented a 15% growth when compared to the comparable period last year, and mainly emanated from increases in net interest income, FX trading gains and fees and commission income.

Net interest income grew by 16% or J$589.3 million to J$4.35 billion as there was strong growth in the loan and investment portfolios.

Fees and commission income was 50% higher at J$1.19 billion due to significant growth in managed funds and collective investment schemes across the Group.

Foreign exchange trading gains increased by 133% or J$724.3 million to J$1.27 billion because of increased trading activity and other market opportunities.

Net gains on securities trading declined by 17% to J$2.50 billion as trading activities reflected negative investor sentiments for emerging market.

Segment Contribution

The table below shows the contribution to net operating revenue by segments.

Net Operating Revenue	J$'000	Contribution (%)
Financial & Related Services	5,455,832	59%
Banking & Related Services	3,672,208	39%
Other	195,794	2%
Total	**9,323,835**	**100%**

Financial and Related Services contributed J$5.46 billion or 59% of net operating revenue. The contribution from the Banking & Related Services segment of J$3.67 billion reflected a 46% increase, up from J$2.52 billion in the prior period. This was due in part to strong growth in the loan book which translated into increased net interest income as well as growth in FX trading gains.

Operating Efficiency

Operating expenses for the reporting period amounted to J$6.38 billion which was 12% higher than the prior period. Despite the increase in operating expenses, the Group's efficiency ratio improved to 68% compared to 70% in the prior period. The Group will continue to focus on extracting operational efficiency from all entities through the launch of its standardization and process improvements project.

GROUP FINANCIAL POSITION

Total Assets

At the end of the reporting period, the JMMB Group's asset base totalled J$324.17 billion, up J$32.46 billion or 11% relative to the start of the financial year. This was mainly on account of a larger loan and investment portfolio. The investment portfolio increased by J$25.28 billion or 13% to J$221.30 billion, while loans and advances grew by J$4.90 billion or 9% to J$60.52 billion. The credit quality of the loan portfolio continued to be comparable to international standards.

Growth in the asset base over the six-month period was funded by increases in repos, customer deposits and notes payable. Repos grew by J$16.31 billion or 10% to J$174.48 billion; customer deposits increased by J$10.17 billion or 19% to J$62.33 billion; while notes payable was 26% higher at J$34.73 billion.

Capital

Over the six-month period, shareholders' equity declined by 5% to J$27.59 billion. This was impacted by the adoption of IFRS 9 as disclosed in Note 2(a). The Group continued to be adequately capitalized and all the individually regulated companies within the Group continued to exceed their regulatory capital requirements. The performance of the major subsidiaries is shown in the table below.

Company	Regulatory Measure	Minimum Requirement	30-Sep-18
Jamaica Money Market Brokers Limited	Regulatory capital to risk weighted assets ratio	10%	21.87%
JMMB Bank (Ja) Limited	Regulatory capital to risk weighted assets ratio	10%	14.86%
JMMB Bank (T&T) Limited	Regulatory capital to risk weighted assets ratio	10%	17.24%
JMMB Securities Limited	Net free capital	J$91.1 million	J$569.2 million
JMMB Puesto de Bolsa, S.A.	Regulatory capital to risk weighted assets ratio	15.50%	104%

Off-Balance Sheet Funds under Management

In alignment with the Group's strategy to provide complete, customized financial solutions for each client, we experienced growth in our off-balance sheet products which include pension funds, unit trusts and money market funds. The total invested in off-balance sheet products as at the end of September 2018 stood at J$132.24 billion compared to J$117.27 billion as at end of September 2017.

The JMMB Group in the Community

In keeping with its mandate to be a responsible corporate citizen, the JMMB Group, has established genuine links between the organization and the wider society, in a bid to assist others to realize their greatness, thereby transforming their countries. As such, the JMMB Group continues to support a range of initiatives focused on: education, entrepreneurship and transformational leadership, in namely: the Dominican Republic, Jamaica and Trinidad & Tobago.

The JMMB Joan Duncan Foundation spearheaded several corporate social responsibility initiatives in Jamaica, over the last quarter. This year, the JMMB Joan Duncan Foundation provided over J$7 million dollars in scholarships and bursaries to 93 students attending primary, secondary, tertiary and special needs institutions. Additionally, the Foundation provides ongoing support to Vincent HoSang UWI Venture Competition, in a bid to build the entrepreneurial spirit among young people, and encourage them to pursue this path as a viable career. The Foundation’s national project, Conversations for Greatness, which is designed to transform the mindset of education stakeholders has maintained traction, and is now rolled out in over eighty (80) schools islandwide, reaching over 40,000 children and almost 3000 teachers, support team and administrators. As evidence of the success of the project thus far, there has been a reduction in absenteeism, improvement in academic performance, disruptive behaviours and greater synergies among the teachers and administrators, at schools that have completed the programme. Additionally, the Group also provided financial support alongside team members, to an array of community initiatives.

In the Dominican Republic, the team remains committed to partnering with UNPHU Emprende, the Entrepreneur division of the Universidad Nacional Pedro Henriquez Ureña. During the innovation and entrepreneurial contest hosted by UNPHU each year, JMMB gave a special award to the most socially responsible project, a prize of RD$30,000 and continues to provide advisory services including: reviewing business plan and development of marketing strategy. The winner for this year’s contest, is a project called Agroverde Dominicana, which seeks to offer quality produce at an affordable price by connecting small farmers to potential business buyers, through Agroverde’s eCommerce, thereby providing a reliable network for famers and potential buyers. This initiative is expected to bring innovation into the sector, eliminate middle men and reduce produce waste. Additionally, the JMMB Puesto de Bolsa, continues to provide funding to selected children’s homes to support the welfare of orphaned children and other community outreach initiatives.

JMMB Group’s corporate social responsibility efforts have been reaffirmed in Trinidad & Tobago with focus being placed on youth development, education and community outreach. As evidence of this, JMMB provided financial support for educational supplies to assist the children at the Couva Children’s Home and partnered with Freely Give Foundation to lend financial support to vulnerable children and improve their welfare, through the supply of educational supplies.

General

The Directors thank and acknowledge all our loyal, supportive and valuable stakeholders who continue to contribute to our ongoing success.

Archibald Campbell	**Keith P. Duncan**
Chairman	**Group Chief Executive Officer**

JMMB GROUP LIMITED

Consolidated Profit and Loss Account

Period ended 30 September 2018

(Expressed in Jamaican dollars unless otherwise indicated)

	Unaudited Three Months Ended 30-Sep-18	Unaudited Three Months Ended 30-Sep-17	Unaudited Six Months Ended 30-Sep-18	Unaudited Six Months Ended 30-Sep-17
	$000	$000	$000	$000
Net Interest Income and Other Revenue				
Interest income	4,435,058	3,876,435	8,671,809	7,832,631
Interest expense	(2,155,604)	(2,030,357)	(4,322,609)	(4,072,727)
Net Interest Income	**2,279,454**	**1,846,078**	**4,349,200**	**3,759,904**
Fees and commissions income	711,419	433,269	1,193,057	797,096
Gain on securities trading, net	906,865	1,474,293	2,503,645	3,013,471
Foreign exchange margins from cambio trading	754,383	307,164	1,269,028	544,703
Dividends	4,327	1,455	8,905	12,810
Operating Revenue Net of Interest Expense	**4,656,448**	**4,062,259**	**9,323,835**	**8,127,984**
Operating expenses	(3,032,328)	(2,666,113)	(6,376,624)	(5,669,472)
Impairment loss on financial assets	(59,113)	(60,692)	(172,053)	(165,008)
Operating Profit	**1,565,007**	**1,335,454**	**2,775,158**	**2,293,504**
Other income	23,287	20,208	28,626	56,627
Profit before Taxation	**1,588,294**	**1,355,662**	**2,803,784**	**2,350,131**
Taxation	(472,507)	(299,866)	(731,387)	(680,941)
Profit for the Period	**1,115,787**	**1,055,796**	**2,072,397**	**1,669,190**
Attributable to:				
Equity holders of the parent	1,097,842	1,056,420	2,033,746	1,672,957
Non-controlling interest	17,945	(624)	38,651	(3,767)
	1,115,787	**1,055,796**	**2,072,397**	**1,669,190**
Earnings per stock unit	**$0.67**	**$0.65**	**$1.25**	**$1.03**

JMMB GROUP LIMITED

Consolidated Statement of Comprehensive Income

Period ended 30 September 2018

(Expressed in Jamaican dollars unless otherwise indicated)

	Unaudited Three Months Ended 30-Sep-18	Unaudited Three Months Ended 30-Sep-17	Unaudited Six Months Ended 30-Sep-18	Unaudited Six Months Ended 30-Sep-17
	$000	$000	$000	$000
Profit for the Period	**1,115,787**	**1,055,796**	**2,072,397**	**1,669,190**
Other comprehensive income/ (loss)				
Items that may be reclassified to profit or loss:				
Unrealised gains on available for sale investments	-	1,373,664	-	1,276,772
Net loss on investment in debt instruments measured at FVOCI	65,929		(1,976,667)	
Foreign exchange translation differences on translation of foreign subsidiaries	85,589	6,105	454,913	2,315
Items that will not be reclassified to profit or loss:				
Net loss on investment in equity instruments designated at FVOCI	26,072	-	21,314	-
Total other comprehensive income/(loss), net of tax	177,590	1,379,769	(1,500,440)	1,279,087
Total comprehensive income for period	**1,293,377**	**2,435,565**	**571,957**	**2,948,277**
Total comprehensive income attributable to:				
Owners of the parent	1,431,165	2,389,844	737,153	2,795,916
Non-controlling interest	(137,788)	45,721	(165,196)	152,361
	1,293,377	**2,435,565**	**571,957**	**2,948,277**

JMMB GROUP LIMITED

Consolidated Statement of Financial Position

Six-month period ended 30 September 2018

(Expressed in Jamaican dollars unless otherwise indicated)

	Unaudited as at 30-Sep-18 $'000	Unaudited as at 30-Sep-17 $'000	Audited as at 31-Mar-18 $'000
ASSETS			
Cash and cash equivalents	27,886,630	31,584,881	27,837,273
Interest receivable	3,764,867	2,799,718	3,429,115
Income tax recoverable	760,334	1,160,481	999,611
Loans and notes receivable	60,521,284	50,639,906	55,625,743
Other receivables	4,199,389	1,600,943	2,055,252
Investments and resale agreements	221,302,868	182,125,196	196,025,869
Investment properties	489,616	447,892	489,616
Property, plant and equipment and intangible assets	4,893,481	4,905,851	4,820,390
Deferred income tax asset	303,679	38,463	115,130
Customers' liability under acceptances, guarantees and letters of credit as per contra	49,575	278,783	317,731
	324,171,723	**275,582,114**	**291,715,730**
STOCKHOLDERS' EQUITY			
Share capital	1,864,554	1,864,554	1,864,554
Retained earnings reserve	9,605,055	9,605,055	9,605,055
Investment revaluation reserve	(894,323)	3,328,152	1,752,810
Cumulative translation reserve	303,138	309,168	(87,147)
Retained earnings	15,799,659	13,220,030	14,776,222
	26,678,083	28,326,959	27,911,494
Non-controlling interest	913,189	1,040,990	1,092,253
Total equity	**27,591,272**	**29,367,949**	**29,003,747**
Liabilities			
Customer deposits	62,332,940	51,199,517	52,165,066
Due to other financial institutions	226,882	371,211	347,948
Securities sold under agreements to repurchase	174,478,608	173,702,803	158,167,289
Notes payable	34,726,735	5,426,576	27,561,706
Redeemable preference shares	17,125,526	8,880,063	17,843,757
Interest payable	1,780,329	1,285,911	1,385,823
Income tax payable	1,683,015	427,990	1,292,843
Other payables	3,573,700	2,693,578	3,178,736
Defered income tax liabilities	603,141	1,947,733	451,084
Liability under acceptances, guarantees and letters of credit as per contra	49,575	278,783	317,731
	296,580,451	**246,214,165**	**262,711,983**
	324,171,723	**275,582,114**	**291,715,730**

Archibald Campbell
Chairman

Keith P. Duncan
Group Chief Executive Officer

JMMB GROUP LIMITED

Consolidated Statement of Changes in Stockholders' Equity

Six-month period ended 30 September 2018

(Expressed in Jamaican dollars unless otherwise indicated)

	Share Capital	Retained Earnings Reserve	Investment Revaluation Reserve	Cumulative Translation Reserve	Retained Earnings	Attributable to holders of the Parent	Non-Controlling Interest	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balances at March 31, 2017 (Audited)	**1,864,554**	**9,605,055**	**2,202,115**	**312,246**	**11,922,100**	**25,906,070**	**888,629**	**26,794,699**
Profit for the period	-	-	-	-	1,672,957	1,672,957	(3,767)	1,669,190
Other comprehensive income/(loss) for period	-	-	1,126,037	(3,078)	-	1,122,959	156,128	1,279,087
Total comprehensive income for period	-	-	**1,126,037**	**(3,078)**	**1,672,957**	**2,795,916**	**152,361**	**2,948,277**
Dividends paid	-		-	-	(375,027)	(375,027)	-	(375,027)
Balances at 30 September 2017 (unaudited)	**1,864,554**	**9,605,055**	**3,328,152**	**309,168**	**13,220,030**	**28,326,959**	**1,040,990**	**29,367,949**
Balances at March 31, 2018 (Audited)	**1,864,554**	**9,605,055**	**1,752,810**	**(87,147)**	**14,776,222**	**27,911,494**	**1,092,253**	**29,003,747**
Changes on initial application of IFRS 9 (note 2)	-	-	(960,255)	-	(570,060)	(1,530,315)	(13,868)	(1,544,183)
Balances at April 1, 2018 (unaudited)	**1,864,554**	**9,605,055**	**792,555**	**(87,147)**	**14,206,162**	**26,381,179**	**1,078,385**	**27,459,564**
Profit for the period	-	-	-	-	2,033,746	2,033,746	38,651	2,072,397
Other comprehensive income/(loss) for period	-	-	(1,686,878)	390,285	-	(1,296,593)	(203,847)	(1,500,440)
Total comprehensive income/loss) for period	-	-	**(1,686,878)**	**390,285**	**2,033,746**	**737,153**	**(165,196)**	**571,957**
Dividends paid	-	-	-	-	(440,249)	(440,249)	-	(440,249)
Balances at 30 September 2018 (unaudited)	**1,864,554**	**9,605,055**	**(894,323)**	**303,138**	**15,799,659**	**26,678,083**	**913,189**	**27,591,272**

JMMB GROUP LIMITED
Consolidated Statement of Cash Flows
Six-month period ended 30 September 2018
(Expressed in Jamaican dollars unless otherwise indicated)

	Unaudited Six Months Ended 30-Sep-18	Unaudited Six Months Ended 30-Sep-17
	$'000	$'000
Cash Flows from Operating Activities		
Profit for the period	2,072,397	1,669,190
Adjustments for:		
Unrealised gains on trading securities	(40,519)	(85,791)
Depreciation and amortisation	329,677	273,260
	2,361,555	1,856,659
Changes in operating assets and liabilities	18,899,639	17,258,147
Net cash provided by operating activities	**21,261,194**	**19,114,806**
Cash Flows from Investing Activities		
Investment securities, net	(27,533,848)	(8,359,300)
Purchase of property, plant and equipment and computer software	(402,769)	(592,021)
Net cash used in investing activities	**(27,936,617)**	**(8,951,321)**
Cash Flows from Financing Activities		
Notes payable	7,165,029	901,270
Dividends paid	(440,249)	(375,027)
Net cash provided by financing activities	**6,724,780**	**526,243**
Net increase in cash and cash equivalents	**49,357**	**10,689,728**
Cash and cash equivalents at beginning of year	**27,837,273**	**20,895,153**
Cash and cash equivalents at end of period	**27,886,630**	**31,584,881**

Segment Reporting

	Six-month period ended 30 September 2018				
	Financial & Related Services	Banking & Related Services	Others	Eliminations	Total
	$'000	$'000	$'000	$'000	$'000
External revenues	9,036,602	4,552,861	85,605	-	13,675,069
Intersegment revenue	849,906	8,785	-	(858,690)	-
Total segment revenue	9,886,508	4,561,646	85,605	(858,690)	13,675,069
Profit before tax	1,469,941	1,321,225	12,618	-	2,803,784
Taxation					(731,387)
Profit for the period					2,072,397
Total segment assets	311,972,143	98,082,596	1,587,679	(87,470,695)	324,171,723
Total segment liabilities	284,278,863	84,739,529	1,536,689	(73,974,630)	296,580,451
Interest Income	5,758,866	2,910,246	2,697	-	8,671,809
Operating expenses	4,060,934	2,241,257	74,433	-	6,376,624
Depreciation & amortisation	213,472	110,505	5,700	-	329,677
Capital expenditure	242,847	100,968	58,953	-	402,769

Segment Reporting

	Six-month period ended 30 September 2017				
	Financial & Related Services	Banking & Related Services	Other	Eliminations	Total
	$'000	$'000	$'000	$'000	$'000
External revenue	8,873,855	3,311,312	72,171	-	12,257,338
Inter-segment revenue	623,133	40,265	-	(663,398)	-
Total segment revenue	9,496,988	3,351,578	72,171	(663,398)	12,257,338
Profit before tax	1,927,134	423,320	(323)	-	2,350,131
Income tax expense					(680,941)
Profit for the period					1,669,190
Total segment assets	260,442,893	79,559,580	1,494,735	(65,915,094)	275,582,114
Total segment liabilities	232,992,902	67,330,670	1,443,834	(55,553,241)	246,214,165
Interest income	5,307,445	2,521,871	3,315	-	7,832,631
Operating expenses	3,560,285	2,036,755	72,432	-	5,669,472
Depreciation and amortisation	187,499	80,466	5,295	-	273,260
Capital expenditure	359,790	205,272	26,959	-	592,021

(Expressed in Jamaican dollars unless otherwise indicated)

1. Identification

JMMB Group Limited (the "company") is incorporated and domiciled in Jamaica. The registered office of the company is located at 6 Haughton Terrace, Kingston 10, Jamaica. The principal activity of the Company is that of holding equity investments in business enterprises.

JMMB Group Limited has interest in several subsidiaries which are listed below. The Company and its subsidiaries are collectively referred to as "Group".

Name of Subsidiary	% Shareholding Held by Parent/Subsidiary		Country of Incorporation	Principal Activities
	Parent	Subsidiary		
Jamaica Money Market Brokers Limited and its subsidiaries	100		Jamaica	Securities brokering
JMMB Securities Limited		100	Jamaica	Stock brokering
JMMB Insurance Brokers Limited		100	Jamaica	Insurance brokering
JMMB Real Estate Holdings Limited		100	Jamaica	Real estate holding
Capital & Credit Securities Limited		100	Jamaica	Investment holding
JMMB Fund Managers Limited		99.8	Jamaica	Fund management
JMMB International Limited		100	St. Lucia	Investment holding and management
JMMB Holding Company Limited, SRL and its subsidiaries	100		Dominican Republic	Investment holding and management
JMMB Puesto de Bolsa,S.A.		80	Dominican Republic	Securities brokering
JMMB Sociedad Administradora De Fondos De Inversion, S.A.		70	Dominican Republic	Mutual fund administration
Banco Rio De Ahorro Y Credito JMMB Bank S.A		90	Dominican Republic	Savings and loans bank
AFP JMMB BDI S.A.		50	Dominican Republic	Pension funds administration services
JMMB Bank (Jamaica) Limited	100		Jamaica	Commercial banking
JMMB Money Transfer Limited	100		Jamaica	Funds transfer
Jamaica Money Market Brokers (Trinidad and Tobago) Limited and its subsidiaries	100		Trinidad and Tobago	Investment holding company
JMMB Investments (Trinidad and Tobago) Limited and its subsidiary		100	Trinidad and Tobago	Securities brokering
JMMB Securities (T&T) Limited		100	Trinidad and Tobago	Stock brokering
JMMB Bank (T&T) Limited and its subsidiary,		100	Trinidad and Tobago	Commercial banking
Intercommercial Trust and Merchant Bank Limited		100	Trinidad and Tobago	Merchant banking

2. Summary of Significant Accounting Policies

(a) Basis of preparation

The Group's condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The condensed consolidated financial statements should be read in conjunction with the accounting policies as set out in Note 2 and 34 of the audited financial statements for the year ended 31 March 2018.

All amounts are stated in Jamaican dollars unless otherwise indicated.

Effective April 1, 2018, the Group adopted IFRS 9 "*Financial Instruments*". Prior period amounts are in accordance with IAS 39 "*Financial Instruments: Recognition and Measurement*". IFRS 9 has resulted in changes in accounting policies related to the classification, measurement and impairment of financial assets and liabilities.

IFRS 9 sets out requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 *Financial Instruments: Recognition and Measurement*. IFRS 9 largely retains the existing requirement in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held-to-maturity, loans and receivables and available for sale.

(i) Classification and measurement

Under IFRS 9, on initial recognition, a financial asset is classified as measured at amortised cost; fair value through other comprehensive income (FVOCI) – debt instruments; FVOCI – equity; or fair value through profit or loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest.

A debt investment is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and its contractual terms gives rise on specified dates to cash flows that are solely payments of principal and interest.

On initial recognition of an equity investment that is not held for trading, the group irrevocably elects on an investment-by-investment basis to present subsequent changes in the investment's fair value in other comprehensive income (OCI). All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL.

There was no effect on the measurement amounts of financial instruments as at April 1, 2018, consequent on the adoption of IFRS 9.

2. Summary of Significant Accounting Policies (continued)

(a) Basis of preparation (continued)

(ii) Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL model). The new impairment model applies to financial assets measured at amortised cost and debt instruments at FVOCI, but not to investments in equity instruments.

Under IFRS 9, loss allowances are measured on either of the following bases:

(a) 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
(b) Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Lifetime ECL measurement applies if the credit risk of a financial asset at the reporting date has increased significantly since initial recognition and 12-month ECL measurement applies if it has not.

The company has determined that the application of IFRS 9 impairment requirements at April 1, 2018 results in impairment allowance of $1,544,183,000 on financial assets as follows:

	$'000
Investment securities and resale agreements	990,302
Loans and notes receivable	553,881
	1,544,183

(b) Basis of consolidation

The consolidated financial statements include the assets, liabilities and results of operations of the company and its subsidiaries presented as a single economic entity.

Subsidiaries are all entities over which the company has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the company controls another entity. Subsidiaries are consolidated from the date on which control is attained by the Group. They are no longer consolidated from the date that control ceases.

Intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred. Accounting policies of subsidiaries are consistent with those of the Group.

The Group uses the acquisition method of accounting for business combinations. The cost of acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the consolidated statement of revenue and expenses.

2. Summary of Significant Accounting Policies (continued)

(c) Earnings per stock unit

Earnings per stock unit ("EPS") is computed by dividing profit attributable to the equity holders of the parent of J$2,033,746,000 (2017 – J$1,672,957,000) by the number of stock units in issue during the period, numbering 1,630,552,532 (2017 – 1,630,552,532).

(d) Managed funds

The Group acts as agent and earns fees for managing clients' funds on a non-recourse basis under a management agreement. At 30 September 2018, funds managed in this way amounted to J$132,242,235,029 (2017 – J$117,266,345,779).

(e) Comparative Information

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current period.

JMMB GROUP LIMITED

Share Ownership of the Directors and Executive Team Leaders

Period ended 30 September 2018

Directors	Ordinary Shareholding	Connected Parties
Donna Duncan-Scott	7,678,110	ESOP
	36,776,951	JVF O.N. LTD
	38,530,103	CONCISE O.N. LTD
Archibald Campbell	18,400	
	344,827	ODETTE CAMPBELL
Keith P. Duncan	20,591	
	59,965,366	CONCISE E.I. LTD
	40,311,674	JVF E.I. LTD
	846,745	ESOP
V. Andrew Whyte	Nil	
Wayne Sutherland	Nil	
	28,540,838	CONCISE R.I. LTD
Dennis Harris	364,277	
Dr. Anne Crick	5,234	
Hugh Duncan	4,828	
Reece Kong	Nil	
Audrey Welds	100,000	
Audrey Deer Williams	Nil	
Andrew Cocking	10,000,000	
Hugh W. Powell	57,800	
Patricia Dailey-Smith	Nil	
Patria-Kaye Aarons	Nil	
Executive Team Leaders	**Ordinary Shareholding**	**Connected Parties**
Donna Duncan-Scott	7,678,110	ESOP
	36,776,951	JVF O.N. LTD
	38,530,103	CONCISE O.N. LTD
Keith Duncan	20,591	
	846,745	ESOP
	59,965,366	CONCISE E.I. LTD
	40,311,674	JVF E.I. LTD
Carolyn DaCosta	169,069	
	141,515	ESOP
	3,357	CRAIG DACOSTA
	127,169	DERMOTT DACOSTA
	4,795	MERLINE DACOSTA
	5,237	AMANDA DACOSTA
Kisha Anderson	500,110	
	135,219	ESOP
	25,000	ELIZABETH THOMPSON
	10,000	REBEKAH HOILETT
	1,500	GAIL BARRETT
Paul Gray	80	
	763,731	ESOP
	611,003	TEVERLY GRAY
Julian Mair	239,711	ESOP
Patrick Ellis	239,872	ESOP
Janet Patrick	18,432	
	854,461	ESOP
Hugh Duncan	4,828	
Damion Brown	210,677	ESOP
Kerry Ann Stimpson	780,032	ESOP
Claudine Tracey	908,000	ESOP
Peta-Gaye Bartley	847,260	ESOP
Gregory Hines	Nil	

JMMB GROUP LIMITED

Top 10 Largest Shareholders of the JMMB Group

Period ended 30 September 2018

Name of Shareholder	Number of Shares	Percentage Ownership
NCB CAPITAL MARKETS (IN ESCROW)	326,277,325	20.01%
TRUSTEES JMMB ESOP	149,238,338	9.15%
COLONIAL LIFE INSURANCE CO (TRINIDAD) LTD	103,453,776	6.34%
PANJAM INVESTMENTS LIMITED	100,800,000	6.18%
NATIONAL INSURANCE FUND	79,672,997	4.89%
CONCISE E.I. LTD	59,965,366	3.68%
SJIML A/C 3119	56,372,550	3.46%
JVF O.E. LTD	44,484,372	2.73%
JVF E.I. LTD	40,311,674	2.47%
CONCISE O.N. LTD	37,530,103	2.30%
Total	**998,106,501**	**61.21%**