

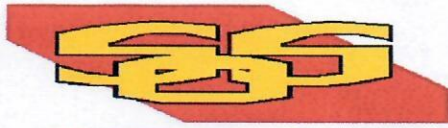


**STATIONERY &
OFFICE SUPPLIES
LTD.**

23 BEECHWOOD AVENUE, KINGSTON 5, JAMAICA
TELEPHONE: (876) 926-5688 • FAX (876) 968-8200
www.sos.com.jm

**AUDITED FINANCIAL STATEMENTS – FOR THE
YEAR ENDED DECEMBER 31ST, 2018**





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The Board of Directors of Stationery & Office Supplies is pleased to present the audited results for the company for the year & 4th quarter ended December 31st, 2018.

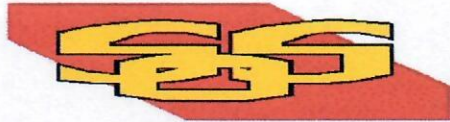
At the beginning of 2018 the management of SOS set some very ambitious goals and expectations for where we wanted the company to be by the end of the year and we are proud to say that most of these goals were accomplished. Some of the firsts experienced by SOS during 2018 include:

- I. Annual revenues of over JA \$1B
- II. Highest sales figure in any month in the history of SOS of \$103M
- III. The entry into the manufacturing sector in May (SEEK)
- IV. Highest quarterly sales figure in the history of SOS of \$280M

By the end of 2018, SOS posted final numbers showing tremendous growth over the previous year. It should be noted that with our entry into the manufacturing division there were a number of one-time expenses that resulted in increased expenses and lowered the pre-tax profits. That being said, the future for the SEEK product line looks promising

#	ITEM	2017	2018	% INCREASE
1	REVENUE	\$ 90,650,588.00	\$ 1,064,360,671.00	17%
2	GROSS PROFIT	\$ 423,013,434.00	\$ 504,850,241.00	19%
3	EXPENSES	\$ 340,731,856.00	\$ 419,528,021.00	23%
4	PRE-TAX PROFIT	\$ 82,281,578.00	\$ 84,982,409.00	3%
5	INVENTORY	\$ 158,707,704.00	\$ 215,160,638.00	35%

The 4th quarter of 2018 was our weakest quarter for the year. Revenues were up over the 4th quarter of 2017 but with higher expenses, SOS experienced a loss in the 4th quarter for the first time in years. During this quarter SEEK, which saw an upward trend in sales during the 3rd quarter due to the back to school rush, saw its sales flatline. The lack of sales for SEEK put a dent in the final pre-tax figures and accounted for some of the losses incurred during the



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quarter. During December SOS also paid out well deserved bonuses to all its employees for their hard work and dedication throughout the year.

#	ITEM	4 th QUARTER 2017	4 th QUARTER 2018	% INCREASE/DECREASE
1	REVENUE	\$242M	\$262.7M	8%
2	EXPENSES	\$89.1M	\$114.5M	30%
3	PRE-TAX PROFIT	\$19.4M	\$3.6M-	81%-

FINANCIAL POSITION

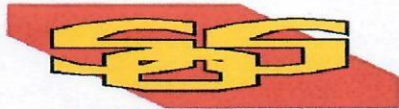
At the end of the year SOS increased its total assets by 25% growing from \$554M at the end of 2017 to \$697M at the end of 2018. This growth was reflected in all areas with the highest increases being in inventories which rose by 19% and bank & cash which rose by 500% (\$8m - \$48.5M)

Earnings per share at the end of 2018 was \$.37 a decrease of \$.01 from the \$.38 experienced at the end of 2017. This was due to the fact that a diluted share figure was used in 2017 due to the restructuring of the company.

We wish to thank all of our valued partners, customers and especially our shareholders for your continued support throughout the year.

Allan McDaniel
Deputy Managing Director

Marjorie McDaniel
Chief Administrative officer & Company Secretary



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SOS TOP 10 SHAREHOLDERS AS OF DECEMBER 31ST, 2018

#	SHARE HOLDER	SHAREHOLDING	% SHARES ISSUED
1	OUTLOOK LIMITED	200,096,400.	80
2	ANJANETTE MARIANNA MCDANIEL	5,650,040.	2.3
3	KIW INTERNATIONAL LIMITED	3,000,000.	1.2
4	JASON CARL CARBY	2,510,000.	1.0
5	JNBS PENSION TRUSTEES NOMINEE LTD.	2,240,650.	0.9
6	KENDALL MARIE TODD	1,744,000.	0.7
7	MIRAH JESSICA LIM TODD	1,480,000.	0.6
8	MF & G ASSET MANAGEMENT LTD. - NCB CM UNIT TRUST SCHEME (JMD CARIBBEAN EQUITY PORTFOLIO)	1,192,373.	0.5
9	ANTHONY DOUGALL	1,168,443.	0.5
10	BRIDGETOWN MANAGEMENT SERVICES LTD	1,002,179.	0.4

DIRECTORS SHARE HOLDINGS AS OF DECEMBER 31ST, 2018

#	DIRECTORS NAMES	SHAREHOLDING	CONNECTED PARTY	SHAREHOLDING
1	DAVID MCDANIEL	NIL	OUTLOOK LTD	200,096,400.
2	MARJORIE MCDANIEL	NIL	OUTLOOK LTD	200,096,400.
3	ALLAN MCDANIEL	NIL		
4	KELLI MUSCHETT	NIL	OUTLOOK LTD	200,096,400.
5	STEPHEN TODD	NIL	OUTLOOK LTD	200,096,400.
6	KERRI TODD	NIL	OUTLOOK LTD	200,096,400.
7	ANTHONY BELL	NIL	-	
9	GARY HENDRICKSON	NIL	-	
10	R. EVAN D. THWAITES	28,165.	-	

SENIOR MANAGERS SHARE HOLDING AS OF DECEMBER 31ST, 2018

#	SHARE HOLDER	SHAREHOLDING	% SHARES ISSUED
1	BRUCE W. BAYLIS	300,000.	0.12
2	DENISE MCINTOSH	295,650.	0.12