QWI Investments Directors report on the results for the period ended September 2019

The year 2019 to date has been an exciting one for QWI Investments Ltd (QWI) with a number of positive developments taking place that benefited the company. The highlight for the year was our successful Initial Public Offering in August, which was oversubscribed and raised, after upsizing, approximately $1.2 billion from 4800 investors. As a result of the issue, shareholders' equity increased to $1.96 billion at the end of the September.

QWI Investments was incorporated in December 2018 but has its fiscal year ending in September, to coincide with that of Jamaican Teas that controls the largest block of shares. In March and April 2019, the company acquired all the quoted investments held by Jamaican Teas and KIW International valued at $465 million at the time of purchase. By the time of the IPO, the net value of the portfolio had moved to $800 million and we closed the fiscal year end with $2.3 billion including the net proceeds from the IPO.

After operating expenses, the company closed September with a surplus of $343 million or 73 cents per share with the September quarter recording a profit before tax of $229 million or 49 cents per share. The company's performance for the period was influenced mainly by another year of strong performance by the Jamaica Stock Exchange which as at Sept 30, 2019 is where the company held all its invested capital. Between January and September 2019, the main market index gained more than 40%, while the Junior Market returned 8.8%.

Developments after the year end| Since receipt of the IPO proceeds in October, the Company has reduced its borrowings and has been acquiring new investments both locally and overseas. With the successful IPO, the company's investment portfolio is more balanced, in line with our expectations, and as we continue to acquire assets in overseas markets will become more diversified both geographically and by sector.

QWI's objective is to provide attractive returns to Shareholders, and preserve capital by maintaining a diversified portfolio of investments locally and overseas. The Company invests primarily in securities of companies listed on the JSE and on other recognised overseas stock exchanges with a medium to long term investment horizon

We look forward to the future with confidence and extend our warmest welcome to our new shareholders and thank you for the confidence placed in us. We also thank the individuals and institutions who worked diligently to make the public issue the success that it was.

Yours Truly

John Jackson
Director

John Mahfood
Director

26 November 2019