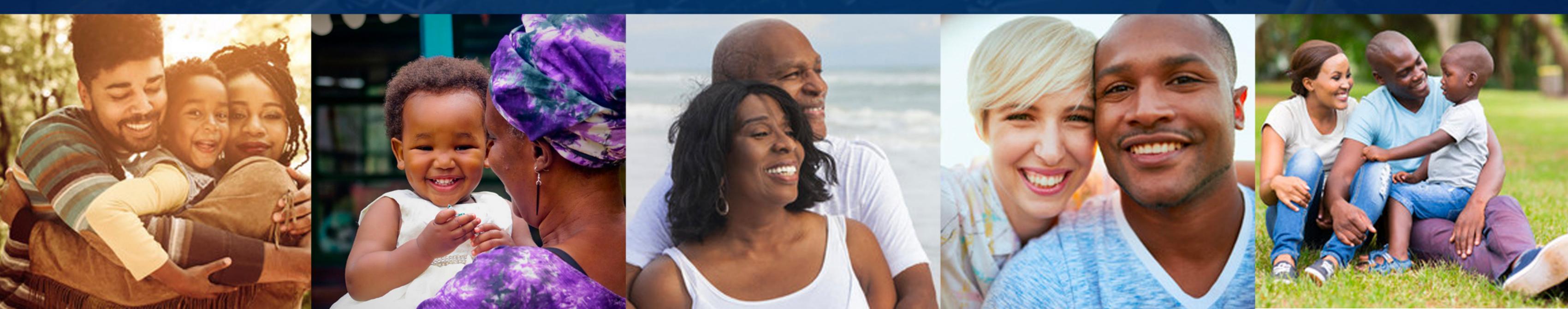
For the Three Months Ended

December 31, 2019

(Unaudited)



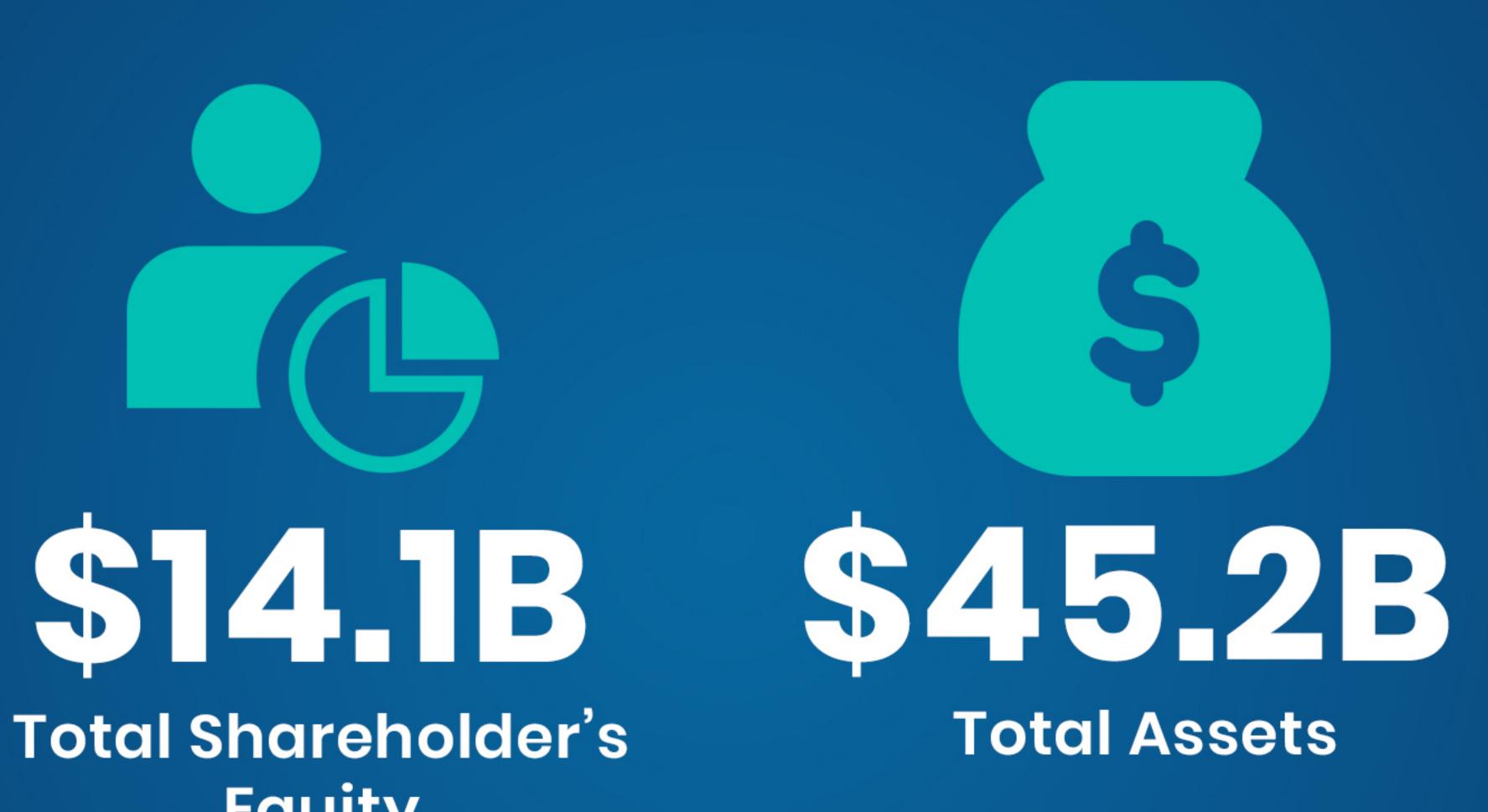
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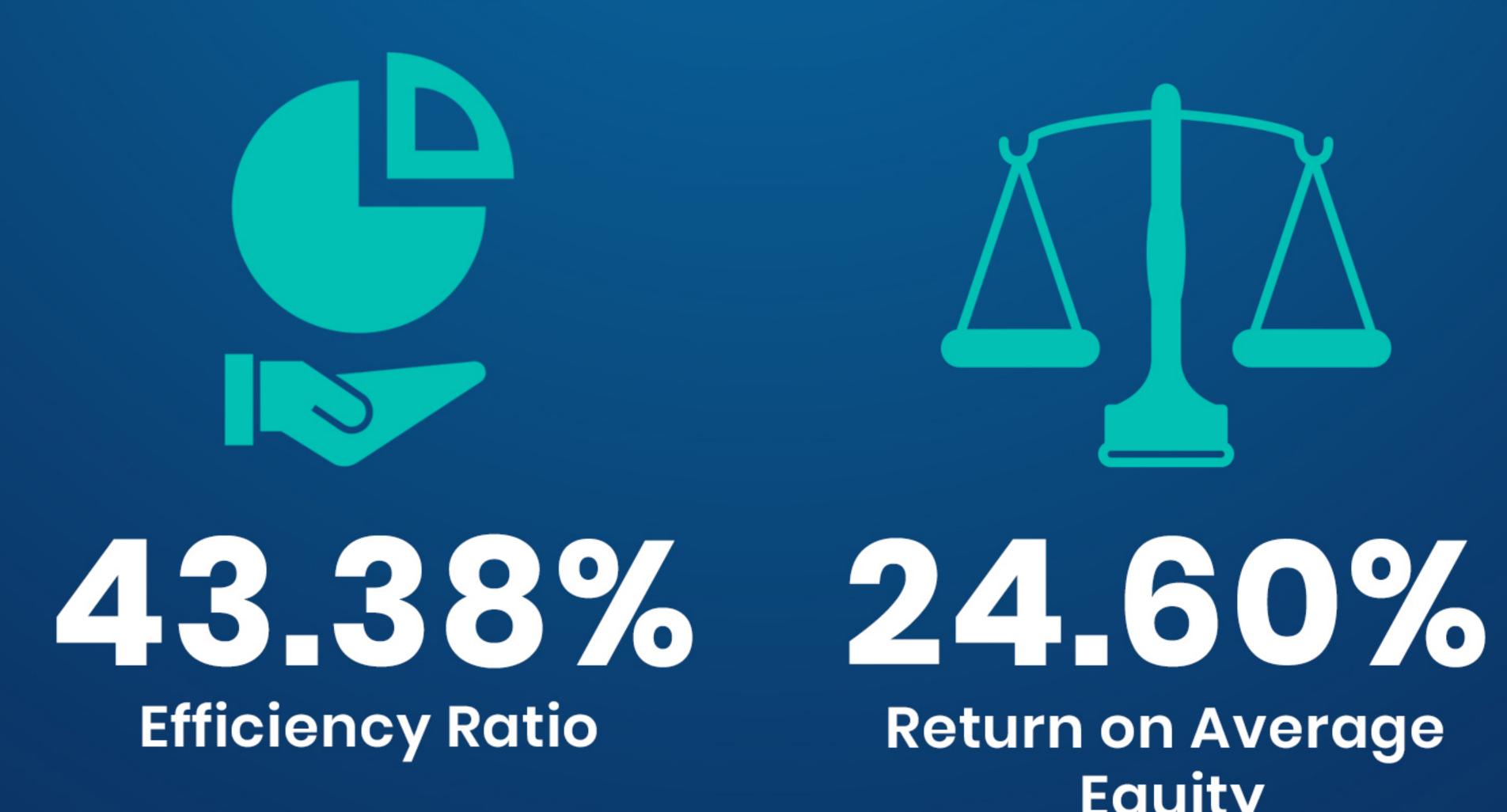














For the Three Months Ended December 31, 2019 (Unaudited)

\$1.1B
Net Operating
Revenue

\$0.5B
Net profits

\$14.1B Total Shareholder's Equity \$45.2B Total Assets 43.38%
Efficiency
Ratio

24.60% Return on Average Equity















Chairman's Statement

Mark Myers, Chairman

The Board of Directors of Barita Investments Limited is pleased to present the Group's unaudited financial statements for the three months ending December 31, 2019 ("Q1 FY 2020"). For Q1 FY 2020, the Group reported net profits of \$503 million which represented a 382% increase over net profits of \$108.4 million for the corresponding period ended December 31 2018 ("Q1 FY 2019").

The first quarter of FY 2020 reflected the continued effects of the overhaul of Barita's business strategy to include increased capitalization and the addition of new business lines which took place during FY 2019. Q1 FY 2020 showed robust growth across most core business lines as the Group continues to focus on customer engagement and acquisition, revenue diversification and efficiency through operational excellence. As Barita enters the 2nd Quarter, increased focus will be placed on Talent Management and Succession Planning. We recruited a Senior Human Resource Executive to spearhead this important initiative. Developing our talent and creating a culture of agile leadership will be critical in facilitating the expansion of the business.

Net profit for Q1 FY 2020 translated to earnings per share (EPS) of \$0.61, relative to a restated \$0.17 per share for Q1 FY 2019. The quarter's outturn brought twelve months trailing net profits to J\$2.1 billion which translated to Return on Average Equity of 24.6%.

As a company regulated by the Financial Services Commission that is also listed on the Jamaica Stock Exchange, the Board recognizes the importance of having a robust corporate governance structure in place consistent with regulatory standards and best practices. The Board has affirmed its commitment in this regard by overseeing the implementation of a number of initiatives over the last financial year as it sought to strengthen the governance, risk management and management depth of the Company. The recruitment of a Chief Risk Officer in November 2019 with risk management oversight coupled with the engagement of KPMG to assist with the updating of several critical policies and procedures, were critical initiatives executed during the last two quarters. The lynchpin of the initiatives, which will underpin the risk management and general investment activities of the Company going forward, is the improvement of the Group-wide Enterprise Risk Management framework, which is being done with the assistance of Ernst & Young.



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Operating Performance

Net Interest Income:

Net Interest Income recorded an \$85 million (68.8%) increase year-over-year for Q1 FY 2020 to \$208.6 million. The increase was principally driven by continued increase in our balance sheet assets due to the continued deployment of the capital raised and the rebalancing of our on-book portfolio.

Non-Interest Income:

Non-interest income grew by 241.7% or \$652.8 million, to \$922.9 million relative to \$270.1 million reported for Q1 FY 2019. This growth was primarily driven by an increase in Fees and Commission Income of \$420.2 million or 265% versus Q1 FY 2019 to \$578.7 million. Non-interest income as a percentage of net revenues, rose to 81.6% from 68.6% in the corresponding period of FY 2019 reflecting the continued effects of the Group's revenue diversification strategies.

Gain on Investment Activities & Foreign Exchange Trading:

This business segment relates to the management of our cambio and proprietary trading portfolio, and closed the period at \$309.6 million registering a 8.2% or \$23.4 million increase to when compared with \$286.3 million reported for the same period in the prior financial year. This was largely driven by realized securities trading gains of \$138.8 million, and foreign exchange trading income (\$57.5 million). These two revenue segments registered a 123.6% or \$108.5 million increase in Q1 FY 2020 versus the \$196.3 million posted in the corresponding FY 2019 period. Unrealized securities trading income totalled \$113.3 million for FY 2020.

Fees & Commission Income:

The performance of fees and commission income rose by 265% to \$578.7 million in Q1 FY 2020 relative to the prior period's result of \$158.5 million. The sharp rise in fee income was primarily driven by the Group's continued activity in the fairly new Investment Banking business line and the continued growth of the asset management business. We expect this business line to continue to be an area of consistent and above trend growth for Barita, through support of both the product and deal pipeline in the asset management and investment business lines respectively.

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FX Translation Losses:

Our local currency appreciated against the United States ('US") dollar during Q1 FY 2020. Our improved focus on actively managing the Group's foreign exchange exposure resulted in the Group earning foreign exchange translation gains of \$30 million when compared to the losses of \$179.5 million recorded in the corresponding period last year.

Dividend Income:

Dividend income closed the reporting period at \$3.2 million, a 20.6% decline over the Q1 FY 2019's figure of \$4.1 million.

Operating Expenses:

Operating Expenses for Q1 FY 2020 stood at \$490.9 million, a \$288.6 million or 142.6% YoY increase. The rise in Operating expenses was driven by the continued investment in the resources necessary to achieve the Group's strategic initiatives. Staff Related Costs rose by \$77.2 million to \$202.5 million for the quarter due to talent retention and acquisition initiatives. There was also a rise in administrative costs associated with our increased Marketing and Branding efforts as well as facility improvements. For Q1 FY 2020 administrative expenses increased 197.5% to \$247.4 million, relative to \$83.2 million in the prior period. Finally, the Group recorded expected credit losses associated with the proprietary bond and credit portfolios amounting to \$40.9 million. Our efficiency ratio closed the quarter at 43.38%, relative to 51.38% for the comparable period in the prior financial year.

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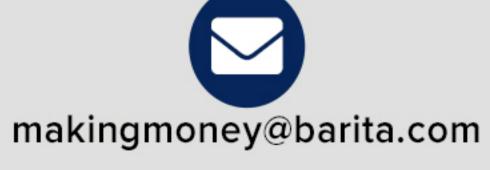














Balance Sheet Highlights

Total Assets:

Due largely to an \$11.3 billion growth in marketable securities, Barita's on-book asset base rose materially to \$45.2 billion as at December 2019 versus \$18.9 billion as at the prior period ended December 2018. This reflects a year-on-year change of 139.2% or \$26.3 billion, largely funded by the material growth year-over-year in the company's capital base and repurchase agreement liabilities.

Total Liabilities:

To fund the increase in total assets, this line increased by 97.5% or \$15.5 billion to \$31.3 billion when compared with December 2018, resulting largely from a 100.3% increase in repo liabilities to \$28.3 billion.

Shareholders' Equity:

The equity base of the Group grew significantly, rising by 361.6% or \$11.0 billion year-on-year to close the reporting period at \$14.1 billion. The growth in shareholders' equity is fuelled by:

1.

The injection of \$4 billion in additional equity in the Group, arising from the non-renounceable rights issue which was successfully closed in March 2019;

2.

The issuance of \$1 billion in non-cumulative, non-redeemable preference shares during the third quarter of FY 2019. This qualifies as tier 1 capital for the Group; and

3.

The injection of \$5.2 billion in additional equity in the Group, arising from the renounceable rights issue which was successfully closed in September 2019

For the Three Months Ended December 31, 2019 (Unaudited)

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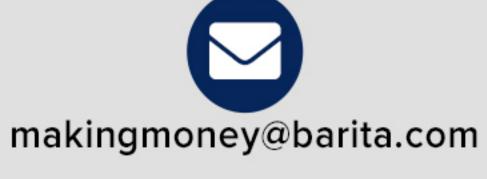














Outlook

Throughout the quarter ending in December 2019, local investment markets continued to show the effects of strong investor, consumer and business confidence, stable and predictable monetary policy, and prudent fiscal management. Interest rates remained range bound near recent lows, and local equity markets continued to benefit from heavy activity with new Initial Public Offerings ("IPO's") attracting significant capital from the investing public. The Bank of Jamaica ("BOJ") left its policy interest rate unchanged during the quarter at 0.50%, while the Jamaican dollar traded in a wide range during the quarter against the United States dollar (between J\$131.53: US\$1.00 and J\$142.23: US\$1.00). This reflected an appreciation by \$2.59 or 1.92% over the quarter to close at J\$132.57 as per the BOJ's weighted average selling rate.

The external investment landscape continued to be largely driven by the impact of geopolitics and trade factors. The International Monetary Fund (IMF) forecasted in October 2019 that global growth would fall to 3.0% for 2019, its lowest level since 2008–09, on the back of rising global trade tensions. The final quarter of the year was however characterised by greater optimism as corporate earnings growth in developed markets topped expectations and the US & China announced progress with their trade negotiations.

We continue to remain optimistic about the opportunities before us to drive growth, diversification and sustainability in our revenue base. We will continue throughout the next several quarters to prudently manage the company's asset base in the context of the emerging risks in our operating environment.

Mark Myers

Chairman

January 28, 2020

For the Three Months Ended December 31, 2019 (Unaudited)

\$1.1B Net Operating Revenue \$0.5B
Net profits

\$14.1B Total Shareholder's Equity \$45.2B Total Assets 43.38%
Efficiency
Ratio

24.60% Return on Average Equity













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CONSOLIDATED Profit & Loss Statement As At December 31, 2019	UNAUDITED 3 Months Ended December 31, 2019 \$'000	UNAUDITED 3 Months Ended December 31, 2018 \$'000
Net interest income	208,621	123,605
Fees and commission income	578,733	158,548
Foreign exchange trading and translation gains/(losses)	87,475	(156,034)
Gain/(loss) on investment activities (Note 2)	252,140	262,756
Dividend income	3,222	4,057
Other income	1,379	810
Net operating revenue	1,131,569	393,742
Operating expenses		
Staff costs Administration Impairment/expected credit loss (ECL)	202,539 247,412 40,961	125,373 83,157 (6,214)
Profit before taxation	490,911 640,658	202,316 191,425
Taxation	(137,686)	(83,000)
NET PROFIT/(LOSS) FOR THE PERIOD	502,972	108,425
Number of shares in Issue	818,878	652,703

Financial Results

Earnings per stock unit

0.61

0.17

For the Three Months Ended December 31, 2019 (Unaudited)

\$1.1B Net Operating Revenue \$0.5B
Net profits

\$14.1B Total Shareholder's Equity \$45.2B Total Assets 43.38%
Efficiency
Ratio

24.60% Return on Average Equity















CONSOLIDATED Statement of Financial Position As At December 31, 2019	Unaudited December 2019 \$'000	Unaudited December 2018 \$'000	Audited September 2019 \$'000
ASSETS			
Cash and bank balances	768,404	446,103	787,920
Securities purchased under resale agreements	8,934,300	3,947,055	14,678,974
Marketable securities	16,568,696	5,256,266	9,366,586
Pledged assets	11,916,149	7,535,716	10,928,445
Interest receivables	344,667	200,653	219,681
Loan receivables	849,188	414,334	751,846
Receivables	1,975,083	717,986	741,816
Taxation recoverables	53,422	6,701	6,701
Due from related parties	1,864,687	71,002	1,624,584
Property, plant and equipment	413,847	254,595	353,275
Intangible assets	33,531	9,090	33,531
Investments	1,511,295	55,000	1,511,295
Total assets	45,233,270	18,914,501	41,004,654
LIABILITIES AND SHAREHOLDERS' EQUITY Liabilities			
Bank overdraft	12,291	117,793	71,819
Securities sold under repurchase agreements	28,347,216	14,149,397	24,033,915
Interest payable	57,536	57,657	58,895
Payables	879,095	855,475	1,739,686
Due to related parties	357,665	6,126	77,711
Taxation	802,412	87,281	730,500
Deferred tax liabilities	676,213	586,013	622,850
Total Liabilities	31,132,429	15,859,742	27,335,376
Shareholders' Equity			
Share capital	10,880,310	740,427	10,699,381
Capital reserve	111,465	93,133	111,466
Fair value reserve	432,908	328,339	685,248
Capital redemption reserve	220,127	220,127	220,127
Retained earnings	2,456,031	1,672,733	1,953,056
Total shareholders' equity	14,100,841	3,054,759	13,669,278
Total liabilities and shareholders' equity	45,233,270	18,914,501	41,004,654

Mark Myers Chairman

Carl Domville

Director

For the Three Months Ended December 31, 2019 (Unaudited)

\$1.1B Net Operating Revenue \$0.5B
Net profits

\$14.1B Total Shareholder's Equity \$45.2B Total Assets 43.38%
Efficiency
Ratio

24.60% Return on Average Equity















CONSOLIDATED

Statement of Changes In Equity

For the 3 Months Ended December 31, 2019

Balance at 30 September 2018	Share Capital \$'000 740,427	Capital Reserve \$'000 93,133	Fair Value Reserve \$'000 910,697	Capital Redemption Reserves \$'000 220,127	Retained Earnings \$'000 1,101,687	Tot \$'00 3,066,07
Cumulative transition effect of IFRS 9 Adoption Balance at 1 October 2018	740,427	- 93,133	(475,667) 435,030	- 220,127	462,621 1,564,308	(13,046 3,053,02
TOTAL COMPREHENSIVE INCOME Net profit for the period Other comprehensive Income			- (106,691)		108,425	108,42
Total comprehensive income for the period	-		(106,691)	7	108,425	1,73
TRANSACTIONS WITH OWNERS Proposed dividend Balance at 31 December 2018	740,427	- 93,133	- 328,339	- 220,127	- 1,672,733	3,054,75
Balance at 30 September 2019	10,699,381	111,466	685,248	220,127	1,953,056	13,669,27
TOTAL COMPREHENSIVE INCOME Net profit for the period Other comprehensive Income Total Comprehensive Income for the period	<u></u>		(252,340) (252,340)		502,972 - 502,972	502,97 (252,34 250,63
TRANSACTIONS WITH OWNERS Paid-in Capital	181,279 181,279	= 23	=2			181,27 181,27
Balance at 31 December 2019	10,880,310	111,465	432,908	220,127	2,456,031	14,100,84

For the Three Months Ended December 31, 2019 (Unaudited)



\$0.5B
Net profits

\$14.1B Total Shareholder's Equity

\$45.2B Total Assets 43.38% Efficiency Ratio 24.60%
Return on Average
Equity















STATEMENT OF

Comprehensive Income

For the 3 Months Ended Decemer 31, 2019

	UNAUDITED 3 Months Ended December 31, 2019 \$'000	UNAUDITED 3 Months Ended December 31, 2018 \$'000
Profit for period	502,972	108,425
Unrealised gain on available-		
for resale investments net of		
taxes	(252,340)	(106,691)
Total comprehensive income	250,632	1,734

For the Three Months Ended December 31, 2019 (Unaudited)

\$1.1B **Net Operating** Revenue

\$0.5B **Net profits**

\$14.1B Total Shareholder's Equity

\$45.2B **Total Assets**

Efficiency Ratio

43.38% 24.60% Return on Average Equity















CONSOLIDATED Statement of Cash Flows	<u>Unaudited</u> 3 Months Ended December 31,	Unaudited 3 Months Ended December 31,
As At December 31, 2019	2019	2018
	\$'000	\$'000
Cash Flows from Operating Activities		
Net Profit	502,972	108,425
Adjusted for:		50
Depreciation	10,039	6,130
Effect of exchange gain/loss on foreign balances	(29,995)	179,528
Impairment/expected credit losses (ECL)	40,961	(6,214
FMV gains/losses - equity	(113,294)	(198,430
Interest income	(418,933)	(253,063
Interest expense	210,313	129,458
Income tax expense	137,686	83,000
	339,748	48,834
Changes in operating assets and liabilities:		
Marketable securities	(8,284,953)	303,247
Securities purchased under resale agreements	5,744,674	(11,564
Securities sold under repurchase agreements	4,313,301	(164,922
Receivables	(1,317,753)	(280,967
Loans receivable	(97,342)	(11,270
Payables	(860,591)	83,496
Due from related companies	39,851	(1,128
	(123,064)	(34,274
Interest received	293,947	266,156
Interest paid	(211,672)	(120,022
Income tax paid	(28,009)	(89,680
Cash provided by operating activities	(68,798)	22,180
Cash flows from Investing/financing Activities		
Treasury shares acquired	181,278	
Purchase of property, plant and equipment	(70,611)	(17,192
Cash provided by investing/financing activities	110,666	(17,192
Effect of exchange rate on cash and cash equivalents	(1,856)	(10,053
Decrease/(increase) in net cash and cash equivalents	40,012	(5,065
Net cash and cash equivalents at beginning of year	716,101	333,374
Net cash and cash equivalents at beginning of year	756,113	328,309

For the Three Months Ended December 31, 2019 (Unaudited)



\$0.5B
Net profits

\$14.1B Total Shareholder's Equity

\$45.2B
Total Assets

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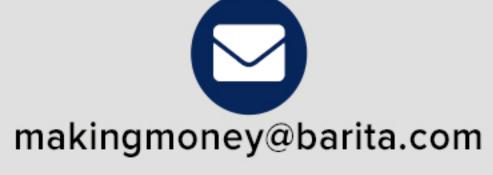








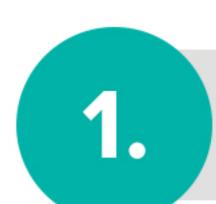






Notes to the Unaudited Financial Statements

December 31, 2019



Statement of compliance and basis of preparation

Interim Financial Reporting

The condensed consolidated interim financial statements (interim financial statements) for the quarter ended December 31, 2019 have been prepared in accordance with IAS 34, 'Interim financial reporting'. The interim financial statements should be read in conjunction with the annual financial statements for the year ended September 30, 2019, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). They are also prepared in accordance with requirements of the Jamaican Companies Act.

The Group has adopted the following standards and amendments to standards, which became effective during the current financial year:

IFRIC 23, 'Uncertainty over Income Tax Treatments '

The interpretation clarifies how to apply the recognition and measurements requirements in IAS 12 when there is uncertainty over tax treatments. In such a circumstance, an entity shall recognize and measure its current or deferred tax asset or liability applying the requirements in IAS 12 based on taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined in applying this interpretation.

The Group is currently assessing the impact of this amendment on the 2020 financial statements.

IFRS 16, 'Leases'

The standard primarily addresses the accounting for leases by lessees. The standard will result in almost all leases being recognised on the statement of financial position, as it removes the current distinction between operating and finance leases and requires recognition of an asset (the right to use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short term and low-value leases. The accounting by lessors will not significantly change.

The Group is assessing the impact that the standards will have on its 2020 financial statements.



For the Three Months Ended December 31, 2019 (Unaudited)



\$0.5B
Net profits

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Notes to the Unaudited Financial Statements December 31, 2019 (Continued)



Gains/(Losses) on Investment Activities

	Unaudited 3 Months to December 31, 2019	Unaudited 3 Months to December 31, 2018
Gains/(Losses) on sales of investments FMV Gains on Equity Portfolio	138,846 113,294 252,140	64,326 198,430 262,756

Gains/(Losses) on investment activities include \$113,294,000 related to equity investments under IFRS 9, which was adopted by the Group on October 1, 2018.

3. Earning per Share

The Group's earnings per share is calculated by dividing the net profit attributable to ordinary shareholders of \$503,000,000 by the weighted average number of ordinary shares in issue during the period of 818,878,000 shares.

