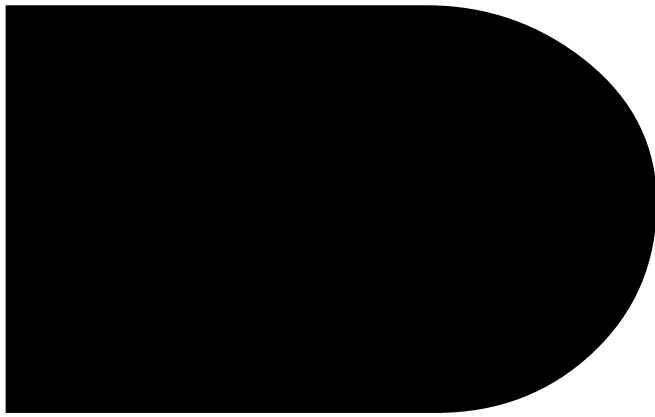


**THE INVESTMENT
MAGAZINE**

by: PROVEN Investments Limited

.....
DECEMBER 2020 EDITION



UNAUDITED FINANCIAL RESULTS

FOR THE NINE-MONTH PERIOD ENDED DECEMBER 31, 2020

The Board of Directors of **PROVEN Investments Limited ("PIL")** is pleased to report its **Unaudited Financial Statements for the nine-month period ended December 31, 2020.**

FINANCIAL HIGHLIGHTS

US\$6.31 million	—	Net Profit Attributable to Shareholders
US\$0.01	—	Earnings Per Share
US\$649.73 million	—	Consolidated Total Assets
6.80%	—	TTM Return on Average Equity
64.57%	—	Efficiency
US\$0.0012 per share	—	Quarterly Approved Dividend

Financial Performance

PIL registered a commendable and resilient performance for the period ended December 31, 2020, notwithstanding significant economic uncertainty and a broad range of potential outcomes. Net Profit attributable to Owners of the Company (NPAO) for the period amounted to US\$6.31 million, down 25.5% compared to the normalized profit of US\$8.47 million recorded for the period ended December 31, 2019. The decline in NPAO primarily reflects a decrease in Net Interest Income and Fees and Commission Income, emanating from a reduced equity holding in Access Financial Services Limited and lower business activity.

PIL is well positioned to benefit from the expected business cycle recovery over the next year and beyond. Subsequent to the quarter end, the Company completed a successful equity raise of approximately US\$30 million, following the Board of Directors approval for the issuance of 134,124,037 in new Ordinary Shares. This will allow PIL to capitalize on opportunities within its pre-existing robust pipeline. This pipeline execution is evidenced by the signing of an Agreement for Sale and Purchase of Shares on December 30, 2020 to acquire 50.5% of the common equity of Roberts Manufacturing Co. Limited (RMCL) for a consideration of US\$21.45 million. Transaction closure is now pending regulatory approvals. The company continues to benefit from its diversified business model and maintains its commitment to execution of core growth strategies and the protection of our stakeholders.

Performance Drivers

PIL operates under three distinct business strategies, namely, (1) Private Equity (Financial Services and Real Sector), (2) Real Estate and (3) Treasury/PIL Proprietary.

1. Private Equity

JMMB Group Limited (JMMB)

PIL acquired 20.01% of the participating voting shares in JMMB in December 2018 and thereafter opted to maintain its 20.01% equity stake through its participation in the additional public offering (APO) which closed in November 2019. JMMB is an associate company and contributed an estimated US\$5.34 million in the form of Share of Profit for the period ended December 31, 2020. This Share of Profit represents the gross income which excludes any estimates of its proportionate share in the

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UNAUDITED FINANCIAL RESULTS

FOR THE NINE-MONTH PERIOD ENDED DECEMBER 31, 2020

earnings of an Associate Company for the quarter ended December 31, 2020, which could not be quantified, neither does it include any interest cost associated with the investment. JMMB's expanding presence in the onshore banking and insurance sub-industry within the region is consistent with PIL's ongoing strategy to diversify the portfolio of investments across the twenty-four (24) countries of the Caribbean and Latin America.

PROVEN Wealth Limited (PWL)

PWL reported Profit Attributable to Equity Holders of US\$1.82 million on total Revenues of US\$7.71 million for the period ended December 31, 2020. Non-Net Interest Income accounted for 72.1% of Total Income, reflecting successful execution of the company's strategy to diversify revenue streams and reduce reliance on the repurchase agreement business. Pension Management Income, Fees and Commission and Interest Income were the top performing line items during the period. Total Administrative and General Expenses amounted to US\$5.06 million, accounting for 37.0% of total Group Operating Expenses. Total Assets experienced a decline of 6.45% year over year to US\$110.21 million as at December 31, 2020. The decline in assets was primarily attributed to declines in Investments and Reverse Repurchase Agreements. The 8.60% reduction in Investments reflected efforts to realise trading gains and boost liquidity.

PWL continues to focus on its strategy to grow its off-balance sheet wealth and advisory management business by offering innovative investment solutions to clients. PWL is also heavily focused on improving its operating efficiency aided by leveraging technology and FinTech such as its Proven Wealth App, IPO Pro and Global Trading Platform and the implementation of a new operating system.

BOSLIL Bank Limited (BOSLIL)

PIL currently owns 75.0% of the equity of BOSLIL Bank Limited. The Bank recorded an impressive performance despite the challenging operating environment as Net Profit totalled US\$5.77 million, resulting in US\$4.29 million in Profit Attributable to Equity Holders being realized. The boost in Net Profit was predominantly driven by more than a two-fold increase in Securities Trading Income to US\$3.53 million. Notable also is that Net Interest Income and Other Income accounted for 35.5% and 64.5% of Revenues respectively, reflecting the company's success in diversifying earnings in the overarching low interest rate climate.

BOSLIL's Efficiency Ratio improved from 46.4% as at December 2019 to 34.6% as at December 2020 due mainly to a 17.0% decline in expenses and a 11.2% increase in Revenues year-over-year. Total Administrative and General Expenses amounted to US\$3.06 million, accounting for 22.4% of total Group Operating Expenses. Total Assets of the Bank declined by 9.3% year over year to US\$291.70 million as at December 2020, mainly due to the 20.3% y-o-y reduction in the investment portfolio driven by efforts to boost trading gains and increase liquidity. BOSLIL's overall performance was mainly driven by growth in its core business, reflecting continued improvements in asset-liability management and cost synergies which resulted in the Bank posting an increase of 35.7% in Net Profit over that reported in the period ended December 31, 2019.

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UNAUDITED FINANCIAL RESULTS

FOR THE NINE-MONTH PERIOD ENDED DECEMBER 31, 2020

International Financial Planning Limited (IFP)

IFP is a licensed independent investment advisor with offices in Cayman, Bermuda and the British Virgin Islands that caters to a variety of investors ranging from medium to high net-worth individuals. The company reported a Net Loss of US\$0.05 million compared to a gain of US\$0.69 million earned in the same period last year. This decline in Net Profit is primarily due to a 41.4% decline in the company's revenue line-item Fees and Commission. This was due to a decline in client activity as a result of the challenging macroeconomic environment. PIL continues its process of re-engineering this business and anticipates revenue enhancement and cost synergy measures to bear fruit in the medium to long term. IFP operations are entirely focused on fee based off balance sheet activities, and as a result 96.3% of its revenue is derived from fees and commission which contributed 50.5% to the overall Fees and Commission reported by PIL for the period ended December 31, 2020.

Access Financial Services Limited (AFSL)

AFSL is recognized as an associate company resulting in the recognition of a share of its profit, instead of a consolidation of its results into PIL's Consolidated performance. AFSL's contribution for the financial period ended December 31, 2020 amounted to US\$0.22 million.

Dream Entertainment Limited (DREAM)

In February 2019, PIL acquired a 20.0% equity stake in DREAM. The greater part of 2020 was spent on restructuring the Dream organisational structure to improve operating efficiency while realising some level of integration into the PIL structure. During the period ended December 2020 the focus shifted to managing cashflow as it navigates the COVID-19 Pandemic while realising the benefits of the restructuring initiatives undertaken in the prior year. The Management of Dream remains confident and looks forward to the reopening of the Entertainment Sector.

2. Real Estate

Real Properties Limited (RPL)

RPL reported Profit Attributable to Equity Holders of US\$1.77 million. This performance contributed 28.1% to the Group's NPAO and represents an increase of 24.4% to the comparable period last year. The increase was mainly driven by revaluation of investment properties along with income from unit sales and rental income. Total assets stood at US\$42.69 million, compared to US\$36.51 reported at December 31, 2019, which represents an increase of 16.9%. The Company continues to diversify its portfolio of real estate holdings which as at December 31, 2020, included five (5) rental income properties and seven (7) development sales projects, all at various stages of the development cycle. RPL continues to closely monitor the local and international real estate markets for new opportunities while making the requisite adjustment to successfully navigate the uncertainties associated with developments around COVID-19.

UNAUDITED FINANCIAL RESULTS

FOR THE NINE-MONTH PERIOD ENDED DECEMBER 31, 2020

Residential Development	Location	Description	Status/Projected Completion Date
The César	21 Millsborough Avenue, Kingston 6	6 Villas & 9 Apartments	August 2021
VIA at Braemar	19-21 Braemar Avenue, Kingston 5	99 Apartments (51 Studios, 30 One Bdrms, 18 Two Bdrms)	September 2021
Mystic Ridge	Milford Road, St. Ann	156 Apartments (144 Studios, 12 Two Bdrms)	September 2022
AVISTA at Bloomfield	Bloomfield, Mandeville	78 Apartments (40 Studios, 20 One Bdrms, 18 Two Bdrms)	July 2022
Grove Park (52% stake)	Grove Park Avenue, Kingston 8	76 Apartment (48 One Bdrm, 28 Two Bdrms)	December 2022
Omega Drive (40% stake)	Omega Drive-Grand Cayman	13 Townhouses (9 Two Bdrm, 4 Three Bdrm)	March 2022
Pimento Grove	Cardiff Hall, St. Ann	85 Villas, 73 Townhomes, 48 Condominiums	December 2023

RENT/LEASE	Location	Description	Status/Projected Completion Date
Real NPW	Newport West, Kingston 13	29,680 SF of commercial space	100% Occupancy
Real Portmore Pine 1	Portmore Pines Plaza, Greater Portmore	26,908 SF of commercial space	100% Occupancy
Real Portmore Pines 2 (51% stake)	Portmore Pines Plaza, Greater Portmore	51,689 SF of commercial space	100% Occupancy
Gladstone Commercial (60% stake)	Gladstone Drive, Kingston 5	41,872 SF of commercial space	March 2022
Bloomfield Commercial	Bloomfield, Mandeville	~100,000 SF of commercial space	Projected Completion 2023

3. Treasury / PIL Proprietary

The Treasury segment of the PIL's operations generated a loss of US\$1.74 million (net of all intercompany income and charges) for the period ended December 31, 2020. This was predominantly driven by the decline in Net Interest Income due to both the impact of lower rates as well as the deliberate shift in strategy away from the carry trade. PIL continues to optimize the balance sheet mix and aggressively pursue growth opportunities to manoeuvre this challenging macroenvironment. This is expected to reap benefits over the near to medium term.

Net Interest income (NII) registered a loss of US\$2.80 million largely reflecting debt servicing obligations associated with wholesale funding of the JMMB share acquisition. Total Administrative and General Expenses amounted to US\$2.81 million, accounting for 20.5% of total Group Operating Expenses while Preference Dividend charges totalled US\$1.25 million.



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UNAUDITED FINANCIAL RESULTS

FOR THE NINE-MONTH PERIOD ENDED DECEMBER 31, 2020

STATEMENT OF FINANCIAL POSITION

Total assets amounted to US\$649.73 million as at December 31, 2020, which decreased by 5.2% from US\$685.34 million reported as at December 31, 2019. The shift in the composition of Total Assets mainly emanated from a reduction in Investment Securities, the proceeds of which were used to paydown leverage associated with these investments. The reduction in Investment Securities holdings was deliberate to capture trading gains, optimize liquidity and the risk return dynamics taking into consideration the flat yield curve. Liabilities also decreased to US\$506.39 million as at December 31, 2020 from US\$559.17 million as at December 31, 2019, mainly as a result of a reduction in Due to Customers and Notes Payables.

SHAREHOLDERS' EQUITY

Shareholders' Equity Attributable to Owners of the Company increased by 14.2% to US\$136.17 million as at December 2020 from US\$119.20 million as at December 2019. The change was mainly as a result of 102.1% increase in the investment revaluation reserve to US\$17.39 million for the period ended December 2020 versus US\$8.60 million in December 2019, reflecting an improvement in asset prices over the period. The increase in Shareholders' Equity can also be explained by a 8.2% growth in Retained Earnings arising from core growth and net impact of activities associated with selected Portfolio Assets net of all dividends declared during the period. There was also a positive change in the Foreign Exchange Translation line of 101.8%, moving from a loss of \$5.66 million as at December 31, 2019 to a gain of \$0.10 million as at December 31, 2020.

DIVIDEND PAYMENT

On February 11, 2021 the Board of Directors approved a quarterly dividend of US\$0.0012 per share to all Ordinary Shareholders on record as of February 26, 2021 to be paid on March 11, 2021. This represents a trailing twelve-month tax-free dividend yield of 3.01% based on the average share price of US\$0.26 for the quarter ended December 31, 2020.

The Board of Directors takes this opportunity to thank all our stakeholders for their support and trust. Our continued success is a result of the dedication of Management and our Staff and we thank them for their loyalty and commitment.

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UNAUDITED FINANCIAL RESULTS

FOR THE NINE-MONTH PERIOD ENDED DECEMBER 31, 2020

Un-Audited Consolidated Statement of Financial Position December 31, 2020

	December 2020 US\$	DECEMBER 2019 US\$	MARCH 2020 US\$
ASSETS			
Cash and cash equivalents	127,931,408	122,806,620	94,628,891
Resale agreements	6,238,524	8,781,495	5,742,153
Investment securities	259,057,578	327,045,278	291,396,093
Investment in Associates	145,999,423	128,368,832	118,987,158
Loans Receivable	32,717,459	27,493,658	28,855,004
Other Receivables	33,335,526	31,413,945	35,098,282
Property Development In Progress	9,811,412	2,235,755	3,752,631
Investment Property	10,945,468	16,164,164	12,270,426
Intangible Assets	19,681,902	18,070,898	19,194,111
Property, plant and equipment	4,008,882	2,963,741	3,057,071
Total Assets	649,727,582	685,344,386	612,981,820
LIABILITIES			
Client liabilities	73,976,191	72,842,201	78,024,460
Related company	109,308	706,983	931,929
Notes Payable	149,774,398	154,981,687	154,502,508
Preference shares	1,000	1,000	1,000
Other liabilities	23,655,025	36,334,972	23,665,653
Due to Customers	258,876,413	294,307,779	250,436,099
Total Liabilities	506,392,336	559,174,622	507,561,649
SHARE HOLDERS' EQUITY			
Share capital	86,716,754	86,716,754	86,716,754
Investment revaluation reserve	17,386,770	8,601,169	(14,864,613)
Foreign exchange translation	101,928	(5,655,476)	(2,622,262)
Retained earnings	31,965,836	29,542,265	29,780,573
Total Shareholders' Equity	136,171,288	119,204,712	99,010,452
Minority Interest	7,163,958	6,965,052	6,409,719
Total Shareholders' Equity and Liabilities	649,727,582	685,344,386	612,981,820

Approved for Issue by the Board of Directors and signed on its behalf by



Director



Director

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UNAUDITED FINANCIAL RESULTS

FOR THE NINE-MONTH PERIOD ENDED DECEMBER 31, 2020

Un-Audited Consolidated Statement of Income for the period ended December 31, 2020

	Quarter ended December 2020	Quarter ended December 2019	Period ended December 2020	Period ended December 2019	Audited March 2020
	US\$	US\$	US\$	US\$	US\$
INCOME					
Interest Income	2,800,383	3,472,081	8,801,571	17,285,015	20,284,963
Interest expense	(2,105,560)	(2,204,944)	(6,564,785)	(7,421,920)	(9,107,249)
Net Interest income	694,823	1,267,137	2,236,786	9,863,095	11,177,714
Other income					
Gains on securities trading	415,046	327,104	4,269,785	3,716,554	3,782,565
Dividend Income	17,677	14,390	27,789	54,108	32,950
Pension Management Income	794,866	855,075	2,362,808	2,507,368	3,432,337
Fees & Commissions	1,677,559	2,556,262	5,077,251	9,457,309	11,584,739
Foreign exchange translation gains/(losses)	353,599	542,698	985,999	1,729,670	1,908,083
Other Income	1,022,095	1,407,465	4,056,903	2,915,356	4,031,166
	4,280,842	5,702,994	16,780,535	20,380,365	24,771,840
NET REVENUE	4,975,665	6,970,131	19,017,321	30,243,460	35,949,554
OPERATING EXPENSES					
Depreciation and Ammortization of Intangibles	455,925	477,237	1,343,788	1,393,447	1,976,910
IFRS 9 Provisioning	(31,433)	(286,920)	(215,624)	(582,992)	361,576
Administrative and General Expenses	4,531,545	5,357,812	13,456,161	20,690,406	26,231,841
	4,956,037	5,548,129	14,584,325	21,500,861	28,570,327
OPERATING PROFIT	19,628	1,422,002	4,432,996	8,742,599	7,379,227
Preference dividend	(194,472)	(418,349)	(1,247,174)	(7,418,390)	(8,605,461)
Share of Results of Associates (Refer to Note 2)	2,211,036	2,607,904	5,500,438	5,740,603	10,437,606
Gain on Partial Disposal of subsidiary	-	-	-	24,452,967	24,930,378
	2,016,565	2,189,555	4,253,265	22,775,180	26,762,523
Profit before income tax	2,036,192	3,611,557	8,686,260	31,517,779	34,141,751
Income tax	(387,474)	(650,996)	(897,169)	(1,733,366)	(1,899,983)
NET PROFIT	1,648,718	2,960,561	7,789,092	29,784,413	32,241,767
Less income attributable to non-controlling interest	(136,396)	(306,666)	(1,479,239)	(2,182,956)	(2,263,193)
Profit attributable to owners of the company	1,512,322	2,653,895	6,309,853	27,601,457	29,978,574
EARNINGS PER STOCK UNIT - US cents	0.24	0.42	1.01	4.41	4.79

Un-Audited Consolidated Statement of Comprehensive Income for the period ended December 31, 2020

	Quarter ended December 2020	Quarter ended December 2019	Period ended December 2020	Period ended December 2019	Audited March 2020
	US\$	US\$	US\$	US\$	US\$
NET PROFIT	1,648,718	2,960,561	7,789,092	29,784,413	32,241,767
OTHER COMPREHENSIVE INCOME					
Items that are or may be reclassified to profit or loss:					
Unrealised (loss)/Gain on investments securities	14,360,223	1,763,091	32,251,383	5,912,169	(18,363,927)
Foreign exchange translation reserve	(1,429)	3,066,754	2,724,190	1,407,524	4,440,738
Total Comprehensive income	16,007,512	7,790,406	42,764,665	37,104,106	18,318,578

UNAUDITED FINANCIAL RESULTS

FOR THE NINE-MONTH PERIOD ENDED DECEMBER 31, 2020

Un-Audited Consolidated Statement of Cash Flows for the period ended December 31, 2020

	Period ended December 2020	Period ended December 2019	Audited March 2020
	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit attributable to owners of the company	6,309,853	27,601,457	29,979,574
Cumulative transition effect of IFRS 9 Adoption	-	(17,240,866)	(17,240,866)
Depreciation and Amortization	1,343,788	1,393,447	1,976,910
Income Tax Charge	897,169	1,733,366	1,899,982
Operating cashflow before movements in working capital	<u>8,550,810</u>	<u>13,487,404</u>	<u>16,615,601</u>
Changes in operating assets and liabilities			
Receivables	(13,441,688)	(26,774,957)	(11,457,353)
Loans	(3,862,455)	25,141,593	22,478,246
Client Liabilities	7,945,273	74,529,716	33,594,769
Payables	4,188,267	21,520,186	(2,311,605)
Investments	64,589,898	15,607,311	27,789,714
Related company	(822,621)	284,460	485,286
Net cash from operating activities	<u>67,147,484</u>	<u>123,795,713</u>	<u>87,194,658</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Loans			
Investments in associates	(27,012,265)	(30,155,966)	(20,774,292)
Purchase of property ,plant and equipment	(1,503,260)	(1,993,063)	(2,221,102)
Purchase/Disposal of intangible asset	(1,280,130)	16,345,285	14,773,318
Purchase of Investment Properties	1,324,958	(1,935,626)	(2,255,864)
Net cash (used in)/ from investing activities	<u>(28,470,697)</u>	<u>(17,739,370)</u>	<u>(10,477,940)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Notes payable	(4,728,110)	(30,568,801)	(31,047,979)
Minority Interest	754,239	(16,754,944)	(16,008,277)
Dividend Paid	(4,124,587)	(6,441,442)	(8,580,249)
Foreign Exchange Translation	2,724,190	1,407,524	4,440,738
Net cash used in financing activities	<u>(5,374,269)</u>	<u>(52,357,663)</u>	<u>(51,195,767)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	33,302,517	53,698,680	25,520,951
Cash and cash equivalents at beginning of period	94,628,891	69,107,940	69,107,940
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>127,931,408</u></u>	<u><u>122,806,620</u></u>	<u><u>94,628,891</u></u>

UNAUDITED FINANCIAL RESULTS

FOR THE NINE-MONTH PERIOD ENDED DECEMBER 31, 2020

Un-Audited Consolidated Statement of Changes in Equity December 31, 2020

	Share capital	Minority Interest	Investment Revaluation reserve	Foreign exchange translation	Retained earnings	Total
	US\$	US\$	US\$	US\$	US\$	US\$
Balance at April 1, 2020	86,716,754	6,409,719	(14,864,613)	(2,622,262)	29,780,573	105,420,171
Total Comprehensive Income for the period		1,479,239	32,251,383	2,724,190	6,309,853	42,764,665
						-
Dividends to equity holders		(725,000)			(4,124,590)	(4,849,590)
Balance at December 31, 2020	<u>86,716,754</u>	<u>7,163,958</u>	<u>17,386,770</u>	<u>101,928</u>	<u>31,965,836</u>	<u>143,335,246</u>

Un-Audited Consolidated Statement of Changes in Equity December 31, 2019

	Share capital	Minority Interest	Investment Revaluation reserve	Foreign exchange translation	Retained earnings	Total
	US\$	US\$	US\$	US\$	US\$	US\$
Balance at April 1, 2019	86,716,754	22,417,996	2,689,000	(7,063,000)	8,382,250	113,143,000
Total Comprehensive (Loss)/Income for the period	-	2,182,956	5,912,169	1,407,524	27,601,457	37,104,106
Partial Disposal of Subsidiary	-	(16,393,153)	-	-	-	(16,393,153)
Dividends to equity holders	-	(1,242,747)	-	-	(6,441,442)	(7,684,189)
Balance at December 31, 2019	<u>86,716,754</u>	<u>6,965,052</u>	<u>8,601,169</u>	<u>(5,655,476)</u>	<u>29,542,265</u>	<u>126,169,764</u>

UNAUDITED FINANCIAL RESULTS

FOR THE NINE-MONTH PERIOD ENDED DECEMBER 31, 2020

NOTES TO FINANCIAL STATEMENTS: DECEMBER 2020

1. Identification

Proven Investments Limited (“the Company”) is incorporated in Saint Lucia under the International Business Companies Act. The Company is domiciled in Saint Lucia, with registered office at 20 Micoud Street, Castries, Saint Lucia.

The primary activities of the Company are the holding of tradable securities for investment purposes and holding other investments.

Subsidiaries and Associated Companies:

SUBSIDIARIES	Country of Incorporation	Nature of Business	% ownership	
			2020	2019
Boslil Bank Limited	Saint Lucia	Private Banking	75	75
Boslil International Holdings Limited	Saint Lucia	Holding company	100	100
Boslil Bond Fund Limited	Saint Lucia	Structured finance services investment management	100	100
Boslil Equity Fund Limited	Saint Lucia	Private mutual fund	100	100
Boslil Secretarial Services	Saint Lucia	Private secretarial services	100	100
Boslil Corporate Services Limited	Saint Lucia	Registered agent services	100	100
Boslil Finance Limited	Saint Lucia	Structured finance services investment management	100	100
Boslil Sudamenco S.A.	Uruguay	Market research translation and business development services	100	100
Access Financial Services Limited and its wholly owned subsidiary	Jamaica	Retail lending	-	49.72
Embassy Loans Inc.	U.S.A.	Retail lending	100	100
Proven Wealth Limited	Jamaica	Fund management, investment advisory services, and money market and equity trading	100	100
International Financial Planning Jamaica Limited (formerly Proven Fund Managers Limited)	Jamaica	Pension fund management	100	100
International Financial Planning (Cayman Limited)	Cayman Islands	Fund management	100	100
Asset Management Company Limited	Jamaica	Hire purchase financing	100	100
Real Properties Limited and its wholly-owned subsidiaries	Saint Lucia	Real estate investment	100	100
Proven Kingsway Limited	Saint Lucia	Real estate investment	100	100
Real Millsborough Limited	Saint Lucia	Real estate investment	100	100
Real Bloomfield Limited	Saint Lucia	Real estate investment	100	100
Real PP Limited	Saint Lucia	Real estate investment	100	100
Real 53 NPW Limited	Saint Lucia	Real estate investment	100	100

UNAUDITED FINANCIAL RESULTS

FOR THE NINE-MONTH PERIOD ENDED DECEMBER 31, 2020

SUBSIDIARIES	Country of Incorporation	Nature of Business	% ownership	
			2020	2019
Proven Reit Limited	Jamaica	Management services	100	100
Proven Holding Limited	Jamaica	Investment advisory services	100	100
ASSOCIATE COMPANIES				
JMMB Group Limited	Jamaica	Investment advisory, Banking, Market and equity	20.01	20.01
Dream Entertainment Limited	Jamaica	Entertainment	20	20
Access Financial Services Limited and its wholly owned subsidiary, Embassy Loans Inc.	Jamaica	Retail lending	24.72	-

2. Statement of compliance and basis of preparation

Interim Financial Reporting

The condensed consolidated interim financial statements for the nine months ended December 31, 2020 have been prepared in accordance with IAS 34, 'Interim financial reporting'. The condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended March 31, 2020, which have been prepared in accordance with International Financial Reporting Standards (IFRS).

The Share of Results of Associates reflected in these interim statements does not include any estimates of JMMB's proportionate share in the earnings of an associate company for the quarter ended 31 December 2020 which could not be quantified.

SIGNIFICANT ACCOUNTING POLICIES

3. Basis of Consolidation:

The consolidated financial statements combine the financial position, results of operations and cash flows of the Company and its subsidiaries (note 1), subject to the eliminations described at note 3(b).

3(a). Subsidiaries:

Subsidiaries are all entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable, or exercisable after conversion of convertible instruments, are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

3(b). Transactions eliminated on consolidation:

Intra-Group balances and any unrealised gains and losses and income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment of the Group's interest.

UNAUDITED FINANCIAL RESULTS

FOR THE NINE-MONTH PERIOD ENDED DECEMBER 31, 2020

4. Classification of financial assets:

Fair value through other comprehensive income:

Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVTPL are carried at fair value through other comprehensive income. On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect, on an investment-by-investment basis, to present subsequent changes in the investment's fair value in OCI.

Investments at fair value through profit or loss:

The Group carries some investment securities at fair value through profit or loss if they are held for trading or designated as such upon initial recognition. Financial instruments are designated at fair value through profit or loss if the Group manages such investments and makes purchase and sale decisions based on their fair value. Upon initial recognition, attributable transaction costs are recognised in profit or loss when incurred. Financial instruments at fair value through profit or loss are measured at fair value and changes therein are recognised in profit or loss.

Loans and receivables:

Loans and receivables are non-derivative financial assets with fixed or determinable payments, that are not quoted in an active market, and that the Group does not intend to sell immediately or in the near term. Loans and receivables are measured at amortized cost using the effective interest method, except when the Group chooses to designate the loans and receivables at fair value through profit or loss.

5. Resale agreements:

The company purchases government and corporate securities and agrees to resell them at a specified date at a specified price. On making payment the company takes delivery of the securities from the vendor although title is not transferred unless the company does not resell the securities on the specified date or other conditions are not honoured. Resale agreements result in credit exposure, in that the counterparty to the transaction may be unable to fulfil its contractual obligations.

6. Interest income:

Interest income is recognised in profit or loss for all interest-earning instruments on the accrual basis using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset to its carrying amount. The effective interest rate is established on initial recognition of the financial asset and is not revised subsequently. Interest income includes coupons earned on fixed income investments, accretion of discount on treasury bills and other discounted instruments, and amortisation of premium on instruments bought at a premium.

UNAUDITED FINANCIAL RESULTS

FOR THE NINE-MONTH PERIOD ENDED DECEMBER 31, 2020

7. Interest expense:

Interest expense is recognised in profit or loss on the accrual basis using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments through the expected life of the financial liability to its carrying amount. The effective interest rate is established on initial recognition of the financial liability and is not revised subsequently. Interest expense includes coupons paid on fixed rate liabilities and accretion of discount or amortization of premium on instruments issued at other than par.

8. Share capital:

The Group classifies capital instruments as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instrument. In the case of its preference share capital, it is classified as:

- (i) equity if it is non-redeemable, or redeemable only at the Group's option, and any dividends are discretionary; in such a case, dividends thereon are recognised as distributions within equity.
- (ii) liability if it is redeemable on a specific date or at the option of the stockholders, or if dividends are not discretionary; in such a case dividend thereon are recognised as interest in profit or loss.

The Group's preference shares bear contractual entitlements to dividends that are cumulative, and not at the discretion of the directors. Accordingly, they are presented as a financial liability.

Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

9. Earnings per Stock Unit

PROVEN Investments Limited's Earning per Stock Unit "EPS" is computed by dividing the profit attributable to stockholders of the parent of US\$6,309,853 by the weighted average number of ordinary stock units in issue during the reporting period numbering 625,307,963 shares.

PROVEN

Investments Limited

We would like to take this opportunity to thank all of our stakeholders for your support and trust.

Our continued success is as a result of the dedication of our Directors, Management and Staff and we thank them for their loyalty and commitment.



Director



Director

