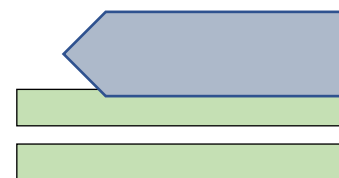


**REPORT FOR THE THIRD QUARTER
ENDED JUNE 2023**

Building Wealth for our Investors

Directors' Report



For the third quarter to 30 June 2023, QWI's Net Asset Value (NAV), increased, resulting from a net profit of \$115.7 million. This reflects the substantial positions QWI has in certain Junior Market companies listed on the Jamaica Stock Exchange (JSE) as well as positions in six of the seven largest and best performing companies listed on the NASDAQ market in the USA, show in the table below.

The Jamaican market, as reflected in the JSE Combined Index, declined 1.8 percent in the quarter and 8 percent for the nine months to June 2023. These declines were offset in part by gains in our overseas portfolio totalling over 50 percent for the nine months.

QWI's participation in the JSE's Main and Junior Markets as well as stock markets in the USA and Trinidad & Tobago, is a differentiating feature of QWI's investment which allows the Company to participate and benefit from the disparate performances of all the stocks held. All stocks do not move in the same direction or change at the same rates. This allows QWI to benefit when one investment is appreciating while another is in decline or remaining steady.

Market Backdrop

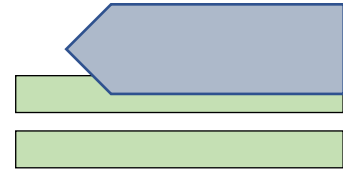
Market conditions during the quarter locally were generally unfavourable with the Main Market declining and the Junior Market rising. Despite this, QWI enjoyed over \$100 million in unrealised gains on its Jamaican portfolio mainly due to its large holdings of two Junior Market companies whose share prices gained significantly in the quarter.

The movements in the indices of the markets in which we are mostly invested have been as follows:

Quarters Ending	JSE Index	Junior Market Index	JSE Combined Index	S&P 500	MSCI ACWI Index	QWI NAV
September 2021	414,890	3,296	417,203	4,303	714	1.34
December 2021	396,115	3,428	401,130	4,766	755	1.40
March 2022	391,232	4,223	403,781	4,530	712	1.39
June 2022	384,185	4,349	398,329	3,785	597	1.31
September 2022	361,692	4,229	376,222	3,586	559	1.27
December 2022	355,896	3,986	368,591	3,839	605	1.22
March 2023	340,535	3,795	352,487	4,109	657	1.22
June 2023	332,035	3,984	346,283	4,444	683	1.31
Percentage Change - 3rd Quarter	(2.5)	5.0	(1.8)	8.1	4.0	7.4
Percentage change since Sept 2022	(8.2)	(5.8)	(8.0)	23.9	22.2	3.1

Note – The JSE Combined Index is the benchmark used to evaluate the performance of QWI's Investment Committee

Third Quarter Results



QWI's Jamaican investments produced \$94.66 million of gains in the quarter, while the overseas portfolios added an additional \$66.5 million of unrealised and realised gains.

The NAV of the Company's shares increased by 7.4 percent to \$1.31 at the end of June 2023, which is better than the 1.8 percent decline in the JSE Combined Index during the quarter.

QWI's share price stood at just \$0.63 at the end of June 2023 or just 48 percent of the NAV of the shares. We are of the view that the portfolio is poised to benefit from increased value for many of the stocks we hold in the months ahead. As such, investors should see this as an excellent opportunity to acquire these shares at not only the current discounted price but what could be an investment for a longer period.

Administration costs increased to \$28.5 million (2022-\$7.0 million) primarily due to accruals for increased investment management costs which are linked to the out performance of QWI's investment results as compared with the movement in the JSE Combined Index for the period. This period the Company recorded a deferred tax charge of \$20.6 million.

Year To Date Results

QWI's Jamaican investments produced \$64.8 million of realised and unrealised losses for the year to date. These losses were more than offset by \$148.9 million of unrealised gains in the overseas portfolios.

The Net Asset Value (NAV) of the Company's shares increased by 3.1 percent up to the end of June 2023, which is better than the 8.0 percent decline in the JSE Combined Index during the period. Unrealised exchange losses totalled \$5 million versus \$34 million of gains a year ago, while Administration costs increased 4 percent to \$66.6 million (2022-\$63.9 million)

This period the Company recorded a deferred tax credit of \$42.5 million.

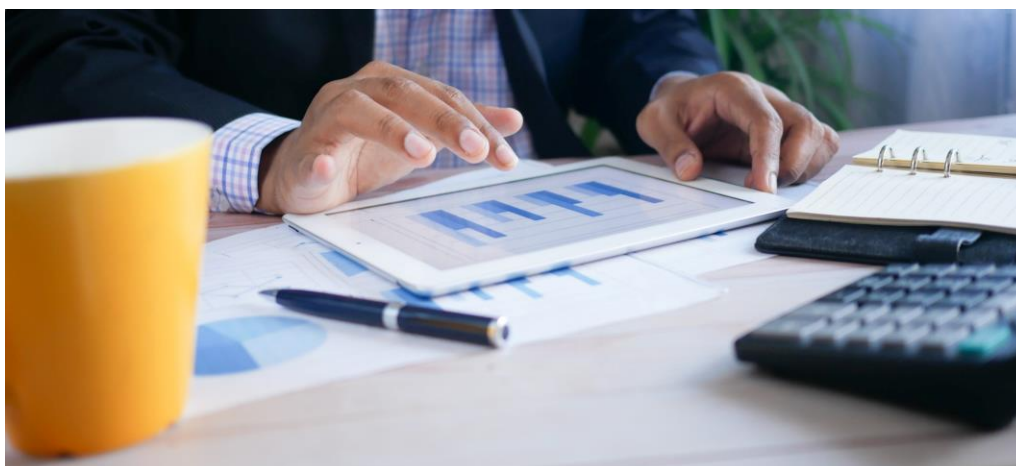
Statement of Financial Position

QWI ended the period with equity capital of \$1.78 billion, up from \$1.73 billion at the end of September 2022 as a result of the positive profit performance for the period as mentioned previously.

During the period, the Company has gradually increased its holdings of equities listed in the USA and Trinidad & Tobago and these holdings stood at US\$3.4 million at the end of June 2023. The portfolio includes positions in several leading information technology companies, aerospace and construction related companies.

Investments in all stocks amounted to \$2.1 billion, with 75 percent represented by Jamaican listed stocks.

Borrowings, inclusive of bank overdrafts, at the end of June 2023 amounted to \$271 million, all denominated in Jamaican dollars, a \$77 million reduction from September 2022.



Top 10 Holdings

Jamaican and US Markets

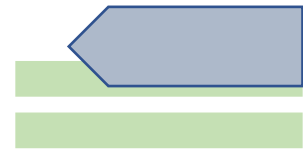
at 30 June 2023

Jamaican Holdings	Shares held	J\$ Value
Access Financial	8,500,000	220,872,500
Stationery and Office	7,500,000	172,425,000
Caribbean Producers	13,011,828	136,298,898
Dolphin Cove	6,649,592	109,718,268
Caribbean Cement	1,500,000	88,635,000
Jamaica Broilers Group	2,100,000	75,495,000
General Accident	15,032,119	74,108,347
JMMB Group	2,039,336	64,188,101
Radio Jamaica Group	28,087,261	58,842,812
GraceKennedy	706,709	55,653,334

QWI's 10 largest listed holdings on the Jamaica Stock Exchange (JSE) represent sixty-seven percent of our local quoted investments

US Holdings	Shares held	US\$ Value
Meta	1,000	286,980
United Rentals	500	223,055
Nvidia	400	169,208
Apple	800	155,176
Alphabet	1,200	145,164
Boeing Co	650	137,261
Pulte Homes	1,500	116,520
Lockheed Martin	250	115,095
Northrop Grumman	250	113,903
Microsoft	300	102,162

QWI's 10 largest USA listed holdings represent fifty-four percent of our USA quoted investments.



Outlook

The Company's Investment Committee actively monitors QWI's investment portfolio and the markets in which we operate.

Global inflation has been the focus for the past two years or so, but there are signs that measures implemented by central banks are having the desired effect in cooling and bringing inflation closer to their target. While the Bank of Jamaica has held overnight rates at 7 percent since November last year, local inflation has returned within reach of the bank's 4 to 6 percent target. In the USA, inflation declined but is still some way from the target. Ongoing reductions in USA home prices and home rental inflation, will soon add to these changes, resulting in even lower inflation rates. Depending on developments in the wider economy, the Federal Reserve may or may not continue raising interest rates even as they paused in June.

Despite the various developments in the USA, investors are continuing to bid up the prices of many companies whose businesses are continuing to show strong growth that investors see as performing well in the future.

Local inflation rates had begun to decline in March 2023, returning to the top end of the Bank of Jamaica's target range. Just recently, we note that the interest rates being offered by the Bank of Jamaica on short term Certificates of Deposit have trended upwards, but this could be due to the lean period of foreign exchange inflows in the early summer months and therefore may not be a long term factor.

Notwithstanding this development, QWI has continued to focus on local companies that are severely undervalued and are likely to deliver above average growth in profits and stock value in the months ahead. We take note that the Junior Market bottomed out in March and has since returned to a positive movement at the end of the first week in July and is now up 11.6 percent since the year's low. Technical indicators are pointing to a sustained rally for this market in the months ahead.

We remain optimistic about the prospects for many of our largest Jamaican holdings.

BY ORDER OF THE BOARD

Dated the 12th day of July 2023

John Jackson

Chairman

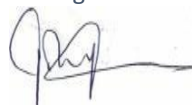
John Mahfood

Director

Unaudited Statement of Financial Position

	(Audited)		
ASSETS	June 2023	June 2022	September 2022
Quoted Investments-local	1,578,790,116	1,710,053,543	1,637,917,353
Quoted Investments - overseas	523,060,922	361,132,124	342,719,946
Due from brokers and other receivables	6,643,931	131,508,114	107,542,622
Cash and bank	<u>3,673,795</u>	<u>27,165,239</u>	<u>43,537,845</u>
Total assets	<u>2,112,168,764</u>	<u>2,229,859,020</u>	<u>2,131,717,766</u>
CURRENT LIABILITIES			
Payables	(74,379,008)	(33,517,085)	(32,389,214)
Bank Overdrafts (Note 5)	<u>(148,901,229)</u>	-	-
Total Current Liabilities	(223,280,237)	(33,517,085)	(32,389,214)
Non-Current (Liabilities):			
Deferred Tax Asset /(Liabilities)	19,560,569	(44,385,800)	(22,909,582)
Margin Loans (Note 5)	<u>(121,915,127)</u>	<u>(361,450,019)</u>	<u>(346,443,380)</u>
Total Non-Current Liabilities	<u>(102,354,558)</u>	<u>(405,835,819)</u>	<u>(369,352,962)</u>
Net assets	<u>\$1,786,533,969</u>	<u>1,790,506,116</u>	<u>1,729,975,590</u>
Share Capital /Reserves	1,664,798,938	1,623,476,540	1,630,355,586
Retained earnings	<u>121,735,031</u>	<u>167,029,576</u>	<u>99,620,004</u>
Total equity	<u>\$1,786,533,969</u>	<u>1,790,506,116</u>	<u>1,729,975,590</u>
Net Assets per Share (Note 8)	<u>\$1.31</u>	<u>\$1.31</u>	<u>\$1.27</u>

These financial statements were approved for issue by the Board of Directors on 12 July 2023 and signed on its behalf by:



John Jackson
Chairman



John Mahfood
Director

Unaudited Statement of Profit or Loss

	Quarter Ended		Year to date	Year to date
	June 2023	June 2022	June 2023	June 2022
INVESTMENT INCOME				
Gains/(losses) from investments (Note 4)	161,105,370	(152,569,935)	84,070,418	31,432,136
Unrealised currency gain/(loss)	1,413,606	10,298,939	(5,215,990)	34,310,094
Dividend, interest and other income	<u>10,971,698</u>	<u>10,005,337</u>	<u>32,063,522</u>	<u>28,141,291</u>
	<u>173,490,674</u>	<u>(132,265,659)</u>	<u>110,917,950</u>	<u>93,833,521</u>
Administrative and other expenses	28,582,155	6,991,192	66,582,963	63,885,880
Interest expense	<u>8,582,456</u>	<u>7,852,321</u>	<u>26,723,978</u>	<u>23,071,207</u>
Profit/(loss) before taxation	136,326,063	(147,109,172)	17,611,009	6,926,434
Taxation (charge)/credit (Note 6)	<u>(20,645,793)</u>	<u>36,513,631</u>	<u>38,947,370</u>	<u>4,198,304</u>
Profit /(Loss)for the period				
being total comprehensive income/(loss)	<u>\$115,680,270</u>	<u>(110,595,541)</u>	<u>56,558,379</u>	<u>11,124,738</u>
Basic Earnings/(Loss) per share (Note 9)	<u>\$0.08</u>	<u>\$(0.08)</u>	<u>\$0.04</u>	<u>\$0.01</u>

Unaudited Statement of Cash Flows

	Year to date	Year ended	
	June 2023	June 2022	September 2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Income/(loss) after taxation	56,558,379	11,124,738	(49,405,652)
Taxation	(38,947,370)	(4,198,304)	(25,072,065)
Net unrealised investment (gains)	<u>(97,971,274)</u>	<u>(13,962,225)</u>	<u>(12,928,980)</u>
	(80,360,265)	(7,035,791)	(87,406,697)
Changes in operating assets and liabilities:			
Net (Purchases)/Sales of Quoted Investments	(23,242,465)	221,437,396	303,647,512
Due from brokers and Accounts receivable	<u>100,898,691</u>	<u>(103,977,474)</u>	<u>(80,011,982)</u>
Cash (used in/provided by operating activities)	<u>(2,704,039)</u>	<u>110,424,131</u>	<u>136,228,833</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Accounts payable/Margin Loans /Other	(182,538,459)	(38,045,534)	(48,948,510)
Drawdown of bank overdraft facilities	148,901,229	-	-
Taxation paid/Dividends declared	<u>(3,522,781)</u>	<u>(52,074,888)</u>	<u>(50,604,008)</u>
Cash (used in) Financing Activities	<u>(37,160,011)</u>	<u>(90,120,422)</u>	<u>(99,552,518)</u>
(Decrease)/ Increase in cash and bank balances	(39,864,050)	20,303,709	36,676,315
Cash and bank balances-beginning of period	<u>43,537,845</u>	<u>6,861,530</u>	<u>6,861,530</u>
Cash and bank balances-ending of period	<u>\$3,673,795</u>	<u>27,165,239</u>	<u>43,537,845</u>

Unaudited Statement of Changes in Shareholders' Equity

	Share Capital and Reserves	Retained Earnings	Total
Total equity at 30 September 2021	1,623,476,540	203,679,707	1,827,156,247
Dividend declared		(47,774,869)	(47,774,869)
Total comprehensive income	<u> </u>	<u>11,124,738</u>	<u>11,124,738</u>
Total equity at 30 June 2022	<u>\$1,623,476,540</u>	<u>167,029,576</u>	<u>1,790,506,116</u>
Total equity at 30 September 2022	1,630,355,586	99,620,004	1,729,975,590
Transfer from retained earnings to			
Franked Income Reserve	34,443,352	(34,443,352)	-
Total comprehensive income	<u> </u>	<u>56,558,379</u>	<u>56,558,379</u>
Total equity at 30 June 2023	<u>\$1,664,798,938</u>	<u>121,735,031</u>	<u>1,670,853,969</u>

Notes to the Financial Statements

1. Identification

QWI Investments Limited (the Company) was incorporated on 18 December 2018. The Company is domiciled in Jamaica. Its registered office is situated at 2 Bell Road, Kingston 11, Jamaica W.I. The Company is listed on the Jamaica Stock Exchange.

At 30 June 2023, the Company was 44.34 percent (2021- 40.61 percent) owned by member companies of the Jamaican Teas Limited Group of Companies.

The principal activity is holding and managing investments in quoted securities. The Company's affairs are administered by Jamaican Teas Limited pursuant to a long-term Administration Services Agreement. The Company's income for the period was mainly realised and unrealised gains from investment activities.

2. Basis of Preparation

The financial statements are prepared in compliance with International Financial Reporting Standards, the provisions of the Jamaican Companies Act and the accounting policies as more fully described in the Companies audited financial statements ended 30 September 2022.

3. Investments

All investments comprise quoted equities valued at fair value through the profit and loss account (FVTPL).

4. Investment Activities

Investment activities during the periods ended 30 June comprised:

	Period Ended June 2023	Year Ended June 2022	September 2022 (Audited)
Realised (losses)/gains - Jamaica	(22,301,986)	23,754,780	(11,489,147)
Realised gains – Overseas	8,401,130	(6,284,869)	4,184,141
Unrealised (losses)/ gains -Jamaica	(42,546,301)	118,049,446	109,396,574
Unrealised gains/(losses)-Overseas	<u>140,517,575</u>	<u>(104,087,221)</u>	<u>(96,467,594)</u>
Total	<u>\$ 84,070,418</u>	<u>31,432,136</u>	<u>5,623,883</u>

Notes to the Financial Statements

5. Overdraft and Margin Loans

a) At 30 June 2023, the Company's assets were charged in the sum of \$192,382,224 in favour of Bank of Nova Scotia Jamaica Limited. The assets charged, comprised listed shares owned by the Company and were pledged to secure an overdraft facility of \$50,000,000 at an interest rate of 8.5 percent per annum. \$49,713,069 was outstanding under this overdraft facility at 30 June 2023.

b) At 30 June 2023, the Company's assets were charged in the sum of \$200,000,000 in favour of Sagicor Bank Jamaica Limited. The assets charged, comprised listed shares owned by the Company and were pledged to secure an overdraft facility of \$100,000,000 at an interest rate of 8.5 percent per annum. \$99,188,160 was outstanding under this overdraft facility at 30 June 2023.

c) At 30 June 2023, the Company's assets were charged in the sum of \$881,069,788 in favour of Victoria Mutual Investments Limited. The assets charged, comprised listed shares owned by the Company and were pledged to secure loan facilities of \$443,000,000 at an interest rate of 15.5 per cent per annum. The facilities are repayable at the option of the borrower at any time but in event later than dates falling between 30 October 2025 and 31 March 2026 unless extended by the lender. \$121,915,127 was outstanding under these facilities at 30 June 2023.

6. Taxation

Taxation for the nine months to 30 June comprised:	2023	2022
Income tax withheld at source on dividend income	3,522,781	4,300,020
Deferred taxation (credit)/charge	<u>(42,470,151)</u>	<u>(8,498,324)</u>
	<u>\$(38,947,370)</u>	<u>(4,198,304)</u>

7. Share Capital

Authorised: Unlimited ordinary shares at no par value		
Number of shares Issued and fully paid:	<u>1,365,000,015</u>	<u>1,365,000,015</u>

8. Net Asset Value (NAV) per share

The Net Asset Value per share as at 30 June 2023 was \$ 1.31 (30 June 2022 - \$1.31) and this was derived by dividing the net assets of the Company of \$ 1,786,533,969 (2022 - \$1,790,506,116) by the 1,365,000,015 shares issued and outstanding as at 30 June 2023 (2022 - 1,365,000,015).

9. Earnings per share

The earnings per share for the reporting periods were computed using the weighted average number of issued shares of 1,365,000,015 shares.



Building Wealth for our Investors

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