



QWI INVESTMENTS LIMITED ABRIDGED ANNUAL REPORT 2021



Letter to Shareholders Annual General Meeting

25 April 2022

Dear Shareholders,

Re: Annual Report and Annual General Meeting

Our Annual General Meeting (AGM) for 2021 is scheduled for 10:00 a.m. on the 19th day of July 2022 to consider items on the agenda and will be held pursuant to the provisions of the enclosed Court Order dated 18 June 2021.

The AGM will be preceded by the following:

Adjourned Extraordinary General Meeting at 9:00 a.m.
Adjourned Annual General Meeting at 9:15 a.m. and
Extraordinary General Meeting at 9:30 a.m.

Kindly pay attention to the following:

- Your Annual Report for the Year ended 30 September 2021 will only be available via the website links: www.qwiinvestments.com and www.jamstockex.com

- Going forward, the Company will no longer automatically mail out Annual Reports. These will be available electronically. Printed copies for 2021 will be provided on request no later than 19 July 2022.

NOTICE TO ALL MEMBERS:

The following shall apply to the Adjourned EGM and AGM, as well as the AGM and EGM:

- (1) Quorum And Attendance
 - (a) The Chairman of the Company, the Company Secretary, and any Director(s) of the Company, being physically present at the EGMs and AGMs, shall constitute and be above the minimum quorum; or in the absence of any such person(s), any other staff member of the Company being shareholder(s) and physically present at the EGMs and AGMs may take the place of such person(s) and shall constitute the quorum.

- (b) All shareholders who attend the meetings will be required to wear properly fitted masks and comply with all other COVID-19 precautions and protocols, including layout, seating and sanitizing.
- (2) Electronic Access
The EGMs and AGMs will be live streamed at www.qwiinvestments/aggm
- (3) Voting And Resolutions
No new resolutions or amended resolutions will be facilitated at the Adjourned EGM and AGM.

IMPORTANT NOTE FOR MEMBERS WHO ARE NOT ABLE TO ATTEND:

1. A member entitled to attend and vote at the Adjourned EGM/AGM and EGM/AGM is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a member of the Company.
2. The person so authorized as proxy shall be entitled to exercise the same powers as the member whom he/she represents.
3. Proxy Forms must be lodged at Jamaica Central Securities Depository Limited at 40 Harbour Street,

Kingston, at least forty-eight (48) hours before the time appointed for holding the Adjourned EGM and AGM and also the EGM and AGM.

4. The Proxy Form shall bear the stamp duty of One Hundred Jamaican Dollars (J\$100.00) before being signed. The stamp duty may be paid by adhesive stamp(s) to be cancelled by the person executing the Proxy.
5. The Proxy Forms must be downloaded from www.qwiinvestments.com

We thank you for your understanding, as we continue to navigate these times together to protect against COVID-19 and we encourage you to keep well.

We look forward to your participation.

QWI INVESTMENTS LIMITED



John Jackson
Chairman

Notice of Adjourned Extraordinary General Meeting and Notice of Adjourned Annual General Meeting

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting and the Annual General Meeting of the members of QWI Investments Limited (“Company”) adjourned on the 30th day of March 2021 will be convened and held at the Jamaica Pegasus, 81 Knutsford Boulevard, Kingston 5, pursuant to, among other things, the provisions of the enclosed Court Order dated 18 June 2021, at 9:00 a.m. and 9:15 a.m. respectively on the 19th day of July 2022, to transact the business set forth in the Company’s Notice of Extraordinary General Meeting 2021 (the “EGM Notice”) and the

Company’s Notice of Annual General Meeting (the “AGM Notice”) dated the 22nd day of January 2021.

Printed copies of the EGM and AGM Notice were previously sent to shareholders on the 22nd day of January 2021.

BY ORDER OF THE BOARD
Dated the 25th day of April 2022



Cameron Burnet
Company Secretary

Notice of Extraordinary General Meeting

Notice is hereby given that an Extraordinary General Meeting of the members of QWI Investments Limited (the "Company") will be held at the Jamaica Pegasus, 81 Knutsford Boulevard, Kingston 5, at 9:30 a.m. on the 19th day of July 2022 pursuant to the provisions of the enclosed Court Order dated 18 June 2021, for the purpose of transacting the following business:

1. Adoption of Amended Articles of Incorporation

WHEREAS:

- (a) Government protocols and measures to control the spread of COVID-19, including various restrictions on public gatherings including the holding of in person general meetings of companies, have underscored the desirability of the Company being able to hold general meetings of members electronically; and
- (b) The provisions of the Company's present Articles of Incorporation do not permit or facilitate the Company holding general meetings of members electronically; and
- (c) It is therefore proposed that the Company adopt new Articles of Incorporation that, among other things, permit and facilitate the Company holding general meetings of members electronically.

To consider and, if thought fit, pass the following as a Special Resolution:

Be it resolved that:

"The new Articles of Incorporation, a copy of which is available for inspection at the Company's office at 2 Bell Road, Kingston 11, and at the Company's website www.qwiinvestments.com, be approved and adopted by the Company in place of the Company's present Articles of Incorporation, and the Directors be and are authorized and directed to register such Articles of Incorporation with the Office of the Registrar of

Companies with or without such amendments as the Board of Directors of the Company may deem appropriate, after receiving any requisitions from the Registrar of Companies."

2. Revision of Hurdle and Remuneration of Investment Committee

WHEREAS:

- (a) In the Company's Prospectus dated 9th September 2019, the incentive payments to members of the Investment Committee ("IC") of the Company under the Company's Investment Incentive Plan ("ICP") were stated to be, and have continued to be, the following: "The members of the Investment Committee may be entitled to certain incentive fees pursuant to the Company's Investment Incentive Plan (ICP). Under the ICP, the Investment Committee members are entitled to receive 10% of the Net Investment Return (NIR) of the Company in excess of the Hurdle Rate established by the Company's Directors where: "NIR" means the total realised and unrealised gains of the Company less any finance costs incurred by the Company to fund the investments that produced the realised and unrealised gains; and 'Hurdle Rate' means the percentage change of the MSCI ACWI All Cap Index in United States dollars for the corresponding incentive period applied to the average of the Company's investments for such period."
- (b) Since 2019, in taking advantage of attractive investment opportunities, a high concentration of the Company's investments is in the Jamaican stock market and these investments are likely to be maintained for the immediate future, a position which differs from the investment markets targeted in 2019.

- (c) Given this concentration of investments in Jamaica, the MSCI ACWI All Cap Index is not considered the most suitable index to benchmark the Company's performance and assess the performance of the IC.
- (d) It is therefore proposed to adjust, from the beginning of the Company's present financial year on 1st October 2021, the Hurdle and ICP as follows:
 - (i) change the Hurdle to the JSE Combined Index;
 - (ii) reformulate the ICP to include a fixed fee and incentive component.

To consider and, if thought fit, pass the following Ordinary Resolution:

Be it resolved that:

"Effective the 1st day of October 2021, the remuneration of the individuals comprising the Investment Committee ("IC") of the Company, or of any corporate body authorized to manage the fund under the Company's Investment Incentive Plan ("ICP") shall be as follows: each IC member, or such corporate

body, shall be paid (i) an annual retainer fee of J\$2,500,000, (ii) a fixed annual fee equal to 0.2% of the net value of the portfolio to be paid (as the case may be) to such corporate body or paid to and divided amongst the IC members as decided by the Board of Directors, and (iii) an annual incentive fee equal to 7% of the net investment returns above the Hurdle (being the JSE Combined Index) for the financial year to be paid (as the case may be) to such corporate body or paid to and divided amongst the IC members as decided by the Board of Directors; PROVIDED always that aggregate of the fees referred to at (i), (ii), and (iii) above shall not exceed the amount which is equal to 3.0% of the Company's Net Asset Value in any one financial year".

BY ORDER OF THE BOARD

Dated the 25th day of April 2022



Cameron Burnet
Company Secretary

Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of the members of QWI Investments Limited (the "Company") will be held at the Jamaica Pegasus, 81 Knutsford Boulevard, Kingston 5, at 10:00 a.m. on the 19th day of July 2022, pursuant to, among other things, the provisions of the enclosed Court Order dated 18 June 2021, for the purpose of transacting the following business:

1. To receive and approve the Audited Financial Statements for the year ended 30 September 2021 and the reports of the Directors and the Auditors circulated herewith.

To consider and, if thought fit, pass the following resolution: -

Resolution No. 1

"THAT the Audited Financial Statements for the year ended 30 September 2021 and the reports of the Directors and the Auditors circulated with the Notice convening the meeting, be and are hereby received."

2. To consider person(s), if any, proposed for election and willing to be elected as Director(s) of the Company received between 6th July 2022 and 12th July 2022.

To consider and, if thought fit, pass the following resolution: -

Resolution No. 2

“THAT any Notice(s) of person(s) proposed for election, and any Notice(s) of the willingness of such person(s) to be elected, as Director(s) of the Company between 6th July 2022 and 12th July 2022, be considered.”

3. To appoint Auditors and authorize the Directors to fix the remuneration of the Auditors.

To consider and, if thought fit, pass the following resolution: -

Resolution No. 3

“THAT KPMG, Chartered Accountants, having signified their willingness to continue in office as Auditors, be and are hereby appointed Auditors of the Company to hold office until the next Annual General Meeting at a remuneration to be fixed by the Directors of the Company.”

4. To declare no dividend for the year ended 30 September 2021.

To consider and, if thought fit, pass the following resolution: -

Resolution No. 4

“THAT no dividend be declared in respect of the year ended 30 September 2021.”

5. To approve the remuneration of the Directors.

To consider, and if thought fit, pass the following resolution: -

Resolution No. 5

“THAT the amount shown in the Audited Financial Statements for the year ended 30 September 2021 as fees to the Directors for services as Directors, be and is hereby approved.”

6. To approve share buyback.

As special business, to consider and if thought fit, pass the following as a special resolution:

Resolution No. 6

“THAT the Company be and is hereby authorized to make Open Market Purchases of its own shares

(“Shares”) on such terms and in such manner as the Directors shall from time to time determine, provided that:

- (i) the maximum price (exclusive of expenses), which may be paid for each of the Shares, shall not exceed 85% of the Net Asset Value per share of the Company last published by the Company at the time of such purchase;
- (ii) any market purchases shall be carried out in accordance with and subject to the applicable Rules of the Jamaica Stock Exchange and any relevant laws of Jamaica;
- (iii) the Secretary of the Company shall – (A) cause a copy of this special resolution, along with a copy of the statutory declaration made by the Directors of the Company, in accordance with section 58 of the Companies Act, to be filed at the Companies Office of Jamaica pursuant to section 139 thereof, and (B) do such other acts and things as may be lawfully required to give effect to the foregoing; and
- (iv) the Registrar and Transfer Agent of the Company, or the Secretary of the Company, shall make the required entries in the Company’s register of members to reflect the said purchase of Shares by the Company.”

BY ORDER OF THE BOARD

Dated the 25th day of April 2022



Cameron Burnet
Company Secretary

Statement of Financial Position

SEPTEMBER 30, 2021

	<u>Notes</u>	<u>2021</u> \$	<u>2020</u> \$
ASSETS			
Investments	4	2,278,660,838	1,629,020,577
Deferred taxation	11	-	54,819,710
Cash and cash equivalents	5	6,861,530	1,044,754
Accounts receivables	6	<u>27,530,640</u>	<u>1,091,278</u>
Total assets		<u>2,313,053,008</u>	<u>1,685,976,319</u>
LIABILITIES AND EQUITY			
Other liabilities	7	14,731,881	10,285,473
Taxation payable		20,728	-
Due to related companies	8(a)	1,815,464	2,923,392
Short-term borrowing	9	75,000,000	-
Margin loan payable	10	341,444,565	195,376,836
Deferred taxation	11	<u>52,884,123</u>	<u>-</u>
Total liabilities		<u>485,896,761</u>	<u>208,585,701</u>
EQUITY			
Share capital	12	1,623,112,948	1,623,112,948
Capital reserves	19	363,592	-
Accumulated surplus/(deficit)		<u>203,679,707</u>	(145,722,330)
Total equity		<u>1,827,156,247</u>	<u>1,477,390,618</u>
Total liabilities and equity		<u>2,313,053,008</u>	<u>1,685,976,319</u>

The financial statements on pages 41 to 67 were approved for issue by the Board of Directors on December 30, 2021 and signed on its behalf by:


 _____ Director
 John Mahfood


 _____ Director
 Cameron Burnet

The accompanying notes form an integral part of the financial statements.



(Amended)

FORMAL ORDER



**IN THE SUPREME COURT OF JUDICATURE OF JAMAICA
IN COMMERCIAL DIVISION
CLAIM NO. SU 2021 CD 00162**

IN THE MATTER OF the Companies Act of
Jamaica

AND

IN THE MATTER OF an application by John
Mahfood for directions pursuant to section
130(2) of the Companies Act of Jamaica

**IN CHAMBERS
BEFORE THE HONOURABLE MR JUSTICE BATTS
THE 18TH DAY OF JUNE 2021**

UPON the final hearing of the Fixed Date Claim Form herein dated and filed 13th April 2021 coming on this day, and **UPON HEARING** Weiden Daley, Attorneys-at-Law, instructed by Hart Muirhead Fatta, Attorneys-at-Law for the Applicant, and Mrs Donia J. Fuller-Barrett, Attorney-at-Law for Financial Services Commission, **IT IS HEREBY ORDERED THAT:-**

1. An Order that notwithstanding the provisions of the Companies Act, the provisions of the articles of incorporation of Jamaican Teas Limited ("**JAMT**"), QWI Investments Limited ("**QWI**"), and KIW International Limited ("**KIW**") (together, the "**Companies**"), regarding the holding of annual general meetings or extraordinary ordinary general meetings, and any notice of an annual general meeting or extraordinary general meeting, information circular or other documents that may be or already have been disseminated by the Companies or are by law or the articles of incorporation of the Companies required to be disseminated by the Companies to their respective shareholders, JAMT, QWI, and KIW may each call and conduct its annual general meetings and any extraordinary general meeting (the "**Meetings**", which term includes meetings conducted following an adjournment or postponement of the Meetings) in accordance with this order, for the years 2021 and for so long as the Disaster Risk Management (Enforcement Measures) orders subsist.
2. A Declaration that the Meetings called or held in accordance with this order shall be valid.
3. An Order that the Companies are each permitted to conduct the Meetings by either:
 - (1) holding a meeting with one or some shareholders present at a physical venue with a live stream or broadcast of the meeting by electronic means or software (including webcasting, videoconferencing, teleconferencing, a combination of these and/or other electronic means) which allows all shareholders access to see and hear the proceedings, ask questions in such reasonable order and

- manner as the chairman may allow, and to vote electronically including before the meeting or by a proxy chosen from among the persons the Companies indicate will be physically present at the meeting; or
- (2) holding a meeting entirely by live stream or broadcast of the meeting by electronic means or software (including webcasting, videoconferencing, teleconferencing, a combination of these and/or other electronic means) which allows all shareholders access to see and hear the proceedings, ask questions in such reasonable order and manner as the chairman may allow, and to vote electronically including before the meeting.
4. An Order that the Companies are permitted to provide their shareholders with notices of the Meetings, resolutions, draft resolutions proposed to be passed, circulars, proxy forms, financial statements including profit and loss accounts, balance sheets and auditor's reports and any other document necessary or relevant for the conduct of the Meetings by one or more of the following means, namely: electronic mail, pre-paid mail, posting links to access the documents on their respective websites, and/or on the website of the Jamaica Stock Exchange in the case of JAMT and QWI.
 5. A Declaration that any notice or document delivered in accordance with this Order shall satisfy all requirements for serving or delivering documents for the Meetings notwithstanding any provision to the contrary in the Companies Act or the articles of incorporation of the Companies.
 6. An Order that the failure or inability of a shareholder to attend or remain in any of the Meetings held in accordance with paragraph 3(1) or 3(2) above as a result of events beyond the control of the Companies shall not constitute a defect in the calling or holding of the Meetings and shall not invalidate any resolution passed or proceedings taken at the Meetings.
 7. Liberty to apply.

BY THE COURT:



JUDGE

FILED by **HART MUIRHEAD FATTA** of Victoria Mutual Building, 2nd Floor, 53 Knutsford Boulevard, Kingston 5, Attorneys-at-Law for the Applicant, the address for service of which is that of his said Attorneys-at-Law. Tel. (876) 929-7432; fax (876) 929-5755. Ref: WOD (Attorney No. 3956; email: wodaley@hmf.com.jm).