

The Board of Directors of PROVEN Investments Limited (“PIL”) is pleased to report our un-audited financial statements for the three months ended June 30, 2011. For the three month period, consolidated Net Profit amounted to US\$827 thousand, translating to earnings per share of \$0.0028 and an annualized return on average equity of 9.80%.

### THREE MONTHS ENDED JUNE 2011 HIGHLIGHTS

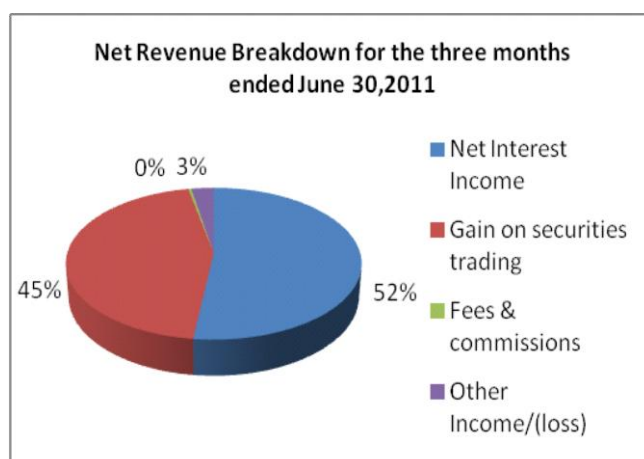
- Consolidated Net Profit – US\$827,089
- Earnings Per Share – \$0.0028
- Consolidated Total Assets – US\$131 million
- Return on Average Equity –9.80%
- Efficiency Ratio – 49%
- Net Book Value per share – \$0.113

### NET PROFIT

Consolidated Net Profit after tax for the three months ended June 30, 2011 amounted to US\$827,089, representing a 75% increase over the corresponding period last year. This improvement is mainly the result of the acquisition of Guardian Asset Management Jamaica Limited (renamed Proven Wealth Limited “PWL”) and the inclusion of this subsidiary in the consolidated results. This profit translates to a return on average equity of 9.80% after the payment of US\$120,982 in preference share dividend, compared to a return on average equity of 7.50% in the corresponding period last year.

### NET REVENUE

Consolidated Net Revenue for the three month period amounted to US\$1.7 million, an increase of 186% when compared with same period last year. Net Interest Income comprised 52% of this figure or US\$906 thousand, while net fair value and realised gains registered US\$783 thousand for the three month period, contributing 45% to Net Revenue. Fees and commission income and other income (consisting of dividend income and unrealized gains in equity appreciation) registered US\$6 thousand and US\$49 thousand respectively or 3% of total revenue.



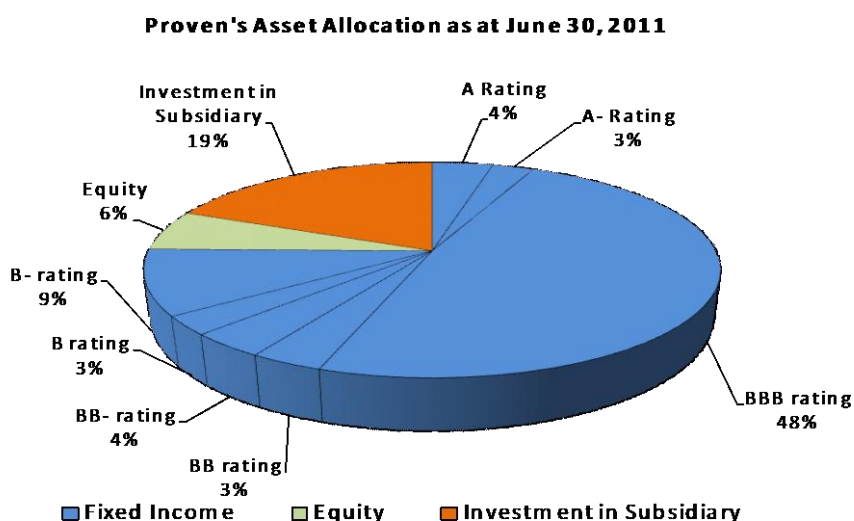
### OPERATING EXPENSES

Consolidated operating expenses for the three month period amounted to US\$860,653, compared to \$134,424 for the quarter ended June 2010. This increase in expenses is the result of the acquisition of PWL and the inclusion of their results in the Group. This represents an efficiency ratio of 49.4%, underscoring our commitment to maintaining a very efficient cost structure.

**BALANCE SHEET**

Total Consolidated Assets as at June 30, 2011 stood at US\$131 million, with PROVEN Wealth Limited contributing US\$67 million to this figure. These assets were funded mainly by client liabilities in the form of Repurchase Agreements with PWL, which had a balance of US\$47.93 million as at June 30, 2011.

The PIL Unconsolidated Assets stood at US\$81 million as at June 30, 2011, with 74% invested primarily in Fixed Income Instruments and 55% of the assets invested in Investment Grade instruments. The breakdown of this portfolio is shown below.



**SHAREHOLDER'S EQUITY**

Shareholder's Equity stood at US\$33.28 million as at June 30, 2011, corresponding to a capital to asset ratio of 25.3% and a book value per share of \$0.113. The Shareholder's Equity for June 2010 has been restated to exclude the Preference shares. This adjustment follows the treatment agreed on with the Company's Auditors, where the Preference share is reflected as a financial liability and not an equity instrument.

**DIVIDEND PAYMENT**

The Board of Directors will consider a dividend payment to all ordinary shareholders on August 29, 2011. This would represent the first dividend payment to share holders for the financial year.

**JSE LISTING**

In keeping with our strategy outlined in our original Prospectus and as outlined in our previous release, the ordinary shares of PROVEN Investments Limited were listed on the Jamaica Stock Exchange on July 14, 2011.

**UN-AUDITED STATEMENT OF INCOME**  
**FOR THE QUARTER ENDED JUNE 30, 2011**

	Quarter ended June 2011	Quarter ended June 2010
	<u>US\$</u>	<u>US\$</u>
<b>INCOME</b>		
Interest Income	1,972,087	333,770
Interest expense	(1,066,161)	(23,012)
Net Interest income	<u>905,926</u>	<u>310,758</u>
<b>Other income</b>		
Gains on securities trading	783,250	266,813
Fees & Commissions	6,390	27,958
Foreign exchange translation gains	(3,235)	1,919
Other Income	48,751	
	<u>835,156</u>	<u>296,690</u>
<b>NET REVENUE</b>	<b>1,741,082</b>	<b>607,449</b>
<b>OPERATING EXPENSES</b>		
Preference dividend	(120,982)	-
Administrative and General Expenses	(739,671)	(134,424)
	<u>(860,653)</u>	<u>(134,424)</u>
<b>Profit before income tax</b>	<b>880,429</b>	<b>473,025</b>
<b>Income tax</b>	<b>(53,340)</b>	<b>-</b>
	<u></u>	<u></u>
<b>NET PROFIT AFTER TAX</b>	<b><u>827,089</u></b>	<b><u>473,025</u></b>
EARNINGS PER STOCK UNIT - US cents	0.28	0.24

**UN-AUDITED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED JUNE 30, 2011**

	Quarter ended June 2011	Quarter ended June 2010
	<u>US\$</u>	<u>US\$</u>
<b>NET PROFIT</b>	<b>827,089</b>	<b>473,025</b>
<b>OTHER COMPREHENSIVE INCOME</b>		
Unrealized (losses)/gains on available-for-sale-investments	(525,517)	(680,952)
<b>Total Comprehensive income</b>	<u>301,572</u>	<u>(207,927)</u>

**UN-AUDITED STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2011**

	June 2011 US\$	March 2011 US\$	June 2010 US\$
<b>ASSETS</b>			
Cash and cash equivalents	1,243,555	3,595,350	1,517,797
Resale agreement	7,296,320	9,315,059	
Available-for-sale investments	102,959,827	100,032,844	24,672,727
Loans receivable	1,247,429	7,776,291	
Income tax recoverable	264,782	416,112	
Related party	512,916	-	
Other receivables	17,233,042	19,634,371	1,577,389
Intangible assets	8,047	8,666	
Property, plant and equipment	310,271	328,141	
<b>Total Assets</b>	<u>131,076,189</u>	<u>141,106,834</u>	<u>27,767,913</u>
<b>LIABILITIES</b>			
Repurchase agreements	40,472,478	66,454,867	
Credit linked notes	7,382,607	4,812,650	
Related party	-	304,939	55,896
Notes payable	44,608,127	33,571,370	7,792,993
Preference shares**	1,000	1,000	1,000
Income tax payable	10,692	108,220	
Deferred tax liabilities	659,383	660,577	
Other liabilities	4,656,761	946,211	86,227
<b>Total Liabilities</b>	<u>97,791,048</u>	<u>106,859,834</u>	<u>7,936,116</u>
<b>SHARE HOLDERS' EQUITY</b>			
Share capital**	29,657,087	29,657,087	19,877,065
Investment revaluation reserve	(1,266,517)	(740,452)	(599,427)
Foreign exchange translation	15,123	27,000	
Retained earnings	4,879,448	5,303,365	554,159
<b>Total Shareholder's Equity</b>	<u>33,285,141</u>	<u>34,247,000</u>	<u>19,831,797</u>
<b>Total Shareholder's Equity and Liabilities</b>	<u>131,076,189</u>	<u>141,106,834</u>	<u>27,767,913</u>

**UN-AUDITED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED JUNE 30, 2011**

	June 2011 US\$	June 2010 US\$
<b>Cash flows from operating activities:</b>		
Profit for the period	827,089	473,025
Adjustmnts for:		
Investment revaluation reserve	(526,065)	
Foreign exchange translation	(11,877)	
Depreciation	17,870	
Income tax charge	53,340	
	<u>360,357</u>	<u>473,025</u>
Change in:		
Loans receivable	6,528,862	(37,601)
Other receivables	2,401,329	(1,505,601)
Deferred tax liability	(1,194)	
Other liabilities	3,710,550	86,216
Repurchase agreements	(25,982,389)	
Income tax recoverable	462	
Resale agreements	2,018,739	
Credit linked notes	2,569,957	
Related party	(817,855)	32,768
	<u>(9,211,182)</u>	<u>(951,193)</u>
Interest received		
Interest paid		
Dividend paid	(1,251,006)	
Net cash used in/provided by operating activities	<u>(10,462,188)</u>	<u>(951,193)</u>
<b>Cash flows from investing activities:</b>		
Investment securities	(2,926,983)	(13,684,321)
Purchase of intangible assets	619	
Net cash used in investing activities	<u>(2,926,364)</u>	<u>(13,684,321)</u>
<b>Cash flows from financing activities:</b>		
Notes payable	11,036,757	6,448,825
Bonds Issued		1,000,000
Net cash provided by financing activities	<u>11,036,757</u>	<u>7,448,825</u>
<b>Net decrease in cash and cash equivalents</b>	<b>(2,351,795)</b>	<b>(7,186,689)</b>
Effects of exchange rate fluctuations on cash and cash		
Cash and cash equivalents at beginning of period	3,595,350	8,704,487
<b>Cash and cash equivalents at end of period</b>	<b><u>1,243,555</u></b>	<b><u>1,517,798</u></b>

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2011**

**1. STATUS AND PRINCIPAL ACTIVITY:**

Proven Investments Limited (the company) is incorporated in St Lucia and its registered office is situated at 20 Micoud Street, Castries, St Lucia. The company's principal place of business is 20 Micoud Street, Castries, St Lucia. The principal activity of the company is the investing of shareholders funds.

**2. REPORTING CURRENCY**

These financial statements are expressed in United States dollars.

**3. SIGNIFICANT ACCOUNTING POLICIES:**

**a. Basis of preparation -**

These financial statements have been prepared in accordance with and comply with International Financial Reporting Standards (IFRS) and have been prepared under the historical cost convention.

**b. Use of estimates -**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**c. Foreign currency translation -**

Balances in foreign currencies are translated at the rate of exchange ruling at balance sheet date. Transactions during the year are converted at the exchange rates prevailing at the dates of the transactions. Gains or losses on translation are dealt with in the profit and loss account.

**d. Revenue recognition -**

Income is recognised in the statement of revenue and expenses for all interest bearing instruments on the accrual basis using the effective yield method based on the actual purchase price.

Fees are recognised on the accrual basis when the service has been provided

**e. Fair value of financial instruments -**

Financial instruments carried on the balance sheet include cash and bank balances, receivables and payables. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

**4. INCOME:**

Gains on securities trading represents gain realized on investments disposed during the period.  
Interest income represents interest received and receivable for the period.

**5. SHARE CAPITAL:**

	June 2011 <u>US\$</u>
Authorised share capital: US\$30,000,000	
2,999,990,000 ordinary shares	
10,000 managers preference shares	
Stated capital	
Issued and fully paid	20,000,000
Less: Transaction costs of share issue	<u>-122,935</u>
	19,877,065
Rights Issue	<u>9,780,022</u>
	<u><u>29,657,087</u></u>

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 dividends 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.