

### Consolidated Statement of Income

For the nine months ended September 30, 2020

(With comparatives for the nine months ended September 30, 2019)

Expressed in thousands of Barbados dollars

	(Unaudited) September 30 2020 \$	(Unaudited) September 30 2019 \$	(Audited) December 31 2019 \$
<b>Revenue</b>			
Revenue from operations	17,775	18,609	26,219
Other gains	15	-	41
<b>Total Revenue</b>	<b>17,790</b>	<b>18,609</b>	<b>26,260</b>
<b>Expenses</b>			
Other operating expenses	14,910	12,640	18,208
Depreciation and right of use depreciation	784	602	866
	<b>15,694</b>	<b>13,242</b>	<b>19,074</b>
<b>Operating Profit before Associates' Results</b>	<b>2,096</b>	<b>5,367</b>	<b>7,186</b>
Share of Results of Associates	(11,152)	(1,200)	1,184
<b>Net Operating (Loss)/Profit</b>	<b>(9,056)</b>	<b>4,167</b>	<b>8,370</b>
Gains on financial assets at Fair Value through Profit and Loss	882	1,903	2,427
Write down of Investment in Associate	(21,927)	-	-
Write off of Loan due by Associate	(7,560)	-	-
<b>(Loss)/Profit before Taxation</b>	<b>(37,661)</b>	<b>6,070</b>	<b>10,797</b>
Corporation Tax	(170)	(157)	(164)
<b>Net (Loss)/Profit for the Period Attributable to:</b>	<b>(37,831)</b>	<b>5,913</b>	<b>10,633</b>
Equity holders of the Company	(39,128)	4,277	8,535
Non-controlling interest	1,297	1,636	2,098
	<b>(37,831)</b>	<b>5,913</b>	<b>10,633</b>
Earnings per share (EPS) - basic	\$(2.13)	\$0.23	\$0.47
Earnings per share (EPS) - fully diluted	\$(2.02)	\$0.22	\$0.45

### Consolidated Statement of Cash Flows

For the nine months ended September 30, 2020

(With comparatives for the nine months ended September 30, 2019)

Expressed in thousands of Barbados dollars

	(Unaudited) September 30 2020 \$	(Unaudited) September 30 2019 \$	(Audited) December 31 2019 \$
Net cash generated from operating activities	10,333	8,884	7,669
Net cash generated from/(used in) investing activities	263	(895)	(855)
Net cash used in financing activities	(6,204)	(4,143)	(32)
<b>Net increase in cash and cash equivalents</b>	<b>4,392</b>	<b>3,846</b>	<b>6,782</b>
<b>Net cash at beginning of period</b>	<b>18,623</b>	<b>11,841</b>	<b>11,841</b>
<b>Net cash at end of period</b>	<b>23,015</b>	<b>15,687</b>	<b>18,623</b>

### DIRECTORS' REPORT

Financial Statements (unaudited) for the nine months ended September 30, 2020

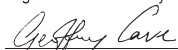
For the nine months to 30 September 2020 the Cave Shepherd Group recorded a loss attributable to shareholders of \$(39.1) million.

In our half year report at 30 June 2020, we reported to shareholders that we had taken the decision to write down the Company's investment in our main retail associate, Duty Free Caribbean (Holdings) Ltd. amounting to \$39.6 million. We are well advanced in finalising the agreements which will result in the majority shareholder, Dufry, taking full control of that company which includes our duty free and legacy retail businesses. In September, we also made a provision of \$2.6 million against our investment in the CS&C Joint Venture which owns the Broad Street, Bridgetown building that houses the main department store, as the challenges that impact the retail business will almost certainly have a knock-on effect on the valuations of the properties that Duty Free Caribbean occupy.

Notwithstanding the significant losses related to our main retail business, the Group's financial services companies, which include Fortress Fund Managers, Cave Shepherd Card, SigniaGlobe Financial and DGM Financial, performed creditably in a difficult economic environment and all are expected to finish the year with profits, although in general less than in the prior year. Our Ganzee and Bridgetown Cruise Terminals associates have been substantially impacted by the fall off in tourism but have sufficient reserves to carry them through into 2021 when we expect tourism to start to gradually recover.

We have taken the hard but necessary decision to step away from our duty free and legacy retail businesses and are very confident that the other businesses, particularly in financial services, will continue along their paths of growth and profitability. In addition, the Group is actively looking for new opportunities for growth and investment.

Overall we expect the Group's performance to show a profit for the last quarter of the year but this will have a minimal impact on the overall loss for the 2020 year based on the provisions and write-offs noted above that were taken in the June & September quarters. We do expect the company's financial services businesses to lead the group in a return to profitability in 2021 and beyond as the economy begins to recover in the years ahead.

  
Geoffrey Cave  
Chairman

  
John Williams  
Chief Executive Officer

October 23rd 2020

### Consolidated Statement of Financial Position

As at September 30, 2020

(With comparatives as at September 30, 2019)

Expressed in thousands of Barbados dollars

	(Unaudited) September 30 2020 \$	(Unaudited) September 30 2019 \$	(Audited) December 31 2019 \$
<b>Current Assets</b>			
Cash and cash equivalents	23,015	15,687	18,623
Restricted cash	1,786	1,500	1,500
Financial assets as at Fair Value through Profit and Loss	27,642	25,584	25,903
Trade and other receivables and prepayments	39,223	44,206	47,307
Other current assets	5,178	6,076	5,727
	<b>96,844</b>	<b>93,053</b>	<b>99,060</b>
<b>Current Liabilities</b>			
Trade and other payables	5,810	4,062	4,773
Other current liabilities	9,721	19,480	20,841
	<b>15,531</b>	<b>23,542</b>	<b>25,614</b>
Working Capital	<b>81,313</b>	<b>69,511</b>	<b>73,446</b>
Investment in Associates and at Fair Value through Profit and Loss	33,700	65,304	67,739
Property, Plant and Equipment and Right of Use Assets	3,112	2,961	3,650
Loan due by associate	-	5,800	5,800
Other Long Term Assets	172	223	172
Other Long Term Liabilities	(40,097)	(28,522)	(33,552)
	<b>78,200</b>	<b>115,277</b>	<b>117,255</b>
<b>Capital and Reserves attributable to the equity holders of the company</b>			
Share capital	38,764	38,579	38,711
Share option plan reserve	412	405	412
Retained earnings	35,082	72,697	75,130
	<b>74,258</b>	<b>111,681</b>	<b>114,253</b>
Non-controlling interests	3,942	3,596	3,002
	<b>78,200</b>	<b>115,277</b>	<b>117,255</b>

### Consolidated Statement of Changes in Equity

For the nine months ended September 30, 2020

(With comparatives for the nine months ended September 30, 2019)

Expressed in thousands of Barbados dollars

	Attributable to equity holders of the Company:			Non-controlling Interest \$	Total \$
	Share Capital \$	Retained Earnings \$	Share Option Reserve \$		
(Unaudited)					
<b>Balance as at December 31, 2018</b>	38,600	70,533	405	3,277	<b>112,815</b>
Net profit for the period	-	4,277	-	1,636	<b>5,913</b>
Dividends	-	(1,833)	-	-	<b>(1,833)</b>
Dividends paid to non-controlling interests	-	-	-	(597)	<b>(597)</b>
Repurchase of shares	(21)	(280)	-	(720)	<b>(1,021)</b>
<b>Balance as at September 30, 2019</b>	<b>38,579</b>	<b>72,697</b>	<b>405</b>	<b>3,596</b>	<b>115,277</b>
(Audited)					
<b>Balance as at December 31, 2018</b>	38,600	70,533	405	3,277	<b>112,815</b>
Net profit for the year	-	8,535	-	2,098	<b>10,633</b>
Other comprehensive income for the year	-	(3)	-	-	<b>(3)</b>
	38,600	79,065	405	5,375	<b>123,445</b>
Dividends	-	(3,677)	-	-	<b>(3,677)</b>
Dividends paid to non-controlling interests	-	-	-	(1,634)	<b>(1,634)</b>
Employee share options	-	-	138	-	<b>138</b>
Expired share options	-	23	(23)	-	-
Exercised share options	108	-	(108)	-	-
Reclassification	-	(256)	-	256	-
Issue of shares	24	-	-	-	<b>24</b>
Sale of shares by non-controlling interest	-	-	-	(995)	<b>(995)</b>
Repurchase of shares	(21)	(25)	-	-	<b>(46)</b>
<b>Balance as at December 31, 2019</b>	<b>38,711</b>	<b>75,130</b>	<b>412</b>	<b>3,002</b>	<b>117,255</b>
(Unaudited)					
<b>Balance as at December 31, 2019</b>	38,711	75,130	412	3,002	<b>117,255</b>
Net (loss)/profit for the period	-	(39,128)	-	1,297	<b>(37,831)</b>
Dividends	-	(920)	-	-	<b>(920)</b>
Dividends paid to non-controlling interests	-	-	-	(357)	<b>(357)</b>
Issue of shares	53	-	-	-	<b>53</b>
<b>Balance as at September 30, 2020</b>	<b>38,764</b>	<b>35,082</b>	<b>412</b>	<b>3,942</b>	<b>78,200</b>