



Sagcor Group Jamaica

Q1 2022 PERFORMANCE REPORT

DIRECTORS' STATEMENT

On behalf of the Board of Directors of Sagcor Group Jamaica Limited (SGJ or the Group) we present the report on the performance of our Group of companies for the three-months ended March 2022.

OVERVIEW -

Sagcor Group Jamaica reported net profit attributable to stockholders of \$3.82 billion, a 31% increase over the prior year. The Individual Life insurance segment performed extremely well while the Employee Benefits segment showed strong recovery. The Group was adversely impacted by the softening of asset prices due to global market conditions. Sagcor Group Jamaica's market capitalization improved to \$224.34 billion (March 2021: \$202.62 billion), with a share price of \$57.44 (March 2021: \$51.88) and an earnings per share of \$0.98 (March 2021: \$0.75).

Caribbean Information and Credit Rating Services Limited (CariCRIS) has reaffirmed its CariA (Local Currency Rating) and CariA- (Foreign Currency Rating) ratings for the Group on the regional rating scale, and jmAAA (Local Currency Rating) and jmAA+ (Foreign Currency Rating) domestically.

On April 4, 2022, the Group commenced operations of Alliance Financial Services Limited having obtained the relevant licenses for Cambio and Remittances services. The acquisition represents a move into a new business segment and affords the Group an opportunity to expand its product offerings to our customers.

HIGHLIGHTS

	March 2022 Unaudited	March 2021 Unaudited	% Change	Dec 2021 Audited
OPERATING RESULTS (INCOME STATEMENT DATA):				
Net Profit, attributable to Stockholders - J\$ billions	3.82	2.91	31%	17.40
Total Revenue - J\$ billions	23.76	23.12	3%	102.56
FINANCIAL POSITION & STRENGTH (BALANCE SHEET DATA):				
Total Assets of Sagcor Group Jamaica - J\$ billions	525.36	483.71	9%	527.99
Total Assets under management - J\$ billions	925.05	907.57	2%	936.31
Stockholders' Equity - J\$ billions	109.46	105.92	3%	114.82
PROFITABILITY:				
Return on average Stockholders' Equity (ROE)	14%	11%	3%	16%
Earnings per stock unit (EPS) - J\$	0.98	0.75	31%	4.46
OTHER MARKET INFORMATION:				
SGJ Share Price - J\$	57.44	51.88	11%	58.25
Market capitalization - J\$ billions	224.34	202.62	11%	227.50

NET PROFIT ATTRIBUTABLE TO STOCKHOLDERS

\$3.82B
▲ 31%

TOTAL REVENUE

\$23.76B
▲ 3%

TOTAL ASSETS

\$525.36B
▲ 9%

STOCKHOLDERS' EQUITY

\$109.46B
▲ 3%

EARNINGS PER STOCK UNIT

\$0.98
▲ 31%

MARKET CAPITALIZATION

\$224.34B
▲ 11%

FINANCIAL PERFORMANCE

The Group's consolidated net profit attributable to stockholders of \$3.82 billion was generated from total revenues of \$23.76 billion, a 3% or \$633.81 million year over year growth. Net premium income of \$13.12 billion grew 5% over the prior year, largely due to in-force policy growth in the Individual Life segment and the acquisition of a major customer in the Group Health portfolio. Growth in the Group's interest earning asset base contributed to a 17% increase in net investment income which amounted to \$5.44 billion. Fees and other income also increased compared to prior year's first quarter, attributable primarily to increase in fees from commercial banking activities and steady recovery in fees from assets under management. Volatility in equity markets, declining debt security prices and other unfavorable market trading conditions, resulted in a fair value loss of \$393.28 million (March 2021: \$1.20 billion gain).

Benefits incurred of \$9.07 billion increased by 15% year over year. This comprised increases of \$362.19 million and \$468.71 million in net death claims and net health claims, respectively. Favorable actuarial reserves changes were influenced by increases in the market yield curve. The Group's administrative expenses of \$6.44 billion, increased by 16% over prior year, primarily due to costs associated with the increase in consumer spending activities and customer rewards. The Group recorded an efficiency ratio of 32% for the period.

Total Group assets as at March 2022 were \$525.36 billion, whilst total assets under management closed at \$925.05 billion. Stockholder's Equity at March 2022 was \$109.46 billion (Dec 2021: \$114.82), with an annualized return on equity of 14% (Dec 2021: 16%).

Individual Insurance

Buoyed by growth in premium income, the Individual Life segment produced net profits of \$2.19 billion, a laudable 89% increase on prior year. Net premium income increased by \$632.92 million year over year, a result of in-force policy growth. A 14% increase in withdrawals from segregated funds contributed to an increase in benefits incurred of \$426.97 million. The segment experienced favorable changes in actuarial reserves largely resulting from increases in market interest rates.

Employee Benefits

The Employee Benefits segment produced profits of \$1.00 billion, a 3% decline against prior year. The segment's total revenue of \$6.92 billion, increased 2% over the prior year comparative period, with a \$134.03 million increase in net group health premium income. Benefits expenses of \$4.95 billion increased by 16% year over year due to high group death and health claims.

Commercial Banking

The Commercial Banking segment ended the quarter with a net profit of \$389.13 million, in line with prior year. The segment's results included a 14% or \$481.09 million increase in revenues, anchored by strong performances in fee income and net investment income. Net investment income of \$2.72 billion was 8% higher than prior year, the result of a larger base of loans. Fee income of \$1.41 billion was 39% higher than prior year due to higher credit card and point of sale fees, driven by increases in consumer spending.

The segment's loan assets net of ECL provisions grew by 4% over December 2021, ending the first quarter at \$97.23 billion. Total assets were \$176.37 billion (Dec 2021: 175.87 billion). Customer deposit liabilities of \$135.58 million decreased against the prior year ended December 2021 of \$136.40 billion.

Investment Banking

The Investment Banking segment net profits of \$308.22 million, decreased against the prior year comparative period (2021: \$651.67 million). The segment was adversely impacted by unfavorable trading conditions and market volatility. Consequently, capital gains of \$85.08 million were 79% less than prior year. The segment continued to benefit from growth in its interest earning assets base, which resulted in a 27%, or \$305.99 million increase in net investment income.

LIQUIDITY AND SOLVENCY

Cash and Cash Equivalents at the end of March 2022 were \$34.03 billion, down from \$51.88 billion as at December 2021. The Group's cash flows period to date included \$26.00 billion re-invested in investment securities and \$1.59 billion raised from the sale of shares held in Sagicor Real Estate X fund. Regulatory capital requirements continue to be met across all operating entities.

CAPITAL RATIOS				
Regulated Entities	Key Regulatory Ratios	Minimum Statutory Requirements	March 31, 2022	March 31, 2021
Sagicor Life Jamaica Limited	Minimum continuing capital and surplus requirements ratio (MCCSR)	150.0%	164.2%	186.7%
Sagicor Bank Jamaica Limited	Regulatory capital to risk weighted assets ratio	10.0%	13.7%	14.4%
Sagicor Investments Jamaica Limited	Regulatory capital to risk weighted assets ratio	10.0%	15.6%	17.3%
Sagicor Life of the Cayman Islands Limited	Minimum capital requirement (MCR)	125.0%	220.5%	373.7%
Advantage General Insurance Company Limited	Minimum capital test ratio (MCT)	250.0%	294.2%	288.6%

CORPORATE SOCIAL RESPONSIBILITY

During the first quarter of 2022, the corporate social responsibility initiatives of Sagicor Group Jamaica, through its charitable arm, Sagicor Foundation Jamaica, were heavily focused on the planning and execution of the 24th staging of its charity event – the Sagicor Sigma Corporate Run.

For the first time, the Sigma Run was held over two consecutive weekends to allow for greater participation while complying with the Disaster Risk Management Act. The 'Team Bubble' run event, which saw teams of runners from corporate Jamaica, running clubs and other groups participating, was held on Sunday March 13 in New Kingston. The Invitational Run was held on Sunday March 20 in New Kingston and featured individual participants.

The event raised \$52M for the Kingston Public Hospital, where the funds raised will be used to procure medical equipment for the hospital's surgery department, as well as to treat cancer patients.

For the 2022 school year, the Sagicor Foundation adopted three new early childhood institutions under its Adopt-A-School programme managed by the Sagicor Foundation. The Adopt-A-School programme focuses on improving the physical infrastructure of schools to provide a more comfortable and safer environment for teachers and students. The refurbishing and renovation work also contributes to improving the schools' rating with the Early Childhood Commission 12 Standards. This year's schools under the programme are Charles Town Basic in

1. Natalie Buddan-Powell, branch manager, Sagikor Bank May Pen hands over the brand new desktop computer and printer to the May Pen Criminal Investigation Bureau; receiving equipment are Detective Constable Patrick Lennon (seated) and Detective Sergeant Noel Bryan (left).



2. Chief Medical Officer Dr. Jacqueline Bisasor-McKenzie (2nd left), Acting CEO at the Kingston Public Hospital (KPH), Dr. Natalie Whyllie (left) and Head of Surgery at KPH, Dr. Lindberg Simpson, engage with President and CEO of Sagikor, Christopher Zacca ahead of the 24th staging of the Sigma Corporate Run on Sunday March 13 in New Kingston.



3. Mischa McLeod Hines (left), Vice-President, Capital Markets at Sagikor Investments share in a photo-op with Serika Sterling (centre), Founder of The Premie Foundation of Jamaica, alongside Minister of Health Dr. Christopher Tufton at the official handover of oxygen concentrator machines, purchased and donated by The Premie Foundation of Jamaica, to hospitals, across the island. Sagikor Foundation donated \$200,000 towards the organisation's efforts to procure the much-needed equipment.

4. Sagikor executives and beneficiaries of the proceeds of the 2022 Sagikor Sigma Run – Kingston Public Hospital celebrate the funds raised to procure medical equipment for the hospital during the culminating event for the 24th staging of the charity event.

Charles Town, Portland, Bermaddy Basic in Linstead, St. Catherine and John Anglin Basic in Warsaw, Trelawny.

In addition to the renovation work, which is scheduled to start in Q2, there are also planned engagement activities for the students throughout the duration of the programme.

Throughout the period, several donations were also made to various groups, charities, and institutions, most notably in the areas of health and education. These included: donation of 15 computers to Liberty Academy, donation of office equipment to May Pen Police Station, cash contribution to the Heart Foundation to conduct tests for the elderly at the Golden Age Home, cash donation to the Premie Foundation of Jamaica to procure oxygen machines for premature babies, among others.

OUTLOOK

Global and domestic challenges continue to weigh heavily on the economic outlook for 2022. Growth prospects have been limited by the continued threat of COVID-19 variants and the geopolitical tension between Ukraine and Russia, which have resulted in rising energy prices, supply chain disruptions and elevated inflation. The International Monetary Fund (IMF) expects global growth for 2022 to be 4.4%, 0.5% lower than forecasted in October 2021. Euro zone inflation closed March at 7.5% while the United States inflation increased to levels of 7.9%; the fastest pace of annual inflation in 40 years.

In February 2022, Statin reported a point-to-point inflation of 10.7%, a decade high for Jamaica. In an effort to curb the persistent breach of inflation forecasts, the Bank of Jamaica (BOJ) increased the policy interest rates to 4.5% effective March 30, 2022. This is expected to impact demand in the economy and plateau inflation between 9% to 11% over the next 8 to 10 months. The BOJ projects FY2021/22 GDP growth to range between 7% to 10%, moderating between 2% to 4% for FY2022/23. The GDP forecast also assumes that the temporary disruption to production at one of Jamaica's main alumina plants will be resolved by June 2022.

Despite the challenges currently facing the world, the economic outlook for Jamaica remains optimistic. Fitch affirmed Jamaica's economic outlook at B+, which indicates a stable and favourable business climate. The positive rating was based on the expectation of a decline in debt post-pandemic. Notwithstanding setbacks from the Omicron COVID-19 variant, the rating agency expects growth will accelerate in 2022 to 5.2% if the tourism industry experiences a better 2021-2022 winter season than the most recent season. Additionally, growth is expected to be aided by the recent termination of curfews and work from home measures.

Sagikor Group Jamaica continues to monitor all of these macro variables in its management of the company and remains conservative in its outlook. The mental and physical wellbeing of our team, our clients and Jamaica as a whole, are as always at the forefront of what we do and who we are.

ACKNOWLEDGEMENTS

Our Team Members, Financial Advisors and Brokers are the heart and soul of Sagikor Group Jamaica and we would like to express our deepest gratitude for their tremendous work ethic in contributing to our customer experience, especially in these times of uncertainty. To our customers, thank you for the trust and confidence you repose in us; we are Sagikor Strong in our commitment to help you navigate these challenging times. Thank you to our supportive business partners and to our stockholders for the continued support and not least, our Directors for their diligence, wise counsel and continued guidance.

On behalf of The Board of Directors:

PETER MELHADO
Chairman

CHRISTOPHER ZACCA, C.D., J.P.
President & CEO

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

 as at 31 March 2022
 (Expressed in thousands of Jamaican dollars)

	March 2022 Unaudited	March 2021 Unaudited	December 2021 Audited
ASSETS:			
Cash resources & Cash reserve at Central Bank	34,169,896	27,877,414	34,468,878
Financial investments	238,112,033	220,407,601	238,745,309
Loans & leases, after allowance for credit losses	97,231,576	87,300,450	96,889,917
Pledged assets	92,983,514	91,860,172	93,636,126
Investment properties	1,319,628	1,389,305	1,220,324
Investment in joint venture	1,519,739	940,988	1,329,797
Intangible assets	5,731,239	6,541,297	5,872,442
Property, plant and equipment	20,465,924	18,598,391	20,782,133
Right-of-use assets	2,021,691	2,373,379	2,155,117
Retirement benefit assets	472,179	1,187,248	472,179
Deferred income taxes	2,653,485	1,044,790	1,980,237
Taxation recoverable	4,573,532	3,355,953	4,186,609
Other assets	24,101,147	20,837,489	26,251,636
TOTAL ASSETS	525,355,583	483,714,477	527,990,704
STOCKHOLDERS' EQUITY AND LIABILITIES:			
Equity attributable to:			
Stockholders' of the parent company			
Share capital	8,875,551	8,991,044	8,816,093
Equity reserves	11,864,595	14,717,672	17,163,717
Retained earnings	88,723,718	82,209,585	88,843,812
	109,463,864	105,918,301	114,823,622
Non-controlling interests	21,575,933	18,524,094	19,956,091
Total Equity	131,039,797	124,442,395	134,779,713
Liabilities			
Deposit and security liabilities	223,460,416	203,765,202	221,851,641
Loans payable	9,204,195	10,313,301	9,284,518
Deferred income taxes	1,443,481	1,667,134	2,169,101
Taxation payable	938,042	25,059	703,344
Retirement benefit obligations	5,850,811	3,804,017	5,780,581
Lease liabilities	2,404,268	2,681,939	2,521,790
Other liabilities	22,770,949	14,321,925	20,395,035
Policyholders' Funds			
Life and health insurance contracts liabilities	94,948,182	93,047,606	97,996,749
Investment contracts liabilities	19,595,906	17,746,222	19,356,485
Property and casualty insurance contracts and other policy liabilities	13,699,536	11,899,677	13,151,747
	128,243,624	122,693,505	130,504,981
Total Liabilities	394,315,786	359,272,082	393,210,991
TOTAL STOCKHOLDERS' EQUITY AND LIABILITIES	525,355,583	483,714,477	527,990,704

 PETER MELHADO
 Chairman
 29 April 2022

 CHRISTOPHER ZACCA, C.D., J.P.
 President & CEO

CONSOLIDATED INCOME STATEMENT

 for the three-months ended 31 March 2022
 (Expressed in thousands of Jamaican dollars)

	March 2022 Year-to-date Unaudited	March 2021 Year-to-date Unaudited	December 2021 Full Year Audited
Revenue:			
Net premium revenue	13,120,986	12,519,617	52,784,590
Net investment income	5,442,783	4,644,979	19,241,422
Realised and Unrealised gains/(losses)	(393,279)	1,200,683	8,965,509
Credit losses on loans and investment securities	(197,704)	(59,424)	(245,288)
Hotel revenue	1,716,317	721,023	4,418,749
Fees and other income	4,068,694	4,097,114	17,395,697
Total revenue, net of reinsurance, interest expense and credit losses	23,757,797	23,123,992	102,560,679
Benefits and Expenses:			
Net insurance benefits incurred	9,068,529	7,897,797	35,053,288
Net movement in actuarial liabilities	(1,754,772)	1,713,801	4,279,198
Administration expenses	6,437,584	5,551,336	24,421,497
Commissions and sales expenses	1,955,001	1,818,983	7,556,465
Hotel expenses	1,187,208	618,950	3,367,407
Depreciation and amortisation	683,056	660,542	2,719,286
Other taxes and levies	877,258	812,644	830,767
Total benefits and expenses	18,453,864	19,074,053	78,227,908
Profit before Associates and Joint Venture	5,303,933	4,049,939	24,332,771
Impairment charge on goodwill	-	-	(614,400)
Share of profit from joint venture	213,698	222,499	607,764
Loss on sale of interest in associate	-	(233,089)	(233,088)
Profit before Taxation	5,517,631	4,039,349	24,093,047
Taxation	(1,497,404)	(1,134,654)	(6,449,959)
Net Profit	4,020,227	2,904,695	17,643,088
Net Profit attributable to:			
Stockholders' of the parent company	3,818,101	2,907,954	17,395,431
Non-controlling interests	202,126	(3,259)	247,657
	4,020,227	2,904,695	17,643,088
Earnings per stock unit for profit attributable to the stockholders' of the parent company:			
Basic and fully diluted	\$0.98	\$0.75	\$4.46

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

 for the three-months ended 31 March 2022
 (Expressed in thousands of Jamaican dollars)

	Share Capital	Equity Reserves	Retained Earnings	Equity Owners' Total	Non-controlling Interests Total	Total Stockholders' Equity Audited
Period ended March 31, 2022:						
Balance as reported December 31, 2021	8,816,093	17,163,717	88,843,812	114,823,622	19,956,091	134,779,713
Total comprehensive (loss)/income for the period	-	(5,201,359)	3,817,961	(1,383,398)	153,919	(1,229,479)
Transactions with owners -						
Dividends declared to owners of the parent	-	-	(4,148,956)	(4,148,956)	-	(4,148,956)
Treasury shares	59,458	-	(11,438)	48,020	-	48,020
Disposal of shares in Xfund	-	-	124,576	124,576	1,465,923	1,590,499
Total transactions with owners	59,458	-	(4,035,818)	(3,976,360)	1,465,923	(2,510,437)
Transfer between reserves -						
From loan loss reserve	-	(97,763)	97,763	-	-	-
Transfers between retained earnings and reserves	-	(97,763)	97,763	-	-	-
Balance as at March 31, 2022	8,875,551	11,864,595	88,723,718	109,463,864	21,575,933	131,039,797
Period ended March 31, 2021:						
Balance as reported December 31, 2020	8,991,044	18,043,805	79,349,157	106,384,006	20,462,993	126,846,999
Total comprehensive income/(loss) for the period	-	(3,373,659)	2,907,954	(465,705)	(1,379,009)	(1,844,714)
Transactions with owners -						
Dividends paid to owners of the parent	-	-	-	-	(559,890)	(559,890)
Total transactions with owners	-	-	-	-	(559,890)	(559,890)
Transfer between reserves -						
To retained earnings	-	(27,761)	27,761	-	-	-
From loan loss reserve	-	75,287	(75,287)	-	-	-
Transfers between retained earnings and reserves	-	(47,526)	(47,526)	-	-	-
Balance as at March 31, 2021	8,991,044	14,717,672	82,209,585	105,918,301	18,524,094	124,442,395

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

 for the three-months ended 31 March 2022
 (Expressed in thousands of Jamaican dollars)

	March 2022 Year-to-date Unaudited	March 2021 Year-to-date Unaudited	December 2021 Full Year Audited
Net profit for the period	4,020,227	2,904,695	17,643,088
Other comprehensive income:			
Items that may be subsequently reclassified to profit or loss			
Fair value reserve:			
Unrealised losses on FVTOCI bonds	(6,183,520)	(3,363,346)	(2,397,323)
Share of joint venture and unrealised (losses)/gains on FVTOCI bonds	(16,502)	20,536	32,733
	(6,200,022)	(3,342,810)	(2,364,590)
Currency translation	(102,605)	(1,973,711)	(359,171)
Gains recycled to the Profit or Loss Statement on sale and maturity of FVTOCI securities	(74,553)	(246,809)	(1,726,068)
Provision for expected credit losses on securities designated as FVTOCI	20,824	25,178	32,450
Expected credit losses recycled to the Profit or Loss Statement on sale and maturity of FVTOCI securities	(192)	(216,285)	(539,455)
Change in actuarial liabilities recognised in other comprehensive income	1,110,431	303,648	121,612
Share of fair value gains on interest rate swap recycled on sale/dilution of associate company	-	526,422	526,436
	1,056,510	392,154	(1,585,025)
Items that will not be subsequently reclassified to profit or loss			
Owner-occupied properties (OOP):			
Unrealised (losses)/gain on OOP	(3,589)	174,958	1,745,785
	(3,589)	174,958	1,745,785
Re-measurements of retirement benefits obligations	-	-	(1,934,186)
Total other income recognised directly in stockholders' equity, net of taxes	(5,249,706)	(4,749,409)	(4,497,187)
Total Comprehensive Income	(1,229,479)	(1,844,714)	13,145,901
Attributable to:			
Stockholders' of the parent company	(1,383,398)	(465,705)	12,992,803
Non-controlling interests	153,919	(1,379,009)	153,098
	(1,229,479)	(1,844,714)	13,145,901

CONSOLIDATED SEGMENTAL FINANCIAL INFORMATION

 for the three-months ended 31 March 2022
 (Expressed in thousands of Jamaican dollars)

	Individual Lines	Employee Benefits	Commercial Banking	Investment Banking	All other	Eliminations	Unaudited March 2022 Group
For the three-months ended March 31, 2022							
Operating results:							
External revenues	7,858,092	6,918,466	3,938,506	1,493,586	3,549,147	-	23,757,797
Inter-segment revenues	11,199	-	(860)	(61,793)	477,291	(425,837)	-
Total revenue	7,869,291	6,918,466	3,937,646	1,431,793	4,026,438	(425,837)	23,757,797
Benefits and expenses	(6,495,714)	(6,119,417)	(2,606,347)	(604,140)	(3,024,098)	201,394	(18,648,322)
Change in actuarial liabilities	1,720,198	82,845	-	-	-	(48,271)	1,754,772
Depreciation and amortisation	(52,632)	(33,213)	(160,763)	(33,228)	(403,220)	-	(683,056)
Other taxes	-	(108)	-	-	(58)	-	(166)
Asset tax	(117,654)	(35,940)	(404,804)	(242,547)	(76,147)	-	(877,092)
Total benefits and expenses	(4,945,802)	(6,105,833)	(3,171,914)	(879,915)	(3,503,523)	153,123	(18,453,864)
Share of profit from joint venture	-	213,698	-	-	-	-	213,698
Profit before taxation	2,923,489	1,026,331	765,732	551,878	522,915	(272,714)	5,517,631
Investment and corporation taxes	(730,333)	(22,036)	(376,604)	(243,656)	(124,775)	-	(1,497,404)
Net Profit	2,193,156	1,004,295	389,128	308,222	398,140	(272,714)	4,020,227
Segment assets:							
Unallocated assets -	73,387,544	86,440,602	175,293,889	122,718,933	80,974,596	(18,105,384)	520,710,180
Investments in joint venture	-	-	-	-	-	-	1,519,739
Deferred income taxes	-	-	-	-	-	-	2,653,485
Retirement benefit assets	-	-	-	-	-	-	472,179
Total assets							525,355,583
Segment liabilities:							
Unallocated liabilities -	57,862,213	72,775,570	151,741,146	102,513,807	49,377,872	(47,249,114)	387,021,494
Deferred income taxes	-	-	-	-	-	-	1,443,481
Retirement benefit obligations	-	-	-	-	-	-	5,850,811
Total liabilities							394,315,786
Other Segment items:							
Capital expenditure: Computer software	-	-	-	-	-	-	4,421
Property, plant and equipment	-	-	-	-	-	-	130,607

	Geographical information:				Total Group
	Jamaica	Cayman Islands	United States of America	Other	
Revenue	21,431,094	610,386	1,716,317	-	23,757,797
Total assets	474,826,525	31,161,409	17,847,910	1,519,739	525,355,583

	Individual Lines	Employee Benefits	Commercial Banking	Investment Banking	All other	Eliminations	Unaudited March 2021 Group
For the three-months ended March 31, 2021							
Operating results:							
External revenues	8,533,132	6,769,332	3,456,077	1,769,615	2,595,836	-	23,123,992
Inter-segment revenues	4,438	-	2,509	(23,868)	127,903	(110,982)	-
Total revenue	8,537,570	6,769,332	3,458,586	1,745,747	2,723,739	(110,982)	23,123,992
Benefits and expenses	(5,664,863)	(5,294,275)	(2,180,741)	(474,226)	(2,374,866)	101,905	(15,887,066)
Change in actuarial liabilities	(1,277,595)	(458,936)	-	-	-	22,730	(1,713,801)
Depreciation and amortisation	(51,180)	(40,250)	(158,566)	(30,361)	(380,185)	-	(660,542)
Other taxes	-	-	-	-	(3)	-	(3)
Asset tax	(105,518)	(35,634)	(363,645)	(231,484)	(76,360)	-	(812,641)
Total benefits and expenses	(7,099,156)	(5,829,095)	(2,702,952)	(736,071)	(2,831,414)	124,635	(19,074,053)
Share of profit from joint venture	-	222,499	-	-	-	-	222,499
Share of loss arising from disposal of interest in associate	-	-	-	-	(233,089)	-	(233,089)
Profit before taxation	1,438,414	1,162,736	755,634	1,009,676	(340,764)	13,653	4,039,349
Investment and corporation taxes	(278,432)	(128,104)	(359,138)	(358,011)	(10,969)	-	(1,134,654)
Net Profit	1,159,982	1,034,632	396,496	651,665	(351,733)	13,653	2,904,695
Segment assets:							
Unallocated assets -	68,427,519	80,768,832	152,649,037	114,040,191	76,715,065	(12,059,193)	480,541,451
Investments in joint venture	-	-	-	-	-	-	940,988
Deferred income taxes	-	-	-	-	-	-	1,044,790
Retirement benefit assets	-	-	-	-	-	-	1,187,248
Total assets							483,714,477
Segment liabilities:							
Unallocated liabilities -	54,618,149	66,751,868	125,046,538	88,781,078	32,684,522	(14,081,224)	353,800,931
Deferred income taxes	-	-	-	-	-	-	1,667,134
Retirement benefit obligations	-	-	-	-	-	-	3,804,017
Total liabilities							359,272,082
Other Segment items:							
Capital expenditure: Computer software	-	-	-	-	-	-	16,199
Property, plant and equipment	-	-	-	-	-	-	36,144

	Geographical information:				Total Group
	Jamaica	Cayman Islands	United States of America	Other	
Revenue	21,172,185	1,230,784	721,023	-	23,123,992
Total assets	438,482,722	29,648,727	14,642,040	940,988	483,714,477

CONSOLIDATED STATEMENT OF CASH FLOWS

 for the three-months ended 31 March 2022
 (Expressed in thousands of Jamaican dollars)

	March 2022 Year-to-date Unaudited	March 2021 Year-to-date Unaudited	December 2021 Full Year Audited
For the three-months ended March 31, 2022			
Cash Flows from Operating Activities:			
Net Profit	4,020,227	2,904,695	17,643,088
Adjustments for:			
Items not affecting cash and changes to policyholders' fund			
Adjustments for non-cash items, interest and dividends	(2,865,477)	(1,466,219)	(11,894,938)
Changes in other operating assets and liabilities	113,558	(2,296,296)	(2,765,801)
Net Investment purchases	(26,001,106)	(8,874,212)	(12,697,937)
Interest and dividends received	6,358,309	6,218,398	25,639,706
Interest paid	(1,267,356)	(1,300,512)	(5,016,176)
Income taxes paid	(2,505,488)	(4,354,684)	(7,875,003)
Net cash (used in)/generated in from operating activities	(22,147,333)	(9,168,830)	3,032,939
Cash Flows from Investing Activities:			
(Purchase)/Disposal of investment property, net	(95,914)	-	193,381
Purchase of property, plant and equipment, net	(130,607)	(36,144)	(496,745)
Purchase of intangible assets, net	(4,421)	(16,199)	(390,564)
Proceeds from sale of associate	-	13,604,064	13,604,064
Proceeds from sale of X Fund	1,590,499	-	-
Net cash generated from investing activities	1,359,557	13,551,721	12,910,136
Cash Flows from Financing activities:			
Deposits and securities liabilities	2,067,754	(6,609,334)	4,866,676
Loan payable	(64,410)	-	(2,065,939)
Finance lease repayment	(138,252)	(130,612)	(525,324)
Disposal/(Purchase) of treasury shares, net	47,880	-	(232,192)
Dividends paid to non-controlling interests	-	(559,890)	(660,000)
Dividends paid to stockholders	-	-	(4,331,349)
Net cash generated/(used in) from financing activities	1,912,972	(7,299,836)	(2,948,128)
Cash and cash equivalents:			
Effect of exchange rate on cash and cash equivalents	(48,382)	478,853	1,653,173
(Decrease)/Increase in cash and cash equivalents	(18,923,186)	(2,438,092)	14,648,120
Cash and cash equivalents at beginning of year	51,884,096	37,235,976	37,235,976
Cash and cash equivalents at end of period	32,960,910	34,797,884	51,884,096
Comprising:			
Balances with Banks	21,719,083	16,805,815	22,442,346
Short - Term Deposits	2,669,066	1,543,101	17,450,177
USA Government Treasury Bills and BOJ CD's	3,395,672	12,185,266	5,063,510
Securities purchased under resale agreements	5,213,684	4,367,101	6,928,063
Bank overdraft	(36,595)	(103,399)	-
	32,960,910	34,797,884	51,884,096

Explanatory Notes
1. Identification and Principal Activities

Sagikor Group Jamaica Limited (SGJ), the company) is incorporated and domiciled in Jamaica and is listed on the Jamaica Stock Exchange. It is 32.45% (2020 – 32.45%) owned by LOJ Holdings Limited (LOJH) which is also incorporated and domiciled in Jamaica and 16.66% owned by Sagikor Life Inc. (SLI) which is domiciled in Barbados. Both LOJH and SLI are wholly owned by Sagikor Financial Company Limited (Sagikor), the ultimate parent company, which is incorporated and domiciled in Bermuda. Sagikor has an overall interest of 49.11% (2020 – 49.11%) in the company. The other significant shareholder in SGJ is PanJam Investment Limited with a 30.21% (2020 – 30.22%) holding.

The registered office of the Sagikor Group Jamaica Limited is located at 28 - 48 Barbados Avenue, Kingston 5, Jamaica.

Sagikor Group Jamaica comprises many companies offering a wide range of financial products and services. These include life and health insurance; property and casualty insurance; annuities; pensions administration; investment services; commercial banking; investments banking; captives management; property management and real estate sales and rentals.

2. Basis of preparation

These condensed consolidated financial statements should be read in conjunction with the accounting policies and other disclosures as set out in the full audited financial statements with disclosure notes for the year ended 31 December 2021.

3. Accounting estimates and judgements

Certain amounts recorded in these unaudited consolidated financial statements reflect estimates and assumptions made by management about insurance liability reserves, investment

valuations, interest rates and other factors. Actual results may differ from the estimates and assumptions made. Interim results are not necessarily indicative of full year results.

During March 2022, SGJ sold 8.56% interest in X Fund, reducing the Group's holdings in the company to 20.75%. This transaction generated net proceeds of \$1.59 billion.

5. Subsequent Event

During March 2022, SGJ sold 8.56% interest in X Fund, reducing the Group's holdings in the company to 20.75%. This transaction generated net proceeds of \$1.59 billion.

6. Dividend Paid

On March 21, 2022, Sagikor Group Jamaica declared a dividend of \$1.06 per share with a record date of April 4, 2022 and a payment date of April 18, 2022.