

Sterling Investments Limited Financial Highlights- Audited results for the year ended December 31, 2022.

Sterling Investments Limited (SIL) demonstrated resilience amidst broad market declines. SIL continued to generate steady levels of US dollar income from its global bond portfolio and shareholders enjoyed this in the form of dividends throughout the year. Management took advantage of the market declines by purchasing undervalued assets and reinvesting liquidity in higher yielding securities. The company expects interest rates to move higher, and ultimately result in higher levels of income for shareholders.

Highlights:

- **Total interest income increased by 2% year on year.**
- **Other Operating expenses declined by 4.8%**
- **Well positioned to take advantage of higher interest rates.**

Financial Report:

Total interest income increased 2% from J\$145.3 million for the 2021 fiscal year to J\$148.2 million for the 2022 fiscal year. The company is prudently rotating into higher yielding securities. The company expects interest rates to move higher and is keeping funds liquid to take advantage of the rising yields. SIL experienced total unrealized foreign exchange losses of J\$30.3 million in 2022 due to the appreciation in the Jamaican dollar against the USD dollar. This compared to a foreign exchange gain of J\$110 million in 2021. The company maintains its long-term outlook that a long US dollar position is the safest and most rewarding strategy for shareholders. The Foreign Exchange losses resulted in a decline in total profit from J\$159.8 million in 2021 to J\$42.7 million in 2022. The company anticipates that the Foreign Exchange losses are unlikely to persist in the medium term. As market prices recover, we expect declines in asset values to be reversed.

Investors will continue to benefit from the US dollar income SIL's portfolio generates through dividend payments. SIL's exposure to the developed countries delivers a true source of diversification to shareholders.

OUTLOOK: The investment manager remains focused on managing duration and interest rate risks as well as positioning the portfolio to take advantage of future volatility that may arise.

ABOUT STERLING INVESTMENTS LIMITED: Sterling Investments Limited is an investment holding company that invests primarily in US dollar fixed income investments across the globe. The company was formed in 2012 when the JMD/USD exchange rate was J\$92 / US\$1 and prior to the National Debt Exchange. SIL continues to preserve and grow the capital of its shareholders which include pension funds and long-term investors.