

JMMB GROUP LIMITED

Six Months Highlights

Six-month period ended 30 September 2023

(Expressed in Jamaican dollars unless otherwise indicated)

DIRECTORS' STATEMENT

PERFORMANCE HIGHLIGHTS

Net Operating Revenue	J\$11.70 billion
Net Interest Income	J\$4.15 billion
Net Profit	J\$1.92 billion
Earnings per Stock Unit	J\$0.93

The Directors are pleased to announce that the JMMB Group Limited posted net profit of J\$1.92 billion and earnings per share of J\$0.93 for the six months ended 30 September 2023.

GROUP CEO'S COMMENTARY

Credible performance despite challenging market conditions

Year to date performance stands at J\$1.9B facing a challenged outturn as the Group faced severe headwinds of a persistently high interest rate environment. For the quarter ended September 30, 2023, the Group incurred a net loss, driven by the Group's Investment business line that continued to be impacted by the high interest rate environment and volatile markets which significantly reduced investment and trading opportunities. Additionally, the Group's performance was also impacted by losses from its associate company, Sagicor Financial Corporation (SFC), on account of changes in actuarial liabilities assumptions coupled with the adoption of IFRS 17. Nevertheless, for the six months period, the Group's diversification strategy remained strong which resulted in 8% growth in banking and related services amounting to J\$6.9 billion at the end of the period. The Group's diversification strategy of earnings across countries and business lines continues to ensure sustainability in adverse market conditions.

During the quarter, the Group continued to meet and exceed regulatory capital requirements for each operating territory. The Group's policy posture is to maintain a strong capital base that exceeds regulatory requirements for sustainability of the business, keeping it solid, safe and strong to navigate adverse market headwinds. Additionally, the Group continues to maintain the confidence of international rating agencies and that of its multilateral funding partners, IDB Invest. The team continues to remain focused on its mission, providing tailored solutions in the best interest of each client and the territories within which it operates.

High Interest Rate Headwinds Remain Persistent

During the quarter, inflation and interest rates remained elevated posing significant challenge to business growth. In September 2023, the United States Federal Reserve (Fed) maintained its federal funds target range of 5.25 per cent to 5.50 per cent and the Bank of England also kept its benchmark rate unchanged. During the period, there was a mild uptick in inflation in Jamaica with the Bank of Jamaica (BOJ) deciding to maintain policy rate at 7.0% at its September sitting. Similarly, in the Dominican Republic, the central bank paused its loosening cycle, maintaining its policy rate at 7.5% with the Central Bank of Trinidad & Tobago (CBTT) holding the policy rate at 3.5% in September.

JMMB GROUP LIMITED

Six Months Highlights

Six-month period ended 30 September 2023

(Expressed in Jamaican dollars unless otherwise indicated)

Diversification Strategy Fortifies the Group

The company's year to date performance reflects the impact of this operating environment and highlights the effectiveness of the Group's regional diversification strategy allowing it to maintain credible performance despite the challenges. The Trinidad and Tobago operations and the Dominican Republic portfolio contributed 28% and 16% to net revenues respectively. The Jamaica operations continue to be impacted by the contractionary monetary policy environment but showed resilience, contributing 56% to total net revenue.

With respect to business line diversification, the banking business line accounted for 59% of total net revenue while the Investment business line contributed 38% to net revenue. Notably, the Group's investment in SFC contributed year to date profits of J\$1.6 billion.

Deepening Digital Capabilities to Better Serve our Clients

During the period, the Group deepened its digital capabilities with the release of its Digital Assistant, Johanna. This is available to clients in Jamaica and will be available to clients in Trinidad and Tobago and the Dominican Republic by the end of the calendar year. The team also launched its Money Transfer Visa Prepaid Card where clients do not have to go to locations to collect cash but can have their transfers loaded to their cards. The card is accepted at all VISA locations locally and internationally. Additionally, the team launched its Moneyline IPO portal for non JMMB clients so that they can also seamlessly participate in public offers. These solutions will make it easier for clients to conduct business with the Groups and help the team to develop a deeper partnership with its clients.

The expansion of the Group's digital footprint is underpinned by continued prioritization of its clients' online safety. Thus, the team continued to proactively enhance its ability to protect client data, mitigate cyber threats, and maintain the trust and confidence of its valued clients.

The team is also working on rolling out its Business Debit Cards and Mobile App during the financial year.

Looking Ahead

The Federal Reserve, in its latest release, held rates steady for a second consecutive time, which means that rates remain high for longer as it seeks to return inflation to its 2% target. The market has priced in one more rate rise - 25 bps - by the Fed in 2023. The consensus forecast is that the Fed will embark on the rate reduction cycle in mid-2024. However, the Fed and other central banks, including regional central banks, continue to closely monitor the potential risks to inflation. The Group continues to monitor the global and domestic economic environments for these potential risks. In the quarter ahead, the Group will be focused on accelerating strategies to enhance the efficiency and profitability of the Investment Business line and the overall Jamaica portfolio with sharp attention placed on balance sheet optimization and sustainable profit maximization. Notably, SFC's recent acquisition of Ivori has resulted in an upgrading of SFC's credit rating by both S&P Global Ratings and Fitch Ratings and is expected to be accretive on a book value and earnings basis. The Group therefore continues to focus on diversification of revenue by business line and geography as well as strong capital management and improving operational efficiency to drive growth and profitability in keeping with its 'Smart Growth' strategy.

JMMB GROUP LIMITED

Six Months Highlights

Six-month period ended 30 September 2023

(Expressed in Jamaican dollars unless otherwise indicated)

GROUP FINANCIAL PERFORMANCE

Net Operating Revenue

The Group posted net operating revenue of J\$11.70 billion for the six months ended September 30, 2023, reflecting a decline of 6%. This was within the context of a challenging operating environment as global interest rates are much higher than the prior period. This especially impacted margins and consequently, net interest income declined by 27% to J\$4.15 billion. Further, market sentiment impacted fees and commission income as well as FX trading gains, these were 13% lower at J\$2.73 billion and 17% lower at J\$1.34 billion, respectively. Otherwise, clients continue to demonstrate confidence in the value of solutions and services as evidenced by the strong growth of the loan and investment portfolios.

Whilst the market condition is not conducive to outsized trading gains as regular trading activities remained low, the Group continued to execute the strategy of nimbly identifying and successfully executing trading opportunities. Further, the monetary policy direction was reversed in the Dominican Republic to an expansionary stance. This was evidenced by three policy rate cuts during the period and resulted in higher levels of trading. Thus, trading gains were 81% higher at J\$3.33 billion.

Segment Contribution

The table below shows the contribution to net operating revenue by segments.

Net Operating Revenue	J\$'000	Contribution (%)
Financial & Related Services	4,490,661	38%
Banking & Related Services	6,900,829	59%
Other	310,010	3%
Total	11,701,500	100%

The Banking & Related Services segment contributed J\$6.9 billion which was almost 60% of operating revenue. This represented an 8% growth when compared to the prior period on account of strong growth in the loan book.

The Financial and Related Services segment contributed J\$4.49 billion or 38% of net operating revenue and reflected a decline of 23%. This largely reflected rising interest rates and the attendant market condition.

Operating Efficiency

Operating expenses moved from J\$9.96 billion to J\$10.96 billion and reflected inflationary increases as well as strategic spend related to longer-term initiatives aimed at improving the posture and positioning of the Group. Thus, operational efficiency moved from 80% to 94%. Nevertheless, the Group will continue to focus on projects aimed at yielding scale and efficiency and thus contribute to long term shareholder value.

JMMB GROUP LIMITED

Six Months Highlights

Six-month period ended 30 September 2023

(Expressed in Jamaican dollars unless otherwise indicated)

Interest in Associated Company

For the period under review, the Group recorded share of profits of J\$1.61 billion from its associated company, Sagicor Financial Company Limited (SFC). These results reflect the adoption of IFRS 17 – Insurance Contracts, which the Group adopted April 1, 2023. Given that SFC adopted a retrospective approach, the prior year's financial result was restated and reflected a share of loss of J\$5.5 billion (Note 6).

GROUP FINANCIAL POSITION

Total Assets

At the end of the reporting period, the Group's asset base totalled J\$688.1 billion, up 4% relative to the start of the financial year. This was mainly on account of a larger loan portfolio which grew by 12% to J\$200.2 billion. The credit quality of the loan portfolio continued to be comparable to international standards and the Group continues to maintain enhanced monitoring to mitigate against possible deterioration in credit quality. Growth in the asset base over the six-month period was primarily funded by an increase in customer deposits and notes payable. Deposits grew by 6% to J\$182.9 billion, while notes payable increased by 5% to J\$65.5 billion.

Capital

Company	Regulatory Measure	Minimum Requirement	30-Sep-23
Jamaica Money Market Brokers Limited	Regulatory capital to risk weighted assets ratio	10%	16.36%
JMMB Bank (Ja) Limited	Regulatory capital to risk weighted assets ratio	10%	11.57%
JMMB Bank (T&T) Limited	Regulatory capital to risk weighted assets ratio	10%	14.10%

Over the six-month period, shareholders' equity increased by 5% to J\$51.7 billion. This was on account of increased net profit posted. Thus, the Group continues to be adequately capitalized and all individually regulated companies within the Group continue to exceed their regulatory capital

requirements. The performance of the major subsidiaries is shown in the table above.

Off-Balance Sheet Funds under Management

The Group continued to execute on its strategy to provide complete, customized financial solutions for each client. This includes off-balance sheet products such as pension funds, unit trusts and money market funds. For the period under review, congruent with the decline in asset prices globally, assets in these funds were adversely impacted. Nevertheless, the total invested in off-balance sheet products as at the end of September 2023 stood at J\$188.9 billion compared to J\$185.5 billion as at 30 September 2022.

JMMB GROUP LIMITED

Six Months Highlights

Six-month period ended 30 September 2023

(Expressed in Jamaican dollars unless otherwise indicated)

The JMMB Group in the Community

In keeping with its Vision of Love, JMMB Group is actively and publicly involved in charitable and voluntary activities within the society and recognizes and accepts its social responsibility; understanding that it has everything to do with JMMB as part of the link in the wider chain. As such, during the last quarter, the Group's efforts were largely focused on educational initiatives, entrepreneurship, transformational training and community outreach.

In **Jamaica**, the philanthropic efforts led by the JMMB Joan Duncan Foundation were geared towards educational, entrepreneurial and transformational initiatives. The Foundation awarded J\$12.2 million in scholarships and bursaries to sixty-five (65) students at the secondary and tertiary levels for the 2023/24 academic year. Additionally, the Foundation answered the call to reduce hunger among tertiary students by making a J\$1 million donation to the GraceKennedy Foundation-led Campus Connect Food Bank. The initiative seeks to provide over 250 tertiary students with food packages monthly, thereby supplementing the nutritional needs of these vulnerable students. The Foundation also invested J\$1.5 million in holistic developmental programs for over 200 youth from across Jamaica, through its partnership with several organizations in the execution of their various summer programs. These programs catered to the psychosocial needs of the participants and helped them to uncover their academic prowess and/or creative talents. Additionally, in support of youth entrepreneurship, the Foundation continued its partnership the Vincent Hosang UWI Venture Competition at the Mona School of Business & Management (MSBM), which this year saw the Foundation donating J\$1M. In recognition of the JMMB Joan Duncan Foundation's philanthropic efforts and its contribution to the MSBM at UWI Mona, the Foundation was recognized as a key partner for its unwavering support during MSBM's 10th anniversary award and gala. In keeping with its thrust towards transformational training, the Foundation continues to provide hundreds of individuals with transformational training via its Conversations for Greatness app. These beneficiaries include community groups, voluntary and service organizations and scholarship recipients. Additionally, the Foundation alongside the wider team continues to support a range of community outreach efforts and programs such as Relay for Life and CUMI Golf Tournament.

During the quarter, the team in the **Dominican Republic**, focused its corporate social responsibility efforts on entrepreneurial activities and community outreach. JMMB continued its partnership with UNPHU Emprende, the Entrepreneur division of the Universidad Nacional Pedro Henriquez Ureña; providing support and financial advisory services to the entrepreneurs in that programme. Additionally, JMMB provided training and financial solutions to the center's clients and conducted personal finance sessions for UNPHU employees, to build financial literacy. As part of its community outreach efforts, the team also continues to support selected children's homes namely Madelaes and La Altagracia, by catering to the nutritional and educational needs of these children.

Over the period, the Corporate Social Responsibility (CSR) committee in **Trinidad & Tobago** spearheaded several education-related projects and community outreach activities. These included provision of scholarships for selected special needs students and the financial backing to offset the cost of educational supplies for six (6) children's homes. Additionally, the team provided refurbished computers to two schools in rural areas namely Caripichima and Sangre Grande primary schools, in an effort to close the digital divide by increasing access to computer technology at these schools. The team also gave a facelift to the play area of a local hospital and provided financial support for the renovation of the space, in order to create a calm and welcoming environment for the children in that facility.

JMMB GROUP LIMITED

Six Months Highlights

Six-month period ended 30 September 2023

(Expressed in Jamaican dollars unless otherwise indicated)

General

The Directors thank and acknowledge all our loyal, supportive and valuable shareholders, clients and staff who continue to contribute to our ongoing success.



Archibald Campbell
Chairman



Keith P. Duncan
Group Chief Executive Officer

JMMB GROUP LIMITED

Consolidated Profit and Loss Account

Six-month period ended 30 September 2023

(Expressed in Jamaican dollars unless otherwise indicated)

	Unaudited Three Months Ended 30-Sep-23 \$000	Restated Unaudited Three Months Ended 30-Sep-22 \$000	Unaudited Six Months Ended 30-Sep-23 \$000	Restated Unaudited Six Months Ended 30-Sep-22 \$000
Net Interest Income and Other Revenue				
Interest income	9,678,390	8,659,592	19,531,974	16,497,067
Interest expense	(7,628,789)	(5,870,128)	(15,377,810)	(10,797,592)
Net Interest Income	2,049,601	2,789,464	4,154,164	5,699,475
Fees and commissions income	1,345,991	1,462,450	2,733,824	3,135,403
Gain on securities trading, net	963,550	815,363	3,327,757	1,840,807
Foreign exchange margins from cambio trading	670,911	738,350	1,342,410	1,621,546
Dividends	78,596	34,238	143,345	95,809
Operating Revenue Net of Interest Expense	5,108,649	5,839,865	11,701,500	12,393,040
Operating expenses	(5,145,311)	(4,640,896)	(10,961,563)	(9,958,076)
Operating Profit	(36,662)	1,198,969	739,937	2,434,964
Other income	13,129	32,521	23,913	36,638
	(23,533)	1,231,490	763,850	2,471,602
Impairment loss on financial assets	(573,218)	(468,965)	(1,063,302)	(843,655)
Share of profit/(loss) of associate	(122,394)	(2,634,634)	1,611,309	(5,530,464)
Profit/(loss) before Taxation	(719,145)	(1,872,109)	1,311,857	(3,902,517)
Taxation	85,276	(11,311)	605,563	(159,951)
Profit/(loss) for the Period	(633,869)	(1,883,420)	1,917,420	(4,062,468)
Attributable to:				
Equity holders of the parent	(693,023)	(1,982,588)	1,810,811	(4,218,978)
Non-controlling interest	59,154	99,168	106,609	156,510
	(633,869)	(1,883,420)	1,917,420	(4,062,468)
Earnings per stock unit (Note 3)	(\$0.35)	(\$1.01)	\$0.93	(\$2.16)

JMMB GROUP LIMITED

Consolidated Statement of Comprehensive Income

Six-month period ended 30 September 2023

(Expressed in Jamaican dollars unless otherwise indicated)

	Unaudited Three Months Ended 30-Sep-23 \$000	(Restated) Unaudited Three Months Ended 30-Sep-22 \$000	Unaudited Six Months Ended 30-Sep-23 \$000	(Restated) Unaudited Six Months Ended 30-Sep-22 \$000
Profit/(loss) for the Period	(633,869)	(1,883,420)	1,917,420	(4,062,468)
Other comprehensive income				
<i>Items that may be reclassified to profit or loss:</i>				
Net loss on investment in debt instruments measured at FVOCI	(3,276,778)	(2,466,532)	(712,834)	(7,765,521)
Foreign exchange translation differences on translation of foreign subsidiaries	47,711	290,442	654,351	(466,490)
<i>Items that will not be reclassified to profit or loss:</i>				
Net gain/(loss) on investment in equity instruments designated at FVOCI	(319,187)	(102,096)	602,373	(17,552)
Total other comprehensive income/(loss), net of tax	(3,548,254)	(2,278,186)	543,890	(8,249,563)
Total comprehensive income/(loss) for period	(4,182,123)	(4,161,606)	2,461,310	(12,312,031)
Total comprehensive income/(loss) attributable to:				
Owners of the parent	(4,044,452)	(4,249,470)	1,930,290	(12,073,252)
Non-controlling interest	(137,671)	87,864	531,020	(238,779)
	(4,182,123)	(4,161,606)	2,461,310	(12,312,031)

JMMB GROUP LIMITED

Consolidated Statement of Financial Position

As at 30 September 2023

(Expressed in Jamaican dollars unless otherwise indicated)

	Unaudited as at 30-Sep-23 \$'000	(Restated) Unaudited as at 30-Sep-22 \$'000	(Restated) Unaudited as at 1-Apr-23 \$'000
ASSETS			
Cash and cash equivalents	58,028,431	65,330,927	59,740,897
Interest receivable	4,642,360	5,699,827	5,923,575
Income tax recoverable	196,102	406,027	538,608
Loans and notes receivable	200,159,597	161,445,831	177,976,354
Other receivables	12,967,433	5,573,942	7,696,847
Investments and resale agreements	348,027,030	336,743,355	346,667,273
Interest in associated company	36,936,343	34,839,653	35,385,270
Investment properties	2,930,433	1,523,681	2,635,310
Property, plant and equipment and intangible assets	8,424,193	7,558,121	8,302,715
Deferred income tax asset	15,073,756	13,556,032	14,624,907
Right-of-use asset	744,165	1,034,535	858,124
	688,129,843	633,711,931	660,349,880
STOCKHOLDERS' EQUITY			
Share capital	14,115,924	14,115,924	14,115,924
Retained earnings reserve	9,605,055	9,605,055	9,605,055
Investment revaluation reserve	(17,280,862)	(18,954,530)	(16,725,133)
Cumulative translation reserve	2,393,723	2,404,419	1,718,515
Retained earnings	41,430,874	35,196,950	39,620,063
	50,264,714	42,367,818	48,334,424
Non-controlling interest	1,480,357	1,494,101	1,027,268
	51,745,071	43,861,919	49,361,692
Liabilities			
Customer deposits	182,879,765	161,712,202	173,102,022
Due to other financial institutions	13,955,037	14,451,659	14,160,608
Securities sold under agreements to repurchase	324,987,440	307,849,268	317,683,671
Notes payable	65,523,693	58,972,247	62,110,033
Lease liabilities	902,796	1,203,002	1,011,332
Redeemable preference shares	28,873,891	28,635,030	28,499,239
Interest payable	5,311,844	4,513,858	4,871,550
Income tax payable	1,088,202	1,790,526	1,315,361
Other payables	12,810,343	10,561,693	8,216,974
Deferred income tax liabilities	51,761	160,527	17,398
	636,384,772	589,850,012	610,988,188
	688,129,843	633,711,931	660,349,880



Archibald Campbell
Chairman



Keith P. Duncan
Group Chief Executive Officer

JMMB GROUP LIMITED

Consolidated Statement of Changes in Stockholders' Equity

Six-month period ended 30 September 2023

(Expressed in Jamaican dollars unless otherwise indicated)

	Share Capital	Retained Earnings Reserve	Investment Revaluation Reserve (Restated)	Cumulative Translation Reserve	Retained Earnings (Restated)	Attributable to holders of the Parent	Non-Controlling Interest	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balances at March 31, 2022 (Audited)	14,115,924	9,605,055	(11,337,082)	2,641,245	39,904,816	54,929,958	1,462,088	56,392,046
(Loss)/Profit for the period restated	-	-	-	-	(4,218,978)	(4,218,978)	156,510	(4,062,468)
Other comprehensive loss for period	-	-	(7,617,448)	(236,826)	-	(7,854,274)	(395,289)	(8,249,563)
Total comprehensive income for period	-	-	(7,617,448)	(236,826)	(4,218,978)	(12,073,252)	(238,779)	(12,312,031)
Paid in capital	-	-	-	-	-	-	270,792	270,792
Dividends paid	-	-	-	-	(488,888)	(488,888)	-	(488,888)
Balances at 30 September 2022 (Unaudited)	14,115,924	9,605,055	(18,954,530)	2,404,419	35,196,950	42,367,818	1,494,101	43,861,919
Balances at March 31, 2023 (Audited)	14,115,924	9,605,055	(16,882,314)	1,718,515	44,775,811	53,332,991	1,027,268	54,360,259
Changes on associate company's application of IFRS 17	-	-	157,181	-	(5,155,748)	(4,998,567)	-	(4,998,567)
Balances at April 1, 2023 (Unaudited)	14,115,924	9,605,055	(16,725,133)	1,718,515	39,620,063	48,334,424	1,027,268	49,361,692
Profit for the period	-	-	-	-	1,810,811	1,810,811	106,609	1,917,420
Other comprehensive income for period	-	-	(555,729)	675,208	-	119,479	424,411	543,890
Total comprehensive income for period	-	-	(555,729)	675,208	1,810,811	1,930,290	531,020	2,461,310
Dividends paid	-	-	-	-	-	-	(77,931)	(77,931)
Balances at 30 September 2023 (Unaudited)	14,115,924	9,605,055	(17,280,862)	2,393,723	41,430,874	50,264,714	1,480,357	51,745,071

JMMB GROUP LIMITED

Consolidated Statement of Cash Flows

Six-month period ended 30 September 2023

(Expressed in Jamaican dollars unless otherwise indicated)

	Unaudited Six Months Ended 30-Sep-23 \$'000	(Restated) Unaudited Six Months Ended 30-Sep-22 \$'000
Cash Flows from Operating Activities		
Profit/(Loss) for the period	1,917,420	(4,062,468)
Adjustments for:		
Share of (profit)/loss of associate	(1,611,308)	5,530,464
Unrealised (gain)/loss on trading securities	(1,073,572)	173,671
Depreciation and amortisation	610,759	568,040
	(156,701)	2,209,707
Changes in operating assets and liabilities	(528,704)	7,619,795
Net cash (used in)/provided by operating activities	(685,405)	9,829,502
Cash Flows from Investing Activities		
Investment securities, net	(1,240,279)	(13,608,327)
Dividends received	967,493	810,903
Purchase of property, plant and equipment and computer software	(676,344)	(1,229,565)
Net cash used in investing activities	(949,130)	(14,026,989)
Cash Flows from Financing Activities		
Notes payable	-	7,836,957
Dividends paid	(77,931)	(488,888)
Net cash (used in)/provided by financing activities	(77,931)	7,348,069
Net (decrease)/increase in cash and cash equivalents	(1,712,466)	3,150,582
Cash and cash equivalents at beginning of year	59,740,897	62,180,345
Cash and cash equivalents at end of period	58,028,431	65,330,927

JMMB GROUP LIMITED

Notes to the Financial Statements

Six-month period ended 30 September 2023

(Expressed in Jamaican dollars unless otherwise indicated)

Segment Reporting

	Six-month period ended 30 September 2023				
	Financial & Related Services	Banking & Related Services	Others	Eliminations	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
External revenues	15,093,817	11,698,664	310,742	-	27,103,223
Intersegment revenue	6,462,776	123,236	-	(6,586,012)	-
Total segment revenue	21,556,593	11,821,900	310,742	(6,586,012)	27,103,223
Share of profit of associate					1,611,308
Profit before tax	113,518	998,593	199,746	-	1,311,857
Taxation					605,563
Profit for the period					1,917,420
Total segment assets	619,377,881	273,451,425	4,408,177	(209,107,640)	688,129,843
Total segment liabilities	562,273,810	245,161,270	3,293,153	(174,343,461)	636,384,772
Interest Income	9,633,920	9,878,690	19,364	-	19,531,974
Operating expenses	5,901,057	4,947,808	112,698	-	10,961,563
Depreciation & amortisation	327,813	274,209	8,737	-	610,759
Capital expenditure	328,403	160,218	187,723	-	676,344

JMMB GROUP LIMITED

Notes to the Financial Statements

Six-month period ended 30 September 2023

(Expressed in Jamaican dollars unless otherwise indicated)

Segment Reporting

	Six-month period ended 30 September 2022 (Restated)				
	Financial & Related Services	Banking & Related Services	Others	Eliminations	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
External revenues	13,768,865	9,337,857	120,548	-	23,227,270
Intersegment revenue	5,196,212	75,603	-	(5,271,815)	-
Total segment revenue	18,965,077	9,413,460	120,548	(5,271,815)	23,227,270
Share of loss of associate					(5,530,464)
Profit/(loss) before tax	(5,228,787)	1,307,591	18,679	-	(3,902,517)
Taxation					(159,951)
Loss for the period					(4,062,468)
Total segment assets	595,411,991	239,818,148	3,213,395	(204,731,603)	633,711,931
Total segment liabilities	551,324,025	215,180,505	2,829,909	(179,484,427)	589,850,012
Interest Income	9,190,829	7,297,427	8,811	-	16,497,067
Operating expenses	5,498,548	4,357,770	101,758	-	9,958,076
Depreciation & amortisation	291,380	267,663	8,997	-	568,040
Capital expenditure	697,067	212,458	320,040	-	1,229,565

JMMB GROUP LIMITED

Notes to the Financial Statements

Six-month period ended 30 September 2023

(Expressed in Jamaican dollars unless otherwise indicated)

1. Identification

JMMB Group Limited (the “Company”) is incorporated and domiciled in Jamaica. The registered office of the company is located at 6 Haughton Terrace, Kingston 10, Jamaica. The principal activity of the Company is that of holding equity investments in business enterprises.

JMMB Group Limited has interest in several subsidiaries and an associated company which are listed below. The company and its subsidiaries are collectively referred to as “Group”.

Name of Subsidiary and Associate	% Shareholding Held by Parent/Subsidiary		Country of Incorporation	Principal Activities
	Parent	Subsidiary		
JMMB Financial Holdings Limited	100		Jamaica	Financial holding company
Jamaica Money Market Brokers Limited and its subsidiaries	100		Jamaica	Securities brokering
JMMB Securities Limited		100	Jamaica	Stock brokering
JMMB Insurance Brokers Limited		100	Jamaica	Insurance brokering
JMMB Fund Managers Limited		100	Jamaica	Fund management
JMMB Bank (Jamaica) Limited	100		Jamaica	Commercial banking
JMMB Money Transfer Limited	100		Jamaica	Funds transfer
JMMB Real Estate Holdings Limited	100		Jamaica	Real estate holding
Capital & Credit Securities Limited	100		Jamaica	Investment holding
JMMB International Limited	100		Barbados	Investment holding and management
Jamaica Money Market Brokers (Trinidad and Tobago) Limited and its	100		Trinidad and Tobago	Investment holding company
JMMB Investments (Trinidad and Tobago) Limited and its subsidiary		100	Trinidad and Tobago	Securities brokering
JMMB Securities (T&T) Limited		100	Trinidad and Tobago	Stock brokering
JMMB Bank (T&T) Limited and its subsidiary,		100	Trinidad and Tobago	Commercial banking
JMMB Express Finance (T&T) Limited		100	Trinidad and Tobago	Merchant banking and consumer financing
JMMB Holding Company Limited, SRL and its subsidiaries	100		Dominican Republic	Investment holding and management
JMMB Puesto de Bolsa, S.A.		80	Dominican Republic	Securities brokering
JMMB Sociedad Administradora De Fondos De Inversion, S.A.		70	Dominican Republic	Mutual fund administration
Banco Rio De Ahorro Y Credito JMMB Bank S.A		90	Dominican Republic	Savings and loans bank
AFP JMMB BDI S.A.		50	Dominican Republic	Pension funds administration services
Associate				
Sagicor Financial Company Limited	23.44 (2022: 23.33)		Bermuda	Life and health insurance, pension, banking and investment management

JMMB GROUP LIMITED

Notes to the Financial Statements

Six-month period ended 30 September 2023

(Expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Significant Accounting Policies

(a) Basis of preparation

The Group's condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The condensed consolidated financial statements should be read in conjunction with the accounting policies as set out in Note 2 and 37 of the audited financial statements for the year ended 31 March 2023.

All amounts are stated in Jamaican dollars unless otherwise indicated.

(b) Basis of consolidation

The consolidated financial statements include the assets, liabilities and results of operations of the Company and its subsidiaries presented as a single economic entity.

Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights of an investee, where there is exposure to variability of returns and the Company can use its power to influence the returns. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are no longer consolidated from the date that control ceases.

Intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred. Accounting policies of the subsidiaries are consistent with those of the Group.

The Group uses the acquisition method of accounting for business combinations. The cost of acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated profit and loss account.

The Group uses predecessor value (book value) method of accounting for business combinations with entities under common control. Any differences between the consideration paid and the net assets of the acquired entity is recognised in equity.

(i) Non-controlling interests

Non-controlling interests (NCI) are measured at their proportionate share of the acquiree's identifiable net assets at the acquisition date.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(ii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest (NCI) and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value.

JMMB GROUP LIMITED

Notes to the Financial Statements

Six-month period ended 30 September 2023

(Expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Significant Accounting Policies (continued)

(c) Interest in associated company

Associated company is an entity over which the Group has significant influence but not control, generally accompanying a shareholding between 20% and 50% of the voting rights. Investments in associates are accounted for by the equity method of accounting and are initially recognised at cost. The Group's investment in associated company includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The Group has adopted IFRS 17 – Insurance Contracts (“IFRS 17”) for the first time on 1 April 2023 as the standard is relevant to its associate Sagicor Financial Company Limited (SFC). IFRS 17 replaces IFRS 4 – Insurance Contracts (“IFRS 4”), which is effective for annual reporting periods beginning on or after 1 January 2023, to be applied retrospectively. The overall impact of adopting IFRS 17 will have a significant impact on total assets and profit for the period of the associate, which will similarly impact the Group to the extent of their investment in the associate (note 6).

3. Earnings per stock unit

Earnings per stock unit (“EPS”) is computed by dividing profit attributable to the equity holders of the parent of J\$1,810,811,000 (2022 – (J\$4,218,978,000)) by the weighted average number of stock units in issue during the period, numbering 1,955,552,532 (2022 – 1,955,552,532).

4. Managed funds

The Group acts as agent and earns fees for managing clients' funds on a non-recourse basis under a management agreement. At 30 September 2023, funds managed in this way amounted to J\$188,895,148,034 (2022 – J\$185,464,709,825).

5. Comparative Information

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current period.

6. Restatement

The Group's associated company Sagicor Financial Company Limited (SFC) adopted IFRS 17 – Insurance Contracts, effective January 1, 2023. This standard has brought significant changes to the accounting for insurance and reinsurance contracts. SFC has adopted a retrospective approach, which has resulted in restatement of its financial results. The Group has therefore restated the comparative amounts in the associated company effective April 1, 2023 which is highlighted below.

Except for the changes noted below, The Group has consistently applied the accounting policies as set out in its consolidated annual financial statement for the period ended 31 March 2023.

JMMB GROUP LIMITED

Notes to the Financial Statements

Six-month period ended 30 September 2023

(Expressed in Jamaican dollars unless otherwise indicated)

6. Restatement (continued)

Statement of Financial Position

30 September 2022	Group		
	As Previously Reported	Adjustments	As Restated
	\$'000	\$'000	\$'000
Assets			
Interest in associated company	38,980,089	(4,140,436)	34,839,653
Others	598,872,278	-	598,872,278
Total Assets	637,852,367	(4,140,436)	633,711,931
Retained earnings	42,884,540	(7,687,590)	35,196,950
Investment revaluation reserve	(22,501,684)	3,547,154	(18,954,530)
Other	26,125,398	-	26,125,398
	46,508,254	(4,140,436)	42,367,818
Non-controlling interest	1,494,101	-	1,494,101
Total equity	48,002,355	(4,140,436)	43,861,919

Statement of Profit or Loss and Other Comprehensive Income

Six Month Period Ended 30 September 2022	Group		
	As Previously Reported	Adjustments	As Restated
	\$'000	\$'000	\$'000
Operating profit	2,434,964	-	2,434,964
Other income	36,638	-	36,638
	2,471,602	-	2,471,602
Impairment loss on financial assets	(843,655)	-	(843,655)
Share of profit/(loss) of associate	2,157,126	(7,687,590)	(5,530,464)
Profit/(Loss) before taxation	3,785,073	(7,687,590)	(3,902,517)
Taxation	(159,951)	-	(159,951)
Profit/(Loss) for the period	3,625,122	(7,687,590)	(4,062,468)

Three Month Period Ended 30 September 2022	Group		
	As Previously Reported	Adjustments	As Restated
	\$'000	\$'000	\$'000
Operating profit	1,198,969	-	1,198,969
Other income	32,521	-	32,521
	1,231,490	-	1,231,490
Impairment loss on financial assets	(468,965)	-	(468,965)
Share of profit/(loss) of associate	900,899	(3,535,533)	(2,634,634)
Profit/(Loss) before taxation	1,663,424	(7,687,590)	(1,872,109)
Taxation	(11,311)	-	(11,311)
Profit/(Loss) for the period	1,652,113	(7,687,590)	(1,883,420)

JMMB GROUP LIMITED

Notes to the Financial Statements

Six-month period ended 30 September 2023

(Expressed in Jamaican dollars unless otherwise indicated)

6. Restatement (continued)

Statement of Cash Flow

Six Month Period Ended 30 September 2022	Group		
	As Previously Reported	Adjustments	As Restated
	\$'000	\$'000	\$'000
Cash flow from operating activities			
Profit/(Loss) for the period	3,625,122	(7,687,590)	(4,062,468)
Share of profit/(loss) of associate	(2,157,126)	7,687,590	5,530,464
Changes in operating assets and liabilities			
Others	8,361,506	-	8,361,506
Net cash provided by operating activities	9,829,502	-	9,829,502

JMMB GROUP LIMITED

Share Ownership of the Directors and Executive Team Leaders

Period ended 30 September 2023

Directors	Ordinary Shareholding	Connected Parties
Donna Duncan-Scott	7,678,110	ESOP
	34,761,950	JVF O.N. LTD
	37,530,103	CONCISE O.N. LTD
Archibald Campbell	108,400	
	16,000	Lauren Campbell
	894,827	Odette Campbell
Keith P. Duncan	20,591	
	47,438,366	CONCISE E.I. LTD
	40,311,674	JVF E.I. LTD
V. Andrew Whyte	846,745	ESOP
	200,000	
Wayne Sutherland	2,135,800	Patricia Sutherland
	26,540,838	CONCISE R.I. LTD
Dennis Harris	493,277	
Dr. Anne Crick	5,234	
Hugh Duncan	4,828	
Reece Kong	-	
Audrey Welds	100,000	
Audrey Deer Williams	-	
Andrew Cocking	10,025,000	
	23,700	Chelsi Cocking
H. Wayne Powell	294,800	
	205,400	Jennifer Powell
Patricia Dailey Smith	5,200	Brittany Smith
	2,500	Brittany Smith
Executive Team Leaders	Ordinary Shareholding	Connected Parties
Donna Duncan-Scott	7,678,110	ESOP
	34,761,950	JVF O.N. LTD
	37,530,103	CONCISE O.N. LTD
Keith Duncan	846,745	ESOP
	20,591	
	47,438,366	CONCISE E.I. LTD
Carolyn DaCosta	40,311,674	JVF E.I. LTD
	74,640	ESOP
	263,474	
Paul Gray	3,357	Craig DaCosta
	127,169	Dermott DaCosta
	4,795	Merline DaCosta
Julian Mair	5,237	Amanda DaCosta
	763,731	ESOP
	263,280	Teverly Gray
Patrick Ellis	46,600	Brittany & Teverly Gray
	27,300	Toni-Ann & Teverly Gray
	239,711	ESOP
Janet Patrick	239,872	ESOP
Kerry Ann Stimpson	854,461	ESOP
	64,832	
Claudine Tracey	780,032	ESOP
	563,000	ESOP
Peta-Gaye Bartley	60,900	
	847,260	ESOP
Peter Thompson	11,000	Samuel Bartley
	147,181	ESOP
Avinash Bissessar	182,825	
	15,700	

JMMB GROUP LIMITED

Top 10 Largest Shareholders of the JMMB Group

Period ended 30 September 2023

Name of Shareholder	Number of Shares	Percentage Ownership
PROVEN INVESTMENTS LIMITED	391,310,525	20.010%
TRUSTEES JMMB ESOP	183,009,135	9.358%
NATIONAL INSURANCE FUND	108,231,640	5.535%
COLONIAL LIFE INSURANCE CO (TRINIDAD) LTD	88,453,776	4.523%
PANJAM INVESTMENTS LIMITED	55,700,921	2.848%
SJIML A/C 3119	55,572,542	2.842%
CONCISE E.I. LTD	47,438,366	2.426%
JVF O.E. LTD	43,900,000	2.245%
SAGICOR POOLED EQUITY FUND	41,808,030	2.138%
JVF E.I. LTD	40,311,674	2.061%
Total	1,055,736,609	53.99%