

Q2 2025

PERFORMANCE REPORT



DIRECTORS' STATEMENT

On behalf of the Board of Directors of Sagicor Group Jamaica Limited (SGJ or the Group), we present our performance report for the six-month period ended June 2025.

OVERVIEW

For the first half of 2025, Sagicor Group Jamaica recorded net profit attributable to stockholders of \$8.73 billion, a substantial increase over the \$3.98 billion reported for the same period in 2024. This performance was driven by meaningful growth across all major business lines and a rebound in our asset portfolio, which recorded unrealised gains compared to the prior year's losses. Core earnings, which reflect the underlying performance of our businesses, excluding market impacts on our insurance assets and liabilities as well as other one-time items, were also significantly higher than last year.

SGJ delivered strong insurance sales, evidenced by ongoing growth in insurance revenue. The Commercial Banking segment showed profitable expansion in its loan and card portfolios, with higher year-over-year net interest margin and fee revenue. Additionally, strong growth in deposits reflects sustained consumer satisfaction and confidence. Despite the challenges posed by persistent volatility in the global markets, the Investment Banking segment generated increased trading gains and improved net interest income. Operating expenses increased as the business continued its strategic investments in digital infrastructure, cybersecurity, and team member experience, all focused on making stakeholder interactions more seamless, secure, and efficient.

HIGHLIGHTS

	Jun 2025 Unaudited	Jun 2024 Unaudited	% Change
OPERATING RESULTS (INCOME STATEMENT DATA):			
Net Profit, Attributable to Stockholders - J\$ billions	8.73	3.98	120%
Insurance Service Results - J\$ billions	6.12	2.83	116%
Contractual Service Margin (CSM) - J\$ billions	3.09	2.91	6%
FINANCIAL POSITION & STRENGTH (BALANCE SHEET DATA):			
Total Assets of Sagicor Group Jamaica - J\$ billions	652.70	569.31	15%
Total Assets Under Management - J\$ billions	1,125.82	1,042.03	8%
Stockholders' Equity - J\$ billions	110.28	98.53	12%
Adjusted Stockholders' Equity (+ CSM) - J\$ billions	155.53	143.02	9%
PROFITABILITY:			
Return on Average Stockholders' Equity (ROE)	16%	8%	8%
Earnings Per Share (EPS) - J\$	2.24	1.02	120%
OTHER MARKET INFORMATION:			
SJ Share Price - J\$	42.44	41.00	4%
Market Capitalization - J\$ billions	165.76	160.13	4%

NET PROFIT
ATTRIBUTABLE TO
STOCKHOLDERS

\$8.73 B
▲ 120%

INSURANCE
SERVICE
RESULT

\$6.12 B
▲ 116%

TOTAL
ASSETS

\$652.7 B
▲ 15%

ADJUSTED
STOCKHOLDERS'
EQUITY

\$155.53 B
▲ 9%

CONTRACTUAL
SERVICE
MARGIN

\$3.09 B
▲ 6%

EARNINGS
PER SHARE

\$2.24
▲ 120%

The Group ended the half year with earnings per share attributable to stockholders (EPS) of \$2.24 (2024: \$1.02) and Return on Equity (ROE) of 16% (2024: 8%).

FINANCIAL PERFORMANCE

Sagicor Group Jamaica's insurance revenue increased by \$3.80 billion, or 15%, year over year. This was positively influenced by both the long-term and short-term insurance lines, which continued to experience strong new business sales. Net investment income of \$19.15 billion was 75% more than the prior year's \$10.93 billion. Realised and unrealised gains, which increased by a total of \$7.54 billion, were supplemented by growth in net interest income. Fees and other revenue improved by 7% to \$9.97 billion, primarily driven by the sustained momentum in Commercial Banking activities.

As at June 2025, stockholders' equity stood at \$110.28 billion (2024: \$98.53 billion), after accounting for dividends paid of \$3.01 billion during the six-month period. Total assets ended the half year at \$652.70 billion, mainly due to the \$36.31 billion increase in financial investments and the \$11.47 billion increase in the loan portfolio. This growth in assets was primarily funded by the \$34.34 billion growth in deposit and security liabilities, as well as the \$8.30 billion growth in insurance liabilities.

Long-Term Insurance

This segment is comprised of products whose contract boundaries exceed one year in duration and are measured using the General Measurement Model (GMM) and Variable Fee Approach (VFA) under the International Financial Reporting Standards (IFRS) 17 framework. Long-term insurance produced net profit of \$5.45 billion for the first six months of 2025 (2024: \$2.49 billion). This segment continues to experience robust insurance revenue growth, benefiting from the release of Contractual Service Margin (CSM) of \$3.09 billion (2024: \$2.91 billion) and the generation of new business CSM of \$3.55 billion (2024: \$2.52 billion). The insurance service result improved significantly over the prior year, which included a one-off adjustment to the actuarial models that increased the loss component and caused insurance expenses to be abnormally high. The segment was also positively impacted by \$1.41 billion (2024: -\$0.29 billion) in net mark-to-market experience gains.

Short-Term Insurance

This segment includes products whose contract boundaries are less than one year and are measured using the Premium Allocation Approach (PAA) under IFRS 17. The segment reported improved insurance revenue of \$18.45 billion (2024: \$16.16 billion) and net profit of \$1.65 billion (2024: \$0.42 billion). Group health and life products generated new business sales of \$0.61 billion, primarily from the corporate client portfolio, underscoring the segment's ongoing growth. However, the prolonged elevation of drug prices and other medical costs continued to compress health insurance product margins.

Commercial Banking

This segment produced net profit of \$1.64 billion (2024: \$1.42 billion). It recorded a 13% increase in revenue, supported by higher net interest income and larger transaction volumes on its card payments portfolios. The loan portfolios continued to grow, with \$20.48 billion in new loans written contributing to a \$0.99 billion increase in interest income. Deposits and other funding liabilities grew by \$16.31 billion (2024: \$7.86 billion) during the six-month period.

Investment Banking

This segment recorded net profit of \$0.96 billion compared to the prior year's \$0.41 billion. Net investment income of \$2.61 billion increased by 61% (2024: \$1.61 billion), primarily due to net trading income of \$1.02 billion. Although short-term funding rates remained high, interest

expense decreased by 4% to \$2.44 billion (2024: \$2.54). The segment's Cayman operation continues to grow its funding base, but its net interest margin remains suboptimal.

LIQUIDITY AND SOLVENCY

Cash and cash equivalents as at June 30, 2025, were \$55.63 billion (2024: \$40.54 billion). The Group's net cash used in operating activities during the first half of the year was \$26.18 billion (2024: \$5.47 billion). This was driven by a \$17.98 billion increase in net investment purchases funded by the growth in deposits and securities liabilities as well as cash and cash equivalents at the start of the year.

Regulatory capital requirements continue to be exceeded by all operating entities.

CAPITAL RATIOS				
Regulated Entities	Key Regulatory Ratios	Minimum Statutory Requirements	Jun 30, 2025	Jun 30, 2024
Sagicor Life Jamaica Limited	Life insurance capital adequacy test (LICAT) ¹	100.0%	144.5%	141.3%
Sagicor Bank Jamaica Limited	Regulatory capital to risk weighted assets ratio	10.0%	12.8%	13.0%
Sagicor Investments Jamaica Limited	Regulatory capital to risk weighted assets ratio	10.0%	16.7%	17.0%
Sagicor Life of the Cayman Islands Limited	Minimum capital requirement (MCR)	125.0%	435.3%	428.8%
Advantage General Insurance Company Limited	Minimum capital test ratio (MCT)	150.0%	206.8%	303.9%

¹ SLJ's capital ratio is now calculated using the Life Insurance Capital Adequacy Test (LICAT)

OUTLOOK

In May, Moody's downgraded the U.S. sovereign credit rating from AAA to Aa1 because of the country's rising debt and fiscal deficits. On July 20, the U.S. Federal Reserve held its policy rate steady for the fifth straight meeting. While these developments point to mounting macroeconomic risk in the U.S., equity markets appeared largely unaffected with both the S&P 500 and Nasdaq posting record highs.

Locally, point-to-point inflation eased to 3.8% as at June, primarily driven by the reduction in General Consumption Tax (GCT) on residential electricity charges effective May 1. With inflation stabilising within the target range, the Bank of Jamaica lowered its policy rate by 25 basis points to 5.75% in May and then held steady in June.

On the regulatory front, Jamaica achieved a major milestone on June 10 with its removal from the European Union's "high-risk" list for anti-money laundering and terrorism financing—following its exit from the Financial Action Task Force (FATF) grey list in 2024. These developments reflect substantial progress in strengthening the country's financial oversight framework and improving international credibility.

Politically, the country has entered an active election season ahead of the general elections due later this year within the context of an improving macroeconomic environment. However, climate vulnerability, global financial conditions, and election-related uncertainty remain key risks to growth, which remains the country's greatest economic challenge.

As these market factors evolve, Sagicor Group Jamaica will maintain a disciplined approach to managing liquidity and capital while actively pursuing strategic opportunities that drive stakeholder value. Our focus continues to be on improving customer experience while increasing operational efficiency; areas firmly in our control in a dynamic and evolving environment.



1. From Left: Megan Edwards – Corporate Social Responsibility Officer, Sagikor Group; Akeem Beckford – Communications Specialist, Sagikor Group (c); and Marika Pecco – Corporate Communications Officer, Sagikor Group (r), pose with students of Holy Family Primary and Infant School on May 6 during Read Across Jamaica Day activities.
2. Willard Brown – CEO of Sagikor Life, shares a moment with the three Champion Boys on Day 2 of the 2025 JTA/Sagikor National Athletics Championship, held on June 20–21.
3. From left: Peta-Gaye Simpson – Vice President, Real Estate; and Jaqueline Donaldson – Vice President, Corporate Services, were among the volunteers who supported our Adopt-A-School/Labour Day project at Jackson's Basic School on Friday, May 23.
4. From left: Judith Scott – Principal, Chantilly Primary and Infant School; Sheryl-Lee Ralph, Emmy Award-Winning Actress, Activist, Humanitarian, and Proud Daughter of Jamaica (c); and Christopher Zacca – President & CEO, Sagikor Group and Chairman, Sagikor Foundation (r), pose for a celebratory photo with students of Chantilly Primary at the inaugural Sagikor Foundation Scholars Luncheon held on Wednesday, May 21, 2025.

CORPORATE SOCIAL RESPONSIBILITY

During the second quarter of 2025, Sagikor Foundation continued to champion initiatives under its core pillars: education, health, and youth and community development. Key activities included the launch of the annual Scholarship programme, Adopt-A-School initiative, Labour Day projects, Read Across Jamaica Day, and the 40th anniversary staging of the JTA/Sagikor National Athletics Championship.

In May, Sagikor Foundation accepted applications for its 2025 Scholarships Programme, attracting a total of 1,412 submissions. The annual awards ceremony is scheduled for August 12.

In recognition of Read Across Jamaica Day on May 6, the Foundation team visited five early childhood institutions, and hosted reading sessions with 150 students. To further support literacy at the grass-roots level, a donation of \$262,500 was made towards purchasing the books for the children—Future Makers: A Guide to 30 Creative Careers, by local author Joel Nomdarkham. This initiative aligns with the Foundation's long-standing commitment to early childhood education and youth empowerment.

The 40th JTA/Sagicor National Athletics Championship was launched on May 15, a milestone in Sagicor’s continued partnership with the Jamaica Teacher’s Association (JTA). The two-day event, which was subsequently held on June 20 and 21, brought together hundreds of young athletes from across the island at the National Stadium. Sagicor pledged \$12.0 million as support for the execution of the event. Eight-time Olympic gold medallist and world champion Mrs. Veronica Campbell-Brown served as the 2025 patron, lending encouragement to the participating student-athletes. The Championship continues to be a critical platform for talent development in sports and character-building among Jamaican youth.

An inaugural Sagicor Foundation Scholars Luncheon was hosted on May 21, celebrating past and present recipients. The event featured Emmy award-winning actress and philanthropist Sheryl-Lee Ralph, as keynote speaker. She inspired attendees with a powerful message focused on excellence, legacy, and impact. At the luncheon, the Foundation presented a \$600,000 cheque to fund scholarships for 15 students attending Chantilly Primary in Manchester. The school holds special significance as the alma mater of Ms. Ralph’s late mother, making this contribution an expression of our commitment to education and generational upliftment.

Sagicor Foundation successfully revamped its Adopt-A-School programme in 2025 with an aim to foster greater inclusivity and engagement among team members from Sagicor Life, Sagicor Investments, and Sagicor Bank. Five early childhood institutions were selected for adoption this year: Pineapple Basic School, Cotton Piece Early Childhood Development Centre, Caymanas Estate Basic School, Solas Early Childhood Institution, and Jackson’s Basic School. The programme officially launched on Labour Day, May 23, with simultaneous activities at four of the five schools. The team led beautification works such as painting and minor repairs, highlighting our commitment to meaningful, hands-on community development. More activities will be undertaken at each school throughout the remainder of the year, culminating with an official handover ceremony in 2026. The annual selection process will be repeated to identify a new cohort of schools for adoption.

In continued support of youth and community development, the Foundation also donated \$400,000 to the organisers of the MoBay City Run, contributing to their Labour Day beautification project at Learn Smart Academy in Montego Bay.

ACKNOWLEDGEMENT

Our Sagicor journey is shaped by the people who share in our vision. To our clients, #OneSagicor team members, advisors, brokers, partners, and shareholders—thank you for the trust you place in us and the role you play in consistently championing our pursuit of excellence. To our directors, we thank you for your guidance and strategic foresight, which has set the pace for continued innovation and long-term impact.

On behalf of The Board of Directors:



PETER MELHADO
Chairman



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

31 July 2025

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2025

(Expressed in thousands of Jamaican dollars)

	June 2025 Unaudited	June 2024 Unaudited	December 2024 Audited
ASSETS:			
Cash resources & Cash reserve at Central Bank	36,743,837	36,862,624	37,616,344
Financial investments	395,692,092	339,093,662	359,378,081
Loans & leases, after allowance for credit losses	150,140,023	133,143,785	138,670,942
Investment properties	1,618,689	1,369,414	1,614,440
Investment in joint venture	2,823,036	2,329,636	2,533,543
Intangible assets	6,793,767	7,611,146	6,941,398
Property, plant and equipment	7,098,975	6,633,908	7,097,551
Right-of-use assets	5,963,662	1,893,799	1,773,801
Retirement benefit assets	324,678	635,538	324,679
Reinsurance contract assets	4,782,566	2,050,297	3,552,974
Insurance contract assets	1,083,153	718,136	627,410
Deferred income taxes	7,800,440	8,360,247	8,151,039
Taxation recoverable	9,651,076	8,021,442	8,887,434
Other assets	22,183,260	20,582,755	20,625,054
TOTAL ASSETS	652,699,254	569,306,389	597,794,690
STOCKHOLDERS' EQUITY AND LIABILITIES:			
Equity attributable to:			
Stockholders' of the parent company			
Share capital	9,129,547	8,937,413	8,997,402
Equity reserves	18,308,139	13,171,359	14,800,224
Retained earnings	82,841,271	76,417,491	78,369,076
	110,278,957	98,526,263	102,166,702
Non-controlling interests	2,157,216	2,476,983	2,053,298
Total Equity	112,436,173	101,003,246	104,220,000
Liabilities			
Deposit and security liabilities	319,585,394	267,702,363	285,242,068
Loans payable	-	2,198,545	-
Deferred income taxes	321,370	445,426	320,283
Taxation payable	1,043,949	378,378	962,220
Reinsurance contract liabilities	284,378	556,372	620,373
Retirement benefit obligations	5,169,543	4,046,119	5,000,719
Lease liabilities	6,198,982	2,153,237	1,895,975
Other liabilities	16,053,280	19,797,850	17,239,777
Insurance contracts liabilities	168,653,632	149,720,635	160,351,946
Investment contracts liabilities	22,952,553	21,304,218	21,941,329
Total Liabilities	540,263,081	468,303,143	493,574,690
TOTAL STOCKHOLDERS' EQUITY AND LIABILITIES	652,699,254	569,306,389	597,794,690

PETER MELHADO
Chairman

31 July 2025

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

CONSOLIDATED INCOME STATEMENT

for the six months ended 30 June 2025

(Expressed in thousands of Jamaican dollars)

	Q2 2025 Unaudited	Q2 2024 Unaudited	June 2025 Year-to-date Unaudited	June 2024 Year-to-date Unaudited
Insurance revenue	15,129,865	13,116,614	29,434,263	25,629,742
Insurance service expenses	(10,774,508)	(10,505,747)	(21,515,004)	(20,849,532)
Net expenses from reinsurance contracts held	(820,800)	(806,596)	(1,796,893)	(1,951,588)
INSURANCE SERVICE RESULT	3,534,557	1,804,271	6,122,366	2,828,622
NET INSURANCE FINANCE EXPENSE	(3,302,411)	(642,044)	(6,581,382)	(1,335,714)
Realized capital gains	585,253	30,276	1,498,248	256,883
Unrealized capital (losses)/gains	1,655,426	(360,644)	4,359,349	(1,938,341)
Net interest income	6,932,523	6,669,394	13,894,130	13,105,297
Credit impairment losses	(254,677)	(275,163)	(601,890)	(495,730)
NET INVESTMENT INCOME	8,918,525	6,063,863	19,149,837	10,928,109
NET INSURANCE AND INVESTMENT RESULT	9,150,671	7,226,090	18,690,821	12,421,017
Fees and other revenue	4,993,869	4,409,594	9,965,117	9,274,101
Results from joint venture	254,820	(21,858)	168,161	45,436
Other operating expenses	(8,168,873)	(7,865,463)	(16,270,926)	(15,289,930)
Asset and other taxes	(5,246)	4,121	(982,973)	(921,329)
PROFIT BEFORE TAXES	6,225,241	3,752,484	11,570,200	5,529,295
Income taxes	(1,433,832)	(756,846)	(2,743,199)	(1,511,819)
NET INCOME	4,791,409	2,995,638	8,827,001	4,017,476
Non-controlling interests	(32,530)	(22,697)	(96,256)	(40,615)
STOCKHOLDERS' PROFIT	4,758,879	2,972,941	8,730,745	3,976,861

Basic earnings per stock unit for profit attributable to the stockholders' of the parent company	\$1.22	\$0.76	\$2.24	\$1.02
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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the six months ended 30 June 2025

(Expressed in thousands of Jamaican dollars)

	Q2 2025 Unaudited	Q2 2024 Unaudited	June 2025 Year-to-date Unaudited	June 2024 Year-to-date Unaudited
Net profit for the period	4,791,409	2,995,638	8,827,001	4,017,476
Other comprehensive income:				
Items that may be subsequently reclassified to profit or loss				
Fair value reserve:				
Unrealised gains/(losses) on FVTOCI bonds	1,413,660	(21,640)	2,293,995	(1,358,751)
Share of joint venture unrealised gains on FVTOCI bonds	10,221	(6,956)	22,307	(4,206)
	1,423,881	(28,596)	2,316,302	(1,362,957)
	177,628	45,082	393,606	71,363
Currency translation				
Gains recycled to the Profit or Loss Statement on sale and maturity of FVTOCI securities	(503,356)	(142,059)	(526,378)	(250,547)
Provision for expected credit losses on securities designated as FVTOCI	(4,202)	1,802	(7,871)	43
	(507,558)	(140,257)	(534,249)	(250,504)
Items that will not be subsequently reclassified to profit or loss				
Owner-occupied properties (OOP):				
Unrealised gains on OOP	183	-	27,389	-
	183	-	27,389	-
Total other income recognised directly in stockholders' equity, net of taxes	1,094,134	(123,771)	2,203,048	(1,542,098)
Total Comprehensive Income	5,885,543	2,871,867	11,030,049	2,475,378
Attributable to:				
Stockholders' of the parent company	5,850,479	2,842,441	10,926,131	2,434,348
Non-controlling interests	35,064	29,426	103,918	41,030
	5,885,543	2,871,867	11,030,049	2,475,378

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the six months ended 30 June 2025
(Expressed in thousands of Jamaican dollars)

	Share Capital	Equity Reserves	Retained Earnings	Stockholder's Equity	Non-controlling Interests Total	Total Equity Unaudited
Period ended June 30, 2025:						
Balance as reported December 31, 2024	8,997,402	14,800,224	78,369,076	102,166,702	2,053,298	104,220,000
Total comprehensive income for the period	-	2,195,386	8,730,745	10,926,131	103,918	11,030,049
Transactions with owners -						
- value of services provided	-	10,859	-	10,859	-	10,859
- options exercised/expired	132,145	-	50,459	182,604	-	182,604
Dividends declared	-	-	(3,007,339)	(3,007,339)	-	(3,007,339)
Total transactions with owners	132,145	10,859	(2,956,880)	(2,813,876)	-	(2,813,876)
Transfer between reserves -						
From loan loss reserve	-	51,670	(51,670)	-	-	-
To retained earnings reserve	-	1,250,000	(1,250,000)	-	-	-
Transfers between retained earnings and reserves	-	1,301,670	(1,301,670)	-	-	-
Balance as at June 30, 2025	9,129,547	18,308,139	82,841,271	110,278,957	2,157,216	112,436,173
Period ended June 30, 2024:						
Balance as reported December 31, 2023	8,879,881	14,448,962	76,450,203	99,779,046	2,435,953	102,214,999
Total comprehensive (loss)/income for the period	-	(1,542,513)	3,976,861	2,434,348	41,030	2,475,378
Transactions with owners -						
- value of services provided	-	14,867	-	14,867	-	14,867
- options exercised/expired	183,552	-	(10,120)	173,432	-	173,432
Dividends declared	-	-	(3,749,410)	(3,749,410)	-	(3,749,410)
Treasury shares	(126,020)	-	-	(126,020)	-	(126,020)
Total transactions with owners	57,532	14,867	(3,759,530)	(3,687,131)	-	(3,687,131)
Transfer between reserves -						
From loan loss reserve	-	43	(43)	-	-	-
To retained earnings reserve	-	250,000	(250,000)	-	-	-
Transfers between retained earnings and reserves	-	250,043	(250,043)	-	-	-
Balance as at June 30, 2024	8,937,413	13,171,359	76,417,491	98,526,263	2,476,983	101,003,246

CONSOLIDATED STATEMENT OF CASH FLOWS
for the six months ended 30 June 2025
(Expressed in thousands of Jamaican dollars)

	June 2025 Year-to-date Unaudited	June 2024 Year-to-date Unaudited
Cash Flows from Operating Activities:		
Net Profit	8,827,001	4,017,476
Adjustments for:		
Items not affecting cash and changes to policyholders' funds:		
Adjustments for non-cash items, interest and dividends	(9,263,785)	(4,101,869)
Changes in other operating assets and liabilities	(5,753,282)	(2,675,619)
Net Investment purchases	(30,149,029)	(12,171,053)
Interest and dividends received	18,683,541	17,166,493
Interest paid	(4,837,940)	(4,244,744)
Income taxes paid	(3,689,530)	(3,459,796)
Net cash used in operating activities	(26,183,024)	(5,469,112)
Cash Flows from Investing Activities:		
Proceeds from sale of investment property, net	(4,250)	254,024
Purchase of property, plant and equipment, net	(344,813)	(308,748)
Purchase of intangible assets, net	(116,897)	(85,557)
Investment in joint venture	(39,109)	(255,947)
Dividends received from joint venture	39,372	255,947
Net cash used in investing activities	(465,697)	(140,281)
Cash Flows from Financing activities:		
Deposits and securities liabilities	30,856,656	4,516,778
Lease repayment	(462,488)	(355,341)
Disposal of treasury shares, net	182,604	47,412
Dividends paid to stockholders	(3,007,339)	(3,749,410)
Net cash generated from financing activities	27,569,433	459,439
Cash and cash equivalents:		
Effect of exchange rate on cash and cash equivalents	696,792	337,781
Increase/(Decrease) in cash and cash equivalents	1,617,504	(4,812,173)
Cash and cash equivalents at beginning of year	54,011,907	45,353,674
Cash and cash equivalents at end of period	55,629,411	40,541,501
Comprising:		
Balances with Banks	19,429,714	21,782,068
Short - Term Deposits	18,191,149	16,150,506
USA Government Treasury Bills and Short-Term Bonds	15,674,625	2,299,393
Securities purchased under resale agreements	2,333,923	311,179
Bank overdraft	-	(1,645)
	55,629,411	40,541,501

CONSOLIDATED SEGMENTAL FINANCIAL INFORMATION
for the six months ended 30 June 2025
(Expressed in thousands of Jamaican dollars)

	Long Term Insurance	Short Term Insurance	Commercial Banking	Investment Banking	Other including Consolidation Adjustments	Unaudited June 2025 Group
For the six-months ended June 30, 2025						
Operating results:						
Insurance revenue	10,985,757	18,448,507	-	-	-	29,434,263
Insurance service expenses	(6,793,620)	(14,721,383)	-	-	-	(21,515,004)
Net expense from reinsurance contracts	(12,899)	(1,783,994)	-	-	-	(1,796,893)
Inter-segment insurance service results	(231,280)	(229,532)	-	-	460,812	-
Insurance service results	3,947,958	1,713,598	-	-	460,812	6,122,366
Interest income earned and capital net gain/ (loss)	9,202,326	422,970	8,865,294	5,129,741	788,911	24,409,242
Interest expense	-	(11,721)	(1,730,605)	(2,437,173)	(478,016)	(4,657,515)
Credit impairment reversal/ (losses)	(1,161)	(482)	(590,658)	3,637	(13,226)	(601,890)
Inter-segment net investment income	(14,414)	(3,347)	(976)	(89,041)	107,778	-
Net investment income	9,186,751	407,420	6,543,055	2,607,164	405,447	19,149,837
Net Insurance Finance Expense	(6,581,382)	-	-	-	-	(6,581,382)
Net Insurance and Investment Results	6,553,327	2,121,018	6,543,055	2,607,164	866,259	18,690,821
Fee and other revenue	166,899	94,096	5,286,213	908,329	3,509,580	9,965,117
Inter-segment fee and other income	-	-	12,948	-	(12,948)	-
Share of results of joint venture	-	168,161	-	-	-	168,161
Other operating expenses	122,957	16,063	(8,677,247)	(1,992,005)	(5,740,694)	(16,270,926)
Inter-segment other operating expenses	(231,280)	(223,669)	17,205	-	437,744	-
Asset and other tax	(137,776)	(31,672)	(499,282)	(231,330)	(82,913)	(982,973)
Profit before taxation	6,474,127	2,143,997	2,682,892	1,292,158	(1,022,972)	11,570,200
Taxation	(1,021,593)	(496,088)	(1,044,311)	(336,502)	155,295	(2,743,199)
Net Profit	5,452,534	1,647,909	1,638,581	955,656	(867,677)	8,827,001
Attributable to:						
Stockholders of the parent company						8,730,745
Non-controlling interests						96,256
						8,827,001
Segment assets:						
Unallocated assets	181,227,596	28,688,875	232,979,933	150,944,573	41,116,356	634,957,333
Total Assets						17,741,921
						652,699,254
Segment liabilities:						
Unallocated liabilities	160,604,440	13,976,022	203,090,305	129,935,498	27,165,906	534,772,171
Total liabilities						5,490,910
						540,263,081
Other Segment items:						
Capital expenditure: Computer software						116,897
Property, plant and equipment						344,813

	Long Term Insurance	Short Term Insurance	Commercial Banking	Investment Banking	Other including Consolidation Adjustments	Unaudited June 2024 Group
For the six-months ended June 30, 2024						
Operating results:						
Insurance revenue	9,472,929	16,156,813	-	-	-	25,629,742
Insurance service expenses	(7,052,314)	(13,797,219)	-	-	-	(20,849,532)
Net expense from reinsurance contracts	(149,429)	(1,802,158)	-	-	-	(1,951,588)
Inter-segment insurance service results	(231,280)	(212,030)	-	-	443,308	-
Insurance service results	2,039,908	345,406	-	-	443,308	2,828,622
Interest income earned and capital net gain/ (loss)	2,969,021	499,413	7,844,971	4,059,566	1,050,639	16,423,610
Interest expense	(61,122)	(12,872)	(1,678,753)	(2,538,890)	(708,134)	(4,999,771)
Credit impairment reversal/ (losses)	(163)	803	(468,221)	(3,699)	(24,450)	(495,730)
Inter-segment net investment income	(28,306)	(5,983)	(1,989)	97,666	(61,388)	-
Net investment income	2,879,430	481,361	5,696,008	1,614,643	256,667	10,928,109
Net insurance finance expense	(1,335,714)	-	-	-	-	(1,335,714)
Net Insurance and Investment Results	3,583,624	826,767	5,696,008	1,614,643	699,975	12,421,017
Fee and other revenue	38,650	31,263	4,811,999	895,492	3,496,697	9,274,101
Inter-segment fee and other income	-	-	-	-	-	-
Share of results of joint venture	-	45,436	-	-	-	45,436
Other operating expenses	231,278	(107,733)	(7,725,891)	(1,771,114)	(5,916,470)	(15,289,930)
Inter-segment other operating expenses	(231,278)	(196,481)	11,437	-	416,322	-
Asset and other tax	(118,584)	(39,461)	(462,726)	(226,272)	(74,286)	(921,329)
Profit before taxation	3,503,690	559,791	2,330,827	512,749	(1,377,762)	5,529,295
Taxation	(1,014,249)	(140,615)	(906,122)	(100,350)	649,517	(1,511,819)
Net Profit	2,489,441	419,176	1,424,705	412,399	(728,245)	4,017,476
Attributable to:						
Stockholders of the parent company						3,976,861
Non-controlling interests						40,615
						4,017,476
Segment assets:						
Unallocated assets	159,938,369	25,187,510	207,832,072	126,288,738	31,123,132	550,369,821
Total assets						18,936,568
						569,306,389
Segment liabilities:						
Unallocated liabilities	138,866,609	12,180,498	180,392,191	108,331,172	24,041,132	463,811,602
Total liabilities						4,491,541
						468,303,143
Other Segment items:						
Capital expenditure: Computer software						85,557
Property, plant and equipment						308,748

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% (2024 – 32.45%) owned by LOJ Holdings Limited (LOJH) which is also incorporated and domiciled in Jamaica and 6.06% owned by Sagikor Life Inc (SLI) which is domiciled in Barbados. In 2024, SLI sold 10.6% of its interest in SGJ to Sagikor Life Insurance Trinidad and Tobago Limited (SLITT), a wholly owned subsidiary. 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% (2024 – 49.11%) in the Company. The other significant shareholder in SGJ is Pan Jamaica Group Limited with a 30.23% (2024 – 30.21%) 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; real estate sales and rentals; and remittance and cambio.

2. Basis of preparation

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting", unless otherwise noted. The condensed consolidated interim financial statements should be read in conjunction with the accounting policies as set out in Note 2 of the audited financial statements for the year ended 31 December 2024.

3. Accounting estimates and judgements

Certain amounts recorded in these audited 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.

4. Changes in significant accounting policies

The Group has initially applied IFRS 17 and IFRS 9, including any consequential amendments to other standards, from 1 January 2023. These standards have brought significant changes to the accounting for insurance and reinsurance contracts and financial instruments.

IFRS 17 - Insurance Contracts

IFRS 17 became effective on January 1, 2023 and brings significant changes to the accounting for insurance and reinsurance contracts.

The standard introduces three measurement approaches that will be used to measure insurance contracts: the General Measurement Model (GMM), Variable Fee approach (VFA) and Premium Allocation approach (PAA). These are summarised as follows:

- GMM measures groups of insurance contracts based on estimates of the present value of future cash flows that are expected to arise as the Group fulfils the contracts. An explicit risk adjustment is applied that reflects the

compensation that the Group requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk. The Contractual Service Margin (CSM) is a component of the carrying amount of the asset or liability for a group of insurance contracts that represents the unearned profit that the Group will recognise as obligations are fulfilled under the insurance contracts.

At initial recognition, the positive CSM on a group of insurance contracts is recorded as a liability and is subsequently amortised to future income. When the calculation of present value of expected future cash flows results in a net cash outflow, the insurance contracts are classified as "Onerous" and the negative CSM is immediately recognised in income.

- The VFA applies to insurance contracts issued with direct participation features, which are substantially investment-related service contracts under which the policyholder is promised an investment return based on underlying items, such as segregated funds and certain participating insurance contracts. The key difference between the VFA and the GMM is only evident at subsequent measurement, the transitional and at inception CSM is the same under both models. This difference is the ability to bring economic movements into the CSM each period as compared to income under the GMM.
- PAA is applied to short duration contracts where the policy's contract boundary is one year or less. Under PAA, insurance contract results are measured based on unearned premiums, this accounting treatment is broadly similar to the approach applied under IFRS 4.

The Group uses different measurement approaches, depending on the portfolio of contract issued, as follows:

Measurement Model	Contracts Issued
General Measurement Model	- o Traditional Life contracts - o Universal life contracts - o Living Benefits - o Single premium health and creditor life - o Annuities
Variable Fee Approach	- o Universal life contract with direct participating features - o Variable endowments with direct participating features
Premium Allocation Approach	- o Group Life and Health contracts - o General Insurance- Accident, Liability, Marine, Property, Motor

For underlying direct insurance contracts measured under GMM or VFA, the corresponding reinsurance contract portfolios are measured using GMM. For underlying direct insurance contracts measured under PAA, the corresponding reinsurance contract portfolios are measured using PAA.

