

Barita

MAKING MONEY
WORK FOR YOU

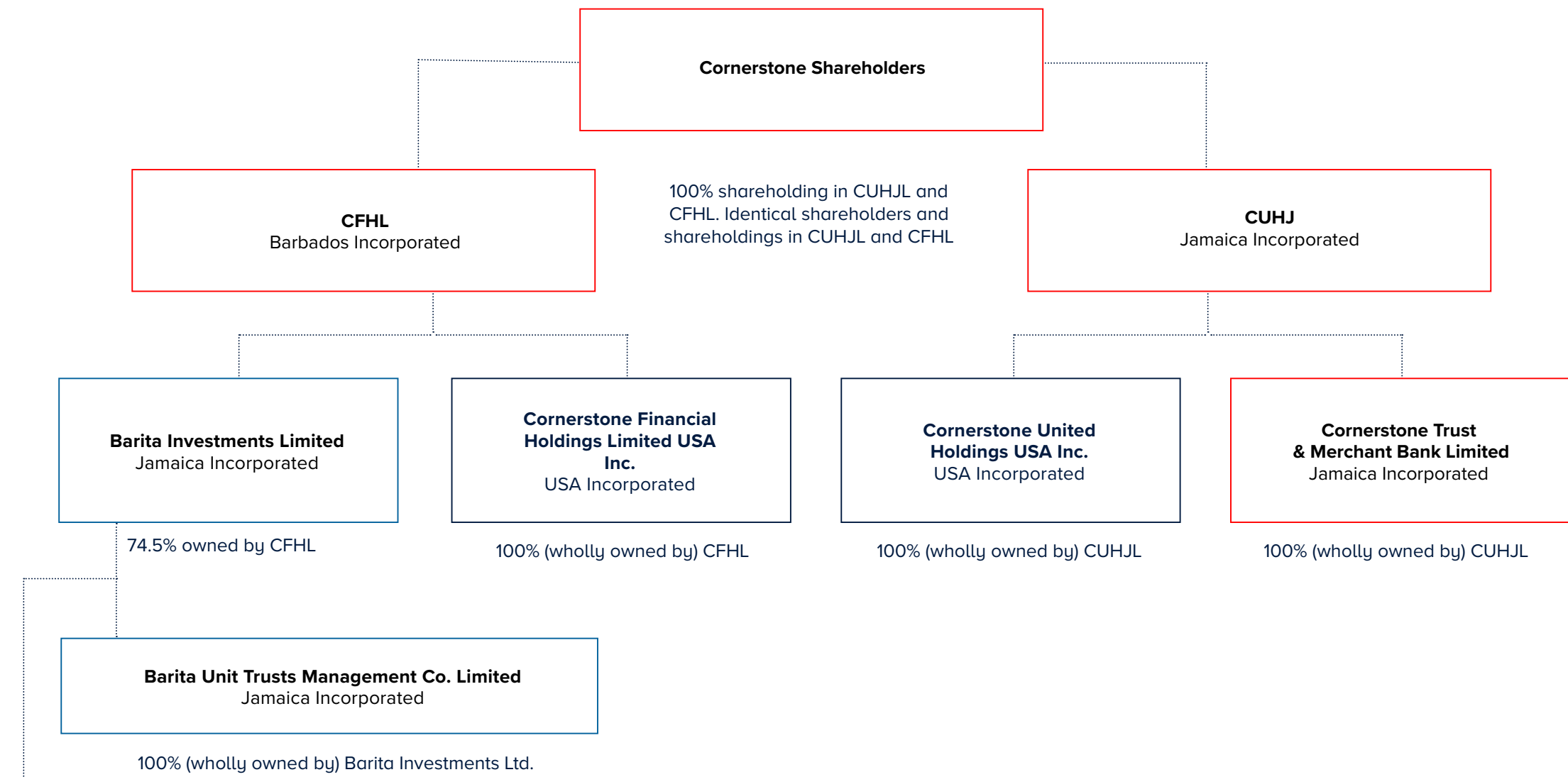
MISSION:

**STAYING AHEAD
GROWING WEALTH**

VISION:

**WE WILL
REVOLUTIONIZE
YOUR RELATIONSHIP
WITH MONEY**

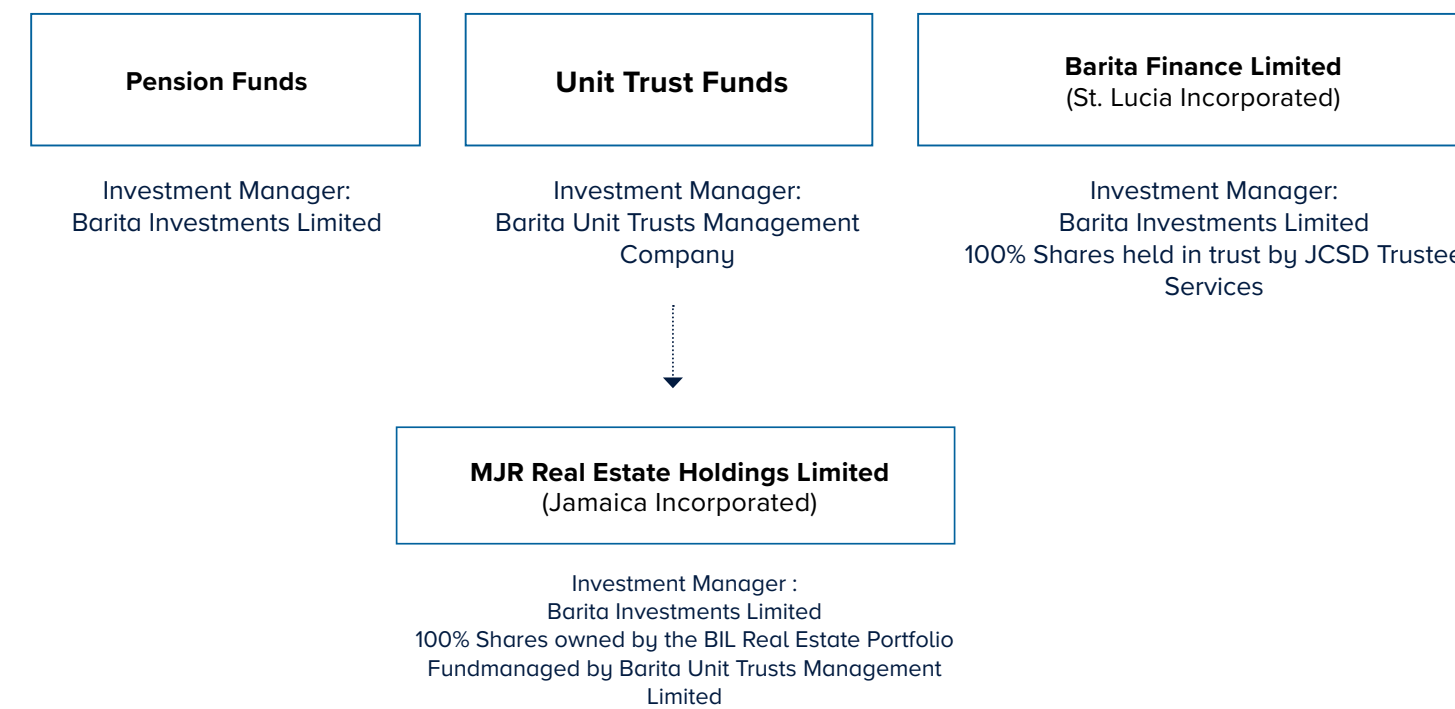
CORPORATE STRUCTURE:



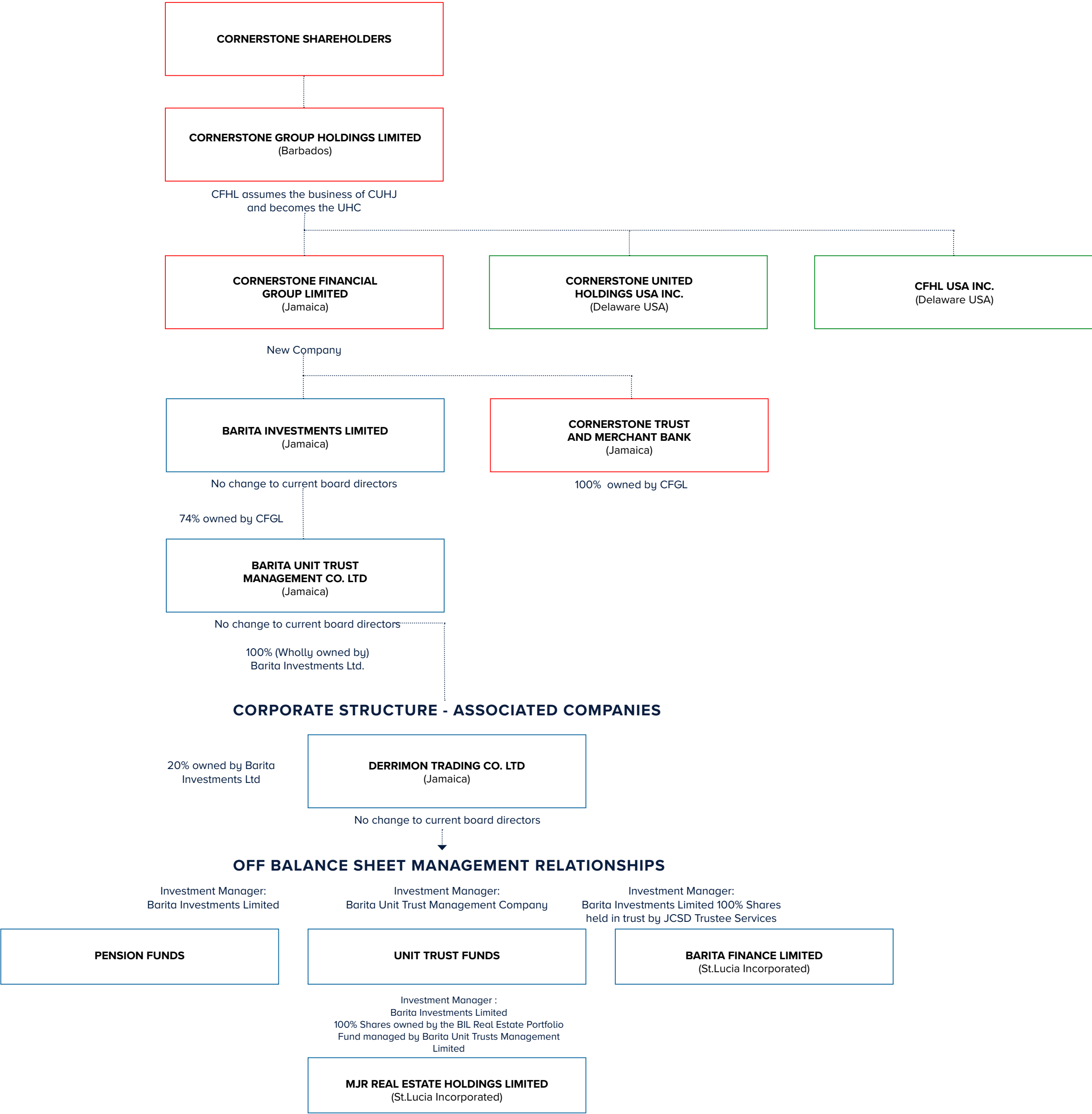
CORPORATE STRUCTURE – ASSOCIATED COMPANIES



OFF BALANCE SHEET MANAGEMENT RELATIONSHIPS



CORPORATE STRUCTURE:



**BARITA
INVESTMENTS LTD.
MANAGEMENT TEAM**



**Dane
Brodber**
CFA, CAIA, FRM, MBA

INTERIM
C.E.O.



**Ramon
Small-Ferguson**
CFA, FRM, CAIA

DEPUTY CEO
BARITA
INVESTMENTS
LIMITED &
MANAGING
DIRECTOR BUTM



**Geoffery
Romans MSc.**

SENIOR VICE
PRESIDENT,
RISK MANAGEMENT



**Sara Ying
Henriques MBA**

VICE
PRESIDENT,
OPERATIONS



**Terise
Kettle MBA**

SENIOR VICE
PRESIDENT,
INVESTMENT
BANKING



**Anmarie
Walker-Cato
MBA, FCCA**

VICE
PRESIDENT,
FINANCE



**Percival
Hurditt MSc.**

HEAD,
FINANCIAL
RISK



**Sonia
Owens MBA**

HEAD,
TREASURY AND
FINANCIAL
INSTITUTIONS



**Ian
Anderson MBA**

VICE PRESIDENT,
INFORMATION
TECHNOLOGY



**Dave
Dixon MBA**

**SVP, SALES
AND SERVICES**



**Sancia
Thompson MBA**

**V.P., PREMIUM
WEALTH &
CORPORATE
SOLUTIONS**



CORNERSTONE MANAGEMENT TEAM



**Paul
Simpson**
MBA

**FOUNDER,
PRESIDENT
AND CEO**



**Jason
Chambers**
MSC

**CHIEF
INVESTMENT
OFFICER**



**Gavin
Jordan**

**CHIEF OPERATING
OFFICER**



**Dane
Brodber**
CFA, CAIA, FRM, MBA

INTERIM
C.E.O.
BARITA
INVESTMENTS
LIMITED



**Malindo
Wallace**
MBA, LLB, LEC

CHIEF LEGAL &
COMPLIANCE
OFFICER



**Weldon
Maddan**
MBA, CFA

CHIEF STRATEGY
& BUSINESS
INTELLIGENCE OFFICER



**Stephen
Phillibert**
MBA, CFA

**CHIEF
FINANCIAL
OFFICER**



**Stephanie
Murdock**
MSC, PMP, SMC

**CHIEF HUMAN
RESOURCES
OFFICER**



**Sebrena
Freeman**
MSC, CISA, CRISC

**CHIEF AUDIT
EXECUTIVE**

STRATEGY HIGHLIGHTS BUILDING ON OUR CORE PROMISE

BARITA 45 ANNIVERSARY CELEBRATION

It was a milestone year for us at Barita as we celebrated our 45th anniversary. The year was made even more special as it was Jamaica's 60 years of Independence and so our growth story was intricately weaved into the growth and progress of this nation.

01 Bell ringing ceremony at the Jamaica Stock Exchange

02 Customer Appreciation Day at Fairview Branch in Montego Bay



STRATEGY HIGHLIGHTS BUILDING ON OUR CORE PROMISE

DELIGHTING OUR CUSTOMERS

We continue to spread financial empowerment everywhere by making Barita more accessible, convenient and customer focused.

01. Maintained an overall Net Promoter Score of 37 above strategic target of 33
02. Revamped Online Platform
03. Completed the first phase of our Core System upgrade with the roll out of a Cambio module.
04. Successfully launched and relaunched new product offerings.
 - Real Estate Unit Trust fund
 - FX Income Accumulator Unit Trust Fund
 - Revamped Barita Roadmap - Barita G.P.S
05. Executed solutions for our Corporate Clients
 - Investment Banking unit achieved revenue of over \$1.7B
 - Full rollout of our Premium Wealth unit

STRATEGY HIGHLIGHTS BUILDING ON OUR CORE PROMISE

DEMOCRATIZING WEALTH

In an era of rapid digital evolution, we continued to break barriers, driving our mission to democratize wealth and empower our clients to transform their financial future.

- 01.** Educational video content sparked curiosity, with 21.88M views across our various platforms, converting spectators into learners.
- 02.** Our AI chatbot, Bari, elevated customer service, growing interactions by 120% from the previous year to 35,561 conversations.
- 03.** Our focus on a digitally powered lead generation strategy led to 3,275 booked online meetings with our advisors.

STRATEGY HIGHLIGHTS POSITIONING FOR THE FUTURE

BUILDING OUR BRAIN TRUST

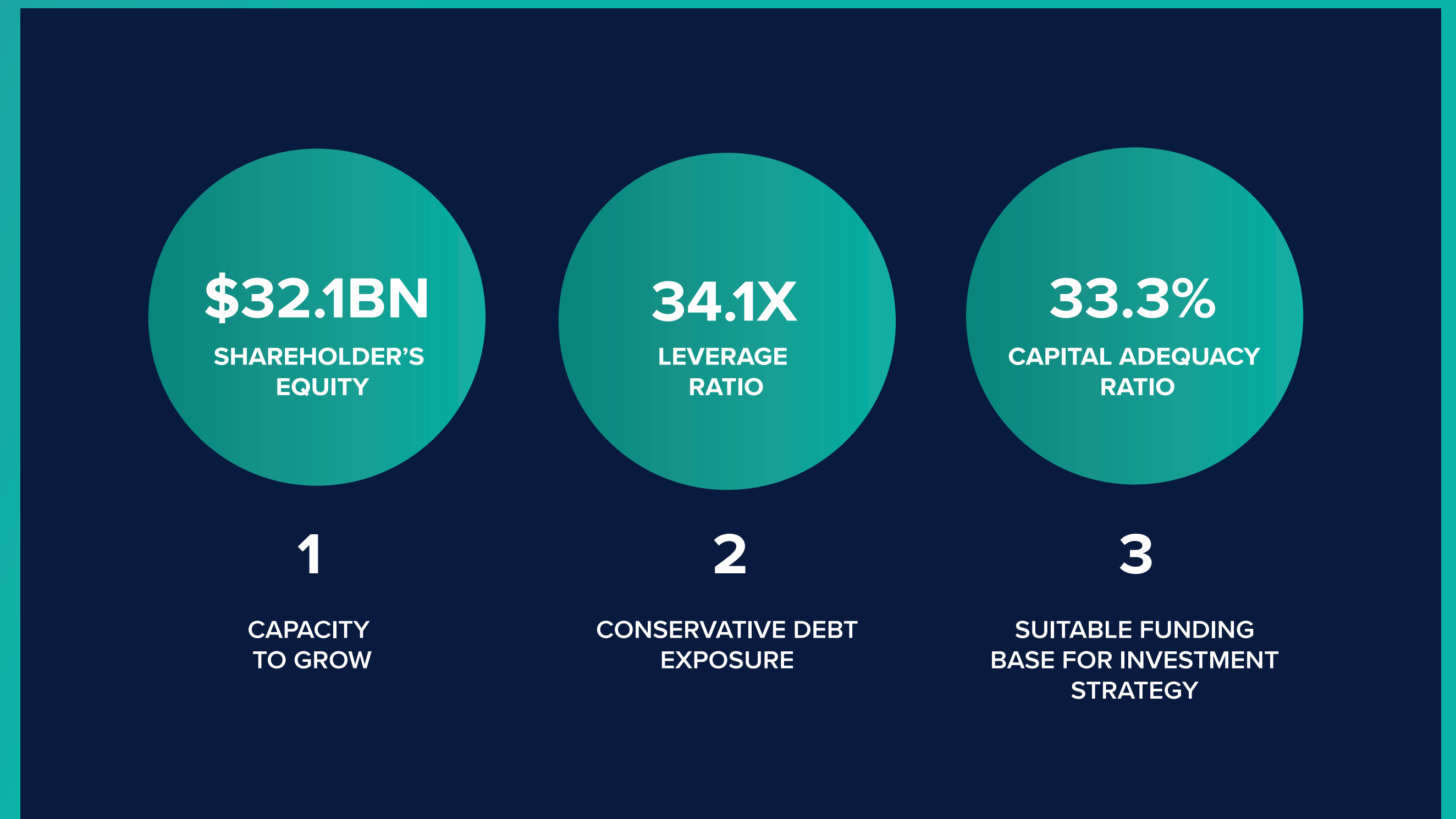
Our investment in our team continues to be our strategic priority.

- 01.** Expansion of our Project Management and IT capacity and capabilities
- 02.** Strengthened sales leadership
- 03.** Launched the Cornerstone Leadership Programme (Cornerstone Leads) in collaboration with Mona School of Business with an enrolment of 6 key managers in the first cohort
- 04.** Built a team training platform Cornerstone University with access to a wide collection of educational material
- 05.** Our 5 Cornerstone Analysts completed year one of a two-year rotation within key strategic business units
- 06.** Implemented an IT Incubator initiative
- 07.** Launched the Barita Culture Playbook

STRATEGY HIGHLIGHTS POSITIONING FOR THE FUTURE

STRENGTHENING OUR CAPACITY

We have successfully executed on the objectives of our last APO.



STRATEGY HIGHLIGHTS POSITIONING FOR THE FUTURE

OUR RESILIENCE

Our resilience consists of strength of our capital and our rigorous governance, risk and internal control architecture. It is this resilience that in turn anchors and supports our overarching investment strategies.

STRENGTH IN CAPITAL

- Capital Adequacy Ratio (CAR) remained robust at 33.3% as at September 2022
- The company maintained a healthy stock of high-quality liquid securities in excess of \$35BN as at September 2022
- Core liability funding continued to improve with 30.8% growth year-over-year despite the challenging environment

RIGOROUS GOVERNANCE, RISK & INTERNAL CONTROLS

- Comprehensive ERM framework developed in 2020 by EY
- Overhaul of internal policies and procedures in 2021 led by KPMG
- Continuous recruitment of top talents with global experience as 2nd and 3rd lines of defense
- Over \$850Mn technology overhaul to enable business and to reduce non-financial risks.
- Institutionalization of independence through internal audits executed by EY and construct of Boards and subcommittees with independent members

TOMORROW IS BUILT ON TODAY'S FOUNDATION

The Barita Foundation led by its Chairman Gavin Jordan and Executive Director Tanketa Chance Wilson, continues to make positive impact in our communities focusing on its three pillars; **Entrepreneurship, Health and Wellbeing, Education and Youth Development.**

BARITA FOUNDATION





01 Inaugural Scholarship Programme | St.Andrew | August 2022

02 The Governor General's Youth Consultative Conference 2022 | St.James | October 2022

03 Central Jamaica Social Development Initiative (CJSDI) and Barita Foundation Youth Entrepreneurship Project | Manchester | October 2022

04 Wishing Tree Competition Winner - Live to Give Foundation | Middlesex | December 2022

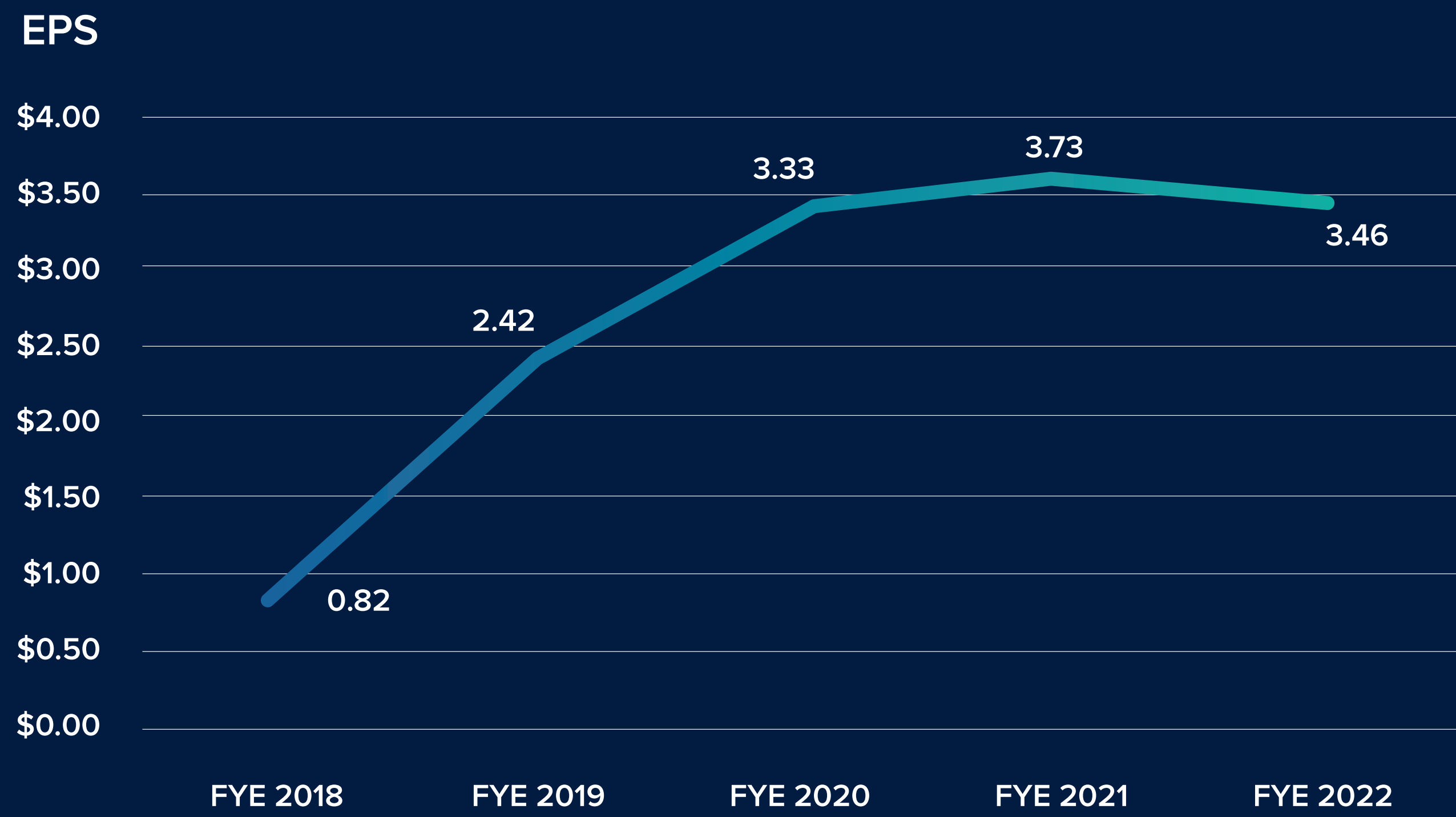
05 "Making Ends Meet" Closing Ceremony | Kingston | March 2023

A low-angle, upward-looking perspective of several modern glass skyscrapers. The buildings are composed of dark frames and reflective glass panels, creating a series of strong diagonal lines that converge towards the top of the frame. The sky is a clear, deep blue. The overall image conveys a sense of height, modernity, and corporate growth.

BUSINESS GROWTH & SHAREHOLDER VALUE

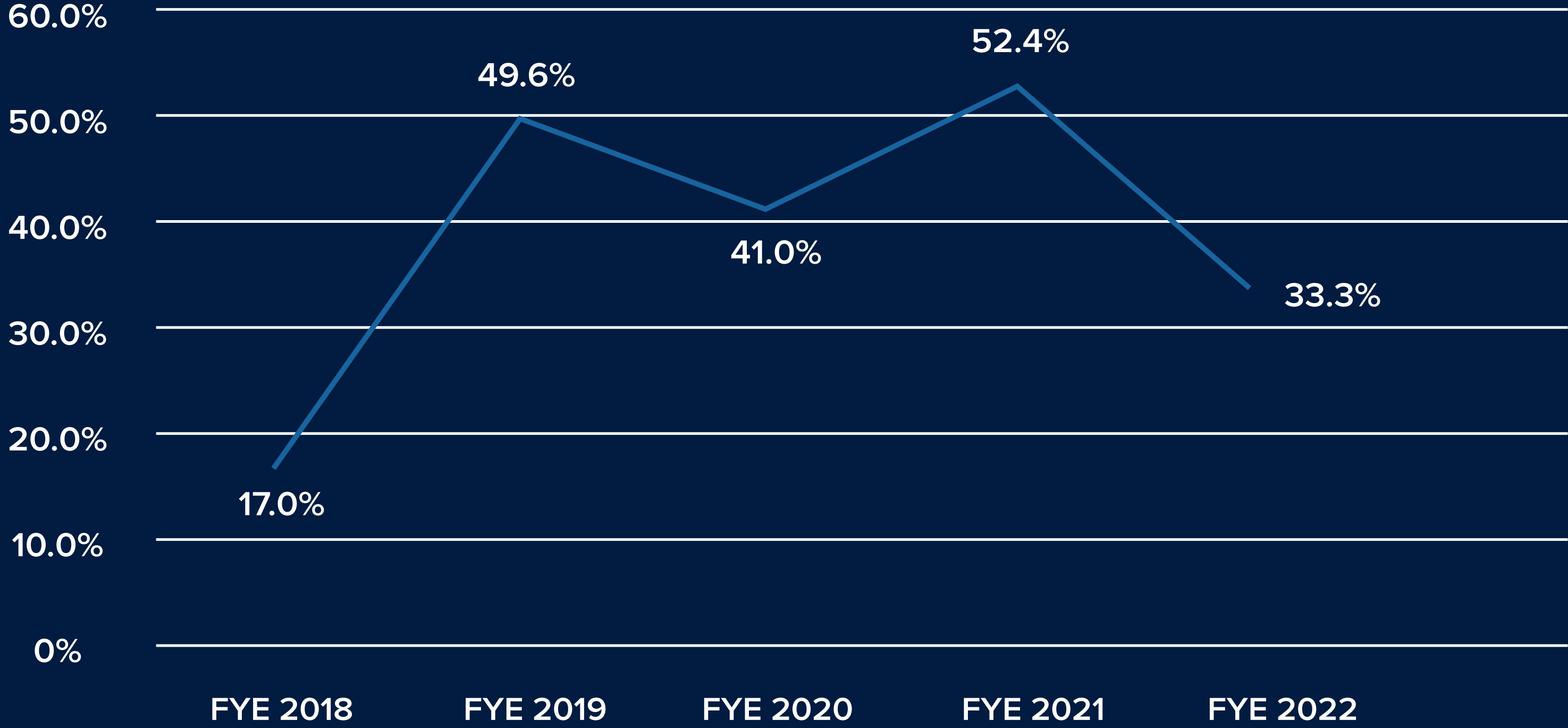
FINANCIAL YEAR 2022

PERFORMANCE HIGHLIGHTS | FY 2017 - FY 2023



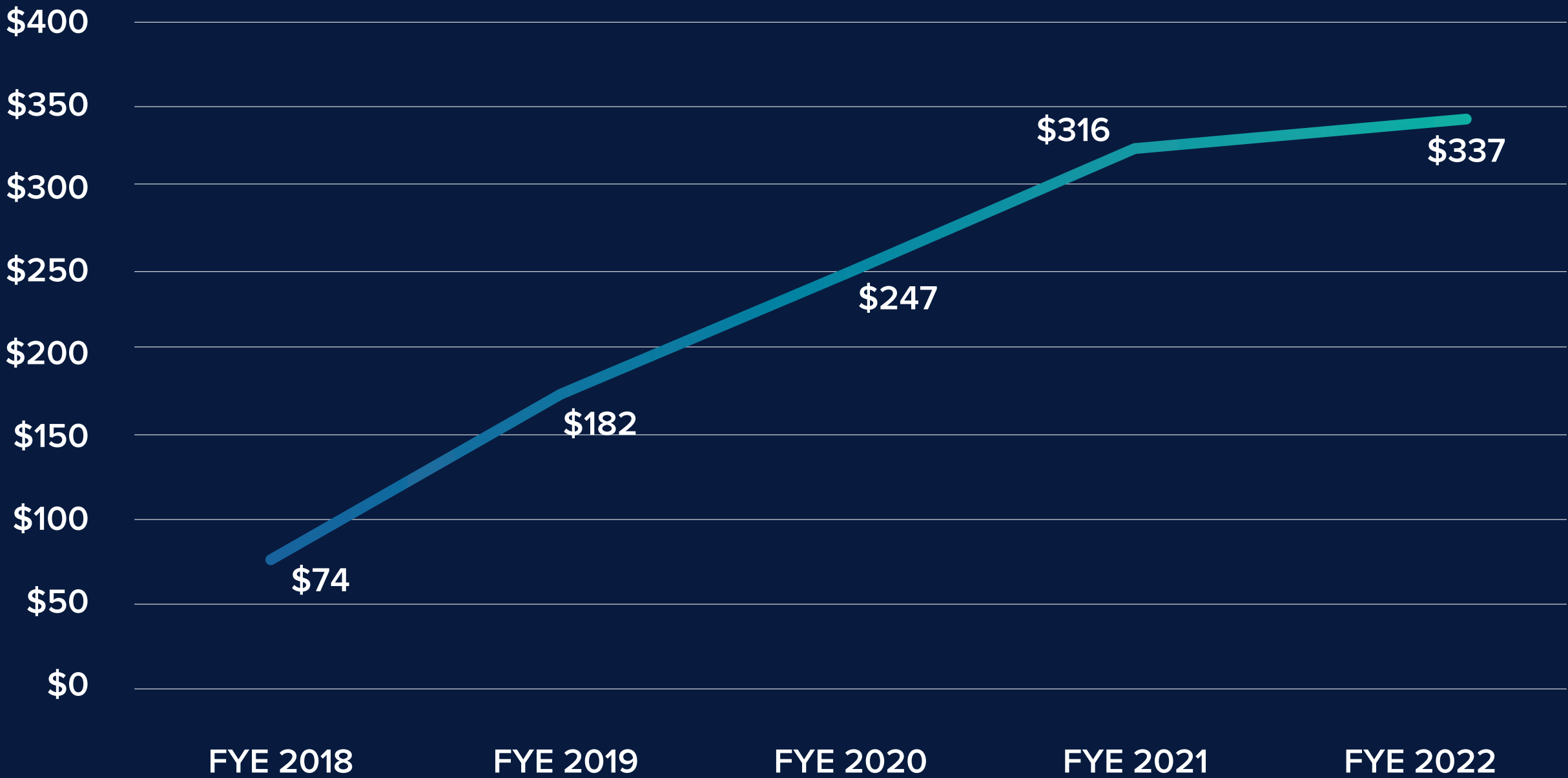
PERFORMANCE HIGHLIGHTS | FY 2017 - FY 2023

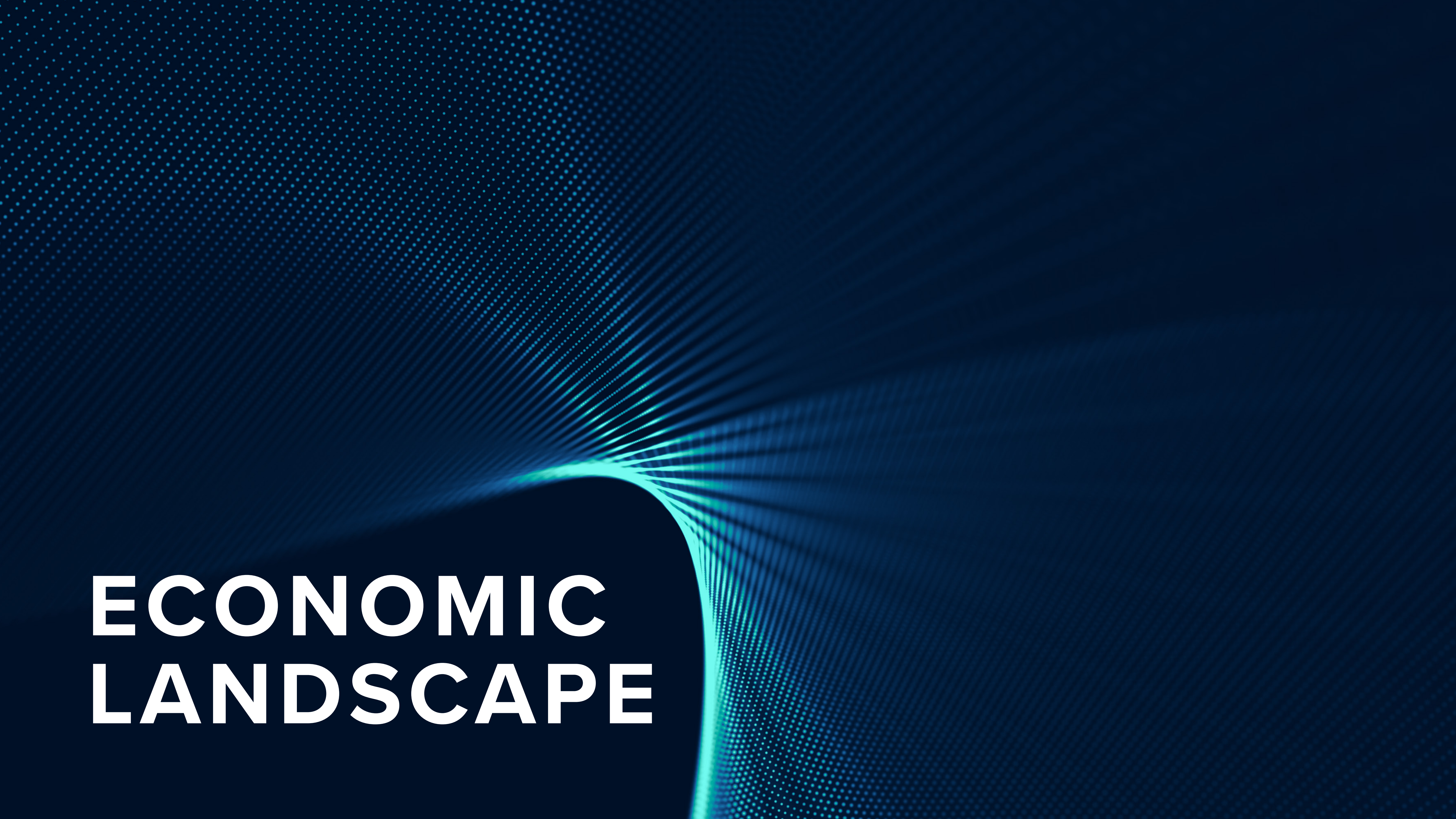
CAPITAL TO RISK WEIGHTED ASSETS



PERFORMANCE HIGHLIGHTS | FY 2017 - FY 2023

FUNDS UNDER MANAGEMENT (J\$ Billions)



The background features a dark blue gradient. On the left, a grid of small, light blue dots is visible. A bright, glowing blue wave-like shape curves upwards from the bottom left towards the center. The text 'ECONOMIC LANDSCAPE' is positioned in the lower-left area, partially overlapping the wave and the dot grid.

ECONOMIC LANDSCAPE



SIGNS OF SLOWING GROWTH

IN FINANCIAL
YEAR 2023

IN FINANCIAL YEAR 2023

- Inflation has moderated but remains elevated in key international markets. Domestic inflation is expected to fall within target by the end of 2023.
- Tight monetary policy maintained by domestic and global central banks to temper inflation.
- Our outlook for global growth aligns with the IMF, with a reduction in pace expected in 2023.
- Despite the emergence of stress in the US banking system, the June 2023 stress tests showed that large banks would maintain capital ratios well above the requirement.
- GDP growth in the US was healthy in Q1 23, with an annualized outturn of 2.0%, however, the consensus forecasts point to a slowdown in Q2 23 with some expecting negative growth.

THE PATH FORWARD



GROWTH

Global Growth
Projected at 2.8% for
2023 by the IMF
Forecast revised
downwards by 10 basis
points in April compared
to the previous
projection in January.



INFLATION

Current
inflation in the US
has moderated to
4.0% as of the last
release. Similarly,
domestic inflation
has fallen to 6.1%
just above target.



INTEREST RATES

Interest Rates remain
elevated 3-month
treasury bill up
from 1.54% to over
5.00% currently
While the domestic 3
month treasury bill is
tightly range bound
standing at 7.86%



INVESTMENTS STRATEGY

FINANCIAL YEAR 2022



INVESTMENT STRATEGY

- The operating environment and by extension financial markets, are still heavily influenced by the far reaching and varied effects of the pandemic.
- Accordingly, we intend to maintain our overweight position in liquid assets and excess capital amidst signs of slowing economic growth.
- Our investment strategy has been centered on specific lines of alternative investments; specifically:
 - real estate
 - private credit
 - private equity
 - infrastructure
- These complement the continued allocations to traditional asset classes.
- In FY 2022 we grew our alternative investment exposure to \$16 billion, which complements the continued allocations to traditional asset classes.



FOCUS ON ALTERNATIVE INVESTMENTS

THE FOCUS ON ALTERNATIVE INVESTMENTS IS INFORMED BY SEVERAL FACTORS:

- The inflation hedge inherent in subcategories such as infrastructure and real estate.
- Diversification benefits due to the lower correlation of returns with traditional asset classes.
- Generally superior risk adjusted returns over the long run.
- Greater stability in value as these investments are typically insulated from market risk.
- Highly flexible structures, ideal for funding impactful projects that sustain long term development.

ALTERNATIVE INVESTMENTS

REAL ESTATE

- MJR Real Estate Holdings managed by Barita has acquired over 2000 acres of attractive real estate, which the company will be developing in the coming financial years.
- Some of the developments to be pursued include:
 - Hotel residential
 - Multi-family residential
 - Commercial
 - Warehousing and other light industrial solutions
- We generated \$2.7 billion (30.6% of net operating revenue) in income across our real estate investment strategies in FY 2022.
- In FY22 BUTM's Real Estate Fund acquired MJR Real Estate Holdings, enabling clients to access the prime collection of real estate that had been accumulated.

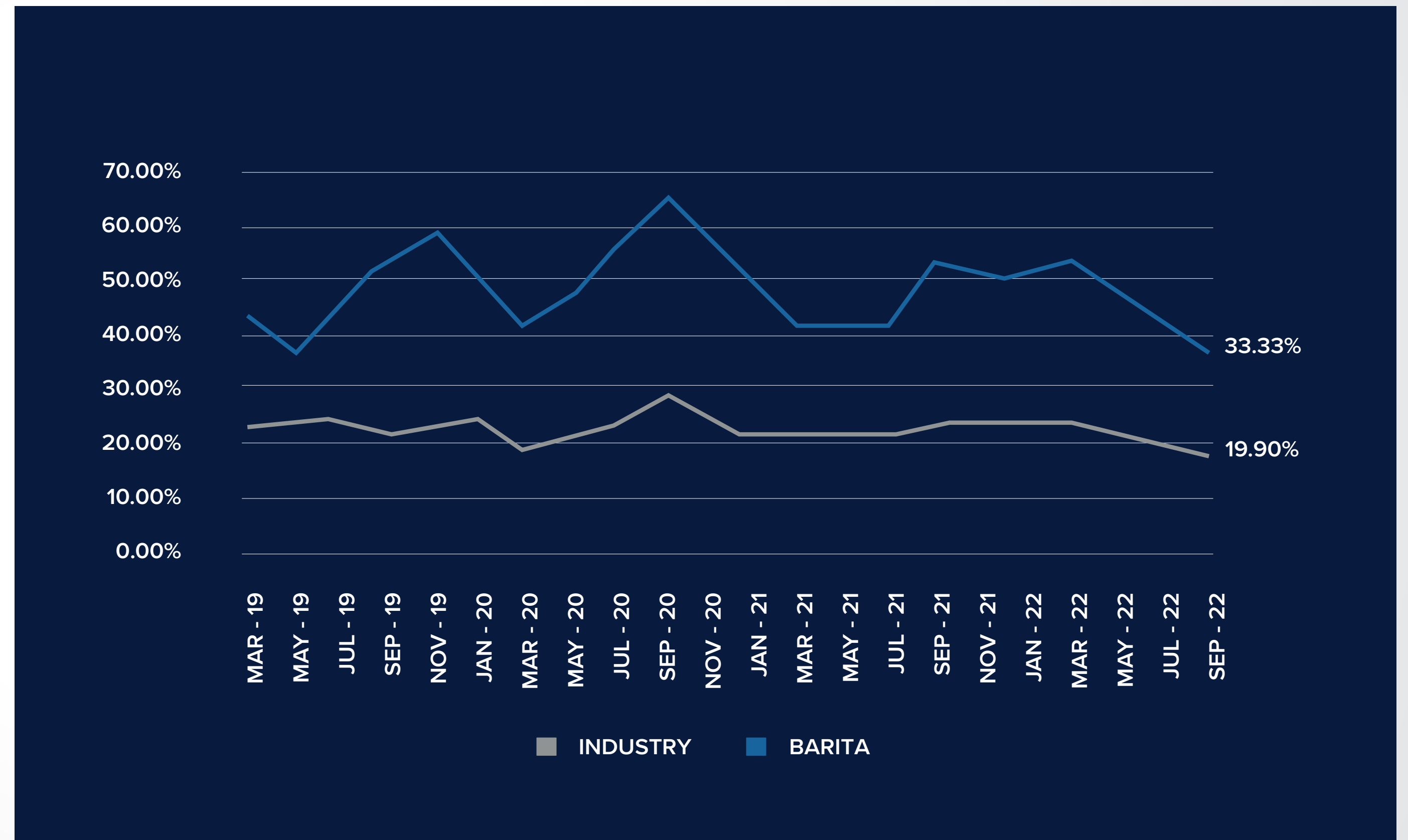
ALTERNATIVE INVESTMENTS

PRIVATE CREDIT

- At the end of FY22 private credit investments comprised 4% of total assets or roughly \$4.4 billion
- As we continue to build our positioning in this category, our exit strategies will be characterized by flexibility and the timely realization from our investments by selecting the most optimal exit options
- In parallel we have been working to launch our Private Credit Fund to also give our investors access to this strategy

STRENGTH OF CAPITAL

- To enable the aforementioned investment strategy, our funding profile is overweight in equity capital relative to the average broker dealer in Jamaica
- Allows greater capability to manage idiosyncratic risks related to alternative investments as well as the general effects of market volatility
- Provides a stable funding base for our investment strategy
- Capital to Risk-Weighted Assets Ratio of 33.3% at the end of FY22, well above the industry average of 19.9%



OUR VISION FOR THE FUTURE

2023 A YEAR
TO SPRINT,
EXPAND AND
REVOLUTIONIZE

Key Strategic Imperatives

01. Implementation of new core system
02. Bolstering our Brain Trust
03. Continuing the next phase of our alternative investment strategy
04. FHC licensing approval for the Cornerstone Group
05. Launching new investment management products and services

Focus in 2023 is on execution of these strategic imperatives and organizing our people, process and technology for excellence; on the foundation of our strength of capital, governance, and risk management.

OUR VISION FOR THE FUTURE

OUR DIGITAL VISION JOURNEY

- 01.** Digital First journey - internally and externally
- 02.** Our core platform replacement project, which will lead to:
 - faster, more effective ways of servicing our customers
 - the ability to offer new products and services faster
- 03.** Stronger IT security infrastructure
- 04.** Internal Enterprise Data Warehouse (EDW)
- 05.** Online / mobile investment platforms.

OUR VISION FOR THE FUTURE

OPTIMIZING BARITA'S EFFICIENCY

- 01.** Implementation of new core system
- 02.** Optimizing our structure to support agility and innovation
- 03.** Further efficiencies from shared services as we reorganize as a financial group
- 04.** Montego Bay branch consolidation

OPTIMIZING OUR CUSTOMER'S EXPERIENCE

- 01.** Improving our onboarding processes
- 02.** Increasing the breadth of our customer touchpoints
- 03.** Expanding the range of the financial affairs we serve for our customers as we reorganize as a financial group
- 04.** Optimizing the ways we serve our customers as we reorganize as a financial group

Next step on the journey will be to layer on our online / mobile investment platforms. This is already happening elsewhere within Cornerstone... next stop Barita.

OUR ETHOS

WHERE TALENT MEETS INTENSITY

01

Unapologetic about challenging the status quo and defining the future of financial services:

- Daring to walk the roads less travelled
- Taking on the associated challenges head on

02

Approaching our strategic imperatives fiercely.

03

Being the face of financial / investment education

UNPARALLELED FINANCIAL PERFORMANCE

FINANCIAL YEAR 2022

GAME CHANGING
PERFORMANCE
IN FINANCIAL YEAR 2022

- Record breaking profits over the five years post acquisition
- Net operating income increased Year-over-Year (YoY) by 10%
- NPAT grew YoY 4%
- Total Investments rose by 33% YoY to \$85.9 bn from \$64.4 bn in FY 2021
- Total Assets increased by 22% to J\$109.7 bn versus \$90.2 bn in FY 2021
- Total Equity decreased by 11% to J\$32.2 bn versus \$36.2 bn in FY 2021

FY 2022 FINANCIAL HIGHLIGHTS

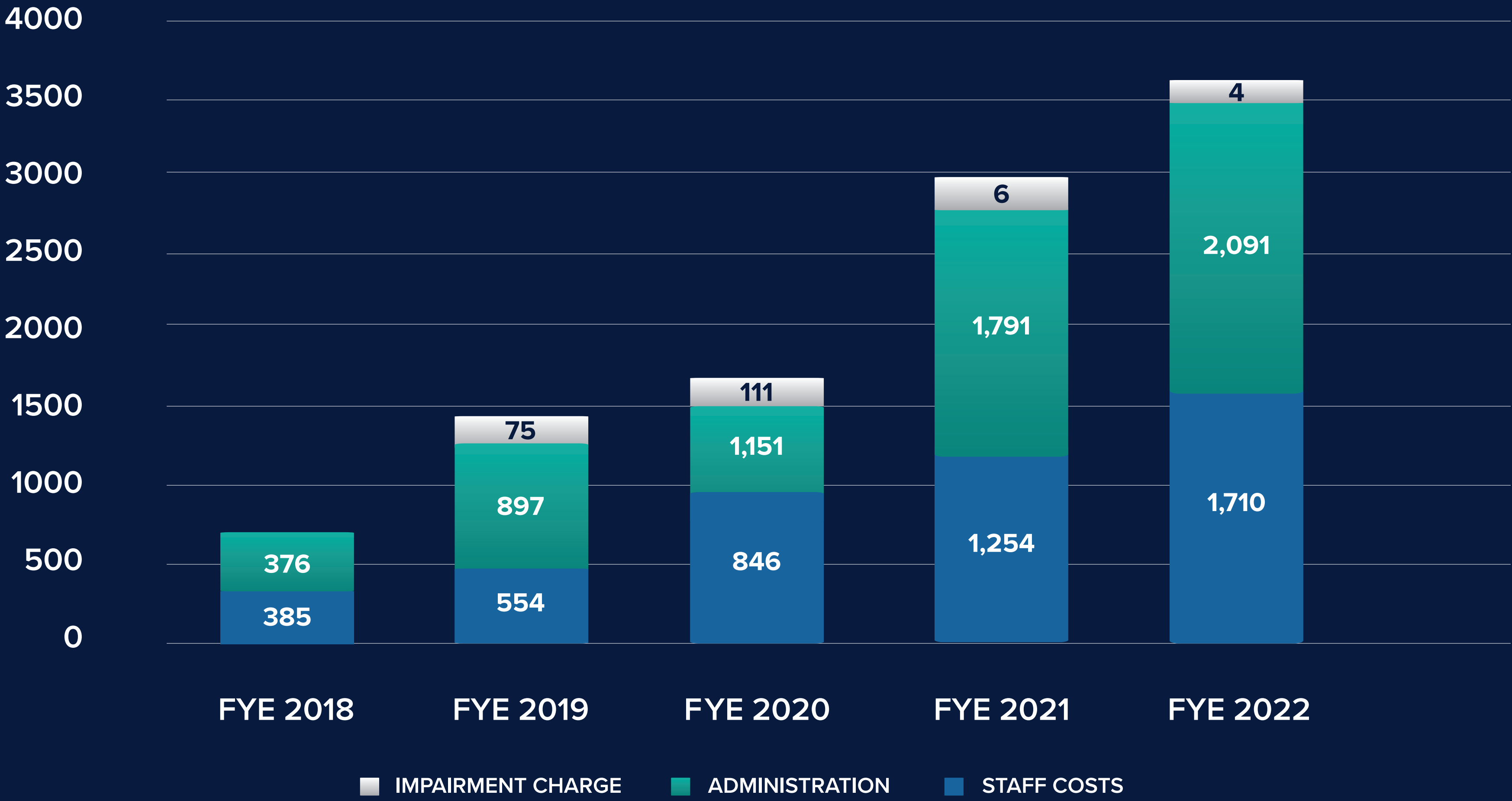
	FY22	FY21
Income	\$9.0 BN	\$8.1 BN
Cost: Income Ratio	43%	38%
NPAT	\$4.2 BN	\$4.1 BN
Total Assets	\$109.7 BN	\$90.2 BN
Total Equity	\$32.2 BN	\$36.2 BN
ROE	12%	14%

REVENUE OUTTURN | FY 2018 - FY 2022 (J\$ MILLIONS)

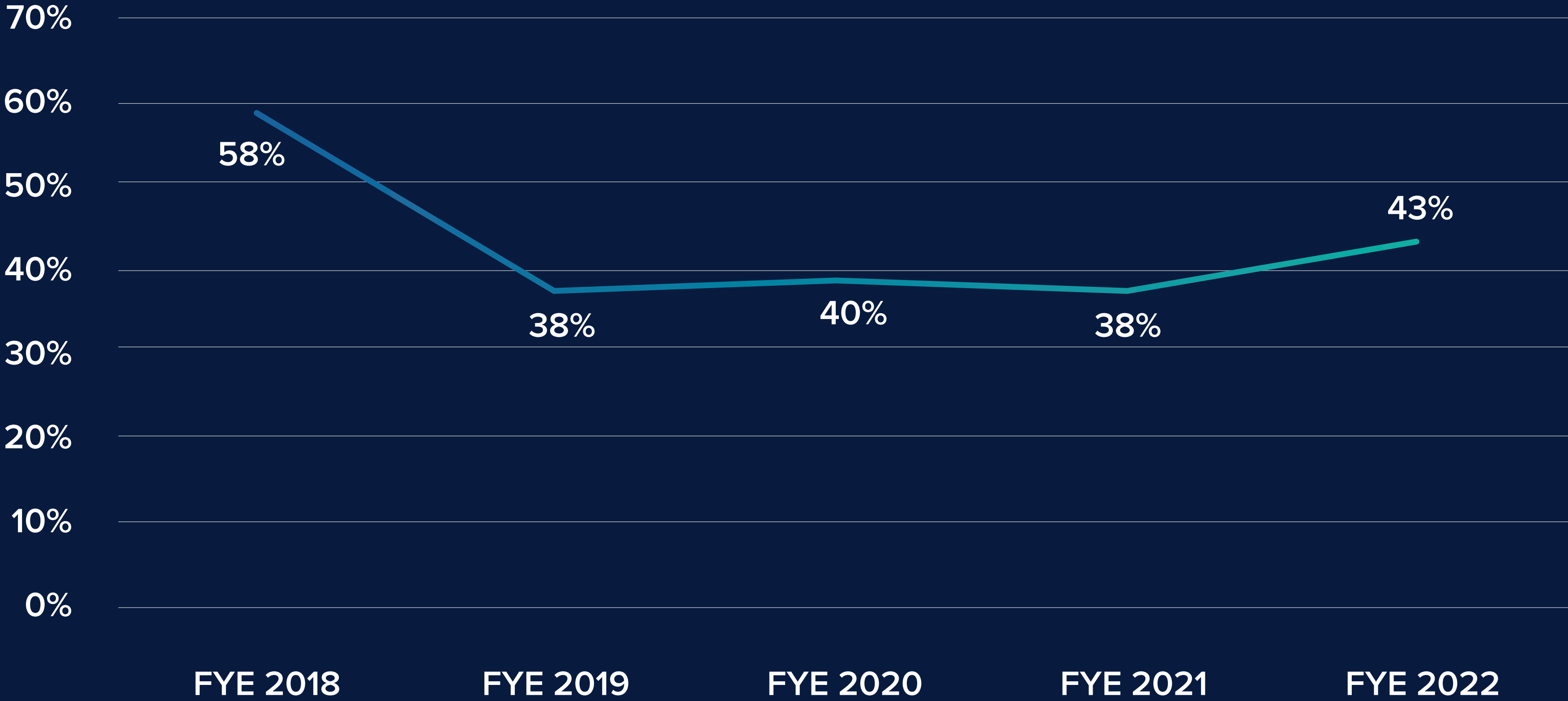


OPERATING EXPENSES | FY 2018 - FY 2022 (J\$ MILLIONS)

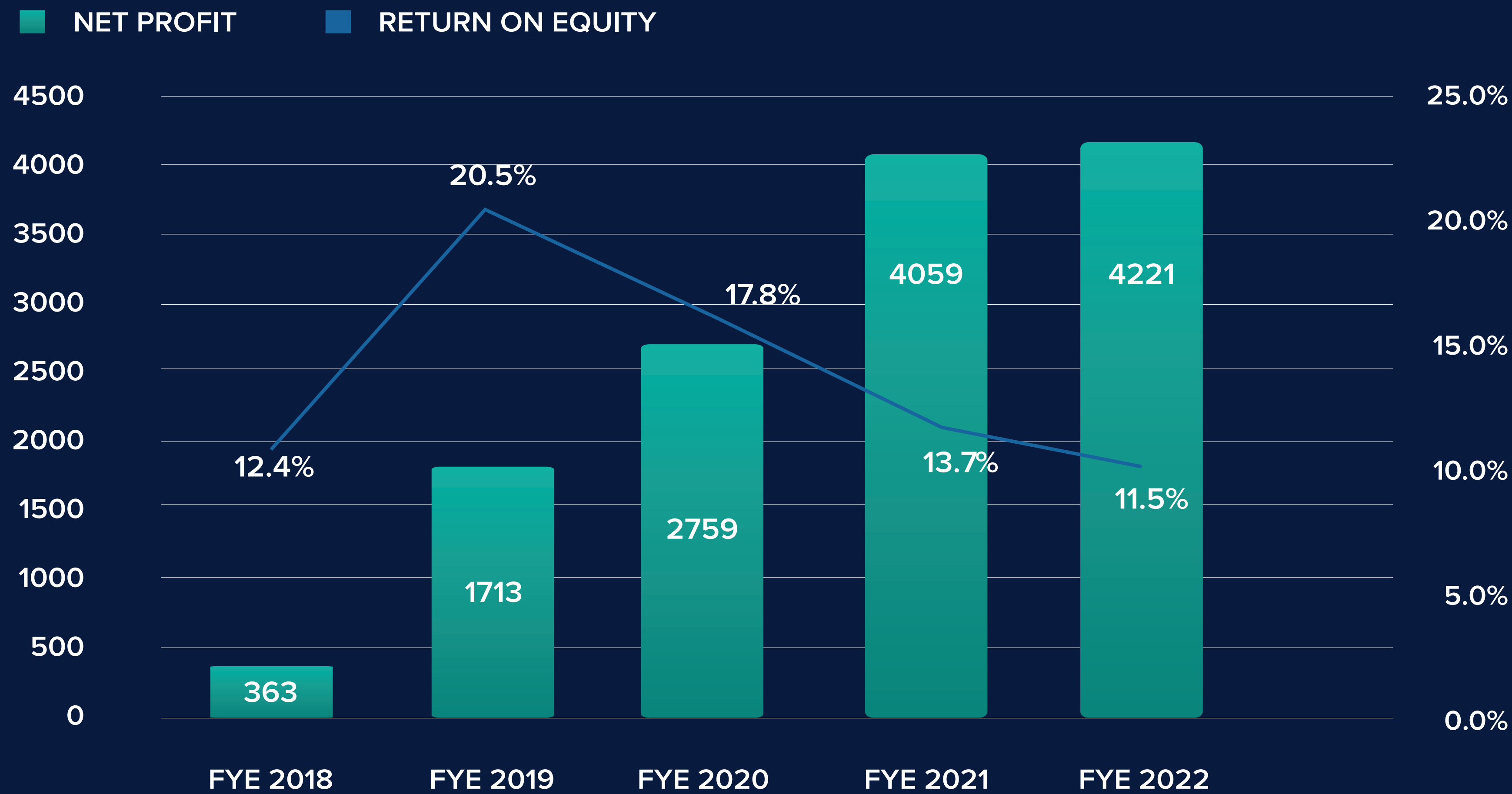
OPERATING EXPENSES



OPERATING EXPENSES | FY 2018 - FY 2022



NET PROFIT PERFORMANCE | FY 2018 - FY 2022 (J\$ MILLIONS)



BALANCE SHEET PERFORMANCE | FY 2018 - FY 2022

BALANCE SHEET (J\$ BILLIONS except share data)	2018	2019	2020	2021	2022	2022 vs 2021
TOTAL INVESTMENTS	13.4	22	49.4	64.4	85.9	33%
TOTAL ASSETS	18.9	41	70.7	90.2	109.7	22%
FUNDING						
REPURCHASE AGREEMENTS	14.4	24.1	34.5	45.6	59.7	31%
EQUITY & CAPITALIZATION						
TOTAL SHAREHOLDERS' EQUITY	3.1	13.7	27.5	36.3	32.2	-11%
MARKET CAPITALIZATION	8.3	71.3	104.1	131.9	131.7	0%
PER SHARE DATA						
EARNINGS PER SHARE	J\$0.82	J\$2.42	J\$3.33	J\$3.46	J\$3.46	-7%
SHARE PRICE	J\$18.69	J\$86.46	J\$95.87	J\$108.08	J\$107.89	0%

UNPARALLELED FINANCIAL PERFORMANCE

6 MONTHS ENDED MARCH 31, 2023

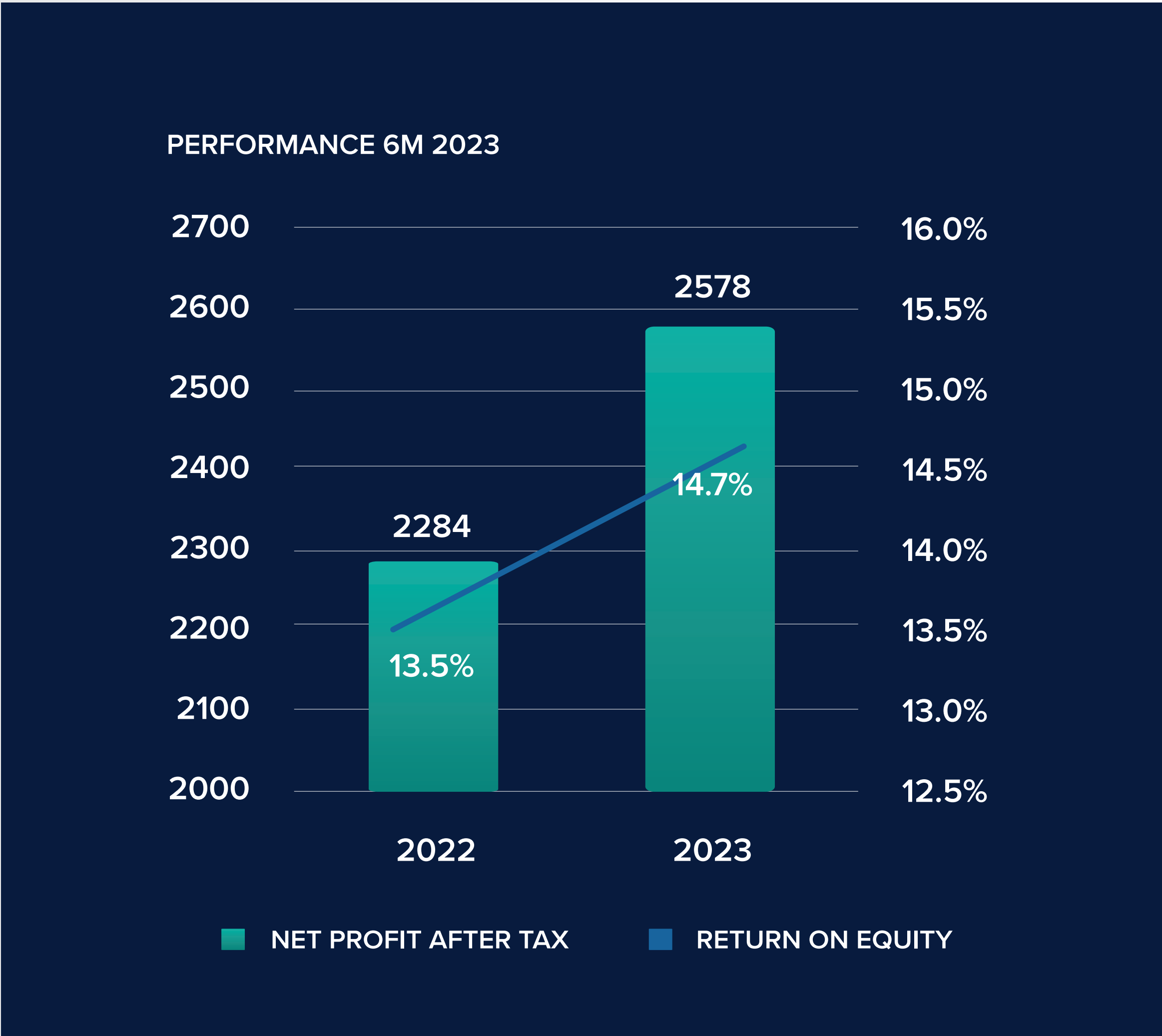
CONTINUING TO
CHANGE THE GAME
6 MONTHS 2023

- Continued performance improvements during 6M FY23
- Net operating income increased by 22%
- NPAT grew by 13% over 6M FY22
- More than 23.5 bn increase in investments to \$99.4 bn (or 31%)
- Total Assets increased by 19% over the 6M FY22
- Total Equity decreased by 4%

6M FY23 FINANCIAL HIGHLIGHTS

	FY23	FY22
Income	\$5.5 BN	\$4.6 BN
Cost: Income Ratio	39%	41%
NPAT	\$2.6 BN	\$2.3 BN
Total Assets	\$120.1 BN	\$100.9 BN
Total Equity	\$36.1 BN	\$37.5 BN
ROE	15%	14%

PERFORMANCE | 6 MONTHS 2023 (J\$ MILLIONS)



FINANCIAL POSITION | 6 MONTHS 2023

BALANCE SHEET (J\$ MILLIONS)	6M FY22	6M FY23	2023 vs 2022
TOTAL ASSET	100,878	120,072	19%
TOTAL INVESTMENTS	79,071	103,139	30%
FUNDING (‘000)			
REPURCHASE AGREEMENTS	52,231	67,697	30%
EQUITY & CAPITALIZATION (‘000)			
TOTAL SHAREHOLDERS’ EQUITY	37,545	36,107	-4%
MARKET CAPITALIZATION	113,533	97,985	-14%
PER SHARE DATA			
EARNINGS PER SHARE	J\$1.90	\$2.16	14%
SHARE PRICE	J\$93.03	J\$80.29	-14%

Barita