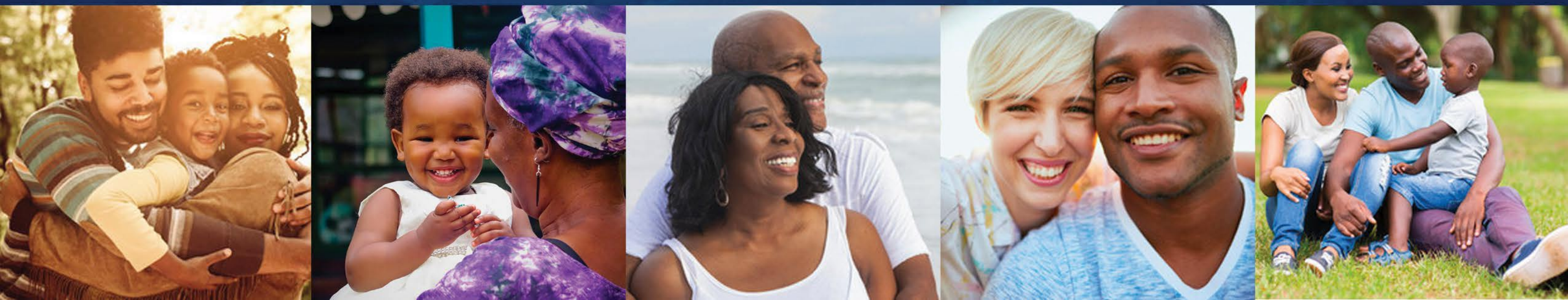
Financial Results

For The Six Months Ended
March 31, 2024
(Unaudited)

Barita
Investments Limited

Making Money Work For You Since 1977



$5.0B
Net Operating Revenue

$1.9B
Net Profit

$35.6B
Total Shareholder's Equity

$134.3B
Total Assets

46.7%
Efficiency Ratio

10.7%
Return on Average Equity

3.69
Leverage

Barita........Making Money Work For You Since 1977

Chairman's Statement

Mark Myers, *Chairman*

The Board of Directors of Barita Investments Limited ("Barita" or "the Group") presents the Group's unaudited financial statements for the second quarter of our 2024 Financial Year ended March 31, 2024 ("Q2 FY 2024"). Despite the continuation of an operating environment plagued by several headwinds, this quarter's outturn is much improved in most respects when compared to the last quarter ("Q1 FY 2024") due to a resurgence in several traditional sources of revenue. Specifically, revenue of **$3.65 billion** in Q2 FY 2024 was a record quarterly outturn and was **$543 million** or 17% higher than the previous record performance in quarterly revenue of **$3.11 billion** in Q2 FY 2023. Pre-tax profit of **$2.05 billion** for Q2 FY 2024 was also a record, being modestly (less than 1%) higher than the previous record of **$2.03 billion** registered in Q2 FY 2023.

Q2 FY 2024 saw a material uplift in revenue contribution from the treasury, trading and brokerage (40% of revenue) business lines as well as the investment banking business line (9% of revenue) relative to the corresponding period in the last FY which benefitted from a material contribution from the alternative investments business line.

In our Q1 FY 2024 report, we referenced specific near-term elements of our strategy that give us confidence that our performance henceforth was likely to improve progressively. It's worthwhile to reprise those elements since we expect that they will continue to support our performance over the next two quarters:

1. **Revenue Diversification:** We are continuing the implementation of specific initiatives to diversify our business away from a primary reliance on intermediation.
2. **Dynamic Investment Posture:** We are seeking to position the business to execute on market-neutral investment strategies by virtue of our strength of capital and low leverage.
3. **Efficiency through Integration:** We have taken deliberate actions to make the business more efficient through cost management initiatives and restructuring towards achieving a 'One Group' structure, which is designed to better serve our customers and allow us to truly live our ethos of democratising wealth.
4. **Evolution of Market Environment:** Our outlook is that we are past the peak in local and global interest rate hiking cycles and a reversal of those rate increases is likely imminent.

Each one of these factors will have varying degrees of impact and we expect them to show up positively in our financial performance over different time horizons. For instance, the Bank of Jamaica's (BoJ) Central Bank Governor has, for the first time since the rate-hike started, indicated that the Central Bank could begin reducing rates in six months, which places that timeline to September 2024. Effectively, this indicates, at a minimum, that the Central Bank is finished with its rate hikes, even if it maintains the policy rate at 7.0% a bit longer. This development underscores the significance of our market-neutral investment strategies to ensure that as the business cycle turns, the Group will be well-positioned to execute profitable initiatives. Some of those specific actions underway include reorganizing the Group's revenue mix and critically assessing and managing our balance sheet to ensure optimal return on invested capital.

Operating Performance

Year-to-Date Performance

Barita generated net operating revenues of **$4.98 billion** for the six (6) months to March 2024 ("6M FY 2024"), representing a decline of 10% or **$555 million** relative to the comparable period in the prior year ("6M FY 2023"). The decline is largely the result of a lower contribution from the Alternative Investment business line year-over-year, specifically reduced returns from our real estate exposures.

Net profit for the six (6) months to Q2 FY 2024 period was **$1.91 billion**, declining 26% relative to the corresponding period in FY 2023.

The resulting earnings per share ("EPS") for the six (6) months to Q2 FY 2024 period was **$1.59**, 26% lower than the outturn of **$2.16** for the first half of 2023.

Quarterly Performance

For the quarter ended Q2 FY 2024, Barita registered revenue of **$3.65 billion**, which was **$543 million** or 17% higher than the **$3.11 billion** registered in Q2 FY 2023 driven by a material uplift in the Treasury, Trading and Brokerage business line during the quarter.

For the quarter ended Q2 FY 2024, Barita produced net profit after tax of **$1.43 billion** which was just **$82 million** (5%) below the net profit after tax reported in Q2 FY 2023. The reduction in net profit after tax year-over-year is attributable to an increase in the effective tax rate. Importantly, while revenue declined YoY, profit before taxation amounted to **$2.05 billion**, which was an improvement of **$16 million** or 1% relative to the prior year, demonstrating effective management of the Group's expenses during the quarter.

The EPS for Q2 FY 2024 was **$1.19**, 6% lower than the outturn for Q2 FY 2023.

$5.0B	$1.9B	$35.6B	$134.3B	46.7%	10.7%	3.69
Net Operating Revenue	Net Profit	Total Shareholder's Equity	Total Assets	Efficiency Ratio	Return on Average Equity	Leverage

Revenue Composition

Net Interest Income (NII):

YTD for the 6M FY 2024, NII reflected a **$74 million** (21%) decrease YoY to **$286 million**. For Q2 FY 2024 NII was basically flat relative to Q2 FY 2023 at **J$139 million** reflecting what appears to be the beginnings of a reversal in the trend of declining NII thus potentially indicating positive forward guidance for this significant revenue item.

The outturn in NII reflects the continued impact of the BOJ's policy measures, marked by high interest rates which are targeted at containing high inflation. Consistent with this, interest rates on funding balances remain elevated across the sector, contrasting with the slower increase in yields on the stock of generally longer-dated earning assets. While this continues to dampen NII, both the BOJ and the US Federal Reserve ("**the Fed**") have paused their rate hiking activities. This has allowed the Group to better plan and manage our book of assets and liabilities.

As we consider the outlook for NII, it's important to highlight the March 2024 decline in Jamaica's headline Consumer Price Index ("CPI") annual inflation rate to 5.6%. As a result of this decline, inflation is now within the BOJ's target range of 4.0%-6.0%. Given this significant change, the BOJ may reduce its policy rate to match a less inflationary environment. Such a scenario would greatly benefit Barita as our liabilities, which generally have a shorter tenor than our assets, would reprice and significantly improve our NII. While we see this as a probable outcome, we continue to manage our balance sheet with careful consideration for all possible scenarios and therefore expect gradual improvement in NII even if the BOJ's stance is unchanged over the coming quarters.

Fees & Commission Income:

YTD for 6M FY 2024 Fees & Commission Income rose by **$241 million** or 13.4% relative to 6M FY 2023 to **$2 billion**. For the Q2 FY 2024 period, the outturn in this line was **$1.22 billion** relative to **$1.14 billion** in Q2 FY 2023.

The main drivers of this line are fees generated from the Asset Management & Investment Banking functions. Revenue from the Asset Management business line, which spans the management of unit trust, pension funds and managed portfolios declined by **$311 million** (19%) YoY to **$1.3 billion** in the 6M FY 2024 period while in Q2 FY 2024, the was decline of **$184 million** or 17%. In both the 6M FY 2024 and Q2 FY 2024 periods, the Group's revenue from unit trust and pension fund management business lines saw double digit growth. This growth in revenue from unit trust and pension fund management reflects the significant work that has been done to keep investors invested through quality performance of our various unit trust products which deliver attractive returns to clients, despite the challenging market dynamics. With that said, the decline in overall asset management revenue was solely due to reduced fees from the managed portfolios resulting from lower performance-based fees during this FY. Given the outsized performance of the managed portfolios in FY2023, we anticipated a normalization in FY 2024 and opted to buttress that normalization through enhanced deal execution via the Investment Banking business line which has outperformed over the 6M FY 2024 period and supported continued growth in the Fees and Commission Income line.

For 6M FY 2024, the Investment Banking business line produced revenues of **$679 million**, an uplift of **$550 million** or 426% relative to the 6M FY 2023 period. This business line contributed **$323 million** to the Group's Fees and Commission Income in Q2 FY 2024 which is also a significant uplift of **$300 million** (1298%) when compared to the same period last year. This significant growth highlights the material progress that has been made across all aspects of the investment banking process flow, inclusive of origination, structuring, distribution and administration of deals. The Group remains highly client-centric while being fully capable to deliver fit-for-purpose credit solutions in accordance with the needs of the market. We believe that by marrying these two critical components, deal flow will continue to be strong and as such, fees from this line item will continue on an upward trajectory.

Foreign Exchange Trading & Translation Gains:

This revenue line reported a modest loss of **$7 million** for 6M FY 2024 relative to a gain of **$58 million** for the comparable period in the previous financial year. The line has an immaterial contribution in Q2 FY 2024 relative to **$17.8 million** in Q2 FY 2023. The outturn in this line reflects a decline in income from FX trading via our Cambio operations as well as an FX loss due to the effects of changes in Jamaica dollar's exchange rate against some foreign currencies.

Gain on Investment Activities:

The YTD 6M FY 2024 gain on investment activities declined by **$694 million** or 21.2% relative to 6M FY 2023 to **$2.6 billion**. For the Q2 FY 2024 period, the outturn in this line was **$2.2 billion** relative to **$1.8 billion** in Q2 FY 2023. This line is comprised of income from our principal investments portfolio.

Trading Income from our fixed income & public equity portfolios rose by **$1.7 billion** for the 6M FY 2024 period relative to 6M FY 2023 to **$1.3 billion** from a loss of **$355 million** in the comparable period in FY 2023 while in Q2 FY 2024 trading income rose to **$1.30 billion** from a loss of **$247 million** in Q2 FY 2023. The uplift in performance in both periods was driven by growth across both fixed-income and equity investments.

This revenue category also captures returns from our exposure to alternative investments; private credit and private equity. For the 6M FY 2024 period, this revenue line declined YoY by **$2.4 billion** or 66% to **$1.2 billion** while in the Q2 FY 2024 period there was a decline in revenues of **$1.1 billion** or 54% to **$941 million**. The declines in both periods are attributable to a moderation in gains from our real estate exposures coupled with the conservative decision by the Group to mark down valuations related to certain private equity exposures which we believe have an above-average likelihood of failing to meet initial revenue expectations. Notably, the write downs, which totaled **$1.2 billion**, represent partial reversal of revenues previously recorded in relation to these exposures.

Expense Composition

Operating Expenses:

Operating expenses for the first six months of FY 2024 rose by 7% to **$2.3 billion** (FY 2023: **$2.2 billion**). For this YTD period, the YoY increase in expenses was primarily driven by a rise in administration costs by **$136 million** or 9%. Staff costs rose modestly over the same period by **$35 million** (4%). This rise was largely due to one-off separation expenses related to restructuring within the Group which has reduced the run rate of future staff costs. The increase in both administration and staff costs was partially offset by reversals of impairment of financial assets charges reflecting updates to key inputs to the expected credit loss model. On a YoY basis, the net result of the foregoing reduced operating expenses by **$26 million** (20%).

The Group remains committed to ongoing investments in our people, processes, technology and customer experience within the scope of our long-term strategic priorities and while maintaining our focus on operational efficiency and prudent cost management.

Balance Sheet Highlights

Barita's total assets increased by **$6.1 billion** to **$134.3 billion** (Sep 2023: **128.2 billion**). Total shareholders' equity showed a net increase of **$216 million** reaching **$35.6 billion**, driven by improved fair value reserves. Our capital levels remain robust, even under currently difficult market conditions. Key balance sheet line items are discussed in brief below:

Assets:

Total Assets:

Barita's total assets stood at **$134.3 billion** at the end of Q2 FY 2024, representing a **$6.1 billion** increase over the balance of **$128.2 billion** as recorded in the September 2023 audited financial statements. The increase in total assets was primarily attributable to growth in pledged assets of **$6.1 billion** and Receivables of **$2.3 billion**, partially offset by a **$4.9 billion** decline in marketable securities.

Receivables:

Receivables increased by **$2.3 billion** or 79% to **$5.1 billion**, driven primarily by withholding tax recoverable, fund-related receivables and client receivables.

Pledged Assets and Marketable Securities:

Pledged assets and marketable securities, combined, increased by **$1.2 billion** or 1%, moving to **$105.9 billion** to account for 79% of the Company's balance sheet. These lines represent substantially the Company's securities portfolio, which is largely comprised of credit assets to include local, regional & international government and corporate bonds.

Loans:

Barita's exposures to loans increased by **$890 million** or 8% to **$11.8 billion**. Barita's loans are largely comprised of secured credit facilities, including margin loans, which are extended to our clients.

Liabilities:

Total Liabilities:

Total Liabilities: liabilities during Q2 FY 2024 grew by $5.9 billion (6%) to **$98.7 billion**.

- ***Repurchase Agreements (repos):***
  The Company's funding from repos grew by **$8.9 billion**, or 12%, to **$84.2 billion** and was 85% of the Company's liabilities at the end of Q2 FY 2024.
- ***Other Debt Facilities:***
  Other debt facilities amounted to **$7.8 billion** or 8% of the Company's liabilities and includes bonds issued and margin loans, the latter having been paid down during the period.

Shareholder's Equity

Shareholders' equity closed the period at **$35.6 billion**, almost 1% higher than at the end of FY 2023. This was driven by year-to-date net profits of **$1.9 billion** coupled with an improvement of **$395 million** in fair value reserves being partially offset by the payment of **J$2.1 billion** in dividends during Q2. Our capital levels remain resilient, with capital adequacy of 27.4% compared to the FSC's early warning level of 14%.

Investment Strategy & Capital Management: Our Outlook

We commenced the quarter with the expectation that we had reached the peak of monetary policy tightening. Since then, throughout the quarter, we have maintained that expectation; however, it remains uncertain as to how soon monetary policy easing will commence. This uncertainty respecting policy markers' timing to lower interest rates, is driven by global economic growth, which has proven stronger than projected and is expected to exhibit greater resilience going forward. The IMF's April 2024 World Economic Outlook forecasts growth of approximately 3.2% for the global economy, with the United States expected to grow by 2.7% in 2024. These projections represent an increase from 3.1% and 2.1%, respectively, in the previous World Economic Outlook released at the beginning of January 2024. This resilience has been accompanied by inflation persisting at higher levels than expected, which has tempered the market's expectation for rate cuts from the Fed (previously as many as four were priced in, earlier in the year), particularly in light of the relatively robust labour market. Against this backdrop, the Fed, in its March 2024 meeting, chose to maintain the target range for the policy rate at 5.25-5.50%, noting the potential for lower rates if more tangible progress is made towards the 2.0% inflation target. Similarly, the Bank of Jamaica has maintained its policy stance, keeping the policy interest rate at 7.0% while continuing to contain Jamaican dollar liquidity.

Given this context, we anticipate a sustained "higher for longer narrative", with any potential rate cuts likely to occur later in the year. Nonetheless, we expect the level of rate volatility to remain subdued, especially as the Fed is poised to maintain its stance in the short term before potentially implementing cuts towards the year's end. This expectation extends to the domestic market as well. Despite favourable inflation readings and the prospect of future Fed cuts, the uncertainties surrounding domestic factors such as drought and its potential impact on already volatile agricultural prices, along with uncertainty regarding the delay in the second phase of transportation fare increases, lead us to expect that local authorities may maintain monetary policy restrictiveness in the near term until uncertainty surrounding some of these factors abates.

While rates are expected to remain relatively high, there are some positives to be gleaned from this situation. Specifically, we anticipate some level of upward repricing on our assets while experiencing relative stability in the cost of our liabilities. The net effect of this should be a continued improvement in our net interest margin, even in the face of elevated rates. Additionally, while a more rapid transition to expansionary monetary policy would be preferable for trading gains in fixed income, we believe that the stabilization of monetary policy, as the second-best option, should contribute to a more favourable trading environment for the current fiscal year relative to last year.

Notwithstanding this outlook, we acknowledge the uncertainties surrounding the timing of the projected improvement in net interest margin (NIM) and recognize the necessity of not depending solely on interest and/or trading income as our primary sources of revenue, regardless of the prevailing environment. In this regard, we persist in expanding our other revenue streams, including our alternative investment platform, which encompasses our real estate investments, which are expected to yield sustainable returns in the medium to long term. Meanwhile, we maintain prudence in our capital management, not only for regulatory compliance but to also enhance our capacity to capitalize on near-term opportunities as they emerge.

Risk, Compliance & Governance

Governance and Compliance

Barita continues to further strengthen its Governance and Compliance programmes to protect all stakeholders and to ensure adherence to applicable laws, regulations, guidance notes, policies, and best practice standards of sound governance.

Both the Board and Management team of the Company are united in a shared vision and purpose of creating wealth, not just for the customers and shareholders, but helping to build and positively impact Jamaica through our business activities. Since 2019, the Cornerstone Board and management team have established a governance framework and ethos that prioritizes the highest levels of prudence, integrity, and ethical standards among our senior officers across the Group encompassing the operations of Cornerstone and its portfolio companies. In 2023 we continued to advance and refine our internal systems in alignment with our collective vision for the upcoming Group reorganization under the Banking Services Act.

The Board has instituted various reinforcement mechanisms to strengthen the culture, framework, processes, and systems for governance and compliance across the Group. These include continuous training and education for directors and senior officers to maintain and apply these best practice standards, which have been a catalyst for our success over the years.

Risk Management

BIL's risk governance is a critical component in the execution of our various investment objectives and general business operations. Our controls are designed and intended to be preventative and forward-looking, aimed at minimizing unexpected outcomes that could adversely impact our business strategy. Despite challenges in the wider market, including elevated inflation, interest rates, and tight liquidity conditions in 2024, our risk management framework remained fully operational as we navigated the market uncertainties. Notwithstanding, BIL stands resolute as one of the financial sector's strongest players boasting a capital adequacy ratio more than two and a half times the regulatory minimum of 10%. Our unwavering strength and resilience position us to withstand materially adverse market shocks, foster growth and positioning for business opportunities while continuing to make significant contributions to industry stability and the nation-building process.

We place significant emphasis on independent checkpoints throughout operational and governance processes. The internal controls and governance tone are consistently echoed from the top-down, spanning from the Board to senior management, internal management committees and across the business operations of the Company. All employees are subject to the standards outlined in our Code of Conduct. Barita has been deliberate in recruiting strong and experienced individuals in key leadership and governance roles.

A key foundation of a resilient and robust company that transcends multiple generations is effective and strong internal controls and risk discipline. This is core to our strategy and will continue to be a key pillar of focus as we continue to enhance the value of the business while ensuring the safety of all key stakeholders.

Investing in the Human Capital of our People

During the quarter, our Foundation continued its mission of supporting the development of essential human capital to improve the well-being of the most vulnerable in our society.

Education and Youth Development

On February 7, the Barita Foundation in partnership with PACE Canada and children's book author Marjorie Straw, launched the One Tab in Schools initiative to raise funds for the purchase of one thousand (1,000) pre-preprogrammed, sustainable – solar powered and requiring no internet, learning devices for children in early childhood level institutions across the island. The project was endorsed by the Early Childhood Commission as well as the Ministry of Education and Youth.

Our Foundation also partnered with Follow the Trail, Invest in Braille campaign led by Digicel Foundation set out to raise funds to provide braille machines to the Salvation School for the Blind. Of the 130 students enrolled at the school, the school's principal, Mr. Iyeke Erharuyi, shared that there are only 26 working machines and that led to the start of this initiative. Braille machines are crucial tools for the education of Blind students, giving them an opportunity to learn at the same pace as children without special needs.

Entrepreneurship

The Youth for National Development Network YFDN, is a non-profit organization using sports and arts to empower marginalized youth in preparing them for employment, entrepreneurship, and adulthood. A collaborative effort with this group, backed by their international partner, Academy of Women Entrepreneurs, AWE, through the US Embassy in Kingston, brought together a diverse group for this International Women's Day summit. Thirty young female entrepreneurs who are beneficiaries of the AWE's entrepreneurship 2023/24 project directly benefitted from the day's activities. Overall, 64 women, including the current AWE cohort, AWE alumni, beneficiary of the Barita Foundation Making Ends Meet project and aspiring female entrepreneurs, their coaches and students from Denham Town and Tivoli Gardens High schools as well as Knox Community College, participated in the summit.

Health and Well-Being

The Heart Foundation of Jamaica HFJ received a donation from the Barita Foundation towards their Heart Month activities. This year's initiative were held under the theme "Prevent Heart Failure. Get Screened. Keep the Beat." This led to participation in several activities that benefited the community and staff. As a part of the month's activities, the HFJ provided training in Cardiopulmonary Resuscitation CPR, executed an outside broadcast, provided sensitization and awareness sessions and facilitated medical testing promoting persons to "know their numbers". This campaign is aimed at raising awareness among the population in knowing their, body mass index BMI, blood pressure, cholesterol and glucose numbers. Knowing one's numbers should contribute to a reduction in non-communicable diseases. The collaboration with the HFJ continues throughout the year.

Closing Remarks

We have been consistent in communicating our strategy and intentions, and we have demonstrated our commitment to executing that strategy faithfully. Despite the challenges posed by a difficult operating environment, the deliberate and significant investments we have made to diversify our revenue base together with our continued robust capitalization give us confidence in our ability and capacity to thrive in any market environment.

We continue to appreciate the efforts of the dedicated team at Barita, whose talents and hard work have been instrumental in serving our stakeholders. Additionally, we express our gratitude to our customers and shareholders, whose unwavering confidence and trust in us are key drivers of our continued success.

Mark Myers

Chairman

May 15, 2024

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Profit & Loss Statement

For the Six Months Ended March 31, 2024

	UNAUDITED 3 Months Ended March 31, 2024 $'000	UNAUDITED 3 Months Ended March 31, 2023 $'000	UNAUDITED 6 Months Ended March 31, 2024 $'000	UNAUDITED 6 Months Ended March 31, 2023 $'000
Net interest income and other revenue				
Net interest income	**139,004**	**139,477**	**286,139**	**360,228**
Fees and commission income	1,226,047	1,136,311	2,038,160	1,797,152
Foreign exchange trading and translation gains	172	17,829	(7,261)	58,239
Gain on investment activities (Note 2)	2,243,229	1,791,086	2,566,244	3,260,733
Other income	46,404	27,304	94,054	55,840
Net operating revenue	**3,654,856**	**3,112,008**	**4,977,337**	**5,532,192**
Operating expenses				
Staff costs	434,472	482,100	877,118	842,580
Administration	1,188,675	782,218	1,602,892	1,466,940
Impairment of financial assets	7,546	(165,541)	(153,706)	(128,077)
	1,630,693	**1,098,777**	**2,326,304**	**2,181,444**
Operating profit	**2,024,163**	**2,013,231**	**2,651,033**	**3,350,748**
Share of profit from associate	**26,222**	**20,772**	**59,832**	**50,250**
Profit before taxation	**2,050,385**	**2,034,003**	**2,710,865**	**3,400,999**
Taxation	(624,152)	(525,763)	(805,310)	(822,702)
NET PROFIT FOR THE PERIOD	**1,426,233**	**1,508,240**	**1,905,555**	**2,578,297**
Average number of shares	1,199,843	1,196,356	1,199,843	1,196,356
Earnings per stock unit	1.19	1.26	1.59	2.16

$5.0B	$1.9B	$35.6B	$134.3B	46.7%	10.7%	3.69
Net Operating Revenue	Net Profit	Total Shareholder's Equity	Total Assets	Efficiency Ratio	Return on Average Equity	Leverage

Barita

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Statement of Financial Position
As At March 31, 2024

	UNAUDITED March 2024 $'000	UNAUDITED March 2023 $'000	AUDITED September 2023 $'000
ASSETS			
Cash and bank balances	1,772,255	1,963,293	1,969,835
Securities purchased under resale agreements	1,170,533	1,497,393	564,013
Marketable securities	16,091,038	24,555,876	20,965,308
Pledged assets	89,823,537	74,849,097	83,717,008
Investment in associate	2,341,556	2,236,946	2,281,723
Interest receivable	2,676,991	1,274,871	1,546,545
Loans	11,836,831	6,331,361	10,946,877
Receivables	5,129,601	3,849,773	2,866,597
Taxation recoverable	397,807	728,142	398,511
Due from related parties	1,617,799	1,238,647	753,516
Property, plant and equipment	1,116,199	1,169,237	1,168,136
Intangible assets	19,572	16,579	21,501
Investments	55,000	55,000	55,000
Right of use asset	224,626	211,740	252,274
Deferred tax asset	-	94,132	687,797
Total Assets	**134,273,345**	**120,072,087**	**128,194,641**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Liabilities			
Bank overdraft	58,883	76,379	45,109
Securities sold under repurchase agreements	84,247,390	66,794,616	75,385,872
Secured investment notes	1,069,567	8,197,239	5,940,517
Other debt facilities	7,833,355	5,317,398	8,226,011
Interest payable	1,735,150	963,614	1,235,744
Lease liability	279,455	265,608	308,395
Payables	2,334,185	1,206,173	1,466,664
Due to related parties	1,041,728	1,144,026	199,726
Deferred tax liabilities	70,625	-	-
Total Liabilities	**98,670,338**	**83,965,053**	**92,808,038**
Shareholders' Equity			
Share capital	32,819,028	32,697,198	32,814,050
Capital reserve	175,988	148,655	175,988
Fair value reserve	(4,140,546)	(2,935,059)	(4,535,805)
Capital redemption reserve	220,127	220,127	220,127
Stock option reserve	26,319	106,557	22,300
Retained earnings	6,502,091	5,869,556	6,689,943
Total shareholders' equity	**35,603,007**	**36,107,034**	**35,386,603**
Total liabilities and shareholders' equity	**134,273,345**	**120,072,087**	**128,194,641**

Mark Myers Chairman   Carl Domville Director

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Statement of Changes In Equity For the Six Months Ended March 31, 2024

	Share Capital $'000	Capital Reserve $'000	Fair Value Reserve $'000	Capital Redemption Reserve $'000	Stock Option Reserve $'000	Retained Earnings $'000	Total $'000
Balance at 30 September 2022	**32,389,351**	**148,655**	**(4,068,759)**	**220,127**	**186,284**	**3,307,820**	**32,183,478**
TOTAL COMPREHENSIVE INCOME							
Net profit for the period	-	-	-	-	-	2,578,297	2,578,297
Other comprehensive Income	-	-	1,133,700	-	(79,727)	(16,561)	1,037,412
Total comprehensive income for the period	**-**	**-**	**1,133,700**	**-**	**(79,727)**	**2,561,736**	**3,615,709**
TRANSACTIONS WITH OWNERS							
Treasury Shares purchased	(102,744)	-	-	-	-	-	(102,744)
Treasury Shares sold	410,591	-	-	-	-	-	410,591
Balance at 31 March 2023	**32,697,198**	**148,655**	**(2,935,059)**	**220,127**	**106,557**	**5,869,556**	**36,107,034**
Balance at 30 September 2023	**32,814,050**	**175,988**	**(4,535,805)**	**220,127**	**22,300**	**6,689,943**	**35,386,603**
TOTAL COMPREHENSIVE INCOME							
Net profit for the period	-	-	-	-	-	1,905,555	1,905,555
Other comprehensive income	-	-	395,259	-	4,019	(1,292)	397,986
Total Comprehensive Income for the period	**-**	**-**	**395,259**	**-**	**4,019**	**1,904,263**	**2,303,540**
TRANSACTIONS WITH OWNERS							
Treasury Shares purchased	(1,921)	-	-	-	-	-	(1,921)
Treasury Shares sold	6,899	-	-	-	-	-	6,899
Preference dividend paid	-	-	-	-	-	(98,000)	(98,000)
Ordinary dividends paid	-	-	-	-	-	(1,994,114)	(1,994,114)
	4,978	-	-	-	-	**(2,092,114)**	**(2,087,136)**
OTHER RESERVES							
Revaluation of properties	-	-	-	-	-	-	-
Balance at 31 March 2024	**32,819,028**	**175,988**	**(4,140,546)**	**220,127**	**26,319**	**6,502,091**	**35,603,007**

STATEMENT OF

Comphrensive Income For the Six Months Ended March 31, 2024

	UNAUDITED 3 Months Ended March 31, 2024 $,000	UNAUDITED 3 Months Ended March 31, 2023 $,000	UNAUDITED 6 Months Ended March 31, 2024 $,000	AUDITED 6 Months Ended March 31, 2023 $,000
Net Profit for period	1,426,233	1,508,240	1,905,555	2,578,297
Unrealised gains/(losses) on FVOCI securities -	(433,111)	17,541	395,259	1,133,700
Other reserves	1,574	3,128	2,727	(96,287)
Total comprehensive income	**994,695**	**1,528,909**	**2,303,541**	**3,615,709**

CONSOLIDATED

Statement of Cash Flows
For the Six Months Ended March 31, 2024

	UNAUDITED 6 Months Ended March 31, 2024 $'000	UNAUDITED 6 Months Ended March 31, 2023 $'000
Cash Flows from Operating Activities		
Net Profit for the Period	1,905,555	2,578,297
Adjusted for:		
Depreciation and amortisation	69,264	64,722
Effect of exchange gain/loss on foreign balances	384,322	112,112
Unrealised gain on investment FVTPL	(1,763,286)	(3,368,613)
Interest income	(3,741,961)	(2,822,884)
Interest expense	3,455,822	2,462,656
Income tax expense	805,310	822,702
Lease liability interest expense	11,288	7,695
Right-of-use assets amortisation	27,765	21,039
Share of profit from associates	(59,832)	(50,250)
Stock option expense	3,780	76,603
	1,098,026	(95,921)
Changes in operating assets and liabilities:		
Securities purchased under resale agreements	(606,520)	1,111,485
Securities sold under repurchase agreements	9,039,583	7,789,895
Secured investment notes	(4,897,350)	(3,007,455)
Receivables	(1,574,502)	261,143
Loans	(845,396)	4,275,232
Payables	909,205	(1,415,271)
Due from related companies	(22,281)	782,017
	3,100,766	9,701,125
Interest received	2,611,516	2,591,345
Interest paid	(2,956,417)	(2,147,836)
Lease payment	(29,718)	(31,006)
Income tax paid	(214,348)	84,821
Cash provided by operating activities	**2,511,800**	**10,198,449**
Cash Flows from Investing Activities		
Marketable securities	(299,705)	(11,253,931)
Proceeds from disposal of property, plant and equipment	22,000	-
Purchase of property, plant & equipment, and intangibles	(9,751)	(7,765)
Cash used in investing activities	**(287,455)**	**(11,261,696)**
Cash Flows from Financing Activities		
Ordinary dividends paid	(1,994,114)	(3,026,563)
Interest paid on preference shares	(98,000)	-
Payment on other debt facilities	(392,656)	4,645,787
Treasury shares sold	4,978	307,847
Cash used in financing activities	**(2,479,791)**	**1,927,071**
Effect of exchange rate on cash and cash equivalents	**44,092**	**6,912**
(Decrease)/increase in net cash and cash equivalents	(211,355)	870,736
Net cash and cash equivalents at beginning of year	1,924,726	1,016,178
Net cash and cash equivalents at end of period	**1,713,371**	**1,886,914**

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Notes to the Unaudited Financial Statements

March 31, 2024

1. Identification

Barita Investments Limited (Barita or the company) is a limited liability company incorporated and domiciled in Jamaica. The registered office of the company is 15 St. Lucia Way, Kingston 5. The controlling party of the company is Cornerstone Financial Holdings Limited with a 74.5% ownership as at year end. The registered office of Cornerstone Financial Holdings is located at Suite I, Ground Floor, The Financial Services Centre, Bishop's Court Hill, Barbados.

The company is a licensed securities dealer, investment manager, pension administrator and Cambio operator and has primary dealer status from the Bank of Jamaica (BOJ). It is licensed under the Securities Act and regulated by the Financial Services Commission (FSC). The company's ordinary shares are listed on the Jamaica Stock Exchange (JSE).

2. Statement of compliance and basis of preparation

Interim financial reporting

The condensed consolidated interim financial statements (interim financial statements) for the quarter ended March 31, 2024, have been prepared in accordance with IAS 34, 'Interim financial reporting'. The interim financial statements should be read in conjunction with the annual financial statements for the year ended September 30, 2023, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). They are also prepared in accordance with requirements of the Jamaican Companies Act.

The Group has adopted the following standards and amendments, which became effective during the current financial year:

Amendments to IAS 12 (Effective for accounting periods beginning on or after 1 January 2023). The main change in Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) is an exemption from the initial recognition exemption provided in IAS 12.15(b) and IAS 12.24. Accordingly, the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition. This is also explained in the newly inserted paragraph IAS 12.22A. The group is currently assessing the impact of this amendment.

3. Gains/(Losses) on Investment Activities

	Unaudited 3 Months to March 31, 2024	Unaudited 3 Months to March 31, 2023	Unaudited 6 Months to March 31, 2024	Unaudited 6 Months to March 31, 2023
Gain on sales of investments	939,997	(25)	802,958	(107,880)
Gain/Loss on Investments F/V through P&L	1,303,232	1,791,111	1,763,286	3,368,613
	2,243,229	1,791,086	2,566,244	3,260,733

4. Business Combination

The share of results of Associates reflected in these interim statements included estimates in the earnings of associate company for the period up to December 31, 2023.

5. Earnings per Share

The Group's earnings per share is calculated by dividing the net profit attributable to ordinary shareholders of $1,905,555,000 by the weighted average number of ordinary shares in issue during the period of 1,199,843,000 shares.

Top Ten Largest Shareholders of Barita Investments Limited as at March 31, 2024

SHAREHOLDERS	TOTAL	PERCENTAGE
CORNERSTONE FINANCIAL HOLDINGS LTD.-BUYING A/C	919,404,592	75.3371%
FIRST CITIZENS INVESTMENT SERVICES LIMITED	90,695,154	7.4317%
RITA HUMPHRIES-LEWIN	26,319,240	2.1566%
CREDIT UNION FUND MANAGEMENT COMPANY LIMITED	17,127,519	1.4034%
CORNERSTONE GROUP EMPLOYEE SHARE TRUST	14,233,867	1.1663%
TWEEDSIDE HOLDINGS LIMITED	14,073,348	1.1532%
NATIONAL INSURANCE FUND	8,191,553	0.6712%
TREVOR HEAVEN HOLDINGS LIMITED	7,787,075	0.6381%
BARITA UNIT TRUSTS MANAGEMENT COMPANY LIMITED	6,274,458	0.5141%
KARL P. WRIGHT	6,217,218	0.5094%

Share Ownership by Directors of Barita Investments Limited as at March 31, 2024

DIRECTORS	TOTAL	DIRECT	CONNECTED PARTIES
MARK MYERS	2,316,302	2,316,302	0
PAUL SIMPSON	0	0	0
CARL DOMVILLE	2,061,344	2,061,344	0
DUNCAN STEWART	614,131	456,070	158,061
ROBERT DRUMMOND	423,560	423,560	0
JAMES GODFREY	6,000,000	0	6,000,000
PHILLIP LEE	3,161,072	3,161,072	0
JASON CHAMBERS	2,033,322	2,033,322	0

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Share Ownership by Senior Managers of Barita Investments Limited as at March 31, 2024

SENIOR MANAGERS	TOTAL	DIRECT	CONNECTED PARTIES
RAMON SMALL-FERGUSON	715,886	715,886	0
ANMARIE WALKER-CATO	47,395	47,395	0
SONIA OWENS	35,000	35,000	0
MALINDO WALLACE	408,589	408,589	0
TERISE KETTLE	40,676	40,676	0
SARA YING HENRIQUES	0	0	0
DAVE DIXON	0	0	0
IAN ANDERSON	50,000	50,000	0
SANCIA THOMPSON	0	0	0
GEOFFERY ROMANS	0	0	0
STEPHANIE STERLING	53,155	53,155	0