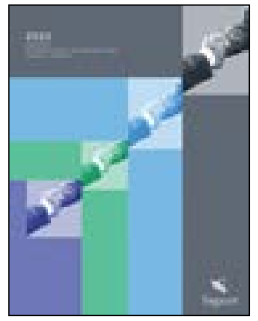
2022

SAGICOR
INTERNATIONAL BALANCED FUND
ANNUAL REPORT

Sagicor

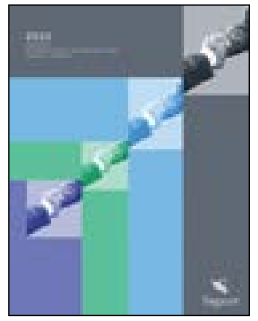
SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS



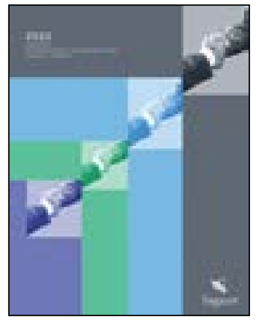
OUR VISION

To be a great company, committed to improving the lives of people in the communities in which we operate.

SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS



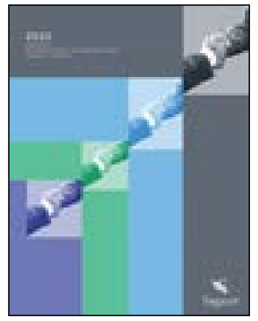
SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS



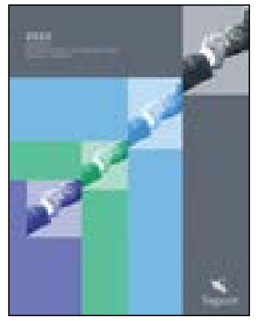
For 182 years, Sagicor's business has been based on long-term relationships with its customers, employees, and communities, who entrust us with their financial well-being. Our name and reputation draw on the strength, stability and financial prudence that are our heritage, and this identity defines the flexibility that wise financial thinking can bring to our customers throughout their lives. Through local expertise, and in partnerships with world-class asset managers, reinsurers, together with sound risk management practices, Sagicor is able to provide wise financial advice, and continue to meet the needs of our customers now and in the future.

Table of Contents

SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS



SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS



SAGICOR INTERNATIONAL BALANCED FUND

Sagicor International Balanced Fund

The most important element in pension funding is the investment return on the pension fund. However, the pension fund has to be substantial to provide such diversification of assets as would provide adequate capital security.

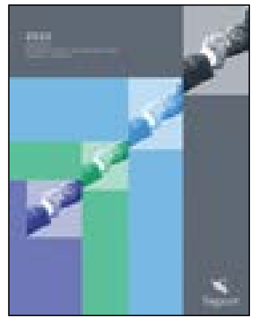
This is the principle around which the Sagicor International Balanced Fund Pension Policy was written. In April 2001, The Barbados Mutual Life Assurance Society, now Sagicor Life Inc. (SLI), established a Unit Trust in the Eastern Caribbean, namely, The Mutual (Eastern Caribbean) Fund. The Fund was subsequently renamed the Sagicor (Eastern Caribbean) Fund and effective June 1, 2016 was renamed the Sagicor International Balanced Fund. Investment in this Unit Trust is restricted to Eastern Caribbean registered Pension Plans, giving the Unit Trust tax exempt status in most territories. The assets of the Unit Trust are held apart from Sagicor's general life fund.

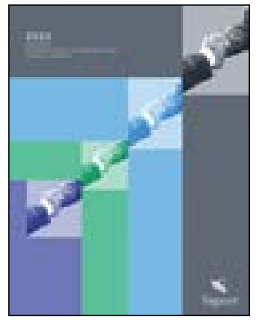
Sagicor International Balanced Fund Pension Policy

Under this policy, Sagicor manages and administers Pension Funds registered in the Eastern Caribbean and facilitates investments in a diversified portfolio of securities.

At Present, Pension Funds of 96 companies in the Eastern Caribbean amounting to approximately $223.2 million are invested in this fund; all but six of these Pension Plans are also administered by Sagicor. The total membership stood at 4,626 which includes 104 Pensioners.

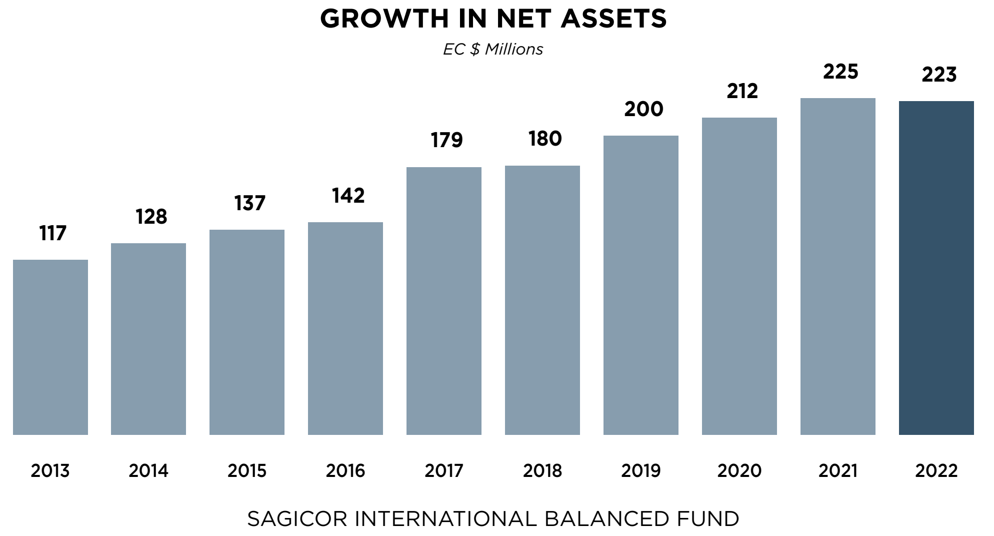
SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS





Financial Highlights

Sagicor International Balanced Fund			
	Net Assets (EC$ millions)	**Unit Value**	**Change**
2013	117	1.815	3.41%
2014	128	1.895	4.40%
2015	137	1.949	2.63%
2016	142	2.050	5.13%
2017	179	2.180	6.34%
2018	180	2.083	-4.59%
2019	200	2.280	9.62%
2020	212	2.395	4.82%
2021	225	2.490	4.18%
2022	223	2.416	-2.81%



Chairman's Statement

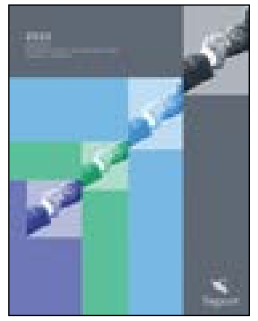
Stephen McNamara, Chairman

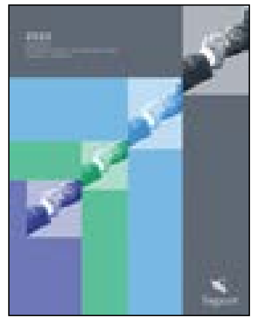
ECONOMIC ENVIRONMENT – GLOBAL, US, EM, BARBADOS, EC, TRINIDAD

The year 2022 has presented a myriad of challenges for investors as inflation and higher interest rates have weighed heavily on capital markets. Notwithstanding the pullback in major indices through to September market sentiment was buoyed in the fourth quarter by upside risks of central banks potentially having to pivot away from their aggressive rate hiking cycle to avoid a deep recession. In this context, for the financial year ended December 31, 2022, the Sagicor International Balanced Fund suffered a decline in financial investments invested across developed and emerging markets. Total assets under management stood at $224.0 million down from $225.3 million in the previous financial year. The sectors that benefited most from the high inflationary environment were the energy and commodities sectors. Growth oriented technology giants that fuelled work from home activity during the pandemic significantly underperformed in 2022. Central bank's zero interest rate policy drove much of the technology sector's growth over the last decade and as monetary policy shifted from ultra-accommodative to restrictive, interest rate hikes deprioritized future growth and market valuations subsequently declined. Amid the volatility the US dollar strengthened as investors sought safe-haven assets and exited equity markets that ultimately slumped in the inflationary environment of full employment that left very little spare capacity in economies. The improved prospects among some commodity-producing nations and developing economies, offset downward revisions to their previous GDP forecasts which were due in part to prices rising faster as a result of increased geopolitical tensions. Notably, Brazil and Guyana markets thrived relative to developed markets as the energy crisis pushed prices of commodities up to multiyear highs.

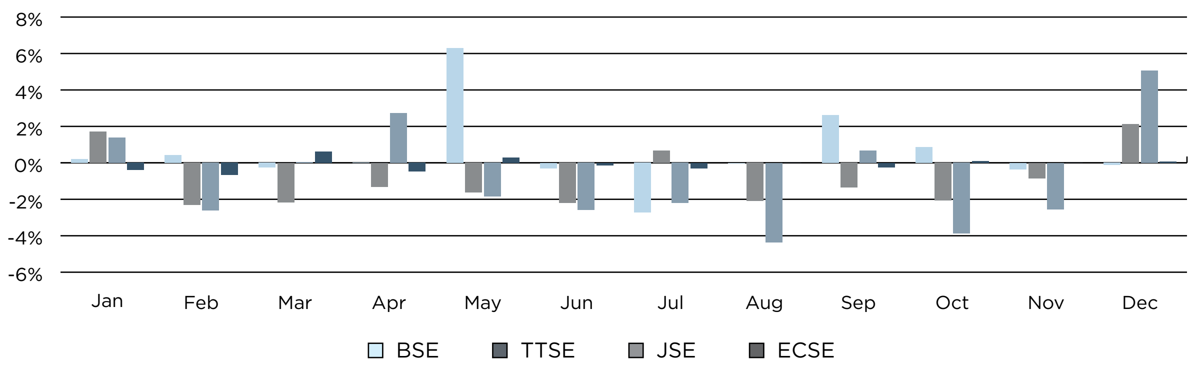
Global bond markets have suffered unprecedented losses as central banks increased policy rates to restore price stability. The Bloomberg Global Aggregate Bond Index returned -16.3% for 2022 providing context for the difficulty of bond investing at this time. In anticipation of the withdrawal of quantitative easing, benchmark yields rose significantly and ultimately placed downward pressure on bond valuations. Fixed income markets tumbled as the US Federal Reserve gave clear indication that interest rates will likely stay high for some time after it lifted the federal funds rate from near zero at the beginning of 2022 to a range of 4.25% and 4.50%. Central bank officials warned of a potential for economic pain for households and businesses as they continued to be aggressive in their tightening of financial conditions to counter the cost-of-living crisis. The US yield curve inverted between the shorter and longer end of the curve which has been proven in the past to be a reliable indicator of a recession.

SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS





REGIONAL INDICES



In contrast to developed markets regional economies especially those which are services oriented benefited from the rebound in demand for travel and experiences. Regional economic activity strengthened in the first half of 2022 as the pandemic effects continued to dissipate. Consistent with the rebound in economic activity, revenue collection expanded strongly in the review period, resulting in improvements in governments' fiscal balances, while total outstanding public sector debt rose. However, the outbreak of the war in Ukraine in February 2022, has given rise to regional inflationary conditions. Consequently, year-on-year inflation accelerated in the first half of 2022 to 6.6%, predominantly driven by global food and energy prices. The region proved resilient in their foreign exchange buffers, with most major regional central banks maintaining import cover well above the 3-month benchmark. Additionally, the financial system remained stable underpinned by excess liquidity and stabilization in provisioning and non-performing loans as the economic slowdown abated relative to 2020-2021.

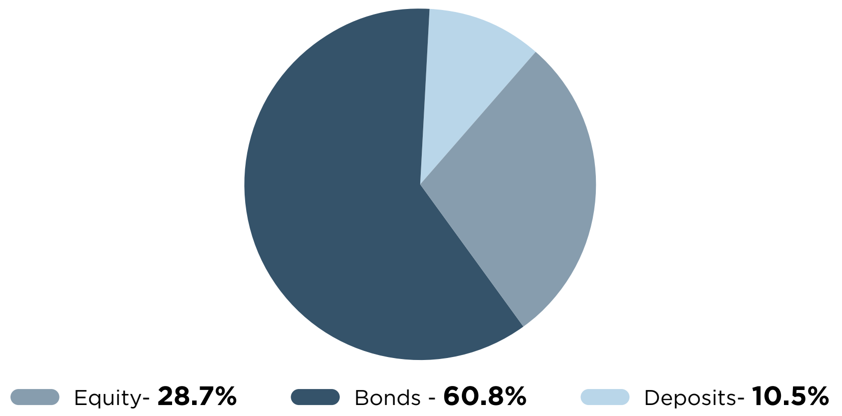
The regional equity indices outperformed relative to developed markets that contracted by at least 20% a phenomenon known as a bear market. Trinidad and Jamaica exchanges returned -11.0% and -10.2% respectively while the heavily tourism dependent economies of Barbados and the Eastern Caribbean stock exchanges outperformed returning 6.6% and -1.1% respectively, for the calendar year 2022.

SAGICOR INTERNATIONAL BALANCED FUND

The Sagicor International Balanced Fund underperformed in absolute terms with a return of -2.8% but outperformed relative to the Global 40% Equity:60% Fixed Income index down -16.7%. Net assets decreased by $2.1 million to $223.2 million as at December 31, 2022 while the Fund's net asset value decreased to $2.42 when compared to $2.49 on December 31, 2021. Fixed income markets were challenged amid tighter financial conditions as Central Banks globally adjusted monetary policies following significant fiscal accommodation previously provided since the onset of the pandemic. This pivot away from

SAGICOR INTERNATIONAL BALANCED FUND

ASSET ALLOCATION



expansionary policies by monetary authorities was necessary to contain price pressures and keep long-term inflation expectations anchored near to target. As a result of the projected rising rate environment, the portfolio management team focused on moving into shorter dated fixed income securities to reduce the duration risk of the portfolio and swapped some of our international corporate issues to further improve the credit quality profile of the fixed income portfolio.

Notwithstanding the fiscal and economic headwinds, we advise investors that the financial investment portfolio is broadly diversified with 61% and 29% allocated to the fixed income and equities asset classes respectively. Moreover, the portfolio has meaningful exposure to local and foreign currency deposits that provide an appropriate level of liquidity for the Fund to smooth market volatility and preserve capital, a desirable factor for long-term conservative pension investors.

OUTLOOK

The IMF has forecasted Global growth to decelerate in 2022 and 2023 to 3.4% and 2.8% respectively after an expansion of 6.0% in 2021. All major central banks are likely to maintain restrictive monetary policy and tightening financial conditions. Decades high Inflation, Russia's invasion of Ukraine, and the lingering COVID-19 pandemic all weigh heavily on the outlook. Risks are tilted to the downside as more energy and food price shocks might cause inflation to persist for longer while an economic slowdown in China could dampen demand. Global tightening in financing conditions could trigger widespread emerging market debt distress further compounded by the strength of the US dollar.

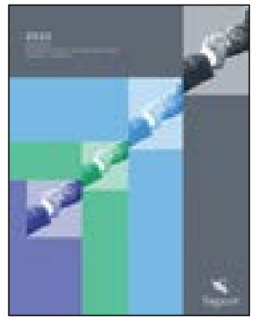
Regionally, real GDP growth is forecasted to accelerate in 2023 as pent-up demand for tourism boosts arrivals and foreign direct investment while favorable commodity prices should benefit the economies of Guyana and Trinidad and Tobago expected by the IMF to grow by 25.2% and 3.5% respectively. The IMF is forecasting growth of 3.6% for tourism dependent islands however, slowing global growth particularly in major trade partners like the UK and US present significant downside risk to the outlook. Infrastructure investment activity regionally for climate mitigation and adaptation could offset any potential slowdown in travel demand. Given the rebound in demand for travel and experiences GDP growth for ECCU is expected to be sustained in 2023 while the governments focus on achieving inclusive and sustainable growth, while also maintaining fiscal and debt sustainability.

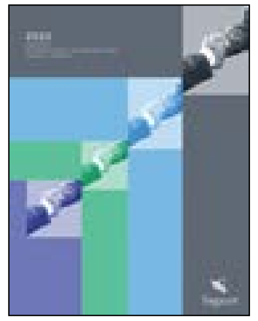
The Fund's management team remains committed to the execution of their strategic investment mandate. Over the last 40 years there have been a total of 5 recorded recessions in the largest economy globally the US. The average loss to the S&P 500 in the year of recession has been -10.3% while the average gain from the end of a recession to the beginning of another was 141%. This emphasizes the importance of investor's establishing and reviewing their financial goals and level of risk tolerance to provide conviction to stay the course. Those with a long investment time horizon will stand to benefit significantly from spending time in the market instead of trying to time the market. Major lending agencies such as the IMF and the World Bank continue to encourage policy makers to fast-track the road to green energy by infrastructure investment. The outlook for green energy investment remains positive with secular growth trends intact as sovereign food and energy security are top priorities for governments given the current energy crisis. With interest rates normalizing real yield on investment grade fixed income are in positive territory providing opportunity to achieve capital appreciation through selection of high credit quality assets. Equity and bond outperformance are expected in developed and developing nations that herald a peak in inflation allowing for central bank pivot to interest rate cuts that benefit risk assets. As we navigate with prudence, opportunities will be pursued to tactically enhance the portfolios composition, credit profile and diversification to assist our investors in meeting their financial goals. Investors should be prepared to look beyond the short-term volatility and remain focused on their long-term strategic investment plan.

We thank you for your continued confidence and remain committed to delivering value for investors.

Stephen McNamara
Chairman

SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS





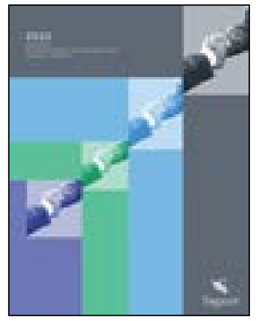
TRUSTEES OF THE INTERNATIONAL BALANCED FUND

Trustees of the International Balanced Fund

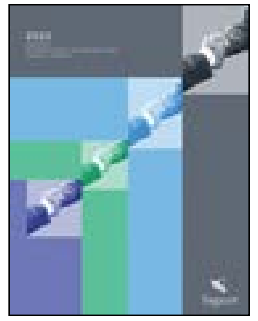
SLI DIRECTORS

Stephen McNamara – Chairman, CBE, Barrister-at-Law, LLD (Hon)
Andrew Aleong, MBA, BA
Professor Sir Hilary Beckles, KA, BA, PhD
Ian St Clair Carrington, MPA, FCGA
Peter Clarke, BA (History), BA (Law)
Dr. L Jeannine Comma, Ed.D, MA, BA
William Lucie-Smith, MA (Oxon), FCA
Dodridge Miller, FCCA, MBA, LLM, LLD (Hon)
David Wright, FFA, FAIA
Julian Mair, BBA
Archibald Campbell, CD, DBA, FCA

SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS



SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS



Trustees of the International Balanced Fund

PENSION TEAM

James Camacho, B.A., F.I.A.	Vice President
Nadia Chandler-Guy, BSc (Hons), FCCA	Assistant Vice President
Dawn Jordan, BSc (Hons)	Manager, Pension Actuarial
Donna Gibbs, MSc, FLMI, ALHC, HIA, ACS, CAMS	Manager, Client Relations
Marcella Sobers, CERT, AAPA, AIAA, AIRC	Manager, Pension Administration
Shakeila Marshall, BSc (Hons), ACCA	Corporate Accountant
Susan Mendez, FLMI, AIAA, ACS	Manager, Pension Administration

INVESTMENT TEAM

Dexter Moe, BSc, MBA, ACIS, CFA	Vice President
Michael Millar, BSc, MSc, CFA,	Head of Wealth Management
Liandra Sankar-Cassie, BSc, MBA, ALMI, ACS	Assistant Vice President
Nicholas Neckles, BSc, CFA, OLY	Portfolio Manager
Kareem Manning, BSc, MSc	Portfolio Manager

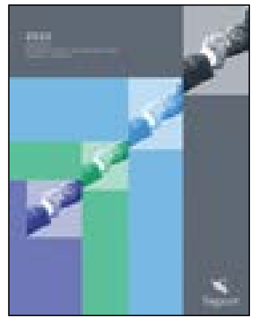
AUDITORS

PricewaterhouseCoopers

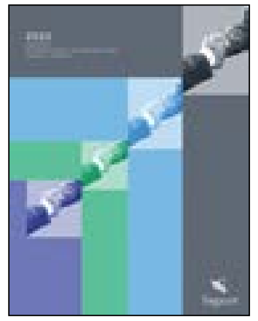
Contents

FINANCIAL STATEMENTS

SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS



SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS



Independent auditors' report

To the Unit holders of Sagicor International Balanced Fund

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Sagicor International Balanced Fund (the Fund) as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

What we have audited

The Fund's financial statements comprise:

- the statement of financial position as at December 31, 2022;
- the statement of income and comprehensive income for the year then ended;
- the statement of changes in net assets attributable to unit holders for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Fund in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

PricewaterhouseCoopers East Caribbean, Unit 111 Johnsons Centre, No. 2 Bella Rosa Road, P.O. Box BW 304, Gros Islet, St. Lucia, West Indies
T: (758) 722 6700, www.pwc.com/bb

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

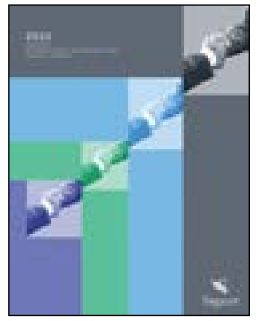
Auditors' responsibilities for the audit of the financial statements

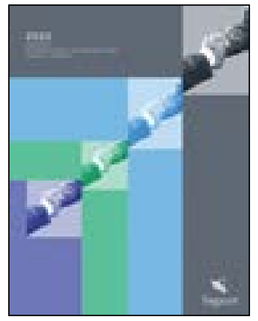
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS





We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

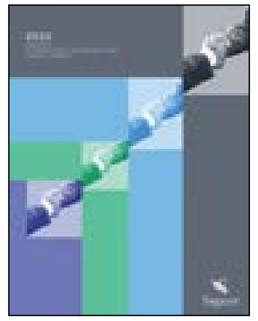
Other matter

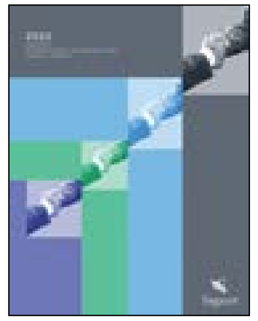
This report, including the opinion, has been prepared for and only for the Fund in accordance with the terms of our engagement letter and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers

Chartered Accountants
Castries, St. Lucia
April 28, 2023

SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS





Statement of Financial Position

Sagicor International Balanced Fund

As of December 31, 2022

Amounts expressed in Eastern Caribbean Dollars

	Notes	2022	2021
ASSETS			
Due from Sagicor Life Inc.	4	487,848	2,985,656
Interest and other receivables	5	1,566,966	1,462,678
Financial investments	6	207,041,533	189,875,916
Cash resources		14,915,403	30,983,120
Total assets		224,011,750	225,307,370
LIABILITIES			
Due to Sagicor (Bonds) Fund	4	283,700	201,736
Due to Sagicor (Equity) Fund	4	109,564	216,604
Accounts payable		379,116	356,630
Total liabilities		772,380	774,970
Net assets attributable to unit holders		223,239,370	224,532,400
Represented by:			
UNIT HOLDERS' EQUITY		223,239,370	224,532,400
No. of units outstanding at end of year		92,415,949	90,186,657
Net asset value per unit at end of year		$2.42	$2.49
(Decrease)/Increase in net asset value per unit for year		(2.81)%	4.18%

The accompanying notes are an integral part of these financial statements.

Approved by the Board of Directors on April 28, 2023

Chairman

Director

Statement of Changes in Net Assets Attributable to Unit Holders

Sagicor International Balanced Fund

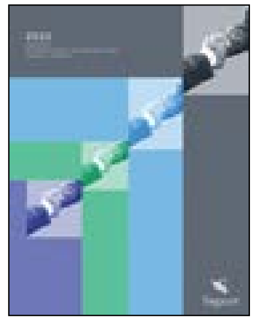
For the year ended December 31, 2022

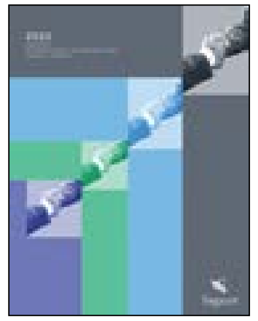
Amounts expressed in Eastern Caribbean Dollars

	2022 Number of Units	2022 Total $	2021 Number of Units	2021 Total $
Balance, beginning of year	90,186,657	224,532,400	88,706,481	212,446,318
Proceeds from issue of units	5,813,383	13,978,064	5,424,894	13,251,324
Redemption of units	(3,584,091)	(8,598,157)	(3,944,718)	(9,639,212)
Net increase from unit transactions	2,229,292	5,379,907	1,480,176	3,612,112
Net (loss)/ income and total comprehensive (loss)/ income of the year attributable to unit holders	-	(6,672,937)	-	8,473,970
Balance, end of year	92,415,949	223,239,370	90,186,657	224,532,400

The accompanying notes are an integral part of these financial statements

SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS





Statement of Income and Comprehensive Income

Sagicor International Balanced Fund

For the year ended December 31, 2022

Amounts expressed in Eastern Caribbean Dollars

	Notes	2022	2021
REVENUE			
Interest income	8	6,276,825	5,637,789
Dividend income		1,612,647	1,413,025
Other income		86,323	19,165
Net investment (losses)/gains	9	(12,539,633)	3,494,450
Credit impairment losses		(2,886)	2,375
		(4,566,724)	10,566,804
EXPENSES			
Management fee	10	1,649,041	1,642,570
Bank and interest charges		11,935	10,682
Broker fees		350,359	364,131
		2,011,335	2,017,383
(LOSS)/INCOME BEFORE TAXES		(6,578,059)	8,549,421
Withholding taxes		(94,878)	(75,451)
NET (LOSS)/ INCOME AND TOTAL COMPREHENSIVE (LOSS)/ INCOME FOR THE YEAR ATTRIBUTABLE TO UNIT HOLDERS		(6,672,937)	8,473,970

The accompanying notes are an integral part of these financial statements

Statement of Cash Flows

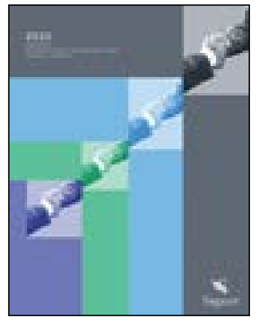
Sagicor International Balanced Fund

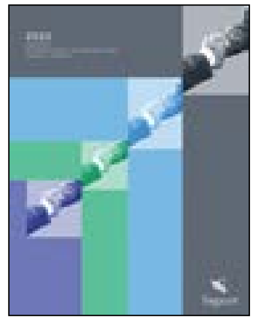
For the year ended December 31, 2022

Amounts expressed in Eastern Caribbean Dollars

	2022	2021
Cash flows from operating activities:		
(Loss)/Income before taxes	(6,578,059)	8,549,421
Adjustments for:		
Interest income	(6,276,825)	(5,637,789)
Dividend income	(1,612,647)	(1,413,025)
Net investment losses/ (gains)	12,532,458	(3,502,758)
Allowance for impairment losses/(reduction) of allowances for impairment losses	2,886	(2,375)
	(1,932,187)	(2,006,526)
Changes in operating assets and liabilities		
Due from Sagicor Life Inc.	2,497,808	(2,465,941)
Other receivables	(48,750)	80,999
Due to Sagicor (Bonds) Fund	81,964	118,843
Due to Sagicor (Equity) Fund	(107,040)	70,237
Accounts payable	22,486	(109,997)
Purchase of debt securities	(29,807,006)	(5,585,361)
Redemption of debt securities	18,382,644	4,298,927
Purchase of equity securities	(12,131,870)	(28,347,023)
Sale of equity securities	10,104,326	29,938,586
Amounts deposited	(21,623,412)	(5,725,134)
Deposits redeemed	5,967,542	5,673,303
Cash used in operations	(28,593,495)	(4,059,087)
Interest received	5,671,913	5,587,692
Dividends received	1,568,836	1,395,520
Taxes paid	(94,878)	(75,451)
Net cash (used in)/ from operating activities	(21,447,624)	2,848,674
Cash flows from financing activities:		
Proceeds from issue of units	13,978,064	13,251,324
Redemption of units	(8,598,157)	(9,639,212)
Net cash generated from financing activities	5,379,907	3,612,112
Net (decrease)/ increase in cash and cash equivalents - carried forward	(16,067,717)	6,460,786

SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS





	2022	2021
Net (decrease)/ increase in cash and cash equivalents - brought forward	(16,067,717)	6,460,786
Cash and cash equivalents - beginning of year	30,983,120	24,522,334
Cash and cash equivalents - end of year	14,915,403	30,983,120
Cash and cash equivalents comprise:		
Cash resources	14,915,403	30,983,120

The accompanying notes are an integral part of these financial statements.

1. REGISTRATION, PRINCIPAL ACTIVITY AND REGISTERED OFFICE

Sagicor (Eastern Caribbean) Fund ("The Fund") was registered in St. Christopher and Nevis on March 26, 2001 as a Unit Trust, responsible for the management of investments of registered pension plans of Eastern Caribbean Companies. Effective June 1, 2016, it was renamed to Sagicor International Balanced Fund ("The Fund").

The Fund has a balanced objective with a focus on income generation and long-term capital growth through investment in a diversified portfolio of competitively yielding fixed income securities, including bonds, as well as equity securities.

Sagicor Life Inc. acts as Asset Manager and Trustee of the fund. Sagicor Life Inc. has subcontracted out certain asset management and custodian arrangements with Oppenheimer & Co. Inc, UBS Financial Services and Morgan Stanley Private Wealth Management. The registered office of the Fund is located at the Cecil F. de Caires Building, Wildey, St. Michael.

If required, these financial statements can be amended after issue, at the recommendation of the Audit Committee and with the approval of the Board of Directors of the Trustee.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to the years presented, unless otherwise stated.

2.1 Basis of preparation

These financial statements have been prepared in accordance with and comply with International Financial Reporting Standards (IFRS). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial investments held at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Fund's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

All amounts in these financial statements are shown in Eastern Caribbean dollars unless otherwise stated.

New Standards and Amendments

Certain new standards and amendments to existing standards have been issued. The changes in standards and interpretations which may have an effect on future presentation, measurement or disclosure of the Fund's financial statements are summarised in the following tables.

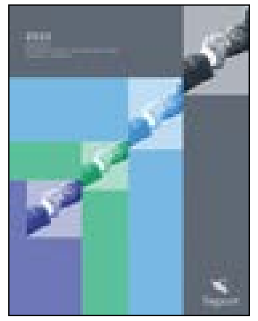
Amendments to existing IFRS and IAS effective January 1, 2022

None of these amendments have a material effect on the Fund's financial statements

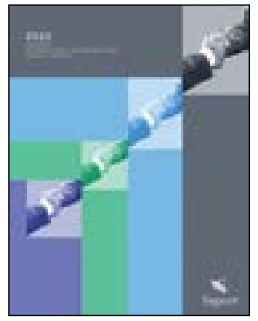
Standard	Description of amendment
IFRS 3 – Business combinations	These amendments update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
Amendments to IAS 37 – Provisions, contingent liabilities and contingent assets	These amendments specify which costs a company includes when assessing whether a contract will be loss-making.

The annual improvements set out below are effective January 1, 2022. None of these amendments have a material effect on the Fund's financial statements.

SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS



SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS



2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

Amendments to existing IFRS and IAS effective January 1, 2022 (continued)

Annual Improvements to Standards	Description of amendment
IFRS 1 - First-time Adoption of International Financial Reporting Standards	To simplify the application of IFRS 1 by a subsidiary that becomes a first- time adopter of IFRS after its parent company has already adopted them. The amendment relates to the measurement of cumulative translation differences.
IFRS 9 - Financial Instruments	To clarify the fees a company includes in assessing the terms of a new or modified financial liability to determine whether to derecognise a financial liability.
Illustrative Examples accompanying IFRS 16 Leases	To remove the potential for confusion regarding lease incentives by amending an Illustrative Example accompanying IFRS 16.
IAS 41 - Agriculture	To align the fair value measurement in IAS 41 with those in other IFRS.

The annual amendments set out below are effective January 1, 2023/2024. None of these amendments would have a material effect on the Fund's financial statements.

Amendments to IAS 8 – Definition of accounting estimates, effective January 1, 2023
Subject / Comments
In February 2021, this amendment was issued to assist entities in distinguishing between accounting policies and accounting estimates.

Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of accounting policies, effective January 1, 2023
Subject / Comments
In February 2021, this amendment was issued to assist preparers of financial statements in making decisions related to which accounting policies to disclose in financial statements.

Amendments to IAS 1 – Liabilities as current or non-current, effective January 1, 2024
Subject / Comments
In January 2020, the IASB made amendments to IAS 1 'Presentation of financial statements' to clarify the criteria for classifying a liability as non-current. These are to be applied retroactively. The impact of this standard on the Fund is currently being analysed.

2.2 Foreign currency translation

(a) Functional and presentational currency

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which it operates (the functional currency). The financial statements are presented in Eastern Caribbean dollars, which is the Fund's functional and presentational currency.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Foreign currency translation (continued)

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the statement of financial position date.

Foreign exchange gains and losses which result from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of income.

Translation differences on debt securities and other monetary financial assets measured at fair value are included in under investment expenses. Translation differences on non-monetary items such as equities held at fair value through profit or loss are reported as part of the net investment gains or losses in the statement of income.

Currency exchange rates are determined by reference to the respective central banks. Currencies which are pegged to the United States dollar are converted into Eastern Caribbean dollars at the pegged rates. Currencies which float are converted to the Eastern Caribbean dollar by reference to the average of buying and selling rates quoted by the respective central banks.

Exchange rates of the other principal operating currencies to the Eastern Caribbean dollar were as follows:

	2022 closing rate	2022 average rate	2021 closing rate	2021 average rate
Barbados dollar	0.741	0.741	0.741	0.741
Trinidad & Tobago dollar	2.4968	2.4957	2.5047	2.4973
United States dollar	0.370	0.370	0.370	0.370

2.3 Financial assets

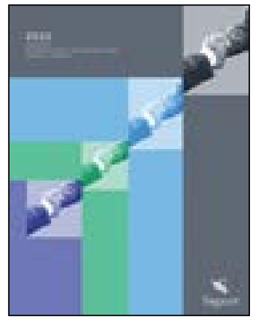
(a) Classification of financial assets

The Fund utilises a principles-based approach to the classification of financial assets. Debt instruments, including hybrid contracts, are measured at fair value through profit or loss ("FVTPL"), fair value through other comprehensive income ("FVOCI") or amortized cost based on the nature of the cash flows of these assets and the Fund's business model. Equity instruments are measured at FVTPL, unless they are not held for trading purposes, in which case an irrevocable election can be made on initial recognition to measure them at FVOCI with no subsequent reclassification to profit or loss.

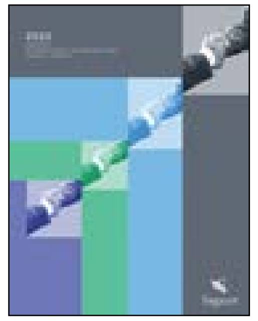
Financial assets are measured on initial recognition at fair value and are classified as and subsequently measured either at amortised cost, at FVOCI or at FVTPL. Financial assets and liabilities are recognised when the Fund becomes a party to the contractual provision of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Fund commits to purchase or sell the asset.

Financial assets that are held to collect the contractual cash flows and that contain contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest, such as deposits, due from other funds and other loans, are measured at amortised cost. In addition all financial liabilities are measured at amortised cost. The carrying value of these financial assets at initial recognition includes any directly attributable transaction costs.

SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS



Contents
<P N>



2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Financial assets (continued)

(b) Classification of debt instruments

Classification and subsequent measurement of debt instruments depend on:

- the Fund's business model for managing the asset; and
- the cash flow characteristics of the asset.

Based on these factors, the Fund classifies its debt instruments into the following measurement category.

Measured at fair value through profit and loss (FVTPL)

Debt instruments are classified in this category if they meet one or more of the criteria set out below and are so designated irrevocably at inception:

- the use of the designation removes or significantly reduces an accounting mismatch;
- when the performance of a portfolio of financial assets is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy;
- when the debt instruments are held for trading and are acquired principally for the purpose of selling in the short-term or if they form part of a portfolio of financial assets in which there is evidence of short-term profit taking.

Business model assessment

Business models are determined at the level which best reflects how the Fund manages portfolios of assets to achieve business objectives. Judgement is used in determining business models, which is supported by relevant, objective evidence including:

- The nature of liabilities, if any, funding a portfolio of assets;
- The nature of the market of the assets in the country of origination of a portfolio of assets;
- How the Fund intends to generate profits from holding a portfolio of assets;
- The historical and future expectations of asset sales within a portfolio.

Solely repayments of principal and interest ("SPPI")

Where the business model is hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Fund assesses whether the financial instruments' cash flows represent solely payments of principal and interest. In making this assessment, the Fund considers whether the contractual cash flows are consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial assets are classified and measured at FVTPL.

(c) Impairment of financial assets measured at amortized cost

The Fund measures its financial investments in deposits at amortized cost.

At initial recognition, allowance (or provision in the case of some loan commitments and financial guarantees) is required for Expected Credit Losses (ECL) resulting from default events that are possible within the next 12 months (or less, where the remaining life is less than 12 months) ('12-month ECL').

In the event of a significant increase in credit risk (SICR), an allowance (or provision) is required for ECL resulting from all possible default events over the expected life of the financial instrument ('lifetime ECL'). Financial assets where 12-month ECL are recognised are defined as 'stage 1'; financial assets which are considered to have experienced a significant increase in credit risk are in 'stage 2'; and financial assets for which there is objective evidence of impairment are defined as being in default or otherwise credit-impaired are in 'stage 3'. Purchased or originated credit-impaired financial assets ("POCI") are treated differently as set out in the following page.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Financial assets (continued)

(c) Impairment of financial assets measured at amortized cost (continued)

To determine whether the life-time credit risk has increased significantly since initial recognition, the Fund considers reasonable and supportable information that is available including information from the past and forward-looking information. Factors such as whether payments of principal and interest are in default, an adverse change in credit rating of the borrower and adverse changes in the borrower's industry and economic environment are considered in determining whether there has been a significant increase in the credit risk of the borrower.

(d) Purchased or originated credit-impaired assets (POCI)

Financial assets that are purchased or originated at a deep discount that reflects the incurred credit losses are considered to be POCI. These financial assets are credit-impaired on initial recognition. The Fund calculates the credit adjusted effective interest rate, which is calculated based on the fair value origination of the financial asset instead of its gross carrying amount and incorporates the impact of expected credit losses in estimated future cash flows. The ECL of these assets is always measured on a life-time basis.

At each reporting date, the Fund shall recognise in profit or loss the amount of the change in lifetime expected credit losses as an impairment gain or loss. The Fund will recognize favorable changes in lifetime expected credit losses as an impairment gain, the gain occurs when the lifetime expected credit losses are less than the amount of expected credit losses that were included in the estimated cash flows on initial recognition.

(e) Definition of default

The Fund determines that a financial instrument is credit-impaired and in stage 3 by considering relevant objective evidence, primarily whether:

- contractual payments of either principal or interest are past due for 90 days or more;
- there are other indications that the borrower is unlikely to pay such as that a concession has been granted to the borrower for economic or legal reasons relating to the borrower's financial condition; and
- the financial asset is otherwise considered to be in default.

If such unlikeliness to pay is not identified at an earlier stage, it is deemed to occur when an exposure is 90 days past due.

(f) Write-off

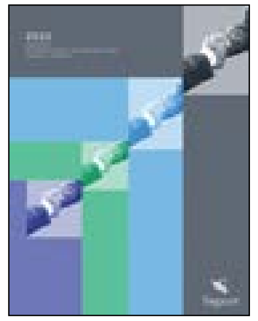
Financial assets (and the related impairment allowances) are normally written off, either partially or in full, when there is no realistic prospect of recovery. Where loans are secured, this is generally after receipt of any proceeds from the realisation of security. In circumstances where the net realisable value of any collateral has been determined and there is no reasonable expectation of further recovery, write- off may be earlier.

(g) The general approach to recognising and measuring ECL

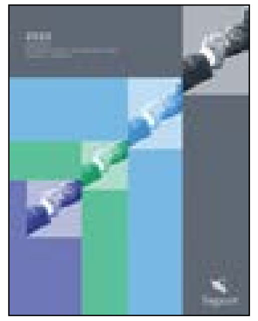
The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money;
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS



SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS



2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Financial assets (continued)

(g) The general approach to recognising and measuring ECL (continued)

Measurement

Expected credit losses are calculated by multiplying three main components, being the probability of default ("PD"), loss given default ("LGD") and the exposure at default ("EAD"), discounted at the original effective interest rate. Management has calculated these inputs based on the historical experience of the portfolios adjusted for the current point in time. A simplified approach to calculating the ECL is applied to contract and other receivables which do not contain a significant financing component. Generally, these receivables are due within 12 months unless there are extenuating circumstances. Under this approach, an estimate is made of the life-time ECL on initial recognition (i.e. Stage 3). For ECL provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared risk characteristics, such that risk exposures within a Fund are homogeneous.

The PD, LGD and EAD models which support these determinations are reviewed regularly in light of differences between loss estimates and actual loss experience; but given that IFRS 9 requirements have only been applied since January 1, 2018, the historical period for such review is limited. Therefore, the underlying models and their calibration, including how they react to forward-looking economic conditions remain subject to review and refinement. This is particularly relevant for lifetime PDs, which have not been previously used in regulatory modelling and for the incorporation of 'downside scenarios' which have not generally been subject to experience gained through stress testing. The exercise of judgement in making estimations requires the use of assumptions which are highly subjective and sensitive to the risk factors, and particularly to changes in economic and credit conditions across wide geographical areas. Many of the factors have a high degree of interdependency and there is no single factor to which loan impairment allowances are sensitive.

Therefore, sensitivities are considered in relation to key portfolios which are particularly sensitive to a few factors and the results should not be further extrapolated.

The main difference between Stage 1 and Stage 2 expected credit losses is the respective PD horizon. Stage 1 estimates will use a maximum of a 12-month PD while Stage 2 estimates will use a lifetime PD. Stage 3 estimates continue to leverage existing processes for estimating losses on impaired loans, however, these processes have been updated to reflect the requirements of IFRS 9, including the requirement to consider multiple forward-looking scenarios. An expected credit loss estimate is produced for each individual exposure, including amounts which are subject to a more simplified model for estimating expected credit losses.

The measurement of expected credit losses for each stage and the assessment of significant increases in credit risk must consider information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions. The estimation and application of forward-looking information requires significant judgment.

For defaulted financial assets, based on management's assessment of the borrower, a specific provision of expected life-time losses which incorporates collateral recoveries, is calculated and recorded as the ECL. The resulting ECL is the difference between the carrying amount and the present value of expected cash flows discounted at the original effective interest rate.

Notes to the Financial Statements
Year ended December 31, 2022
Sagicor International Balanced Fund
Amounts expressed in Eastern Caribbean Dollars

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Financial assets (continued)

(g) The general approach to recognising and measuring ECL (continued)

Forward looking information

The estimation and application of forward-looking information requires significant judgment. PD, LGD and EAD inputs used to estimate Stage 1 and Stage 2 credit loss allowances are modelled based on the macroeconomic variables (or changes in macroeconomic variables) that are most closely correlated with credit losses in the relevant portfolio.

Each macroeconomic scenario used in the expected credit loss calculation has forecasts of the relevant macroeconomic variables – including, but not limited to, gross domestic product, for a three-year period, subsequently reverting to long-run averages. Our estimation of expected credit losses in Stage 1 and Stage 2 is a discounted probability-weighted estimate that considers a minimum of three future macroeconomic scenarios. Our base case scenario is based on macroeconomic forecasts where available. Upside and downside scenarios is set relative to our base case scenario based on reasonably possible alternative macroeconomic conditions.

Scenario design, including the identification of additional downside scenarios occurs on at least an annual basis and more frequently if conditions warrant. Scenarios are probability-weighted according to our best estimate of their relative likelihood based on historical frequency and current trends and conditions. Probability weights are updated on a quarterly basis.

(h) Re-classified balances

The Fund reclassifies debt instruments when and only where its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the period.

(i) Classification of equity instruments

The Fund classifies and subsequently measures all equity investments at FVTPL.

(j) Presentation in the statement of income and comprehensive income

Debt and equity instruments measured at FVTPL

Realised changes in fair value, unrealised changes in fair value, interest income and dividend income are included in revenue.

Financial instruments measured at amortised cost

Interest income is included in interest income earned from financial assets measured at amortised cost in the statement of income and comprehensive income.

Credit impairment losses are included in the statement of income and comprehensive income.

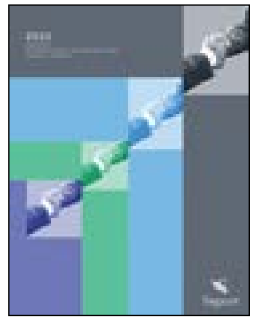
2.4 Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise:

- cash balances,
- call deposits

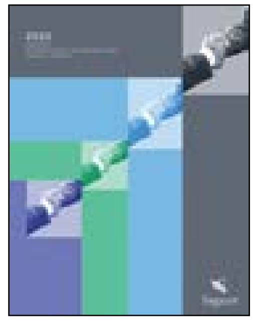
Cash equivalents are subject to an insignificant risk of change in value.

SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS



Contents
<P N >

SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS



2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Provisions

Provisions are recognised when the Fund has a legal or constructive obligation, as a result of past events, if it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

2.6 Interest income and expenses

Interest income (expense) is computed by applying the effective interest rate based to the gross carrying amount of a financial asset (liability), except for financial assets that are purchased, originated or subsequently become credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (i.e. after deduction of the loss allowance). Interest includes coupon interest and accrued discount and premium on financial instruments. Dividend income is recorded when declared.

2.7 Taxation

The Fund is exempt from taxation within the Eastern Caribbean.

The Fund currently incurs withholding taxes imposed by certain countries or financial institutions on investment income. Such income is recorded gross of withholding tax in the statement of income and comprehensive income, and the related tax imposed is recorded as receivable until the amounts are recoverable or expensed as incurred.

2.8 Management fee

As a result of serving as Trustee and Manager of the Fund, Sagicor Life Inc. receives a management fee based on the Net Asset Value of the Fund, calculated at a rate of 0.75% per annum.

2.9 Units

The Fund issues units which are redeemable at the holder's option. Units are carried at the redemption amount that is payable at the statement of financial position date should the holder exercise the right to redeem the shares. Units redeemed may be put back to the Fund for cash or transfer of assets representing the value of the units redeemed.

Units are classified as equity as they meet the following criteria:

- They entitle the holder to a pro-rata share of the net assets of the Fund.
- The total expected cash flows attributable to the units over their life are based substantially on the profits or loss of the Fund.
- The Fund is contractually obliged to deliver cash to unit holders on the repurchase of units or transfer of assets representing the value of units redeemed.
- The rights and features attached to each unit are identical.

2.10 Net asset value per unit

The consideration received or paid for units issued or repurchased respectively is based on the Fund's net asset value per unit for the preceding month.

The net asset value per unit is calculated by dividing the net assets by the number of units.

Notes to the Financial Statements
Year ended December 31, 2022
Sagicor International Balanced Fund
Amounts expressed in Eastern Caribbean Dollars

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The development of estimates and the exercise of judgment in applying accounting policies may have a material impact on the Fund's reported assets, liabilities, revenues and expenses. The items which may have the most significant effect on the Fund's financial statements are set out below.

3.1 Impairment of financial assets

In determining ECL (defined in Note 2.3(c)), management is required to exercise judgement in defining what is considered a significant increase in credit risk and in making assumptions and estimates to incorporate relevant information about past events, current conditions and forecasts of economic conditions. Further information about the judgements involved is included in Note 2.3 'Measurement' and 'Forward-looking information'.

(a) Establishing staging for debt securities and deposits

The Fund's internal credit rating model is a 10-point scale which allows for distinctions in risk characteristics and is referenced to the rating scale of international credit rating agencies.

The scale is set out in the following table:

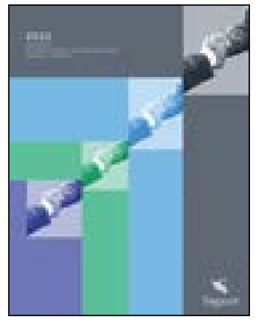
Category		Sagicor Risk Rating	Classification	S&P	Moody's	Fitch	AM Best
Non-default	Investment grade	1	Minimal risk	AAA, AA	Aaa, Aa	AAA, AA	aaa, aa
		2	Low risk	A	A	A	a
		3	Moderate risk	BBB	Baa	BBB	bbb
	Non-investment grade	4	Acceptable risk	BB	Ba	BB	bb
		5	Average risk	B	B	B	b
	Watch	6	Higher risk	CCC, CC	Caa, Ca	CCC, CC	ccc, cc
		7	Special mention	C	C	C	c
Default		8	Substandard			DDD	
		9	Doubtful	D	C	DD	d
		10	Loss			D	

The Fund uses its internal credit rating model to determine which of the three stages an asset is to be categorized for the purposes of ECL.

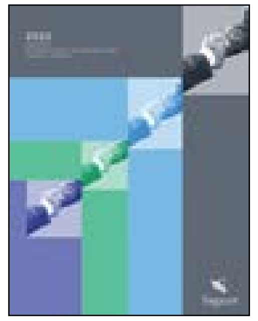
Once the asset has experienced a significant increase in credit risk the investment will move from Stage 1 to Stage 2. Sagicor has assumed that the credit risk of a financial instruments has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial asset that is investment grade or Sagicor risk rating of 1-3 is considered low credit risk.

Stage 1 investments are rated (i) investment grade, or (ii) below investment grade at origination and have not been downgraded more than 2 notches since origination. Stage 2 investments are assets which (i) have been downgraded from investment grade to below investment grade, or (ii) are rated below investment grade at origination and have been downgraded more than 2 notches since origination. Stage 3 investments are assets in default.

SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS



Contents
<P N>



3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

3.1 Impairment of financial assets (continued)

(b) Forward looking information

When management determines the macro-economic factors that impact the portfolios of financial assets, they first determine all readily available information within the relevant market. Portfolios of financial assets are segregated based on product type, historical performance and homogenous country exposures. There is often limited timely macro-economic data for Eastern Caribbean. Management assesses data sources from local government, International Monetary Fund (IMF) and other reputable data sources. A regression analysis is performed to determine which factors are most closely correlated with the credit losses for each portfolio. Where projections are available, these are used to look into the future up to three years and subsequently the expected performance is then used for the remaining life of the product. These projections are re-assessed on a quarterly basis.

3.2 Fair value of securities not quoted in an active market

The fair value of securities not quoted in an active market may be determined using reputable pricing sources (such as pricing agencies), indicative prices from bond/debt market makers or other valuation techniques. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. The Fund exercises judgement on the quality of pricing sources used. Where no market data is available, the Fund may value positions using its own models, which are usually based on valuation methods and techniques generally recognised as standard within the industry. The inputs into these models are primarily discounted cash flows.

The models used to determine fair values are periodically reviewed by experienced personnel. The models used for debt securities are based on net present value of estimated future cash flows, adjusted as appropriate for liquidity, and credit and market risk factors.

4. RELATED PARTY BALANCES

These balances are interest free, unsecured and have no fixed terms of repayment. Transactions with Related Parties are disclosed in Note 10.

5. INTEREST AND OTHER RECEIVABLES

	2022 $	2021 $
Debt securities interest receivable	894,840	883,114
Unsettled transactions	354,946	355,387
Other	317,180	224,177
Balance, end of year	1,566,966	1,462,678

Notes to the Financial Statements
Year ended December 31, 2022
Sagicor International Balanced Fund
Amounts expressed in Eastern Caribbean Dollars

6. FINANCIAL INVESTMENTS

Analysis of financial investments

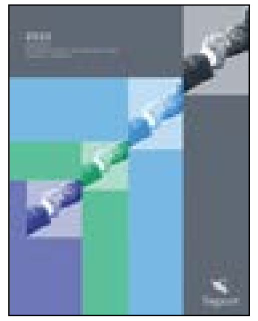
	2022		2021	
	Carrying Value $	Fair Value $	Carrying Value $	Fair Value $
Investments at FVTPL				
Fair value through profit and loss:				
Bonds – Local	200,166	200,166	227,291	227,291
Bonds – Regional	59,762,168	59,762,168	59,500,483	59,500,483
Bonds – International listed	63,093,711	63,093,711	57,227,406	57,227,406
Treasury bills – Regional	2,745,009	2,745,009	2,099,343	2,099,343
Total debt securities	**125,801,054**	**125,801,054**	**119,054,523**	**119,054,523**
Common shares – Regional unlisted	2,451	2,451	2,451	2,451
Common shares – Local listed	2,000,000	2,000,000	2,000,000	2,000,000
Common shares – Regional listed	21,521,177	21,521,177	21,765,762	21,765,762
Common shares – International listed	19,075,383	19,075,383	25,984,998	25,984,998
Alternative investments –				
International unlisted	14,178,749	14,178,749	15,261,180	15,261,180
Mutual funds – Regional listed	2,640,600	2,640,600	-	-
Total equity securities	**59,418,360**	**59,418,360**	**65,014,391**	**65,014,391**
Investments at amortised cost:				
Deposits	21,822,119	21,822,119	5,807,002	5,807,002
Total financial investments	**207,041,533**	**207,041,533**	**189,875,916**	**189,875,916**

Debt securities comprise:

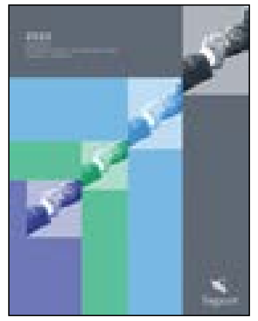
	2022 $	2021 $
Government debt securities – International	51,929,313	47,507,783
Government debt securities – Local	200,166	227,291
Government debt securities – Regional	58,387,077	57,469,848
Corporate debt securities – International	11,164,398	9,719,623
Corporate debt securities – Regional	4,120,100	4,129,978
	125,801,054	119,054,523

Debt securities classified at fair value through profit or loss and valued using internally developed valuation models amounted to $62,707,343 (2021 - $61,827.117).

SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS



SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS



6. FINANCIAL INVESTMENTS (continued)

Analysis of financial investments (continued)

Significant concentrations of equity securities, exceeding 2.5% of total exposures, are as follows:

	% of Total	2022 $	% of Total	2021 $
St. Lucia Electricity Services Limited	27.57%	16,382,580	24.83%	16,142,860
Sagicor Renewable Energy Fund	4.44%	2,640,600	-	-
Investec Global Franchise AA Fund	4.27%	2,534,473	4.38%	2,845,188
Morgan Stanley Global Quality Fund CL 1	4.00%	2,377,812	4.20%	2,728,776
JPM Emerging Markets	3.89%	2,308,977	4.69%	3,051,165
S.L. Horsford & Co. Ltd	3.37%	2,000,000	3.08%	2,000,000
JPM US Select Equity Plus Fund Class	3.25%	1,929,945	3.72%	2,418,913
CIBC FirstCaribbean International Bank	3.01%	1,787,065	3.12%	2,025,340
Ironwood Intl Ltd	-	-	0.28%	180,059

7. FINANCIAL RISK

Financial risk factors

The Fund's activities of accepting funds from unit holders and investing these funds in a variety of financial and other assets expose the Fund to various financial risks.

Financial risks include credit, liquidity and market risks. Market risks arise from changes in interest rates, equity prices, currency exchange rates or other market factors. The effects of these risks are disclosed in the sections below.

The fund is also exposed to operations such as custody risk. Custody risk is the risk of loss of securities held in custody occasioned by the insolvency or negligence of the custodian.

The overriding objective of the Fund's risk management framework is to enhance its capital base through a focus on income generation by investment in competitively yielding income securities, long term capital growth and protection of capital against inherent business risks. This means that the Fund accepts certain levels of risk in order to generate returns, and the Fund manages the levels of risk assumed through risk management policies and procedures. Identified risks are assessed as to their potential financial impact and as to their likelihood of occurrence.

The effects of financial risks are disclosed in the sections below.

7.1 Credit risk

Credit risk is the exposure that the counterparty to a financial instrument is unable to meet an obligation, thereby causing a financial loss to the Fund. Credit risks are primarily associated with financial investments held.

Credit risk from financial investments is minimised through holding a diversified portfolio of investments, purchasing securities only after careful assessment of the borrower, and placing deposits with financial institutions with a strong capital base. Limits may be placed on the amount of risk accepted in relation to one borrower.

All transactions in listed securities are settled or paid for upon delivery using approved brokers. The risk of default is considered minimal, as the local and regional exchanges act as clearing facilitators, ensuring that monies are placed in the clearing accounts.

7. FINANCIAL RISK (continued)

7.1 Credit risk (continued)

In accordance with the Fund's policy, the Fund Manager and the Board of Directors of the Trustee monitor the Fund's credit position on a quarterly basis.

Rating of financial assets

The Fund's credit rating model (Note 3.1) applies a rating scale to the Fund's investment portfolios, comprising debt securities, deposits and cash;

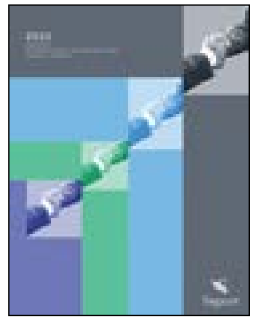
In sections 7.2 and 7.3 below, we set out various credit risks and exposures in accordance of assets measured in accordance with IFRS 9.

7.2 Credit risk exposure – financial assets subject to impairment

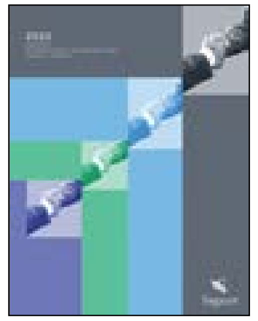
The maximum exposures of the Fund to credit risk are set out in the following table.

	2022 $	%	2021 $	%
Bonds at FVTPL	123,056,045	75	116,955,180	73
Deposits at amortised cost	21,822,119	13	5,807,002	4
Treasury bills	2,745,009	2	2,099,343	1
Investment portfolio	147,623,173	90	124,861,525	78
Due from Sagicor Life Inc.	487,848	0	2,985,656	2
Interest receivable and other receivables	1,566,966	1	1,462,678	1
Cash resources	14,915,403	9	30,983,120	19
Other financial assets	16,970,217	10	35,431,454	22
Total balance sheet exposures	**164,593,390**	**100**	**160,292,979**	**100**

SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS



Contents
<P N>



7. FINANCIAL RISK (continued)

7.2 Credit risk exposure – financial assets subject to impairment (continued)

Credit Risk Exposure – financial investments subject to impairment

Financial assets carried at amortized cost - in this case, term deposits - are subject to credit impairment losses which are recognised in the statement of income and comprehensive income.

The following tables contain analyses of the credit risk exposure of financial investments for which an ECL allowance is recognised.

	Term Deposits – amortized cost				
	2022				
	ECL Staging				
	Stage 1 12-month ECL	Stage 2 life-time ECL	Stage 3 life-time ECL	POCI	Total
December 31:					
Credit grade:					
Investment	11,747,773	-	-	-	11,747,773
Non-Investment	10,081,910	-	-	-	10,081,910
Watch	-	-	-	-	-
Unrated	-	-	-	-	-
Gross carrying amount	21,829,683	-	-	-	21,829,683
Loss allowance	(7,564.)	-	-	-	(7,564)
Net carrying amount	21,822,119	-	-	-	21,822,119

	Term Deposits – amortized cost				
	2021				
	ECL Staging				
	Stage 1 12-month ECL	Stage 2 life-time ECL	Stage 3 life-time ECL	POCI	Total
December 31:					
Credit grade:					
Investment	4,096,227	-	-	-	4,096,227
Non-Investment	1,715,453	-	-	-	1,715,453
Watch	-	-	-	-	-
Unrated	-	-	-	-	-
Gross carrying amount	5,811,680	-	-	-	5,811,680
Loss allowance	(4,678)	-	-	-	(4,678)
Net carrying amount	5,807,002	-	-	-	5,807,002

Notes to the Financial Statements
Year ended December 31, 2022

Sagicor International Balanced Fund
Amounts expressed in Eastern Caribbean Dollars

7. FINANCIAL RISK (continued)

7.3 Credit impairment losses – financial assets subject to impairment

The allowance for ECL is recognised in each reporting period and is impacted by a variety of factors, as described below:

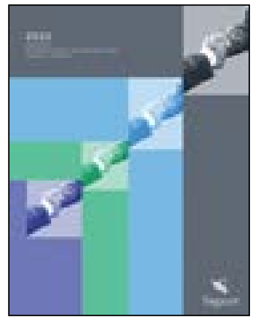
- Transfers between stages due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit-impaired during the period;
- Additional allowances for new financial instruments recognised during the period, as well as releases for financial instruments de-recognised in the period;
- Impact on the measurement of ECL due to inputs used in the calculation including the effect of 'step-up' (or 'step down') between 12-month and life-time ECL;
- Impacts on the measurement of ECL due to changes made to models and assumptions; and
- Foreign exchange retranslations for assets denominated in foreign currencies and other movements.

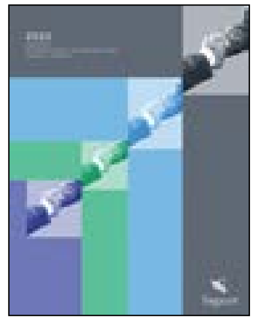
The following tables contain analyses of the movement of loss allowances in respect of financial investments subject to impairment.

LOSS ALLOWANCES	Term Deposits – amortized cost				
	2022				
	ECL Staging				
	Stage 1 12-month ECL	Stage 2 lifetime ECL	Stage 3 lifetime ECL	POCI	Total
Loss allowance, beginning of year	4,678	-	-	-	4,678
Term deposits originated or purchased	7,564	-	-	-	7,564
Term deposits fully derecognised	(4,678)	-	-	-	(4,678)
Loss allowance, end of year	7,564	-	-	-	7,564
Credit impairment loss recorded in income					(2,886)

LOSS ALLOWANCES	Term Deposits – amortized cost				
	2021				
	ECL Staging				
	Stage 1 12-month ECL	Stage 2 lifetime ECL	Stage 3 lifetime ECL	POCI	Total
Loss allowance, beginning of year	7,053	-	-	-	7,053
Term deposits originated or purchased	4,678	-	-	-	4,678
Term deposits fully derecognised	(7,053)	-	-	-	(7,053)
Loss allowance, end of year	4,678	-	-	-	4,678
Credit impairment loss reduction recorded in income					2,375

SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS





7. FINANCIAL RISK (continued)

7.3 Credit impairment losses – financial assets subject to impairment (continued)

(a) Economic variable assumptions

The fund has selected the following economic factor which provide the overall macroeconomic environment in considering forward looking information for base, upside and downside forecasts. This is as follows:

	As of December 31, 2022			As of December 31, 2021		
	2023	**2024**	**2025**	**2022**	**2023**	**2024**
World GDP						
Base	2.7%	3.2%	3.4%	4.9%	3.6%	3.4%
Upside	4.1%	4.8%	5.1%	7.4%	5.4%	5.1%
Downside	1.9%	2.3%	2.4%	2.6%	2.6%	2.4%

The preceding economic variable assumptions relate to term deposits carried at amortised cost.

7.4 Gross Carrying Values – financial investments subject to impairment

The following tables explain the movement in the gross carrying amounts of term deposits and in the ECL classifications for the year. Gross carrying amounts represent the maximum exposure to credit risk.

	Term Deposits – amortized cost 2022				
	ECL Staging				
	Stage 1 12-month ECL	Stage 2 life-time ECL	Stage 3 life-time ECL	POCI	Total
Gross carrying amount,					
beginning of year	5,811,680	-	-	-	5,811,680
Deposits originated or purchased	21,829,683	-	-	-	21,829,683
Deposits fully derecognised	(5,811,680)	-	-	-	(5,811,680)
Gross carrying amount, end of year	21,829,683	-	-	-	21,829,683

	Term Deposits – amortized cost 2021				
	ECL Staging				
	Stage 1 12-month ECL	Stage 2 life-time ECL	Stage 3 life-time ECL	POCI	Total
Gross carrying amount,					
beginning of year	5,759,665	-	-	-	5,759,665
Deposits originated or purchased	5,811,680	-	-	-	5,811,680
Deposits fully derecognised	(5,759,665)	-	-	-	(5,759,665)
Gross carrying amount, end of year	5,811,680	-	-	-	5,811,680

Notes to the Financial Statements
Year ended December 31, 2022
Sagicor International Balanced Fund
Amounts expressed in Eastern Caribbean Dollars

7. FINANCIAL RISK (continued)

7.5 Liquidity risk

The Fund is exposed to daily calls on its available cash resources for redemptions and operating expenses. Liquidity risk is the exposure that the Fund may have insufficient cash resources to meet these obligations as they become due. Liquidity risk also arises when excess funds accumulate resulting in the loss of opportunity to increase investment returns.

In order to manage liquidity risks, management seeks to maintain levels of cash and deposits which are sufficient to meet reasonable expectations of its short term obligations. If necessary, the Fund's secondary source of liquidity is its highly liquid instruments in its investment portfolio.

In accordance with the Fund's policy, the Fund Manager and the Board of Directors of the Trustee monitor the Fund's liquidity position on a quarterly basis.

Contractual cash flow obligations of the Fund in respect of its financial liabilities are summarised in the following table. Amounts are analysed by their earliest contractual maturity dates and consist of the contractual un-discounted cash flows. Where the interest rate of an instrument for a future period has not been determined as of the date of the financial statements, it is assumed that the interest rate then prevailing continues until final maturity.

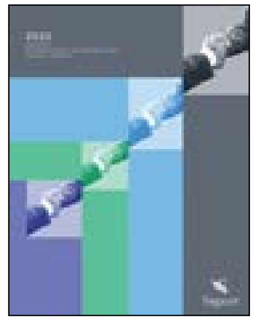
(a) Financial liabilities

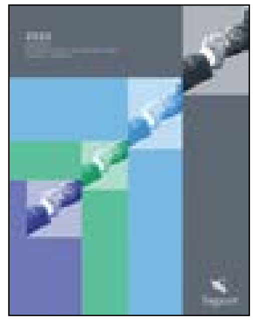
As of December 31, 2022 and 2021, all of the Fund's financial liabilities are due on demand.

As of December 31, 2022	**On demand $**	**Within 1 year $**	**1 to 5 years $**	**After 5 years $**	**Total $**
Due to Sagicor (Bonds) Fund	283,700	-	-	-	283,700
Due to Sagicor (Equity) Fund	109,564	-	-	-	109,564
Accounts payable	379,116	-	-	-	379,116
	772,380	-	-	-	772,380

As of December 31, 2021	**On demand $**	**Within 1 year $**	**1 to 5 years $**	**After 5 years $**	**Total $**
Due to Sagicor (Bonds) Fund	201,736	-	-	-	201,736
Due to Sagicor (Equity) Fund	216,604	-	-	-	216,604
Accounts payable	356,630	-	-	-	356,630
	774,970	-	-	-	774,970

SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS





7. FINANCIAL RISK (continued)

7.5 Liquidity risk (continued)

(b) Financial assets

The Fund's monetary financial assets mature in periods which are summarised in the following tables. Amounts are stated at their carrying values recognised in the financial statements and are analysed by their contractual maturity dates.

As of December 31, 2022	Maturing within 1 year $	Maturing within 1 to 5 years $	Maturing after 5 years $	Total $
Due from Sagicor Life Inc.	487,848	-	-	487,848
Interest and other receivables	1,566,966	-	-	1,566,966
Debt securities	8,299,622	56,239,930	61,261,502	125,801,054
Deposits	21,822,119	-	-	21,822,119
Cash resources	14,915,403	-	-	14,915,403
Total	47,091,958	56,239,930	61,261,502	164,593,390

As of December 31, 2021	Maturing within 1 year $	Maturing within 1 to 5 years $	Maturing after 5 years $	Total $
Due from Sagicor Life Inc.	2,985,656	-	-	2,985,656
Interest and other receivables	1,462,678	-	-	1,462,678
Debt securities	9,818,128	42,748,807	66,487,588	119,054,523
Deposits	5,807,002	-	-	5,807,002
Cash resources	30,983,120	-	-	30,983,120
Total	51,056,584	42,748,807	66,487,588	160,292,979

Redeemable units are redeemed at the option of the holder. However, the Board of Directors of the Trustee does not envisage that unit holders will redeem their units as they typically hold them for the long-term. At December 2022, one individual unit holder, The Mustique Company Limited held 9% of the fund's units (2021 Goddard Enterprises Ltd – 9%). The fund manages its liquidity risk by investing in securities that it expects to be able to liquidate within a short period.

The following table shows the ordinary redemption periods of the funds and alternative investments held.

As of December 31, 2022	Less than 7 days	Monthly	Quarterly	Semi Annualy	1-5 Years
Funds and Alternative Investments	16,346,403	-	-	-	472,946
As of December 31, 2021	**Less than 7 days**	**Monthly**	**Quarterly**	**Semi Annualy**	**1-5 Years**
Funds and Alternative Investments	14,474,982	-	288,072	180,059	318,067

7. FINANCIAL RISK (continued)

7.6 Market risk

Interest Rate Risk

The Fund is exposed to interest rate risks. Cash flow interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates.

The return on financial investments may be variable, fixed for a term or fixed to maturity. On reinvestment of a matured investment, the returns available on the new investment may be significantly different from the returns formerly achieved. This is known as reinvestment risk.

The Fund is therefore exposed to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. Interest margins may increase or decrease as a result of such changes.

In accordance with the Fund's policy, the Fund Manager and the Board of Directors of the Trustee monitor and review the Fund's overall interest sensitivity on a quarterly basis.

(a) Financial liabilities

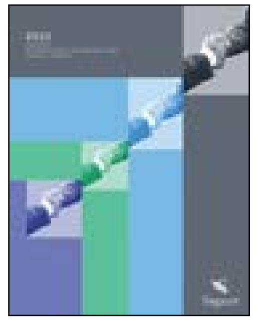
As of December 31, 2022 and 2021, all of the Fund's financial liabilities were non-interest bearing and therefore not exposed to interest rate risk.

The table below summarises the exposures to interest rate of the Fund's financial liabilities.

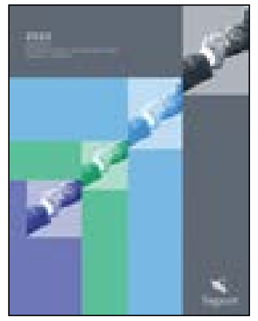
As of December 31, 2022	Exposure within 1 year $	Exposure of 1 to 5 years $	Exposure after 5 years $	Not exposed to interest $	Total $
Due to Sagicor (Bonds) Fund	-	-	-	283,700	283,700
Due to Sagicor (Equity) Fund	-	-	-	109,564	109,564
Accounts payable	-	-	-	379,116	379,116
Total	-	-	-	772,380	772,380

As of December 31, 2021	Exposure within 1 year $	Exposure of 1 to 5 years $	Exposure after 5 years $	Not exposed to interest $	Total $
Due to Sagicor (Bonds) Fund	-	-	-	201,736	201,736
Due to Sagicor (Equity) Fund	-	-	-	216,604	216,604
Accounts payable	-	-	-	356,630	356,630
Total	-	-	-	774,970	774,970

SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS



SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS



7. FINANCIAL RISK (continued)

7.6 Market risk (continued)

Interest Rate Risk (continued)

(b) Financial assets

The table below summarises the exposures to interest rate risks of the Fund's financial assets. It includes assets at carrying amounts categorised by the earlier of contractual repricing or maturity dates.

As of December 31, 2022	Exposure within 1 year $	Exposure of 1 to 5 years $	Exposure after 5 years $	Not exposed to interest $	Total $
Due from Sagicor Life Inc.	-	-	-	487,848	487,848
Interest and other receivables	-	-	-	1,566,966	1,566,966
Debt securities	8,209,504	55,194,250	60,601,010	1,796,290	125,801,054
Equity securities	-	-	-	59,418,360	59,418,360
Deposits	21,373,439	-	-	448,680	21,822,119
Cash resources	-	-	-	14,915,403	14,915,403
Total	29,582,943	55,194,250	60,601,010	78,633,547	224,011,750

As of December 31, 2021	Exposure within 1 year $	Exposure of 1 to 5 years $	Exposure after 5 years $	Not exposed to interest $	Total $
Due from Sagicor Life Inc.	-	-	-	2,985,656	2,985,656
Interest and other receivables	-	-	-	1,462,678	1,462,678
Debt securities	9,708,142	41,894,720	65,886,422	1,565,239	119,054,523
Equity securities	-	-	-	65,014,391	65,014,391
Deposits	5,720,456	-	-	86,546	5,807,002
Cash resources	-	-	-	30,983,120	30,983,120
Total	15,428,598	41,894,720	65,886,422	102,097,630	225,307,370

The table below summarises the average interest yields on financial assets held during the year.

	2022	2021
Debt securities	4.8%	4.7%
Deposits	3.6%	2.2%

Notes to the Financial Statements
Year ended December 31, 2022
Sagicor International Balanced Fund
Amounts expressed in Eastern Caribbean Dollars

7. FINANCIAL RISK (continued)

7.6 Market risk (continued)

Interest Rate Risk (continued)

(b) Financial assets (continued)

Sensitivity

The effect of a 1% change in interest rates, with all other variables remaining constant, to the fair value of the interest bearing financial assets at the date of the financial statements is as follows.

As of December 31, 2022	$
Total interest-bearing financial assets carried at fair value	124,004,764
The fair value impact of an increase in interest rates:	(5,932,633)
The fair value impact of a decrease in interest rates:	6,548,104

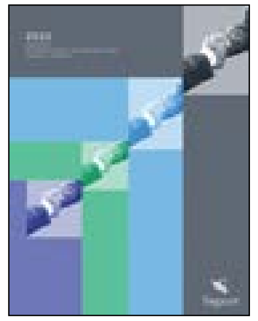
Foreign exchange risk

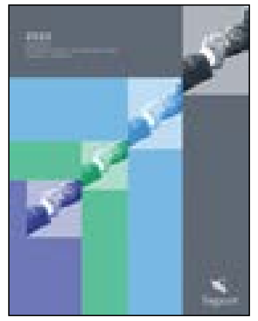
The Fund is exposed to foreign exchange risk as a result of fluctuations in exchange rates since its financial assets are denominated in a number of different currencies. In order to manage foreign exchange risk, the Fund monitors the fluctuation in foreign exchange rates on a periodic basis. The Fund's exposure to foreign exchange risk is however not considered to be significant, as the exchange rates for US dollar and Barbados dollar are each fixed to the EC dollar, the functional currency.

Assets and liabilities by currency are summarised in the following table.

	Balances denominated in				
As of December 31, 2022	EC $	Barbados $	US $	TT $	Total $
ASSETS					
Due from Sagicor Life Inc.	487,848	-	-	-	487,848
Interest and other receivables	1,330,721	31,133	195,183	9,929	1,566,966
Financial investments	44,943,488	34,749,842	126,714,395	633,808	207,041,533
Cash resources	8,618,499	191,771	6,105,133	-	14,915,403
Total assets	55,380,556	34,972,746	133,014,711	643,737	224,011,750
LIABILITIES					
Due to Sagicor (Bonds) Fund	283,700	-	-	-	283,700
Due to Sagicor (Equity) Fund	109,564	-	-	-	109,564
Accounts payable	379,116	-	-	-	379,116
Total liabilities	772,380	-	-	-	772,380
Net position	54,608,176	34,972,746	133,014,711	643,737	223,239,370

SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS





7. FINANCIAL RISK (continued)

7.6 Market risk (continued)

Foreign exchange risk (continued)

As of December 31, 2021	Balances denominated in EC $	Barbados $	US $	TT $	Total $
ASSETS					
Due from Sagicor Life Inc.	2,985,656	-	-	-	2,985,656
Interest and other receivables	1,258,257	32,873	171,548	-	1,462,678
Financial investments	45,963,886	30,101,385	112,958,735	851,910	189,875,916
Cash resources	3,343,378	90,796	27,548,946	-	30,983,120
Total assets	53,551,177	30,225,054	140,679,229	851,910	225,307,370
LIABILITIES					
Due to Sagicor (Bonds) Fund	201,736	-	-	-	201,736
Due to Sagicor (Equity) Fund	216,604	-	-	-	216,604
Accounts payable	356,630	-	-	-	356,630
Bank overdraft	-	-	-	-	-
Total liabilities	774,970	-	-	-	774,970
Net position	52,776,207	30,225,054	140,679,229	851,910	224,532,400

Sensitivity

The Fund is exposed to currency risk in respect of financial investments denominated in currencies whose values have noticeably fluctuated against the Eastern Caribbean dollar.

The exposure to currency risk may arise in relation to the future cash flows of a financial instrument.

The most common example of this occurring in the Fund is a financial investment which is denominated in a currency other than the functional currency. In this instance, a change in currency exchange rates results in the financial investment being retranslated and the exchange gain or loss is taken to income and is included in Note 9.

The currency whose value has noticeably fluctuated against the Eastern Caribbean dollar (ECD) is the Trinidad dollar (TTD). The theoretical impact of the TTD on reported results is considered below.

Notes to the Financial Statements
Year ended December 31, 2022
Sagicor International Balanced Fund
Amounts expressed in Eastern Caribbean Dollars

7. FINANCIAL RISK (continued)

7.6 Market risk (continued)

Foreign exchange risk (continued)

The effect of a 10% depreciation in the TTD relative to the ECD arising from TTD financial investments as of December 31, 2022 and for the year then ended is considered below.

	Balances denominated in TTD $	Effect of a 10% depreciation on income as of Dec 31, 2022 $
Assets	633,808	(63,381)

Other Price Risk

The Fund is exposed to other price risk arising from changes in equity prices. The Fund mitigates this risk by holding a diversified portfolio and by selection of securities and other financial instruments within specified limits set by the Board of Directors of the Trustee.

The Fund's policy also limits individual equity securities to no more than 10% of the full portfolio.

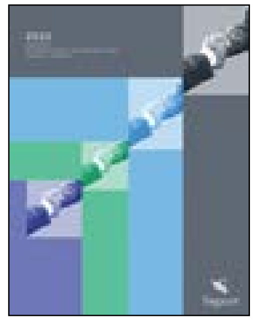
The majority of the Fund's equity investments are publicly traded. The Fund's policy requires that the overall market position is monitored on a daily basis by the Fund Manager and reviewed on a quarterly basis by the Board of Directors of the Trustee.

Sensitivity

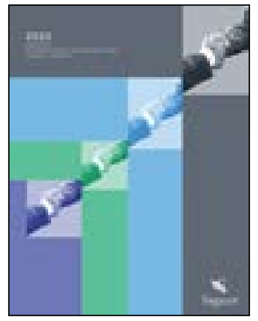
The effects of an across the board 20% decline in equity prices of the Fund's fair value through profit or loss equity securities, at balance sheet date is set out below.

	Fair value $	Effect of a 20% decline at Dec 31, 2022 $
Fair value through profit or loss equity securities:		
Common shares - listed	42,596,560	(8,519,312)
Common shares - unlisted	2,451	(490)
Alternative investments - unlisted	14,178,749	(2,835,750)
Mutual funds - listed	2,640,600	(528,120)
	59,418,360	(11,883,672)

SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS



SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS



7. FINANCIAL RISK (continued)

7.7 Fair value of financial instruments

Financial instruments carried at fair value in the financial statements are measured in accordance with a fair value hierarchy. This hierarchy is as follows:

(i) Level 1 – unadjusted quoted prices in active markets for identical instruments.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange or other independent source, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The Fund considers that market transactions should occur with sufficient frequency that is appropriate for the particular market, when measured over a continuous period preceding the date of the financial statements. If there is no data available to substantiate the frequency of market transactions of a financial instrument, then the instrument is not classified as Level 1.

(ii) Level 2 – inputs that are observable for the instrument, either directly or indirectly

A financial instrument is classified as Level 2 if:

- The fair value is derived from quoted prices of similar instruments which would not be classified as Level 1; or
- The fair value is determined from quoted prices that are observable but there is no data available to substantiate market trading of the instrument.

In estimating the fair value of non-traded financial assets, the Fund uses a variety of methods such as obtaining dealer quotes and using discounted cash flow techniques. Where discounted cash flow techniques are used, estimated future cash flows are discounted at market-derived rates for government securities in the same country of issue as the security; for non-government securities, an interest spread is added to the derived rate for a similar government security rate according to the perceived additional risk of the non-government security.

(iii) Level 3 – inputs for the instrument that are not based on observable market data.

A financial instrument is classified as Level 3 if:

- The fair value is derived from inputs that are not based on observable market data.

Level 3 financial assets designated at fair value through profit or loss comprise primarily of corporate, government agency and government sovereign debt instruments issued in the Caribbean. The fair values of these instruments have been derived from December 31 market yields of government instruments of similar durations in the country of issue of the instruments.

The techniques and methods described in the preceding section for non-traded financial assets and liabilities are used in the determination of the fair values of Level 3 instruments.

Notes to the Financial Statements
Year ended December 31, 2022
Sagicor International Balanced Fund
Amounts expressed in Eastern Caribbean Dollars

7. FINANCIAL RISK (continued)

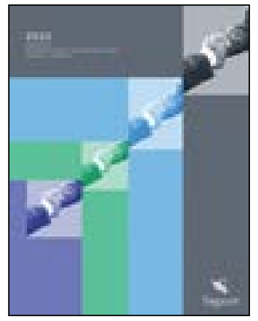
7.7 Fair value of financial instruments (continued)

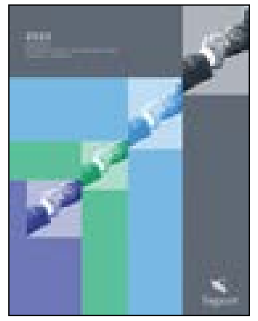
The following table shows the financial assets carried at fair value as of December 31 on a recurring basis by level of the fair value hierarchy.

2022	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit and loss:	$	$	$	$
Debt securities	9,721,737	53,371,974	62,707,343	125,801,054
Common shares	22,882,446	19,714,114	2,451	42,599,011
Alternative investments	752,075	10,575,916	2,850,758	14,178,749
Mutual funds	2,640,600	-	-	2,640,600
Total assets	35,996,858	83,662,004	65,560,552	185,219,414
Total assets by percentage	20%	45%	35%	100%

2021	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit and loss:	$	$	$	$
Debt securities	8,343,392	48,884,014	61,827,117	119,054,523
Common shares	29,906,004	19,844,756	2,451	49,753,211
Alternative investments	-	11,609,051	3,652,129	15,261,180
Total assets	38,249,396	80,337,821	65,481,697	184,068,914
Total assets by percentage	21%	44%	35%	100%

SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS





7. FINANCIAL RISK (continued)

7.7 Fair value of financial instruments (continued)

The table below provides information about the fair value measurements using significant unobservable inputs (level 3).

Description	Fair Value at December 31		Valuation Technique	Unobservable Inputs	Range of Inputs		Relationship of Unobservable Inputs to fair value
	2022 $	2021 $			2022	2021	
Debt securities	62,707,343	61,827,117	Discounted Cash Flows	Risk Adjusted Market Yields	3.0% - 12.8% Avg (7.4%)	3.8% - 9.9% Avg (7.0%)	The effect of a 1% increase in interest rates would decrease the fair value by ($3,702,460) and a 1% decrease in interest rates would increase the fair values by $4,241,606.
Common shares	2,451	2,451	Book Value Per Share	Net Assets divided by number of shares issued	$0.01	$0.01	The higher the Net Assets, the higher the book value.
Alternative investments	2,850,758	3,652,129	Third Party Valuation	Share of Partners' Equity	N/A	N/A	Reliance is placed on third party information, which is not readily available for disclosure.

The fair values of the equities securities in Level 3 are based upon prices determined by the investee fund managers and administrators.

The following table presents the movement in Level 3 instruments for the year:

	2022 $	2021 $
Balance, beginning of year	65,481,697	64,888,170
Fair value changes recorded in income	853,951	2,225,600
Additions	11,324,449	4,428,059
Disposals	(12,081,915)	(6,085,582)
Effects of accrued income changes	(17,630)	25,450
Balance, end of year	65,560,552	65,481,697

Unrealised gains of $679,072 (2021 - $886,837) on level 3 assets held at the end of the period are included in Net investment (losses)/gains on financial investments.

7. FINANCIAL RISK (continued)

7.8 Capital risk management

The capital of the Fund is represented by unit holders' equity. Unit holders' equity changes on a daily basis as the Fund is subject to the redemption and issue of units at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unit holders and to maintain a strong capital base to support the development of the investment activities of the Fund.

In order to maintain or adjust the capital structure, the Fund's policy is to redeem and issue units in accordance with the terms of the trust deed which includes the ability to restrict redemptions.

The Board of Directors of the Trustee and Fund Manager monitor capital on the basis of unit holders' equity.

8. INTEREST INCOME

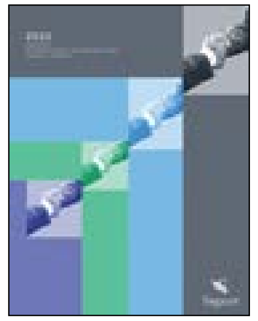
The Fund manages its financial investments by the type of financial instrument (i.e. debt securities, equity securities, deposits, etc) and the income there-from is presented accordingly.

	2022 $	2021 $
Debt securities	5,784,804	5,513,093
Deposits	492,021	124,696
Total interest income	6,276,825	5,637,789

9. NET INVESTMENT (LOSSES)/GAINS

	2022 $	2021 $
Foreign exchange losses	(7,175)	(8,308)
Net (losses)/ gains on financial investments	(12,532,458)	3,502,758
Net investment (losses)/ gains	(12,539,633)	3,494,450

SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS



SAGICOR INTERNATIONAL BALANCED FUND
FINANCIAL HIGHLIGHTS
CHAIRMAN'S REVIEW
DIRECTORS
PENSION SERVICES DEPARTMENT STAFF
PORTFOLIO MANAGEMENT STAFF
AUDITOR
FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STETEMENTS

10. RELATED PARTY TRANSACTIONS

(a) Material related party transactions

	2022 $	2021 $
Management fee – Sagicor Life Inc.	1,649,041	1,642,570

(b) Units held by related parties

Parties related to the Fund held units in the Fund during the year as follows:

Sagicor Life Inc.	2022 $	2021 $
Value of units held at January 1	12,477,645	11,553,078
Net value of transactions for the year	381,223	924,567
Value of units at December 31	12,858,868	12,477,645

Sagicor Finance Inc.	2022 $	2021 $
Value of units held at January 1	192,978	285,013
Net value of transactions for the year	4,920	(92,035)
Value of units at December 31	197,898	192,978

11. COMMITMENTS

At December 31, 2022, the Fund's total committed capital to private equity strategies was $380,000 (2021 - $380,000). At that date, $164,520 (2021 - $138,105) of this commitment remained undrawn.

Contents