Sagicor International Balanced Fund

Q2

Inception Date: January 14, 2000
Fund Manager: Sagicor Asset Management Inc.
Quarterly Newsletter
June 30, 2026

Sagicor ASSET MANAGEMENT

Investment Objective

The primary objective of the Scheme is to balance risk and return with the aim of achieving long-term growth to facilitate the payment of the pensions by occupational pension plans invested in the Scheme and the return of contributions to members of such plans where employment terminates before retirement age.

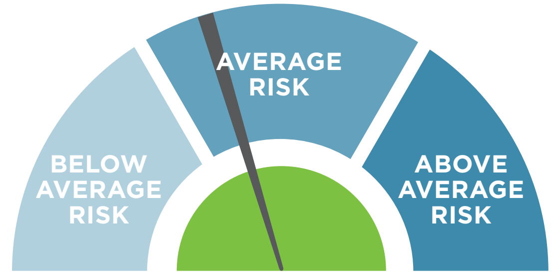
Total Annual Expense Ratio

1.1% p.a.

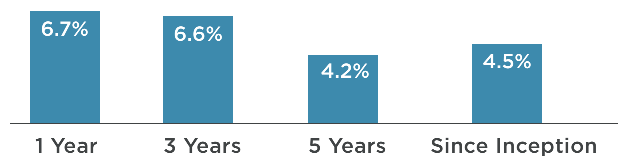
Fund Statistics

Total net assets (in millions)	$343,154,855
NAV/Unit	$3.03
Percentage of top ten (5) holdings	30%
Yield to Maturity	4.3%
Duration in Years	4.2

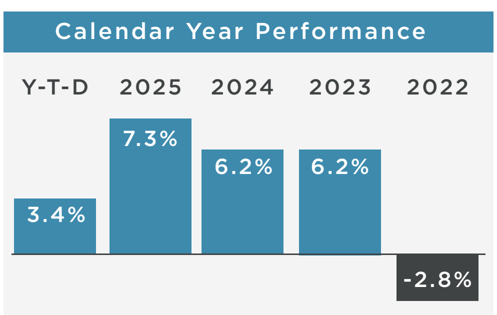
Investor Risk Tolerance Level



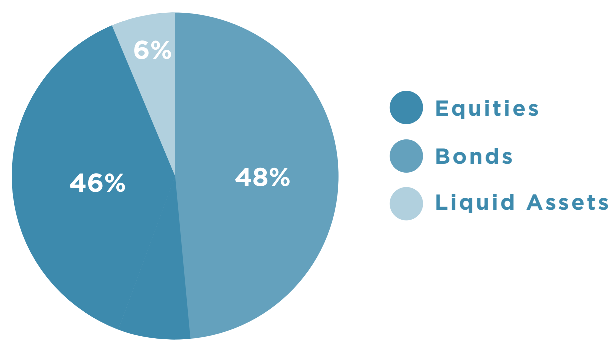
Fund Performance (%)



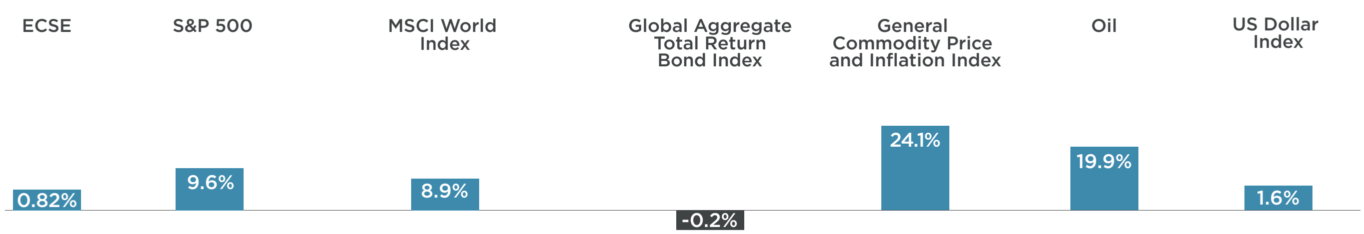
Performance History (%)



Asset Class Allocation (%)



Asset Classes By Year-to-Date Total Return



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Commentary

Navigating Uncertainty While Remaining Focused on Long-Term Value

The Sagicor International Balanced Fund delivered a 4.5% quarter-to-date and a 3.4% year-to-date return through June 30, 2026, supported by resilient equity markets, disciplined portfolio positioning, and strong contributions from our actively managed investment strategies. As at quarter-end, the Fund had $343.1 million in net assets with a diversified asset allocation of 46% equities, 48% fixed income, and 6% cash, remaining within its strategic asset allocation guidelines. Global markets continued to recover through the second quarter, although investor sentiment remained sensitive to geopolitical developments and monetary policy expectations. While equity markets have largely looked through recent geopolitical tensions, we believe the full impact of the Middle East conflict on corporate profitability has yet to emerge.

Portfolio Performance

Our international equity allocation strategy, delivered a 6.1% year-to-date return, benefiting from continued investor preference for high-quality companies with resilient earnings, strong balance sheets and sustainable dividend growth. Within the broader managed account platform, value-oriented U.S. equities and emerging market strategies also generated strong positive returns, helping offset weakness in U.S. growth equities during the first half of the year. Investment-grade fixed income continued to provide stability while generating modest positive returns as bond markets responded to improving inflation expectations.

Market Review

Financial markets ended the quarter balancing encouraging inflation data against rising geopolitical uncertainty. Although military conflict has intensified in the Middle East, equity markets have remained remarkably resilient. However, we believe the true economic impact of the conflict is yet to be reflected in corporate earnings. As companies begin reporting second-quarter results over the coming weeks, investors should gain greater clarity on whether higher energy costs, supply chain disruptions and weaker business confidence have materially affected profit margins. This earnings season is therefore likely to provide a clearer indication of the market's path forward. On the inflation front, encouraging progress continues to emerge. Inflation expectations have moderated meaningfully, with the U.S. 5-year breakeven inflation rate declining to approximately 2.2%, down from highs near 2.7% earlier this year. This suggests investors increasingly believe inflation is moving back toward the Federal Reserve's long-term target. Despite this improvement, the Federal Reserve left its policy rate unchanged at its most recent meeting. Markets have nevertheless adjusted expectations toward a more restrictive policy path, reflecting policymakers' continued emphasis on ensuring inflation remains firmly under control before considering any easing in monetary policy.

Outlook

While geopolitical risks remain elevated, we continue to believe the fundamental backdrop for diversified investors remains constructive. Moderating inflation, resilient labour markets and healthy corporate balance sheets provide support for long-term equity returns. At the same time, today's higher bond yields continue to enhance the attractiveness of fixed income as both a source of income and portfolio diversification. Given the uncertainty surrounding upcoming corporate earnings and the evolving geopolitical landscape, we remain committed to maintaining a disciplined, diversified investment approach. Our focus continues to be on investing in high-quality businesses, preserving appropriate portfolio diversification and identifying opportunities created by periods of market volatility.

We thank you for your continued confidence in the Sagicor International Balanced Fund and remain committed to delivering strong long-term risk-adjusted returns for our investors.

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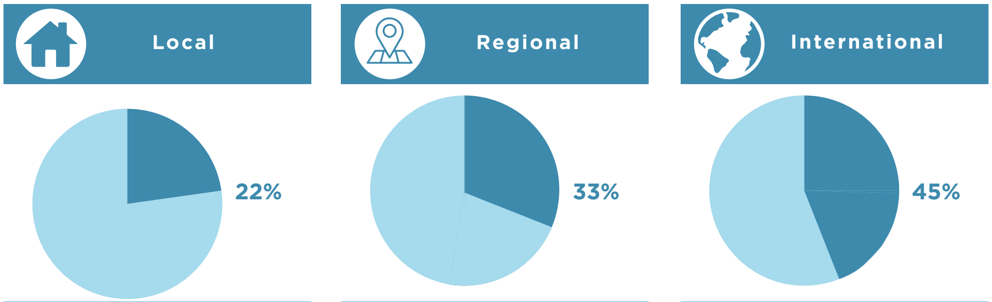
Geographical Breakdown (%)



International Equities Sector Breakdown (%)