

Wise Financial Thinking for Life

Sagicor International Balanced Fund
Half-Yearly Report June 30, 2026

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This half-yearly report is being issued by:

Sagicor Asset Management (Eastern Caribbean) Limited

Registered office address:	***Principal office in St. Lucia:***
Cecil F de Caires Building	Sagicor Financial Centre
Wildey	Choc Estate
St. Michael, BB15096	Castries
Barbados	Saint Lucia

Date of Incorporation: October 13th, 2010

Place of Incorporation: Barbados

The Eastern Caribbean Securities Regulatory Commission (ECSRC) has authorized the Scheme under Authorisation No. KN-CIS-002-16 issued December 21st, 2016.

Operators and Principals

Names and registered addresses

(a) Management Company

SAGICOR ASSET MANAGEMENT (EASTERN CARIBBEAN) LIMITED

Registered office address:	*Principal office in St. Lucia:*
Cecil F de Caires Building	Sagicor Financial Centre
Wildey	Choc Estate
St. Michael, BB15096	Castries
Barbados	Saint Lucia

Directors

Ian Carrington
Peter Ellis Clarke
Robert John Lionel Trestrail
Roger Paul Inniss
David Orlando Wright

(b) Custodian Eastern Caribbean Central Securities Depository

(c) Registrar and Transfer Agent (pending)

(d) Auditor

PRICEWATERHOUSECOOPERS EAST CARIBBEAN
Temple Chambers
36 Long Street
St. John's Antigua

Investment Objectives

Investment Objectives and Policy

The Scheme is authorised to invest in bonds, shares, stocks, notes, certificates of indebtedness, acceptance and interest and other negotiable securities and its investments are diversified in nature, geographical location and the lines of commercial activity they represent. (Trust Deed, Article 3.1.1 as restricted pursuant to Art. 3.1.14)

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. The most significant risks to Participants in the Scheme are default risk, interest rate risk and volatility across regional and international equity markets. These are however not abnormal risks.

Constitution of the Collective Investment Scheme

The Scheme is an open-ended unit trust registered under the Trusts Act, 1996 of the Federation of St. Christopher and Nevis and was established as an investment vehicle for pension plans in the Eastern Caribbean territories of Antigua and Barbuda; the Commonwealth of Dominica; Grenada; Saint Lucia; the Federation of Saint Christopher and Nevis; and Saint Vincent and the Grenadines.

Name of the Scheme: SAGICOR INTERNATIONAL BALANCED FUND

Registered addresses of the Scheme:

Sagicor Financial Centre
9 Factory Road
St. John's
Antigua

Willcher Services Inc
44 Hillsborough Street
Corner Hillsborough & Independence Streets
Roseau
Dominica

The Mutual/Trans Nemwil Office Complex
The Villa
St. George's
Grenada.

TDC Building,
Central Street
Basseterre
Saint Christopher

Sagicor Financial Centre
Choc Estate
Castries
St. Lucia

S. V. Browne Agency Limited
P.O. Box 2268
Frenches
Kingstown
St. Vincent

Place of creation: Federation of Saint Christopher and Nevis

Date of creation: 14 January 2000

Duration: 100 years or such other perpetuity period as may be prescribed by law

The Sagicor International Balanced Fund falls within the category of Balanced Funds where investment assets are allocated relatively proportionate across bonds and equities. However, the Sagicor International Balanced Fund represents a conservatively allocated fund which holds up to 30% of its allocation in equities with a residual tilt towards the fixed income asset class.

Fund Review

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.

The ECCB expects the regional economic outlook to remain modest, with global growth sluggish and risks to the outlook tilted to the downside. Persistent downside risks which include, rising trade protectionism, geopolitical tensions, and elevated regional debt, continue to cloud the economic outlook. These challenges are further compounded by the constant threat of climate-related shocks, which necessitate comprehensive structural reforms to bolster long term resilience.

The Sagicor International Balanced Fund NAV increased to $3.03 as of June 30, 2026 up 6.7% from $2.84 as of June 30, 2025, while net assets totalled XCD 343.1 million. The Fund is balanced, between moderate-risk assets such as fixed income and capital appreciating assets like equities accounting for 48% and 46% of net assets respectively. For preservation of capital 6% was allocated towards cash equivalents.

Relative to December 2025, outstanding unitholders' units increased to 113.3 million up from 111.0 million. Net Investment gains totalled XCD 11.5 million driven by realized and unrealized gains on securities during the first half of the year. This is in comparison to a gain of XCD 7.0 million as of June 30, 2025. Interest and dividend income on debt and equity securities contributed XCD 5.3 million to revenue.

Financial Highlights

The Sagicor International Balanced Fund started in 2001 with net assets of XCD 30 million and consistently grew to reach XCD 324.7 million for the year ended December 31, 2025. The Scheme's net assets recorded a compounded annual growth rate of 10.4% since inception.

At the Fund's inception, the unit value was XCD 1.00. The unit value at the end June of 2026 was XCD 3.03 up from XCD 2.93 at the end of December 2025. This is computed by dividing the total net asset value of the Fund by the total number of units in the Fund.

The Sagicor International Balanced Fund realized a 3-year (2023,2024 and 2025) average annualized yield of 6.6% and a 4.5% annualized since inception in 2001. The Scheme's net value increased every year apart from 2008, 2018 and 2022 when it declined -1.3%, -4.6% and -2.8%, respectively. These returns were in line with the international financial crisis which negatively impacted equity markets and the Government of Barbados debt restructure which adversely impacted our bond holdings, respectively. In both occurrences the Scheme subsequently rebounded. The 2022 drawdown was attributed to the US federal Reserve Bank increasing interest rates at a blistering pace that led to unprecedented losses in global bonds.

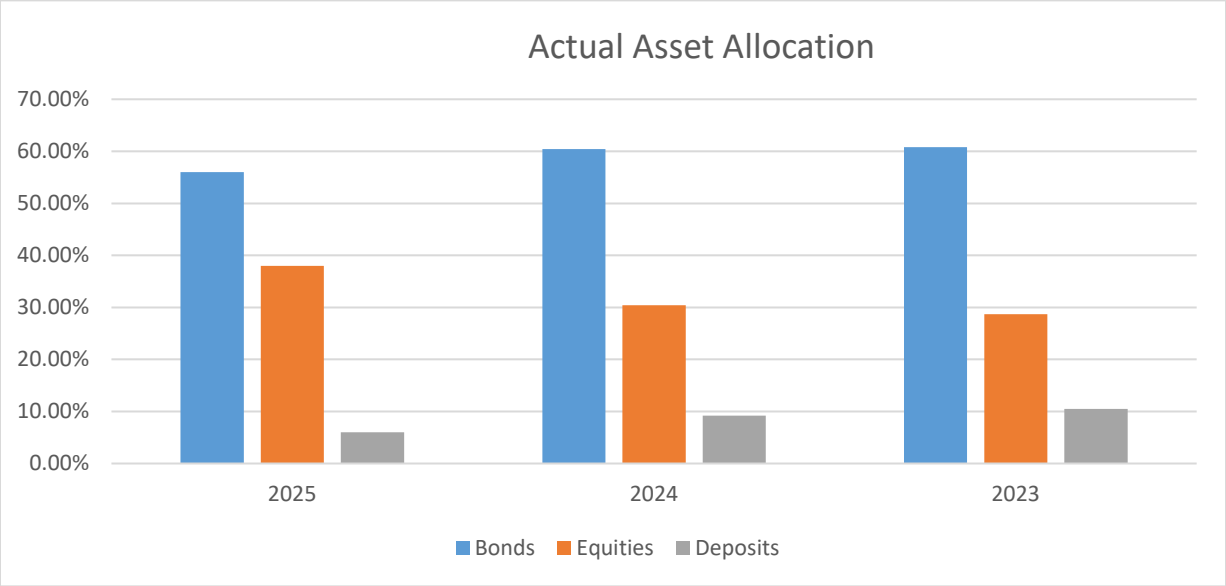
The table below provides key financial highlights from the audited financials for 2025, 2024 and 2023.

	2025	2024	2023
Statement of Income and Expenditure			
Total Revenue	23,471,145	17,772,522	16,709,080
Total Expenses	3,645,482	2,320,447	2,092,223
Net Income before tax	19,825,663	15,452,075	14,616,857
Net Income after tax	19,725,844	15,298,443	14,484,404
Statement of Assets and Liabilities			
Total Financial Investments	304,053,879	237,222,559	223,855,963
Total Assets	325,376,064	271,089,939	239,867,468
Total Liabilities	629,157	650,522	1,835,154
Unit holders' equity	324,746,907	270,439,417	238,032,314
NAV	3.03	2.84	2.57
Annual Expenses			
Management Fee	2,159,277	1,896,466	1,718,832
Bank and interest charges	13,601	13,371	10,529
Broker fees	1,283,440	410,610	362,862
Management Expense Ratio	0.75%	0.75%	0.75%

The historical performance of the fund is highlighted below and reflects the annual audited performance up to December 31, 2025.

	Sagicor International Balanced Fund
1-year	7.3%
3-year	6.6%
5-year	4.2%
Since Inception in 2001	4.5%

The fund remained aligned with its strategic balanced mandate. The asset allocation is based on audited financial information for 2025, 2024 and 2023.



	2025	2024	2023
Bonds	56.0%	60.4%	62.9%
Equities	38.0%	30.4%	29.1%
Deposits	6.0%	9.2%	8.0%

SAGICOR INTERNATIONAL BALANCED FUND **UNAUDITED**
STATEMENT OF FINANCIAL POSITION
As of June 30, 2026

Amounts expressed in Eastern Caribbean Dollars

	June 2026	December 2025
ASSETS		
Due from Sagicor Life Inc	3,107,434	3,489,842
Interest and other receivables	1,884,227	2,390,503
Financial investments	330,365,899	304,053,879
Cash resources	8,621,039	15,441,840
Total assets	343,978,599	325,376,064
LIABILITIES		
Due to Sagicor Asset Management (EC) Inc	636,013	396,081
Due to Sagicor (Bonds) Fund	3,286	75,505
Due to Sagicor (Equity) Fund	6,898	60,986
Bank overdraft	14,339	-
Accounts payable	163,208	96,585
Total liabilities	823,744	629,157
Net assets attributable to unit holders	343,154,855	324,746,907
Represented by:		
UNIT HOLDERS' EQUITY	343,154,855	324,746,907
No. of units outstanding at end of period/year	113,296,664	110,957,566
Net asset value per unit at end of period/year	$ 3.03	$ 2.93
Increase in net asset value per unit for period/year	3.41%	7.33%

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SAGICOR INTERNATIONAL BALANCED FUND **UNAUDITED**
STATEMENT OF INCOME AND COMPREHENSIVE INCOME
For the Period ended June 30, 2026

Amounts expressed in Eastern Caribbean Dollars

	June 2026	June 2025
REVENUE		
Interest income	4,268,798	4,298,015
Dividend income	1,118,746	974,303
Investment income	19,553	79,017
Net investment gains	8,219,211	6,977,053
Credit impairment losses	3	(591)
	13,626,311	12,327,797
EXPENSES		
Management fee	1,254,037	1,035,487
Bank and interest charges	7,427	5,967
Broker fees	720,644	542,616
	1,982,108	1,584,070
INCOME BEFORE TAXES	11,644,203	10,743,727
Withholding taxes	(113,722)	(50,361)
NET INCOME AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO UNIT HOLDERS	11,530,481	10,693,366



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