

5th Annual General Meeting



VM Investments
Limited

▶▶▶▶▶ **Accelerating**
the Transformation

Rez Burchenson | Chief Executive Officer | May 24, 2022

Agenda



Who We Are

Victoria Mutual Investments Limited (VMIL)
is incorporated and domiciled in Jamaica

VMIL is the corporate financing
arm of the VM Group

20% listed on JSE
– Dec 2017

Owns 100% of
VM Wealth
Management

Owns 30%
of Carilend

VMWM
Unit Trust

Investment-grade rating
(CariBBB-) assigned from
regional rating agency,
CariCris, in May 2021

Purpose

01

To educate and empower our Clients to create, grow and sustain their wealth.

Mission

02

We are a mutual organisation whose purpose is to empower our Members globally to achieve financial well-being through home ownership and innovative investment solutions delivered across multiple channels by an expert and caring team.

Vision

03

To be the leading Caribbean-based Mutual provider of financial services.

Core Values

04

Member Focus, Integrity, Teamwork, Innovation and Excellence



Our 2028 Vision of Success

Our 2028 Vision of Success

We remain committed to our 2028 Vision of Success which will be demonstrated by the achievement of the following:

- 01. The place to work for high performers.
- 02. Overseas expansion – Caribbean, Central America and Latin America.
- 03. #1 in customer service.
- 04. #1 provider of financial education.
- 05. #1 provider of cutting-edge solutions.
- 06. #1 fund manager.
- 07. JSE Stock of the Decade – Best Corporate Governance and Customer Service.

To achieve these milestones, we review our strategic goals, objectives, and initiatives each year and we monitor the monthly performance of our strategies using the balanced scorecard.



The External Environment

2021 came with the re-opening of economies, emergence of high inflation, tightening of monetary policy and liquidity.

Economic Indicator	2021	2020
GDP Growth	4.60%	-10.70%
182 days T-bill	4.33%	0.86%
Unemployment rate	8.35%	10.65%
Inflation	7.30%	5.21%
Remittances (US\$)	3.27B	2.67B
Exchange Rate (USD/JMD)	154.8556	142.65
Consumer Confidence	160.10	131.70
Business Confidence	131.80	128.30
Stock Market Return JSE Main Market	0.14%	-34.15%

A Year of Growth & Expansion

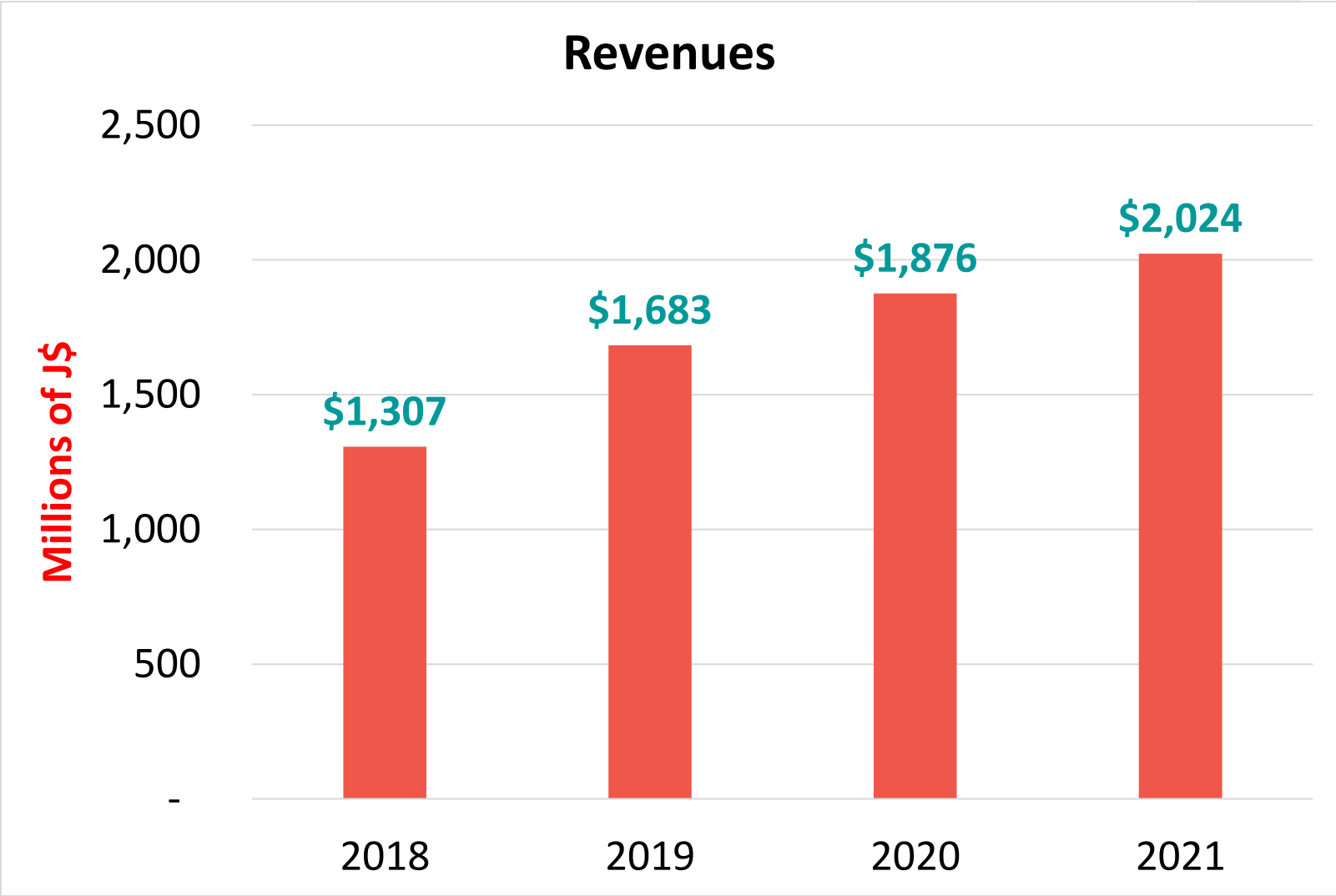
Growth

- Strong net income growth to \$564M
- ROE 13.13%
- Return on Classic Property Portfolio 10.79%
- Growth in AUM 2.87%
- Incorporation of ESG into strategy
- Corporate Finance deals – \$23.3B

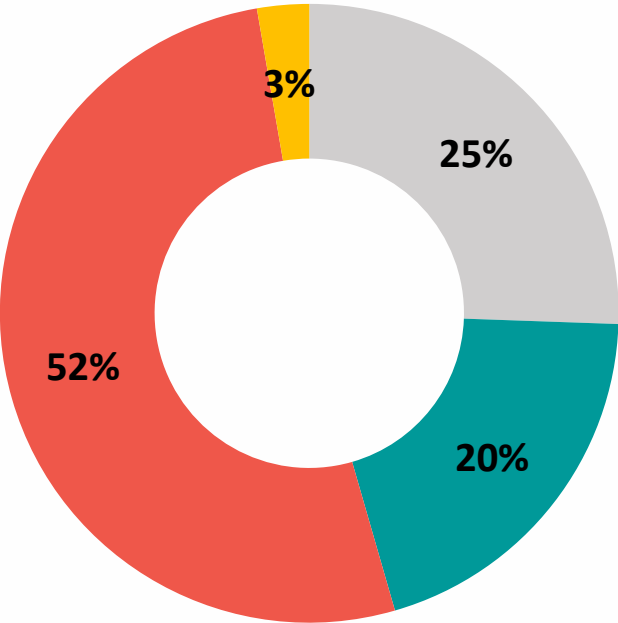
Expansion

- Diaspora engagement
- WealthWise Podcast
- Carilend – strong loan growth
- Overseas expansion initiative ongoing

Financial Highlights

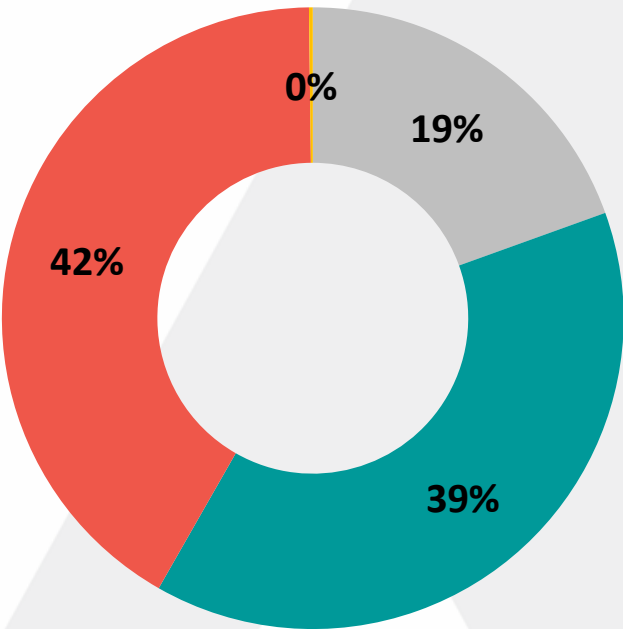


Group Operating Revenue 2017



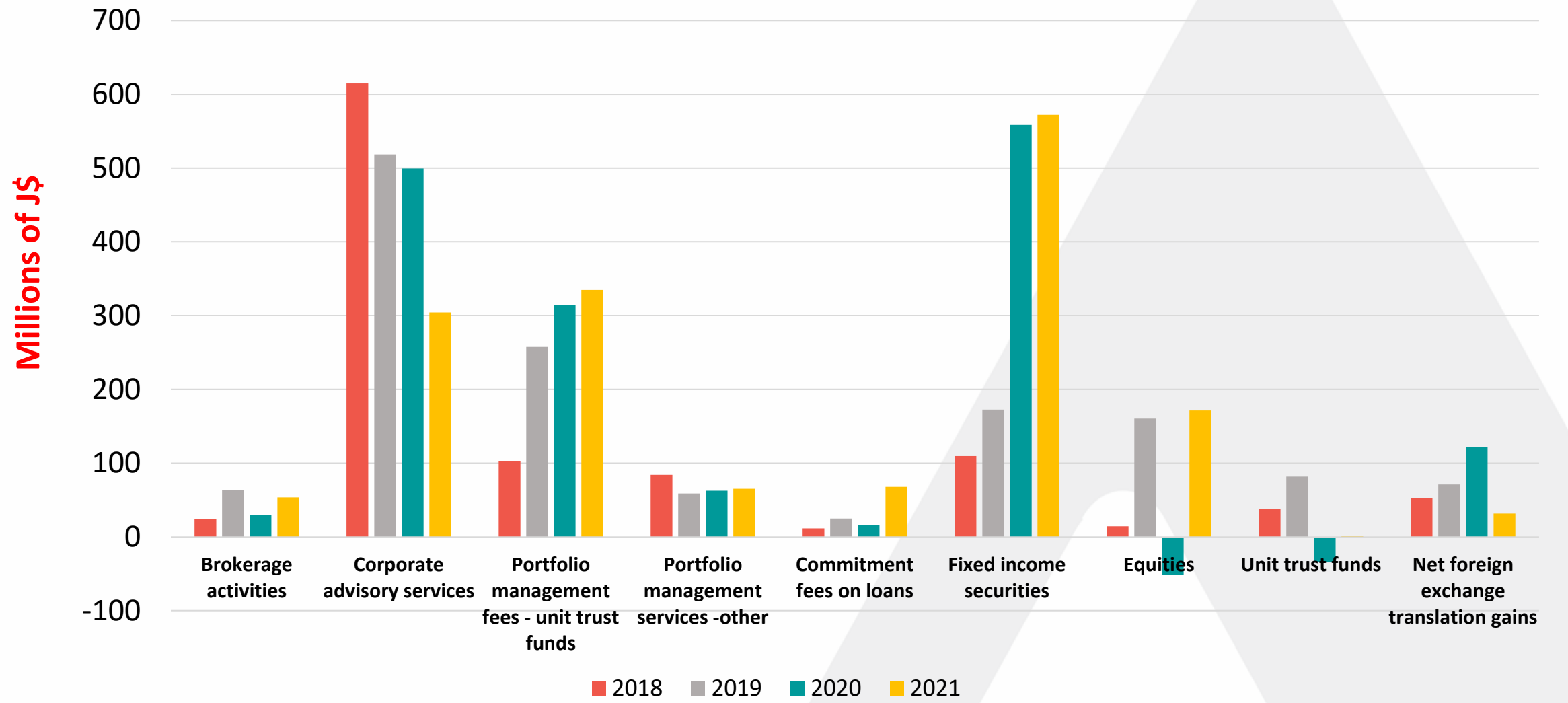
- Net Interest Income
- Gains from investment activities
- Net Fees and Commission
- Other Income

Group Operating Revenue 2021



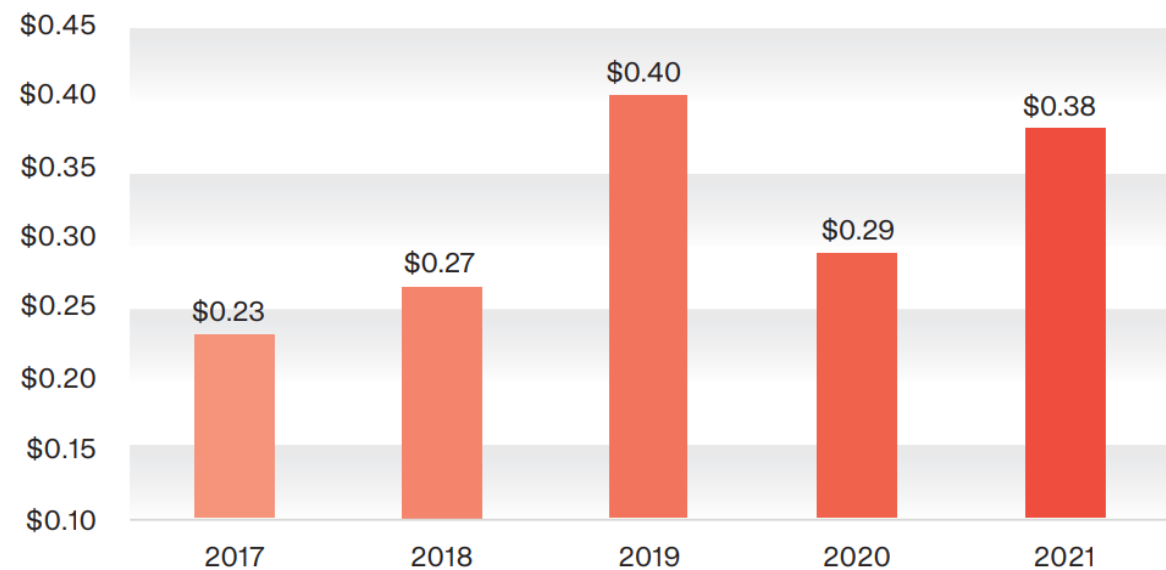
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Revenue Drivers

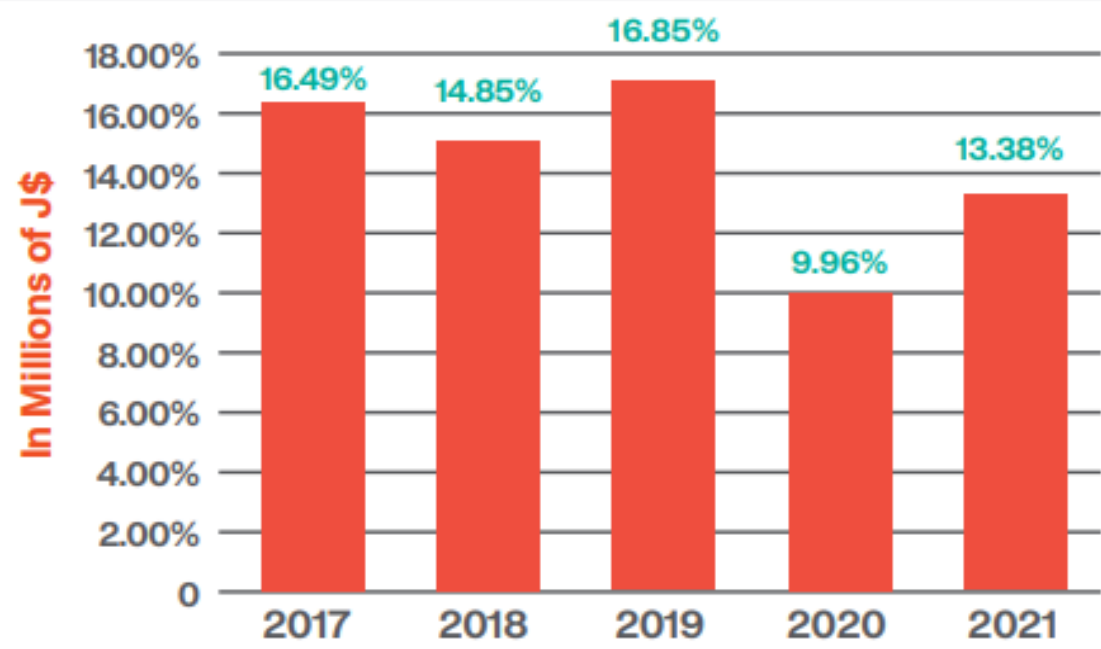


Financial Highlights

Annual Earnings Per Share

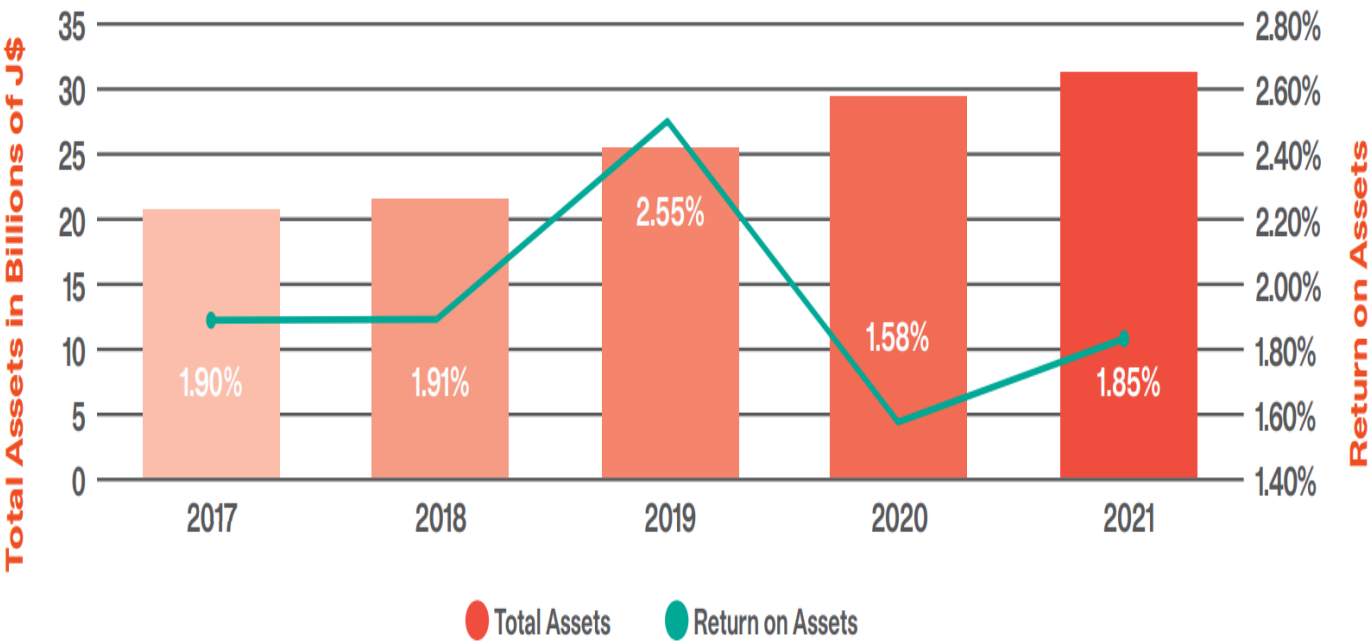


Return on Equity

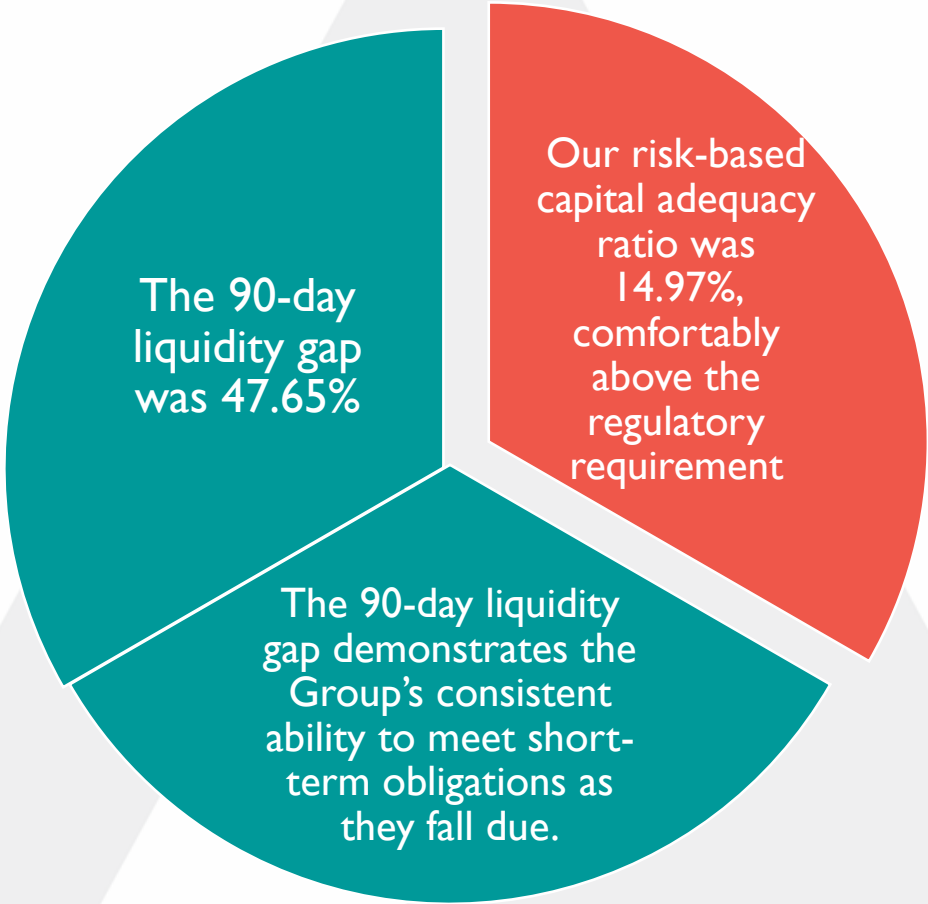


Financial Highlights

Total Assets



Capital Adequacy



Strategic Initiatives

#	Project/Initiative Name:	Strategic Goal:	Strategic Objective:
1	Brand Awareness/ Products / Grow Client Base	Model Corporate Citizen	C1 - Grow Active Members & Clients C3 - Strengthen the VMIL Brand
2	Written Process Documents	Modern Mutual	IP2 - Increase Efficiency
3	Digitisation/ Automation Initiatives	Modern Mutual	IP1 - Exploit Digital Technologies
4	Diaspora Engagement	Strong, Integrated Financial Group	F1 - Profitable Revenue Growth F3 - Widen Market Scope C1 - Grow Active Members & Clients
5	Enhance Private Equity Framework	Strong, Integrated Financial Group	F1 - Profitable Revenue Growth
6	Overseas Expansion	Strong, Integrated Financial Group	F1 - Profitable Revenue Growth F3 - Widen Market Scope C1 - Grow Active Members & Clients
7	Improve Sales Output	Employer of Choice	F1 - Profitable Revenue Growth C2 - Improve Customer Experience IPN - Effective Client Relationship Management
8	Carry out Mergers and Acquisitions	Strong, Integrated Financial Group	LG2 - Manage Investment Portfolios and Carry Out Mergers & Acquisitions

2021 Strategic Initiatives and Outcomes

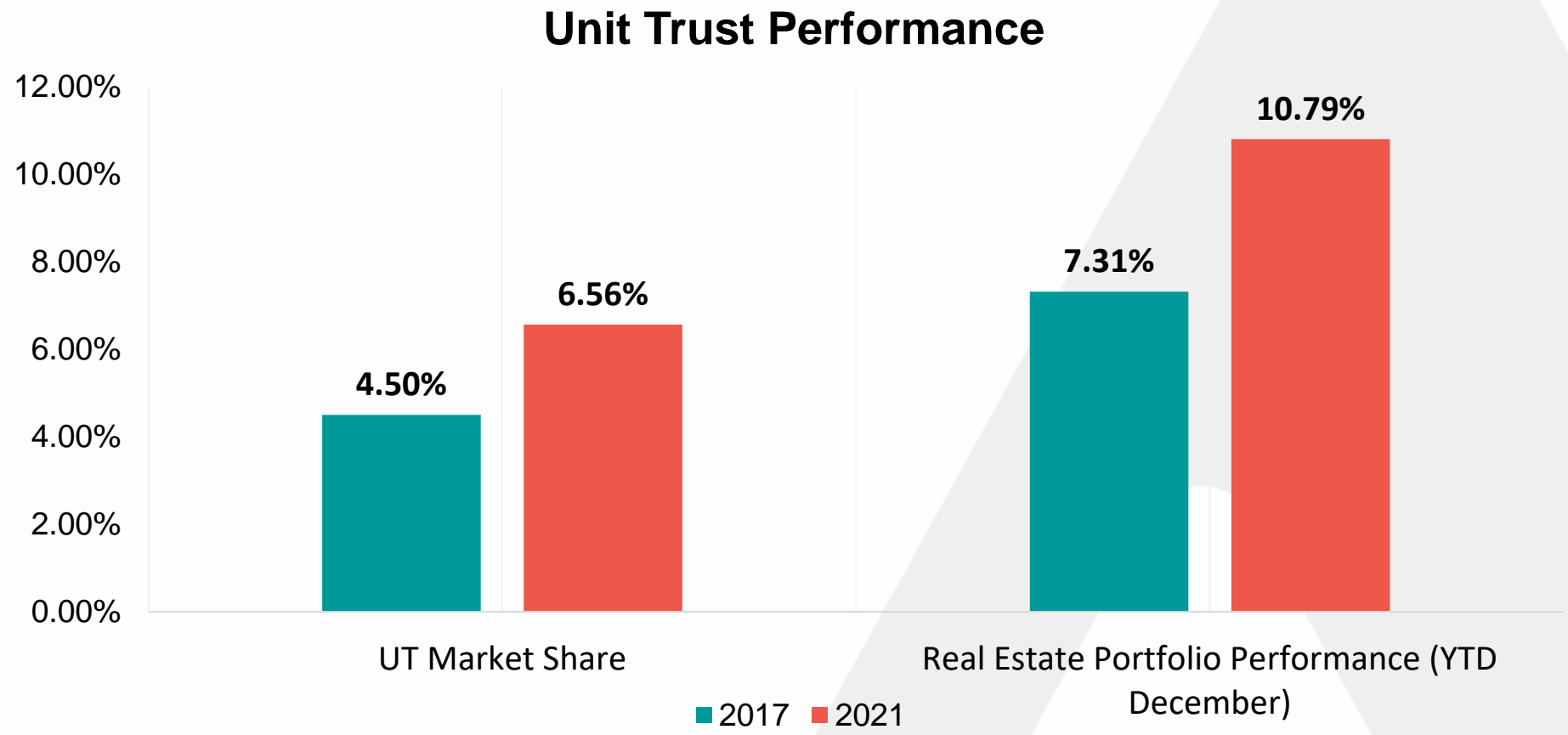
INITIATIVE	ACHIEVEMENTS
Digitization/Automation	<ul style="list-style-type: none">VM Wealth has designed and created the Initial/additional Public Offer (IPO) Platform, 'Wealth IPO Edge', which was launched in October 2021.
Diaspora Engagement	<ul style="list-style-type: none">We executed on diaspora presentations, online discussions (Wealth Talks), and collaboration with overseas offices, resulting in an increase in our client base.
Overseas Expansion	<ul style="list-style-type: none">In 2021, we entered into an agreement to acquire a 100% shareholding in Republic Funds (Barbados) Inc.
Brand Awareness	<ul style="list-style-type: none">We went through a Brand Transformation project in 2021.
Private Equity Framework	<ul style="list-style-type: none">Much progress achieved in 2021. Watch this space.
Improve Sales Output	<ul style="list-style-type: none">We enhanced our Premium Wealth Unit to expand the investment and customer service needs of our affluent clients — both corporate and retail.Sales productivity grew by 50%

CARILEND 2021 Performance

- Strong loan growth in FY June 2021, despite COVID-19
- Delinquency rate (non-performing loans) is <2% vs Jamaica's industry average of 2.9%
- Cost savings initiatives implemented pre-emptively and benefited bottom line
- Revenue grew 92.73% from \$72.79 million in 2020 to \$148.01 million in 2021
- **Outlook:** To expand footprint in 2022 into Trinidad and Tobago

Unit Trust Market Share

- VMWM manages **over J\$32 billion in off-balance sheet assets**, which comprises over J\$22 billion in Unit Trust Fund invested across 9 portfolios. At year end-2021 the Fund had 6.56% of the market share and **the top-performing real estate portfolio**.



The Corporate Finance Unit (CFU) arranged up to J\$17.6B in deals, up from J\$16.6B in 2020

The deals spanned across sectors such as Mining, Energy, Manufacturing, Tourism, Entertainment, Distribution and Construction

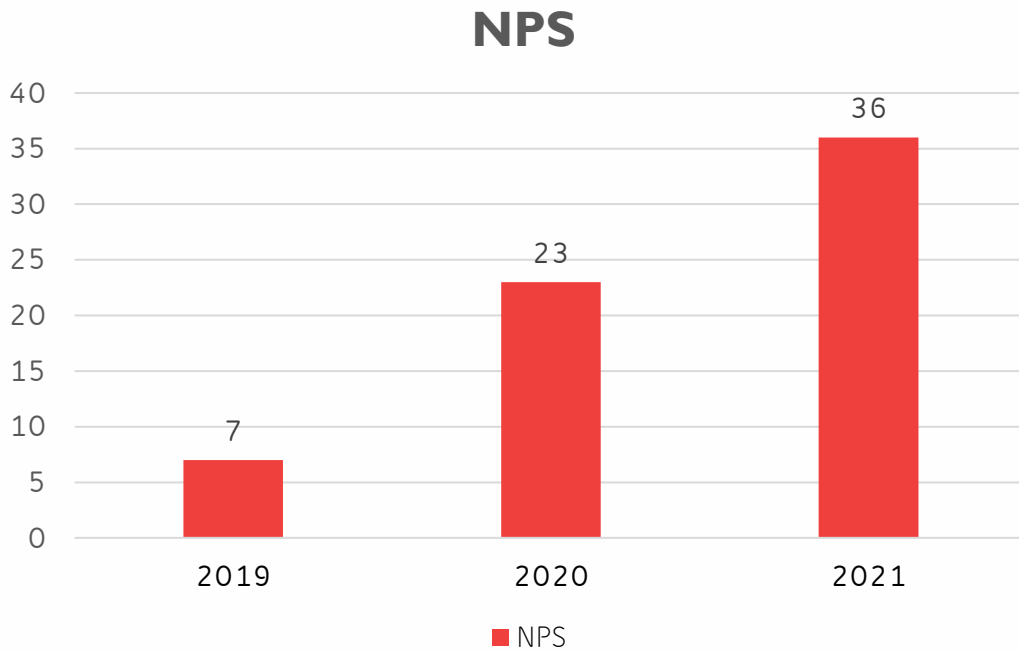
These transactions approximated to aggregate interest and fee income of J\$522.5M

For 2022, CFU will be focused launching the Loan Software, streamlining procedures, regional expansion, and investing in our human capital

“CariBBB-” rating from CariCris

- VMIL received an **investment-grade** credit rating from CariCris, along with a **stable outlook**.
- The "**CariBBB-**" rating was based on VMIL's position as a competitive player in the local financial sector
- The rating allowed us to raise additional debt capital of \$2.9B. These funds have been utilised to accelerate our lending efforts, coupled with improving our underwriting capabilities for corporate finance transactions.

Net Promotor Score

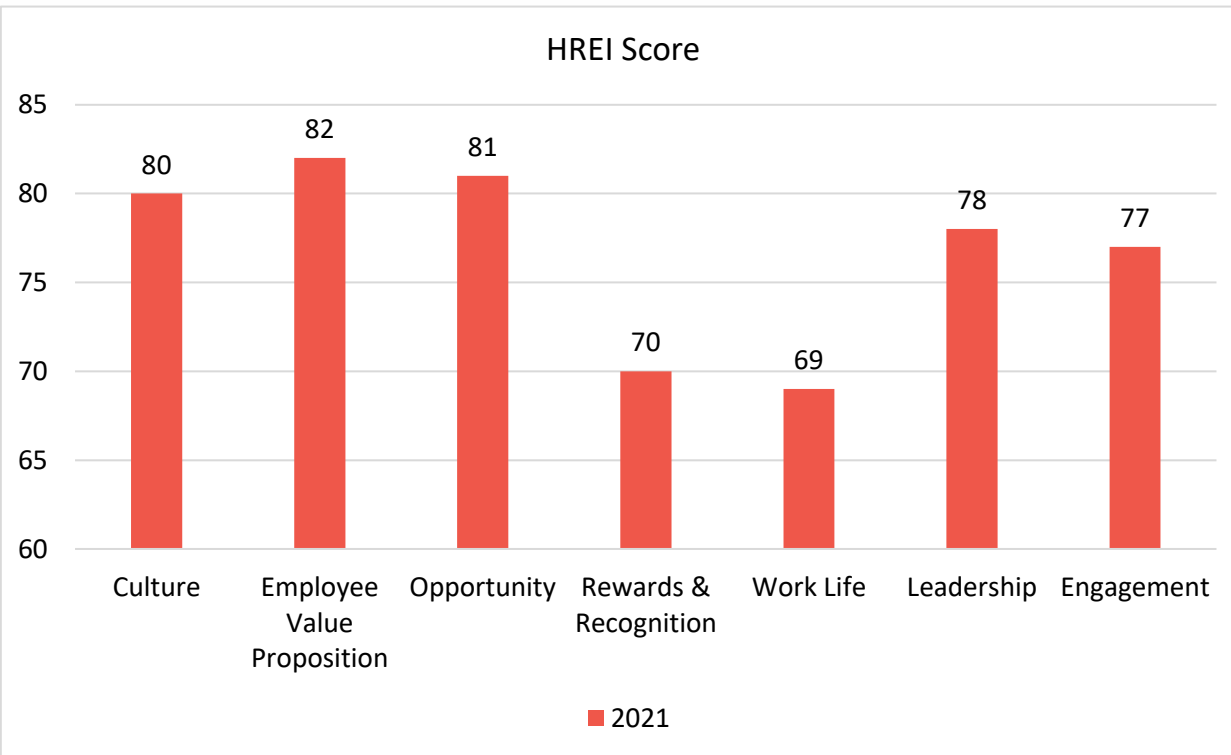


- We have improved our client experience and our clients rewarded us with a higher NPS score from 23 in 2020 to 36 in 2021!
- Contributors:
 - Easy-use digital channels
 - Suitable financial solutions
 - VMIL Cares
 - Good corporate citizen
 - Secure, trusted financial partner

With us, you can Build Wealth

- Launch of 1st VM Podcast with over 3354 downloads in 1st season
- Hosting of first local crypto currency webinar and podcast with over 2000 views
- Launch of retail campaign that improved engagement with the brand via all measurable channels – Up to 50K view in 2021 vs under 6k in previous periods
- Doubling of leads targets for year
- Revamp of VM Wealth website to enable analytics and greater use of site as a strong part of our thought leadership delivery strategy.
- Increase in open rates for key publications by approx 10%
- Increased media visibility via publication of thought leadership content as well as independent media pickup
- Distribution of thought leadership content each quarter

Talent Management



- We were certified 'Great Place to Work',
- VMIL scored 77% in the 2021 Engagement Survey, in line with the score of the previous year
- We hosted a vaccination blitz in September 2021 which saw nearly 500 Team Members and members/clients being vaccinated
- Our Total Rewards Programme will continue to be aligned to our Employee Value Proposition Initiatives and Team Member Experience
- The Educational Support Policy reinforced our Employee Value Proposition (EVP) philosophy and promotes the Talent Management Programme

Environmental Social & Governance (ESG) Report



- Investors are increasingly applying non-financial factors as part of their analysis process to identify material risks and growth opportunities.
- VMIL advanced its ESG agenda significantly with the adoption of its Corporate Social Responsibility (CSR), Stakeholder Engagement, and Environmental policies in 2021 and work is far advanced on a comprehensive ESG policy to be adopted by the VM Group in 2022.
- Our first ESG Report was shared in our 2021 Annual Report. We focused on Governance, Stakeholder Engagement, Business Ethics and Environment.

VMIL in the news:

- Approval of Corporate Governance Policy – January 2021
- Release of year end-2020 audited financials – March 2021
- Annual Report 2020 – March 2021
- 4th AGM – May 2021
- Q1 Press Release – May 2021
- Investment Grade credit rating – May 2021
- \$700 million loan facility with KPREIT – June 2021
- Q2 Press Release – July 2021
- VM Wealth Raised \$2.5 billion for VMIL Property Fund – September 2021
- Q3 Press Release – November 2021
- \$0.155 Dividend declaration – November 2021
- Acquisition of Republic Funds (Barbados) Incorporation – November 2021

CSR became a priority in 2021 in line with our strategic objective becoming a “Model Corporate Citizen”

Youth Empowerment



- Garland Hall Memorial Children’s Home Christmas Treat, December 19
- A few members of the team on December 19 took on a journey to Anchovy, Montego Bay to visit and deliver contributions to the Garland Hall Children’s Home. Right in time for Christmas, the food and clothing items donated by the VMIL team were well received and much appreciated by the manager of the orphanage, Ms. Lorna.

Leadership & Nation Building



- 1st VMIL Maurice C. Robinson Business Management and Economics Scholarship Recipient: Sammarieo Brown
- Sammarieo Brown, a second year University of the West Indies student, pursuing a double major in Computer Science and Statistics.

Corporate Social Responsibility (CSR)



Corporate Social Responsibility (CSR)



2022 INITIATIVES

Initiatives	Impact
Sales and Service Framework:	Improve customer Experience Grow # of Clients
Integration of Republic Funds:	Profitable Revenue Growth
Private Equity Framework	Profitable Revenue Growth
OFS – Wealth:	Exploit Digital Technology Improve customer Experience
Position the Property Portfolio as the Market Leading:	Profitable revenue Growth
High Performing, caring culture:	Engaged Team members Improve customer experience
Driving an ESG Framework for VMIL:	Impactful community service Strengthen the VM Brand

QUESTIONS?



Transform Your Everyday.