



Government of the Republic of Trinidad and Tobago
MINISTRY OF FINANCE

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MEDIA RELEASE

DANGEROUS MISINFORMATION FROM SENATOR MARK ABOUT FCB'S INVESTMENTS

The Minister of Finance, Hon. Colm Imbert MP has taken note of the fact that yesterday, July 6, 2022, Opposition Senator Wade Mark came to the Senate and made a frenzied rant about an alleged loan allegedly made by First Citizens Bank (FCB) to a company called Cornerstone Financial Holdings Limited (Cornerstone) and demanded an immediate investigation into this matter.

In his irresponsible outburst, which was obviously intended to harm the reputation of both companies, Senator Mark alleged, without a shred of evidence, other than regurgitating unfounded insinuations in the newspapers, that FCB had invested hundreds of millions of TT dollars in what he described as an unknown over-leveraged fly-by-night company, involved in a Ponzi scheme. Senator Mark went further to claim that FCB's investment in Cornerstone was a criminal act.

A simple Internet search will reveal that Cornerstone is the majority shareholder of Barita Investments Limited (Barita), a 45-year-old financial company that is listed on the Jamaica Stock Exchange.

Barita's publicly available 2021 Annual Report indicates that at the end of 2021, Barita had assets of J\$90B or **US\$600M**. A simple Internet search will also reveal that as of July 2022 Barita is one of the Top 5 largest companies listed on the Jamaica Stock Exchange (JSE) with a market capitalization of J\$106B or **US\$709M**. Barita's 2021 Annual Report also gives significant details on the executive management and organizational structure of Cornerstone.

It is also a matter of public record, published in Barita's 2021 Annual Report, that Cornerstone owns 74% of Barita, which asset is currently valued at **US\$525M**. Cornerstone is hardly a fly-by-night company, therefore, but in his reckless diatribe yesterday, Senator Mark gave the wholly false impression that Cornerstone was a shell company with little or no assets and he attempted to convince his listeners that FCB was about to lose its entire investment in Cornerstone and Barita.

The truth is that FCB's 7.4% shareholding in Barita is currently worth J\$7.91B or **US\$52.73M** (TT\$358M). FCB paid J\$5.85B for these shares and has thus made a profit of J\$2.06B or **US\$13.7M (TT\$93M)** on the purchase of Barita shares, a return of **35%** on its investment. Thus far, therefore, the Barita investment has paid handsome dividends for FCB.

Further, with Cornerstone's 74% shareholding in Barita being worth **US\$525M**, if FCB has lent Cornerstone US\$45M, it would have lent **less than 10%** of the value of Cornerstone's shareholding in Barita. This cannot by any stretch of the imagination, even hypothetically, be described as a "criminal act." Only a delusional person would resort to such empty rhetoric

In addition, contrary to Senator Mark's flights of fantasy, FCB has made a capital gain of over **TT\$90M** through its investment in Barita, which is a well-established Jamaican financial company that has been operating in Jamaica since 1977.

The questions that must be asked, therefore, are, why is Senator Mark so interested in trying to undermine FCB's efforts to grow and develop in the Region and why is he spreading such false and malicious information about another well-established Caribbean company?

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The Honourable Colm Imbert M.P.
Minister of Finance