

This news release for Sagicor Financial Company Ltd. ("Sagicor" or the "Company") should be read in conjunction with the Company's Management's Discussion & Analysis ("MD&A") and the Consolidated Financial Statements for the period ended September 30, 2022. These documents are available on Sagicor's website, at www.sagicor.com, under the heading "Financials and Filings", and under Sagicor's profile at www.sedar.com. This news release presents non-IFRS measures used by Sagicor in evaluating its results and measuring its performance. These non-IFRS measures are not standardized financial measures, are not included in the Consolidated Financial Statements, and may not be comparable to similar financial measures used by other companies. They include return on shareholders' equity, book value per share, debt to capital ratio and total capital. See the "Non-IFRS Measures" section in this document for relevant information about such measures.

Sagicor Financial Company Ltd. Reports Third Quarter 2022 Results

Toronto and Barbados (November 11, 2022) – Sagicor Financial Company Ltd. (TSX: SFC), a leading financial services provider in the Caribbean with a growing presence in the U.S., today announced its results for the third quarter ended September 30, 2022. All figures are in US\$ unless otherwise stated.

Highlights

- **Total revenue** of \$656.1 million for Q3 decreased 16% Y/Y, \$2,009.0 million for the YTD increased 16% Y/Y
- **Net insurance premiums** of \$526.5 million for Q3 decreased 16% Y/Y, \$1,695.7 million for the YTD increased 34% Y/Y
- **Net income to shareholders** of \$25.4 million in Q3, \$102.5 million YTD
- **Earnings per share** of US\$0.178 or C\$0.232 in Q3, US\$0.717 or C\$0.920 YTD
- **Return on shareholders' equity (annualised)⁽¹⁾** of 9.8% in Q3, 13.2% YTD
- **Book value per share⁽¹⁾** of US\$7.25 or C\$9.96 in Q3
- **Dividend of US\$0.05625 per common share** to be paid during the fourth quarter of 2022 (US\$0.225 annualised dividend)

Dodridge Miller, Group President and Chief Executive Officer, said:

"The Sagicor Group delivered solid results for the quarter in the face of a volatile market and rising rate environment. Asset price volatility continued to foster a favorable environment for us to grow premiums and invest at higher yields, which particularly benefited Sagicor Life USA again this quarter. Sagicor Jamaica had a strong quarter as it saw net premium revenue growth across all major business lines, while Sagicor Life was impacted by higher benefits and charges that are non-recurring in nature. In the quarter we also announced the acquisition of ivari, a transformational addition to our Group which we expect to close in 2023."

⁽¹⁾ Represents a non-IFRS measure. See the Non-IFRS Measures section in this document and in our MD&A for relevant information about such measures.

Consolidated Highlights

Profitability (US\$ millions)	Q3 2022	Q3 2021	Change	YTD 2022	YTD 2021	Change
Total revenue	656.1	781.9	(16%)	2,009.0	1,729.6	16%
Net income to shareholders	25.4	50.4	(50%)	102.5	91.2	12%
Annualised return on shareholders' equity ⁽¹⁾ (%)	9.8%	18.5%	(8.7 pts)	13.2%	11.3%	1.9 pts

Financial Strength (US\$ millions)	Q3 2022	Q3 2021	Change
Shareholders' equity	1,035	1,134	(9%)
Book value per share ⁽¹⁾ (US\$ per share)	7.25	7.92	(8%)
MCCSR ratio ⁽¹⁾ (%)	204%	247%	(43 pts)
Debt to capital ratio ⁽¹⁾ (%)	31.0%	24.4%	6.6 pts
Total capital ⁽¹⁾	2,066	2,233	(7%)

Overall Sagicor Group - Quarterly Highlights

- Net income to shareholders** of \$25.4 million for the quarter was down year-over-year as compared to an exceptionally strong Q3 2021. Profitability during the quarter was driven by robust sales of annuities and favorable asset spreads in our Sagicor Life USA segment as well as a strong quarter by Sagicor Jamaica which saw its life insurance business benefit from rising interest rates. Sagicor Life's solid revenue was more than offset by negative claims experience, a one-time Pandemic Levy by the Government of Barbados, and a strengthening of reserves.
- Total capital⁽¹⁾** of \$2,066 million was down compared to the prior quarter primarily due to the mark-to-market losses incurred through Other Comprehensive Income on the Group's bond portfolio from a rise in interest rates which affected shareholders' equity and the divestiture of Sagicor Real Estate X Fund at Sagicor Jamaica which led to the decline in non-controlling interest. The Company's **MCCSR ratio⁽¹⁾** for its insurance businesses was 204% and the Company's **debt to capital ratio⁽¹⁾** was 31.0%.

Dividends

On November 10, 2022, the Board of Directors of Sagicor Financial Company Ltd. approved and declared a quarterly dividend of US\$0.05625 per common share. This quarterly dividend will be paid on December 14, 2022, to shareholders of record at the close of business on November 23, 2022. This is the twelfth dividend payment Sagicor will pay to its shareholders since becoming a publicly listed company on the Toronto Stock Exchange.

⁽¹⁾ Represents a non-IFRS measure. See the Non-IFRS Measures section in this document and in our MD&A for relevant information about such measures.

Business Segment Performance

Sagicor has three main reporting operating segments: Sagicor Life (includes southern Caribbean), Sagicor Jamaica (of which the Company owns 49.1% and which is consolidated by the Company), and Sagicor Life USA.

Performance (US\$ millions)	Q3 2022	Q3 2021	Change (%)	YTD 2022	YTD 2021	Change (%)
Total revenue						
Sagicor Life	122.6	121.9	1%	377.0	374.5	1%
Sagicor Jamaica	168.4	174.4	(3%)	490.2	516.3	(5%)
Sagicor Life USA	356.7	465.5	(23%)	1,136.5	782.7	45%
Head office ⁽¹⁾	8.4	20.1	(58%)	5.3	56.1	(91%)
Benefits and expenses						
Sagicor Life	(122.8)	(113.2)	8%	(356.3)	(349.6)	2%
Sagicor Jamaica	(137.5)	(106.1)	30%	(402.0)	(398.6)	1%
Sagicor Life USA	(301.6)	(436.3)	(31%)	(952.5)	(731.8)	30%
Head office ⁽¹⁾	(32.6)	(26.4)	23%	(88.8)	(82.1)	8%
Net income/(loss) to shareholders						
Sagicor Life	(5.1)	7.0	(173%)	13.7	22.1	(38%)
Sagicor Jamaica	12.6	27.1	(54%)	32.8	44.0	(25%)
Sagicor Life USA	42.0	23.1	82%	140.0	40.2	248%
Head office ⁽¹⁾	(24.1)	(6.8)	(254%)	(84.0)	(15.1)	(456%)

⁽¹⁾ Head office includes parent company financing costs, administrative expenses, and the Company's interest in Playa Hotels and Resorts, other, and adjustments.

Business Segment - Quarterly Highlights

Sagicor Life

- **Total revenue including premiums** of \$122.6 million was up 1% Y/Y and net premium revenue of \$92.3 million increased 1% Y/Y with growth observed in the life and health business partially offset by a decline in the annuity business. Net investment income was up 8% mainly due to increased interest income.
- **Net loss to shareholders** of \$5.1 million largely attributable to a \$7.3 million increase in benefits which included negative claims experience and reserve strengthening, and a one-time Pandemic Levy by the Government of Barbados of \$3.9 million.

Sagicor Jamaica

- **Total revenue including premiums** of \$168.4 million decreased 3% Y/Y mainly due to unrealized mark-to-market losses on financial assets carried at fair value through profit and loss. Net premium revenue of \$96.0 million increased 14% Y/Y as the segment observed growth across all lines except from the property and casualty insurance business which reported a slight decline compared to the prior year. Interest income increased by 10% Y/Y during the quarter mainly due to rising interest rates.
- **Sagicor's share of Sagicor Jamaica's net income to shareholders**, was \$12.6 million, a decrease compared to the same quarter in the prior year which had benefited from positive emergence in the annual review of actuarial reserves.

Sagicor Life USA

- **Total revenue including premiums** of \$356.7 million decreased 23% Y/Y driven by lower sales. Net premium revenue was \$329.4 million, a decrease of 25% Y/Y, as the segment modulated sales of annuities as part of its strategy for deliberate growth and scale. Interest income grew 89% Y/Y due to the continued strong growth of the investment portfolio as a result of the additional assets from strong sales.
- **Net income to shareholders** of \$42.0 million increased by 82% compared to \$23.1 million for the same quarter in the prior year, reflecting the present value of anticipated profits from the significant volume of new annuities sold at favorable investment spreads.

Head Office, Other and Adjustments

- **Net loss to shareholders** of \$24.1 million includes the \$7.3 million mark-to-market loss on the Company's shareholding in Playa Hotels and Resorts, a \$5.7 million gain on revaluation of the call option on the 5.3% senior notes due 2028, and \$4.5 million in one-time charges and expenses related to the ivari transaction and restructuring charges.

Outlook

The Group's financial results in Q3 2022 continue to reflect an unusual macroeconomic environment. Asset price volatility driven by geopolitical instability, inflationary pressures and rising interest rates created mark-to-market losses on Sagicor's balance sheet. In addition, our Sagicor Life segment in particular continues to operate in a challenging economic environment as jurisdictions recover from the effects of the COVID-19 pandemic. On the other hand, the rising rate environment enabled Sagicor to continue to invest new policyholder funds at robust investment spreads. The effects of global inflation and economic slowdown may hamper economic growth in our core markets and may counteract an improving forward outlook for tourism. We anticipate resuming specific guidance with respect to earnings targets when the timing of economic recovery becomes more certain.

Normal Course Issuer Bid

Sagicor repurchased 54,804 shares in Q3 2022 for a total cost of approximately US\$0.3 million. Since the start of the program in June 2020, the Company has repurchased 8,049,897 shares in the open market for cancellation for an aggregate purchase price of approximately US\$38.9 million. The number of issued and outstanding common shares at September 30, 2022 was 142,811,034.

Management's Discussion and Analysis and Consolidated Financial Statements (Unaudited)

This press release, which was approved by the Company's Board of Directors and Audit Committee, should be read in conjunction with the Company's unaudited consolidated financial statements and accompanying MD&A. The unaudited financial statements and MD&A are available on the Company's website at www.sagicor.com and will soon be filed on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com.

Conference Call

Sagicor Financial Company Ltd. will host a conference call for analysts and investors on Wednesday, November 16, 2022, at 2:00 p.m. Eastern Standard Time in Toronto (3:00 p.m. Atlantic Standard Time in Barbados and Trinidad and Tobago, 2:00 p.m. Eastern Standard Time in Jamaica). To listen to the call via live audio webcast, visit the Company's website at www.sagicor.com, under the tab "Investor Relations." The conference call is also available by dialing 1-416-764-8688 or 1-888-390-0546 (North American toll free) or 08006522435 (United Kingdom) or 1-866-290-2216 (Barbados) or 1-800-207-8221 (Trinidad), passcode 59042839. A replay will also be available until December 17, 2022, by dialing 1-416-764-8677 or 1-888-390-0541 (North American toll free), passcode 042839#. A transcript of the call will also be made available on www.sagicor.com.

About Sagicor Financial Company Ltd.

Sagicor Financial Company Ltd. (TSX: SFC) is a leading financial services provider in the Caribbean, with over 180 years of history, and has a growing presence as a provider of life insurance products in the United States. On August 25, 2022, Sagicor announced that it entered into a definitive agreement to acquire ivari, a leading middle-market individual life insurer in Canada with over 80 years of history in the region. Sagicor offers a wide range of products and services, including life, health, and general insurance, banking, pensions, annuities, and real estate. Sagicor's registered office is located at Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda, with its principal office

located at Cecil F De Caires Building, Wildey, St. Michael, Barbados. Additional information about Sagicor can be obtained by visiting www.sagicor.com.

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Non-IFRS Measures

The Company reports certain non-IFRS measures that are used to evaluate the performance of its businesses and the performance of their respective segments. As non-IFRS measures generally do not have a standardized meaning, they may not be comparable to similar measures presented by other issuers. Securities regulators require such measures to be clearly defined and reconciled with their most comparable IFRS measure.

The Company references non-IFRS measures and insurance industry metrics in this document and elsewhere. Non-IFRS measures are not recognized measures under IFRS and do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these are provided as additional information to complement those IFRS measures by providing further understanding of the results of the operations of the Company from management's perspective. Accordingly, these measures should not be considered in isolation, nor as a substitute for analysis of the Company's financial information reported under IFRS. Non-IFRS measures used to analyze the performance of the Company's businesses include but are not limited to: return on shareholders' equity, book value per share, debt to capital ratio and total capital. Please see the "Non-IFRS Financial Information" section of the MD&A and the discussion below for a reconciliation of these non-IFRS measures.

Return on Shareholders' Equity: *IFRS does not prescribe the calculation of return on shareholders' equity and therefore a comparable measure under IFRS is not available. To determine this measure, reported net income/(loss) attributable to shareholders is divided by the total weighted average common shareholders' equity for the period. The quarterly return on shareholders' equity is annualised. The ROE provides an indication of overall profitability of the Company.*

Book value per share: *To determine the book value per share, shareholders' equity is divided by the number of shares outstanding at the period end, net of any treasury shares. All components of this measure are IFRS measures.*

Debt to capital ratio: *The debt to capital ratio is the ratio of notes and loans payable (refer to note 16 to the 2021 audited consolidated financial statements) to total capital (excluding participating accounts), where capital is defined as the sum of notes and loans payable and total equity excluding participating accounts. This ratio measures the proportion of debt a company uses to finance its operations as compared with its capital.*

Total capital: This measure provides an indicator for evaluating the Company's performance. Total capital is the sum of shareholders' equity, notes and loans payable and non-controlling interest. This measure is the sum of several IFRS measures.

Minimum Continuing Capital and Surplus Requirements (MCCSR): Sagicor voluntarily adopted the Canadian Minimum Continuing Capital and Surplus Requirement ("MCCSR") standard as its risk-based assessment measure to provide a consolidated view of capital adequacy. The MCCSR was a standard used by Canadian regulators from 1992 until 2018, when it was superseded by the Life Insurance Capital Adequacy Test (LICAT). When it was in place, the minimum standard recommended by the Canadian regulators was an MCCSR of 150.0%. Canadian practices for calculation of the MCCSR evolved and changed from inception through its replacement. In jurisdictions where the MCCSR is currently prescribed, such as Jamaica, the MCCSR guidance is not consistent with the most recent Canadian MCCSR guidelines or with current Canadian capital standards under LICAT. Sagicor has made certain interpretations in our calculation of the MCCSR, in consultation with our appointed actuary, which we believe appropriately reflect the risk-based assessment of our capital position. As the MCCSR is no longer prescribed by Canadian regulators and is interpreted in different ways by our local regulators, there can be no assurance that Sagicor's MCCSR figures are comparable to current reporting by Canadian life insurers or that of Canadian life insurers at any single point in time since the implementation of the MCCSR. IFRS does not prescribe the calculation for the MCCSR, therefore a comparable measure under IFRS is not available.

Cautionary Statements

Certain information contained in this news release may be forward-looking statements within the meaning of Canadian securities laws. Forward-looking statements are often, but not always identified by the use of words such as "expect", "anticipate", "believe", "foresee", "could", "estimate", "goal", "intend", "plan", "seek", "will", "may", "would" and "should" and similar expressions or words suggesting future outcomes. This news release includes forward-looking information and statements pertaining to the impact of the COVID-19 pandemic. These forward-looking statements reflect material factors and expectations and assumptions of Sagicor. Sagicor's estimates, beliefs and assumptions are inherently subject to uncertainties and contingencies regarding future events and as such, are subject to change. Risks and uncertainties not presently known to Sagicor or that it presently believes are not material could cause actual results or events to differ materially from those expressed in its forward-looking statements. Additional information on these and other factors that could affect events and results are included in other documents and reports that will be filed by Sagicor with applicable securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com). Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect Sagicor's expectations only as of the date of this document. Sagicor disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by law.