

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 March 31, 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 First Quarter 2022 Results

Toronto and Barbados (May 13, 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 first quarter ended March 31, 2022. All figures are in US\$ unless otherwise stated.

Highlights

- **Total revenue** of \$680.6 million for Q1 increased 58% year over year
- **Net insurance premiums** of \$556.4 million for Q1 increased 102% year over year
- **Net income to shareholders** of \$41.8 million in Q1 increased 33% year over year
- **Earnings per share** of US\$0.292 or C\$0.371 in Q1
- **Return on shareholders' equity⁽¹⁾** of 15.1% (annualised) in Q1
- **Book value per share⁽¹⁾** of US\$7.88 or C\$9.79 in Q1
- **Dividend of US\$0.05625 per common share** to be paid during the second quarter of 2022 (US\$0.225 annualised dividend)

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

"Sagicor continued 2022 where it left off from its record 2021 with excellent revenue growth and profitability continuing into the quarter. During Q1 2022, we delivered \$42 million in net income to our shareholders. We remained focused on executing our growth strategy in our key markets. In the U.S., which now represents the largest portion of our assets and revenues, we saw continued growth fueled by multi-year guaranteed annuities sales, and in the Caribbean, we are excited to announce the upcoming launch of our digital bank in Barbados as we continue to evolve how best to serve our customers and find new avenues for growth."

⁽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)	Q1 2022	Q1 2021	Change
Total revenue	680.6	431.5	58%
Net income (loss) to shareholders	41.8	31.5	33%
Annualised return on shareholders' equity ⁽¹⁾ (%)	15.1%	11.6%	3.5 pts

Financial Strength (US\$ millions)	Q1 2022	Q1 2021	Change
Shareholders' equity	1,126	1,101	2%
Book value per share ⁽¹⁾ (US\$ per share)	7.88	7.52	5%
MCCSR ratio ⁽¹⁾ (%)	244%	246%	(2.0 pts)
Debt to capital ratio ⁽¹⁾ (%)	29.3%	22.0%	7.3 pts
Total capital ⁽¹⁾	2,338	2,080	12%

Overall Sagicor Group - Quarterly Highlights

- **Net income to shareholders** of \$41.8 million for the quarter improved 33% as compared to the \$31.5 million for Q1 2021. Profitability during the quarter continued to be supported by robust sales of annuities and asset spreads in our Sagicor Life USA segment, and a solid performance from Sagicor Jamaica overall. Sagicor Life posted robust profits despite continued economic headwinds in the Southern Caribbean. Gains on the company's shareholding in Playa Hotels & Resorts N.V. contributed \$7.2 million to net income.
- **Total capital**⁽¹⁾ of \$2,338 million was flat compared to the prior quarter. The company's **MCCSR ratio**⁽¹⁾ for its insurance businesses was 244% and the company's **debt to capital ratio**⁽¹⁾ was 29.3%.

Dividends

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 June 15, 2022, to shareholders of record at the close of business on May 25, 2022. This is the tenth dividend payment Sagicor has paid 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)	Q1 2022	Q1 2021	Change (%)
Total revenue			
Sagicor Life	124.2	130.1	(5%)
Sagicor Jamaica	161.7	165.5	(2%)
Sagicor Life USA	372.3	110.8	236%
Head office ⁽¹⁾	22.4	25.1	(11%)
Benefits and expenses			
Sagicor Life	(116.3)	(120.6)	4%
Sagicor Jamaica	(126.2)	(137.3)	8%
Sagicor Life USA	(339.6)	(109.4)	(210%)
Head office ⁽¹⁾	(25.8)	(24.9)	(4%)
Net income/(loss) to shareholders			
Sagicor Life	7.0	8.3	(16%)
Sagicor Jamaica	12.6	9.9	27%
Sagicor Life USA	25.8	1.1	2,245%
Head office ⁽¹⁾	(3.6)	12.2	(130%)

⁽¹⁾ Head office, other, and adjustments

Business Segment - Quarterly Highlights

Sagicor Life

- **Total revenue including premiums** of \$124.2 million was down 5% Y/Y and net premium revenue of \$92.2 million decreased 3% Y/Y. Offsetting moderate growth in net life and health insurance premium revenue for the first quarter of 2022 was a decline in annuity premiums due to lower new single premium annuity business. Net investment income remained flat Y/Y.
- **Net income to shareholders** of \$7.0 million decreased by 16% Y/Y, compared to Q1 2021 as Sagicor Life experienced adverse policyholder behavior and mortality relative to long term trends due to the ongoing effect of the pandemic.

Sagicor Jamaica

- **Total revenue including premiums** of \$161.7 million decreased 2% Y/Y. Net premium revenue of \$84.7 million was flat Y/Y as improvements in the life and health insurance business results were more than offset by declines in the annuities and property and casualty insurance businesses. Interest income increased by 5% Y/Y during the quarter. The segment also benefitted from increased fee income from its banking business as economic activity in Jamaica improved.
- **Sagicor's share of Sagicor Jamaica's net income to shareholders**, increased to \$12.6 million, compared to a profit of \$9.9 million in the same quarter in the prior year. The increase in profitability during the quarter was due in part to an improved interest rate outlook reflected in the actuarial liabilities.

Sagicor Life USA

- **Total revenue including premiums** increased by 236% Y/Y to \$372.3 million. Net premium revenue was \$370.3 million, an increase of 327% Y/Y, as the segment significantly increased sales of annuities as part of its stated strategy to grow and scale the business. Revenue was impacted positively by increased interest income which grew 41% Y/Y due to the continued strong growth of the investment portfolio as a result of the additional assets from sales, offset by lower investment income overall due to declining bond prices as interest rates climbed significantly during the quarter.
- **Net income to shareholders** of \$25.8 million improved significantly compared to \$1.1 million for the same quarter in the prior year, reflecting the present value of anticipated profits from the significant volume of new annuities sold.

Outlook for 2022

The Group's financial results in Q1 2022 continue to reflect stable emergence from our in-force life insurance portfolios and robust growth in our U.S. segment. We are still operating below full potential in our Caribbean markets due to the continued effects on our policyholders of reduced economic activity in the last two years due to the pandemic. In 2022, the economies in which we operate are seeing positive signs of returns to normal economic activity, including an improving forward outlook for tourism. However, increasing global rates of inflation and geopolitical instability are contributing to uncertainty around the resumption of full economic recovery in our markets. 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 284,400 shares in Q1 2022 for a total cost of approximately US\$1.4 million. Since the start of the program in June 2020, the Company has repurchased 7,215,121 shares in the open market for cancellation for an aggregate purchase price of approximately US\$34.5 million. The number of issued and outstanding common shares at March 31, 2022 was 142,922,585.

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 to review its earnings results on Wednesday, May 18, 2022, at 11:30 a.m. Eastern Daylight Time in Toronto (11:30 a.m. Atlantic Standard Time in Barbados and Trinidad and Tobago, 10:30 a.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 62756064. A replay will also be available until June 18, 2022, by dialing 1-416-764-8677 or 1-888-390-0541 (North American toll free), passcode 756064#. 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. 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): *The MCCSR is a capital adequacy measure for life insurance companies that was established by the Office of the Superintendent of Financial Institutions Canada. It was used to monitor that insurers maintain adequate capital to meet their financial obligations with 150% being the minimum standard that was recommended by Canadian regulators when it was in effect; companies were expected to establish and meet an internal target greater than 150%. Refer to note 45.2 to the 2021 audited financial statements, for details. 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.