

This news release for Sagicor Financial Company Ltd. ("Sagicor Financial" or "Sagicor" or the "Company") should be read in conjunction with the Company's Management's Discussion & Analysis ("MD&A") and the Condensed Consolidated Financial Statements (unaudited) three months ended March 31, 2024. 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.sedarplus.ca. This news release presents non-IFRS and other financial 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 ("ROE"), book value per share, debt to capital ratio, total capital, revenues, Minimum Continuing Capital and Surplus Requirement ("MCCSR"), Group Life Insurance Capital Adequacy Test ("Group-LICAT"), new business contractual service margin ("CSM"), new business production, total net CSM, shareholders' equity plus net CSM to shareholders, and net CSM to shareholders. See the "Non-IFRS and Other Financial Measures" section in this document for relevant information about such measures.

Sagicor Financial Reports First Quarter 2024 Results and Announces Meeting of Shareholders, Availability of 2023 Management Information Circular, Annual Report and Annual Information Form

Toronto and Barbados (May 14, 2024) – Sagicor Financial Company Ltd. (TSX: SFC), a leading financial services provider in the Caribbean and Canada, with a growing presence in the U.S., today announced its results for the first quarter ended March 31, 2024. All figures are in US\$ unless otherwise stated.

Q1 Highlights

- **Net income to shareholders** of \$26.2 million
- **New business CSM⁽¹⁾** of \$40.1 million
- **Shareholders' equity** of \$964.4 million, with book value per share of US\$6.84 or C\$9.27
- **Shareholders' equity plus net CSM to shareholders⁽¹⁾** of \$2.1 billion, or US\$14.97 or C\$20.29 per share
- **Debt to capital ratio⁽¹⁾** of 26.7%
- **MCCSR ratio⁽¹⁾** of 303%
- **Group-LICAT⁽¹⁾** of 136%
- **Dividend of US\$0.06 per common share** to be paid during the second quarter of 2024 (US\$0.24 annualised dividend)

Andre Mousseau, President and Chief Executive Officer, said:

"Sagicor is pleased to report another solid quarter in Q1 2024. Net income to shareholders was slightly ahead of plan as we benefited from positive asset price movement in aggregate, in particular in our U.S. segment. We continue to make progress on a number of strategic initiatives including integration of our new Canadian subsidiary and optimizing our balance sheet to take advantage of our new investment grade ratings."

¹Represents a non-IFRS or other financial measure. See the Non-IFRS and Other Financial Measures section in this document and in our MD&A for relevant information about such measures.

Overall Sagicor Group – Financial Highlights

In Q1 2024, net income to shareholders was \$26.2 million resulting from excellent profitability at Sagicor Life USA from market experience gains due to asset price appreciation and at Sagicor Life from positive market experience. Sagicor Canada's results were driven by favorable equity returns and narrowing corporate spreads offset by the negative impact of higher interest rates and Sagicor Jamaica's profitability was negatively impacted by market experience losses. All segments recorded strong new business production⁽¹⁾ reflecting continued solid performance.

Sagicor's capital position remained stable during Q1 with a slight increase to shareholders' equity plus net CSM to shareholders⁽¹⁾ and total net CSM⁽¹⁾. Sagicor remains well capitalized with an MCCR ratio⁽¹⁾ for its insurance businesses of 303%, a Group-LICAT⁽¹⁾ of 136%, and a debt to capital ratio⁽¹⁾ of 26.7%.

Sagicor intends to disclose a drivers of earnings analysis and adopt a core net income to shareholders measure as a key performance indicator in future quarters. Sagicor believes this will support users' understanding of the underlying financial performance and the long-term performance and valuation of the business.

Consolidated Highlights

Profitability (US\$ millions)	Q1 2024	Q1 2023	Change Y/Y
Net income to shareholders	26.2	1.4	>100%
Annualised return on shareholders' equity ⁽¹⁾ (%)	12.2%	1.3%	>100%
New business CSM ⁽¹⁾	40.1	28.2	42%

Financial Strength (US\$ millions)	Q1 2024	Q4 2023	Change Q/Q
Shareholders' equity	964.4	970.9	(1%)
Net CSM to shareholders ⁽¹⁾	1,145.4	1,135.0	1%
Shareholders' equity plus net CSM to shareholders ⁽¹⁾	2,109.8	2,105.9	0%
Total net CSM ⁽¹⁾	1,285.5	1,278.5	1%
Book value per share ⁽¹⁾ (US\$ per share)	\$6.84	\$6.88	(1%)
MCCR ratio ⁽¹⁾	303%	301%	2 pts
Group-LICAT ⁽¹⁾	136%	136%	0 pts
Debt to capital ratio ⁽¹⁾	26.7%	26.6%	0.1 pts

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Business Segment Performance

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

Performance (US\$ millions)	Q1 2024	Q1 2023	Change Y/Y
Revenues⁽¹⁾			
Sagicor Canada	242.2	-	-
Sagicor Life USA	126.3	151.1	(16%)
Sagicor Jamaica	157.9	156.9	1%
Sagicor Life	115.6	108.8	6%
Head office ⁽²⁾	(2.7)	1.4	(>100%)
Total	639.3	418.2	53%
Insurance Revenue			
Sagicor Canada	171.6	-	-
Sagicor Life USA	24.4	21.2	15%
Sagicor Jamaica	80.6	72.0	12%
Sagicor Life	78.6	73.0	8%
Head office ⁽²⁾	-	-	-
Total	355.2	166.2	>100%
Net Income / (Loss) to Shareholders			
Sagicor Canada	5.2	-	-
Sagicor Life USA	37.1	4.4	>100%
Sagicor Jamaica	3.2	7.3	(56%)
Sagicor Life	9.8	5.0	96%
Head office ⁽²⁾	(29.1)	(15.3)	(90%)
Total	26.2	1.4	>100%
New Business CSM⁽¹⁾			
Sagicor Canada	10.0	-	-
Sagicor Life USA	13.7	8.2	67%
Sagicor Jamaica	7.2	8.0	(10%)
Sagicor Life	9.2	12.0	(23%)
Head office ⁽²⁾	-	-	-
Total	40.1	28.2	42%

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²Head office includes parent company financing costs, administrative expenses, an interest in Playa Hotels and Resorts, other operating companies, adjustments, and other.

Business Segment – Quarterly Highlights

Sagicor Canada

- Sagicor Canada had a solid quarter for premium production in universal life insurance.
- Net income to shareholders of \$5.2 million was negatively affected by the impact of rising interest rates, partially offset by favorable equity returns and narrowing corporate bond spreads.
- Total net CSM⁽¹⁾ was \$568.0 million, an increase of 1% Q/Q.

Sagicor Life USA

- Sagicor Life USA's new business production⁽¹⁾ was consistent with expectations at \$238.5 million.
- Net income to shareholders was \$37.1 million for the quarter, reflecting positive market value adjustments partially offset by insurance experience losses related to policyholder mortality.
- Total net CSM⁽¹⁾ was \$209.9 million, an increase of 3% Q/Q driven by new business CSM⁽¹⁾ of \$13.7 million.

Sagicor Jamaica

- Sagicor Jamaica had solid underlying performance which was mostly offset by unrealized fair value losses.
- Sagicor's share of Sagicor Jamaica's net income to shareholders was \$3.2 million for the quarter.
- Total net CSM⁽¹⁾ was \$275.4 million, a decrease of 2% Q/Q.

Sagicor Life

- Sagicor Life's insurance revenue reflects continued growth in the portfolio across all lines of business, with strong revenue growth in the short-term business driven by repricing initiatives on renewals and adjustments on product offerings.
- Net income to shareholders was \$9.8 million for the quarter due to lower incidence of onerous contracts as a result of adjustments to product offerings and solid net investment income from growth in the portfolio.
- Total net CSM⁽¹⁾ was \$232.3 million, an increase of 1% Q/Q.

Head Office, Other, and Adjustments

- Net income to shareholders was (\$29.1) million for the quarter, consisting of net financing costs of (\$24.4) million, and head office and other expenses of (\$4.7) million.

Dividends

On May 10, 2024, the Board of Directors of Sagicor approved and declared a quarterly dividend of US\$0.06 per common share, consistent with the increased dividend payment initiated in March 2024. The quarterly dividend will be paid on June 19, 2024, to shareholders of record at the close of business on May 29, 2024. This will be the eighteenth consecutive dividend payment Sagicor will pay to its shareholders since becoming a publicly listed company on the Toronto Stock Exchange.

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DBRS Investment Grade Credit Ratings

On April 18, 2024, Sagicor announced that it received an Issuer Rating and Senior Debt Rating of BBB (low) with a stable trend from global credit rating agency DBRS Limited (Morningstar DBRS). In assigning these ratings, DBRS cited Sagicor's diversified business, its long history and dominant position in the Caribbean and its growing presence in the U.S. and Canada, its high-quality investment portfolio, and its strong track record. In addition, DBRS assigned an A (low) Financial Strength Rating with a stable trend to Sagicor's U.S. operating subsidiary, Sagicor Life Insurance Company, and also to Sagicor's Canadian operating subsidiary, ivari.

Normal Course Issuer Bid

Sagicor repurchased 165,000 shares which were cancelled in Q1 2024 for a total cost of approximately US\$0.8 million. The number of issued and outstanding common shares as at March 31, 2024 was 140,900,216.

Annual Meeting of Shareholders

The annual meeting of shareholders will be held at 9:00 a.m. Eastern Daylight Time in Toronto (9:00 a.m. Atlantic Standard Time in Barbados and Trinidad and Tobago, 8:00 a.m. Eastern Standard Time in Jamaica) on Thursday, June 13, 2024. The Company is holding the meeting as a hybrid meeting, which will be conducted in person and via live webcast.

Sagicor is using "notice-and-access" to deliver its meeting materials and, as a result, the notice of meeting and accompanying management information circular will be accessible on Sagicor's website at <https://www.sagicor.com/en/Investor-Relations/Annual-General-Meeting>, under Sagicor's profile on SEDAR+ at www.sedarplus.ca, and at <https://docs.tsxtrust.com/2173> from May 14, 2024. In advance of the meeting, shareholders are encouraged to review the information on the website including the proxy voting procedures.

The in-person meeting will take place at the Hilton Barbados Resort, Needhams Point, St. Michael, Barbados. Registered shareholders and duly appointed proxyholders wishing to attend the Meeting in person are encouraged to pre-register by sending an email to agm2024@sagicor.com and they will receive a response confirming their registration. Shareholders and duly appointed proxyholders who are unable to attend the Meeting in person may still attend virtually.

Registered shareholders and duly appointed proxyholders will be able to virtually attend, participate and vote at the meeting online at: <https://web.lumiconnect.com/250230744> (password: `sagicor2024` (case sensitive)).

As further detailed in the notice of meeting and accompanying management information circular, registered shareholders will receive a form of proxy by mail containing a unique "control number" that may be used, together with the password `sagicor2024`, to virtually attend, participate and vote at the meeting. If you are a registered shareholder and you do not receive your form of proxy by June 4, 2024, please send a request for your control number via email to sagicor@tsxtrust.com.

Sagicor's 2023 Annual Report and 2023 Annual Information Form remain available on the meeting webpage and in the investor relations section of www.sagicor.com.

If you wish to receive a paper copy of the notice of meeting, management information circular or any other related document, please contact the TSX Trust Company at sagicor@tsxtrust.com by June 4, 2024.

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 Plus (“**SEDAR+**”) at www.sedarplus.ca.

Conference Call

Sagicor Financial Company Ltd. will host a conference call for analysts and investors on Wednesday, May 15, 2024, at 1:00 p.m. Eastern Daylight Time in Toronto (1:00 p.m. Atlantic Standard Time in Barbados and Trinidad and Tobago, 12:00 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” or at <https://app.webinar.net/xbZXQk1Ek8Y>. 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). To join the conference call without operator assistance, you may register and enter your phone number at <https://emportal.ink/3QtCkUD> to receive an automated call back. A replay will also be available until June 15, 2024, by dialing 1-416-764-8677 or 1-888-390-0541 (North American toll free), passcode 131654#. 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 with over 180 years of history in the Caribbean, over 90 years of history in Canada, and a growing presence in the United States with over 70 years of history. Sagicor offers a wide range of products and services, including life, health, and general insurance, banking, pensions, annuities, investment management, 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.

Media

Ingrid Card
VP, Communications & Brand Experience
Tel: 876-232-8418
Ingrid_Card@sagicor.com

Investors

George Sipsis
EVP, Corporate Development & Capital Markets
Tel: 1-800-342-0719
George_Sipsis@sagicor.com or InvestorRelations@sagicor.com

Forward-Looking Information

Certain information contained in this news release may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as “expect”, “anticipate”, “target”, “believe”, “foresee”, “could”, “estimate”, “goal”, “intend”, “plan”, “seek”, “will”, “may”, “would” and “should” and similar expressions or words suggesting future outcomes. These forward-looking statements reflect material factors and expectations and assumptions of Sagicor. Sagicor’s estimates, beliefs, assumptions and expectations contained herein are inherently subject to uncertainties and contingencies regarding future events and the impact of IFRS 17 on the presentation of Sagicor’s financial statements, 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.sedarplus.ca). Readers are cautioned not to place undue reliance on the financial information or forward-looking statements contained herein, which reflect Sagicor’s estimates, beliefs, assumptions and expectations (including with respect to the impact of IFRS 17) only as of the date of this document. Sagicor disclaims any obligation to update or revise any forward-looking statements contained herein, whether as a result of new information, new assumptions, future events or otherwise, except as expressly required by law.

Non-IFRS and Other Financial Measures

The Company reports certain non-IFRS measures and insurance industry metrics that are used to evaluate its performance. As non-IFRS measures generally do not have a standardized meaning, they may not be comparable to similar measures presented by other companies. Securities regulators require such measures to be clearly defined and reconciled with their most comparable IFRS measures. These measures are provided as additional information to complement 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 are set out below. Please see the discussion below for an explanation or a reconciliation of certain non-IFRS measures.

Minimum Continuing Capital and Surplus Requirements (“MCCSR”): Sagicor voluntarily adopted the Canadian Minimum Continuing Capital and Surplus Requirement 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, 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 are believed appropriately reflect the risk-based assessment of our capital position, including accounting for CSM in MCCSR’s Total Capital calculation as the MCCSR standard was not based on the IFRS 17 standard and this treatment of the CSM is consistent with the approach under LICAT (which does consider the IFRS 17 standard). 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.

Group Life Insurance Capital Adequacy Test (“Group-LICAT”): The Group’s goal is to maintain adequate levels, at sufficient margins above minimum regulatory capital requirements, to maintain consumer confidence as well as credit ratings with external rating agencies. Management engages the Board with regards to actions necessary to maintain appropriate capital levels. Sagicor has voluntarily elected to follow OSFI’s LICAT Guideline, specifically the latest amendment which became effective January 1, 2023. The Group LICAT ratio is well above the regulatory minimum.

Return on Shareholders’ Equity (“ROE”): 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 average of the opening and closing common shareholders’ equity for the period. The quarterly return on shareholders’ equity is annualised. This measure 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.

Revenues: Revenues is the sum of three IFRS measures: insurance revenue, net investment income, and fees and other income.

Debt to capital ratio: The debt-to-capital ratio is the ratio of notes and loans payable (refer to note 7 to the March 2024 condensed consolidated annual financial statements) to total capital, where total capital is defined as the sum of shareholder's equity, notes and loans payable, total net contractual service margin and non-controlling interest. 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 (\$3.5 billion as at Q1 2024) is the sum of shareholders' equity (\$964 million), notes and loans payable (\$945 million), non-controlling interests (\$345 million) and total net CSM (\$1.3 billion). This measure is the sum of several IFRS measures.

New business CSM: This measure is the amount of the contractual service margin added from contracts initially recognized in the period.

New business production: This measure is equal to the amount of annuities and life insurance new business paid premium.

Total net CSM: This measure is the balance of the direct contractual service margin net of reinsurance contractual service margin.

Net CSM to shareholders: This measure is the amount of the total net CSM attributable to shareholders.

Shareholders' equity plus net CSM to shareholders: This measure is the sum of total shareholders' equity and net CSM to shareholders. It is an important measure for monitoring growth and measuring insurance businesses' value.