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& BEYOND**



Sagicor Financial Company Ltd.

Q2 2020 Review of Performance



Forward-looking information and non IFRS

Certain information contained in this presentation 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” and “should” and similar expressions or words suggesting future outcomes. These forward-looking statements reflect material factors and expectations and assumptions of Sagikor. Sagikor’s estimates, beliefs and assumptions are inherently subject to uncertainties and contingencies regarding future events and, as such, are subject to change. No assurance can be given that growth or capital optimization will occur or be successful. Risks and uncertainties not presently known to Sagikor 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. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect Sagikor expectations only as of the date of this document. Sagikor 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.

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: underlying net income, return on shareholders’ equity, book value per share, MCCSR, debt to capital ratio, debt to equity ratio, dividend pay-out ratio, and coverage ratio. Please see the “Non-IFRS Financial Information” section of the Management’s Discussion and Analysis for a reconciliation of these non-IFRS measures.

Why invest in Sagicor (TSX:SFC)

- Solid, market-leading profitable Caribbean life insurer and financial services provider with three strong operating segments:
 - Sagicor Life Inc.
 - Sagicor Group Jamaica
 - Sagicor Life USA
- Well-capitalized to execute growth
- Compelling valuation with US\$7.21 book value per share (~C\$9.75)
- ~5% dividend yield and US\$0.225 annualized dividend (paid quarterly)
- Experienced and committed management team

Review of Q2 2020 key highlights

- COVID-19 brought significant disruption to the economy and financial markets, and affected all segments
- **Q2 was a solid quarter in the context of a difficult operating environment**
- Total comprehensive income to shareholders of \$37.1 million as asset prices recovered
- Net income from continuing operations attributed to shareholders was a loss of \$0.3 million
- Excluding a \$10.6 million after-tax reduction in net income due to a change in reserves related to an internal reinsurance transaction, **net income would have been positive \$10.3 million**
- **Total revenues of \$458.5 million were consistent Y/Y**
- Total available capital of \$2.1 billion, total debt/capital of 23.9%

Recall FY 2019 highlights

- Net income to shareholders from continuing operations of \$87 million (versus target of \$77 million)
- Total revenues of \$1.9 billion, up 35%
- Completed transaction with Alignvest Acquisition II Corp
 - Added new anchor shareholders
 - Secured \$450 million of new equity
 - Transitioned listing to Toronto Stock Exchange



All figures in US\$ unless otherwise noted.

Non-recurring cash and non-cash transaction expenses of \$43 million have been excluded from net income.

Capitalization

- \$1.1 billion of shareholders equity, including \$450 million of additional equity capital raised in 2019 to be deployed in 2020 and beyond
- Approximately 149 million shares outstanding, of which approximately 44% is held by new anchor shareholders with strong board representation
- Debt/capital ratio of 23.9%, including \$395 million of financial debt at holding company
- Financial metrics at investment grade level; S&P and Fitch ratings BB reflecting geographic footprint
- MCCSR of 264% for its insurance entities as at Q2 2020

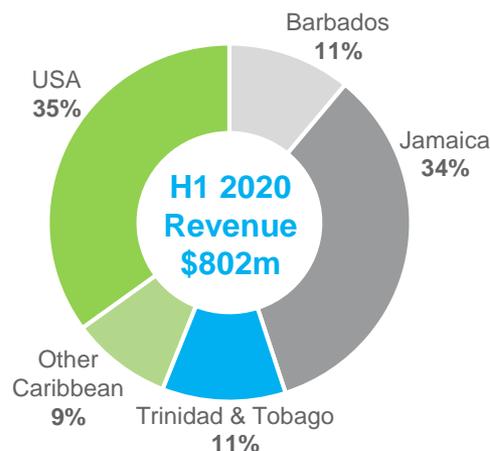
Sagicor is a market leader in the Caribbean

- Leading indigenous life insurer in English-speaking Caribbean countries
- Strong market share across core geographies
- 180-year history, 4,000+ employees with 1,200+ advisors in 20 countries

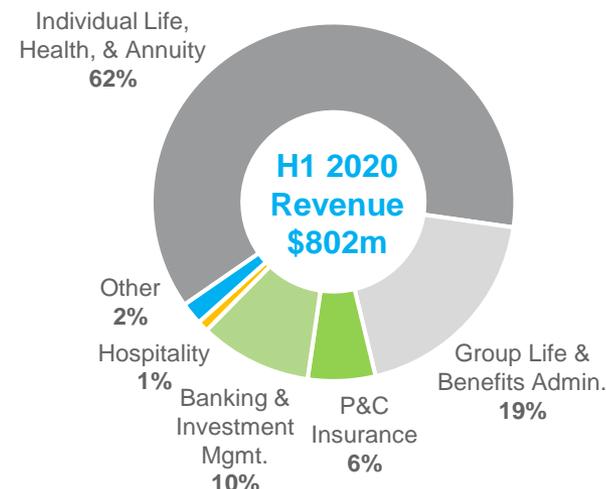
Leading Market Position



Breakdown by Geography



Breakdown by Product

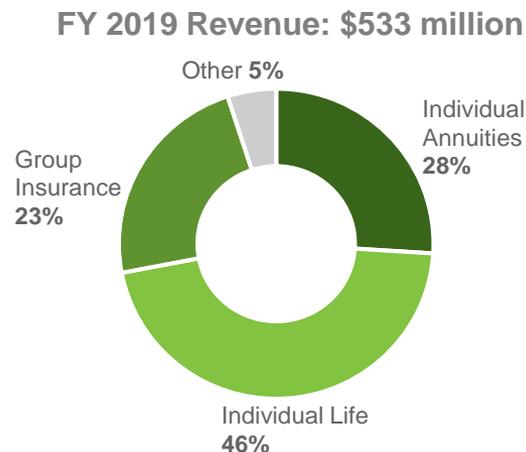


Sagicor Life

Sagicor Life

(100% Ownership)

- Leading market shares throughout English-speaking Caribbean
- Revenue growth opportunity in a region that remains under pensioned and under insured



Q2 2020 Highlights

- Revenues of \$97 million declined 13% Y/Y
 - Primarily impacted by lower new business sales due to economic uncertainty from the pandemic and an increase in expected credit losses
- Benefits and expenses improved 6% Y/Y
- Net income to shareholders of \$2 million for the quarter as compared to \$10 million for the same period in the prior year

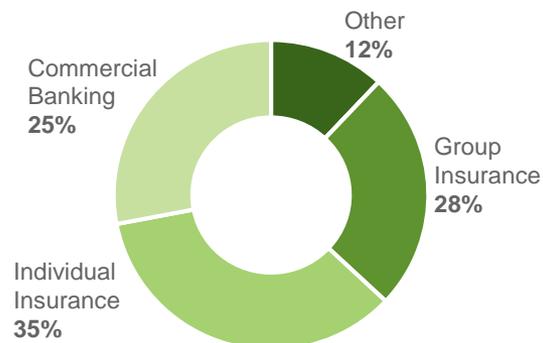
Sagicor Jamaica

Sagicor Jamaica (JSE:SJ)

(49% Ownership)

- #1 individual life, group health provider in Jamaica, plus significant investment management and commercial bank
- 2nd largest publicly traded conglomerate on Jamaica Stock Exchange with ~ US\$1.4 billion market cap as at Q2 (SFC's stake is worth ~\$700 million)

FY 2019 Revenue: \$735 million



Q2 2020 Highlights

- Revenues of \$167 million declined 8% Y/Y
 - Decline in US\$ driven by declining J\$/USD exchange rate
 - Net premiums increased 9% with growth in annuity and group health insurance
- Benefits and expenses improved 4% Y/Y
- Net income to shareholders of \$9 million as compared to \$14 million for the same period in the prior year

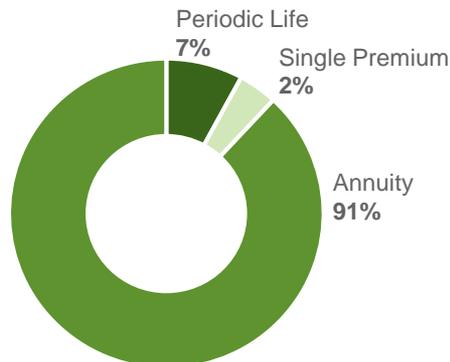
Sagicor Life USA

Sagicor Life USA

(100% Ownership)

- Growing provider of life insurance and fixed annuities

FY 2019 Gross Premiums: \$456 million

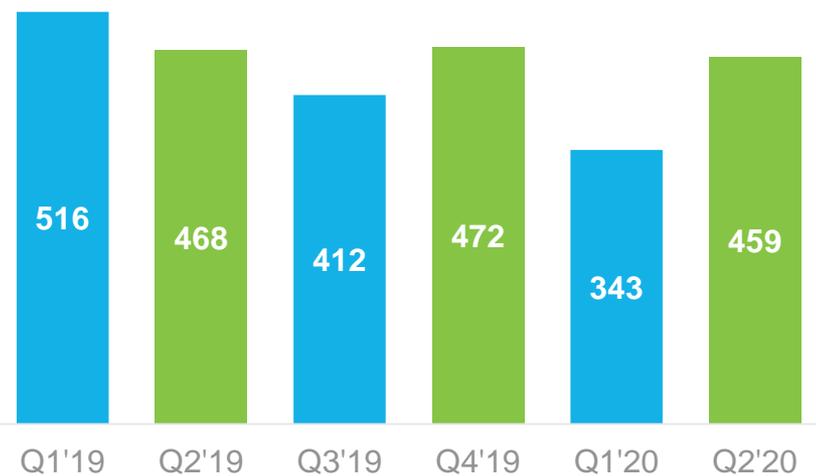


Q2 2020 Highlights

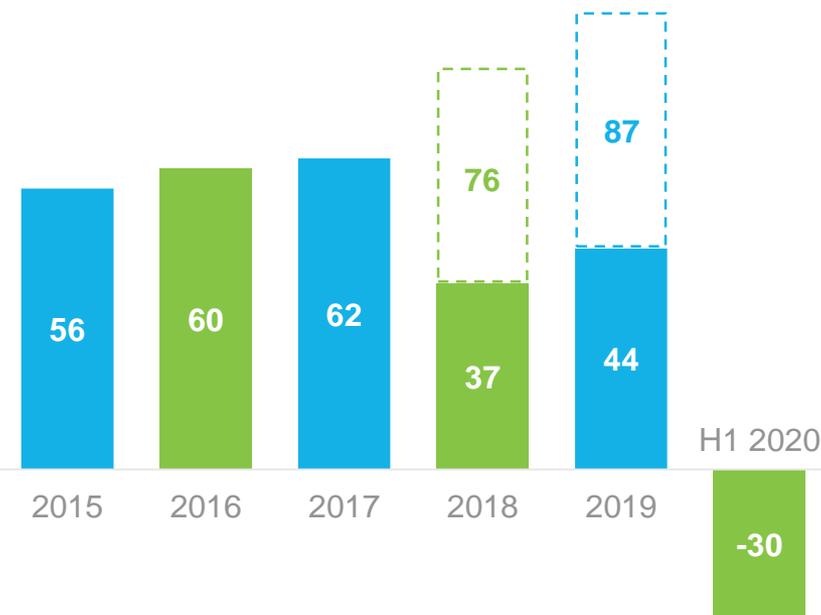
- Revenues of \$180 million up 10% Y/Y
 - Impacted by the reversal of some of the unrealized mark-to-market losses in Q1
- Benefits and expenses increased 18% Y/Y
 - Primarily due to the impact of the reinsurance transaction and the subsequent strengthening of reserves
- Net loss to shareholders of \$3 million mainly impacted by the reinsurance transaction
- Management estimates underlying net income before this transaction was \$8 million in the quarter compared to net income of \$6 million for the same period in the prior year

Business performance

Total Revenue (\$ million)



Net Income (\$ million)



Represents net income attributed to shareholders from continuing operations.

- 2018 net income affected by Barbados debt restructuring. Management estimates net income to shareholders would have been approximately \$76 million excluding the debt restructuring.
- 2019 net income affected by \$43 million of cash and non-cash transaction expenses. Management estimates net income to shareholders would have been \$87 million excluding these transaction expenses.

2020 outlook

- 2020 started with positive momentum after exceeding targets in 2019
- Q1 results were primarily affected by asset price movements
- Q2 showed asset price improvements but slower sales due to the pandemic
- Guidance for financial targets are on hold given the length and severity of the pandemic's impact on the economy is not yet clear
- Sagikor is well capitalized to weather the storm and positioned to continue to grow once economies recover

Growth opportunities

- Continue growth in Caribbean markets where Sagicor is a leader and population is under-insured
- Expand product base in core markets into banking and wealth management
- Continue to grow U.S. business in life and annuities
- Use excess capital for inorganic growth
- Optimize balance sheet



Share repurchases

Sagikor is listed on the Toronto Stock Exchange in Canada

TSX: SFC

Market Cap

C\$951 million

US\$709 million

Share Price

YTD July 31, 2020

High C\$9.75

Low C\$4.88

Close C\$6.39

- During the quarter Sagikor authorized a share buyback program (Normal Course Issuer Bid)
- Sagikor can repurchase up to 3 million of its common shares outstanding
- Sagikor purchased 963,000 shares in the open market for cancellation for an aggregate purchase price of approximately \$3.9 million during the quarter

Key takeaways



- Established 180 year old market-leading Caribbean life insurer with opportunities for growth in core markets
- Strong brand and customer loyalty
- Well-capitalized with \$450 million new equity raise
- Compelling entry point with new listing on TSX (ticker: SFC)

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