

SAGICOR FINANCIAL COMPANY LTD.

Condensed Consolidated Financial Statements (Unaudited)

Three-months ended March 31, 2024

SAGICOR FINANCIAL COMPANY LTD.

ACRONYMS

Certain acronyms have been used throughout the financial statements and notes thereto to substitute phrases. The more frequent acronyms and associated phrases are set out below.

Acronym	Phrase
AC	Amortised Cost
CSM	Contractual Service Margin
ECL	Expected Credit Losses
FCF	Fulfilment Cash Flows
FVTOCI	Fair Value Through Other Comprehensive Income
FVTPL	Fair Value Through Profit and Loss
GMM	General Measurement Model
IAS	International Accounting Standards
IASB	International Accounting Standards Board
IFRS	IFRS Accounting Standards
LGD	Loss Given Default
LIC	Liability for Incurred Claims
LRC	Liability for Remaining Coverage
OCI	Other Comprehensive Income
PAA	Premium Allocation Approach
PD	Probability of Default
POCI	Purchase or Originated Credit-Impaired
SICR	Significant Increase in Credit Risk
SOFR	Secured Overnight Financing Rate
VFA	Variable Fee Approach

SAGICOR FINANCIAL COMPANY LTD.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<u>Amounts in US \$000</u>	As of March 31, 2024 (unaudited)	As of December 31, 2023 (audited)
ASSETS		
Cash	449,528	486,642
Restricted cash	96,716	95,564
Financial investments (note 4)	16,382,985	16,337,358
Financial investments repledged (note 4)	694,627	687,753
Reinsurance contract assets (note 5)	3,064,595	3,212,899
Insurance contract assets (note 5)	9,167	1,273
Miscellaneous assets and receivables	285,266	297,858
Income tax assets	325,573	331,375
Associates and joint ventures	68,938	67,817
Intangible assets	92,725	93,160
Investment property	83,744	85,375
Property, plant and equipment	194,776	195,541
Segregated funds assets (note 8)	482,786	492,271
Total assets	22,231,426	22,384,886
LIABILITIES		
Accounts payable and accrued liabilities	292,846	293,782
Income tax liabilities	18,429	30,380
Investment contract liabilities (note 5)	473,867	477,858
Reinsurance contract liabilities (note 5)	16,092	14,800
Insurance contract liabilities (note 5)	15,622,024	15,732,214
Deposit and security liabilities (note 6)	2,965,776	2,950,430
Lease liabilities	38,443	37,987
Notes and loans payable (note 7)	944,807	945,666
Other liabilities / retirement benefit liabilities	66,840	80,477
Insurance contract liabilities on account of segregated fund policyholders (note 8)	482,786	492,271
Total liabilities	20,921,910	21,055,865
EQUITY		
Share capital	1,407	1,409
Share premium	724,216	725,029
Reserves	(96,424)	(73,417)
Retained earnings	335,226	317,913
Total shareholders' equity	964,425	970,934
Non-controlling interests	345,091	358,087
Total equity	1,309,516	1,329,021
Total liabilities and equity	22,231,426	22,384,886

These consolidated financial statements have been approved for issue by the Board of Directors on May 10, 2024.


Director


Director

The accompanying notes form an integral part of these financial statements.

SAGICOR FINANCIAL COMPANY LTD.
CONDENSED CONSOLIDATED STATEMENT OF INCOME

<u>Amounts in US \$000</u>	Three months to March 31, 2024	Three months to March 31, 2023
	(unaudited)	(unaudited)
Insurance revenue (note 9)	355,219	166,201
Insurance service expenses (note 9)	(288,638)	(136,716)
Net expense from reinsurance contracts held (note 9)	(36,838)	(27,190)
INSURANCE SERVICE RESULT (note 9)	29,743	2,295
Gain / (loss) on derecognition of amortised cost investments (note 10)	(43)	-
Gain / (loss) on derecognition of assets carried at FVTOCI (note 10)	787	(616)
Interest income earned from financial assets measured at amortised cost and FVTOCI (note 10)	62,566	49,805
Credit impairment recovery / (loss) (note 10)	74	(772)
Net gain / (loss) on FVTPL investments (note 10)	185,001	170,247
Other investment income / (loss) (note 10)	922	982
NET INVESTMENT INCOME (note 10)	249,307	219,646
Finance income / (expenses) from insurance contracts issued (note 10)	(69,983)	(145,786)
Finance income / (expenses) from reinsurance contracts held (note 10)	(57,966)	12,032
NET INSURANCE FINANCE EXPENSES (note 10)	(127,949)	(133,754)
NET INVESTMENT RESULT BEFORE SEGREGATED FUNDS	121,358	85,892
Net investment income / (expenses) for segregated funds (note 8)	25,269	-
Finance income / (expenses) from insurance contracts issued for segregated funds (note 8)	(25,269)	-
NET INVESTMENT RESULT FOR SEGREGATED FUNDS (note 8)	-	-
TOTAL INVESTMENT RESULT (note 10)	121,358	85,892
NET INSURANCE AND INVESTMENT RESULT	151,101	88,187
Fees and other income	34,797	32,464
Share of income of associates and joint ventures	1,186	471
Other operating expenses (note 11)	(83,717)	(74,040)
Other interest and finance costs	(57,230)	(30,071)
INCOME BEFORE TAXES	46,137	17,011
Income taxes	(16,532)	(7,827)
NET INCOME FOR THE PERIOD	29,605	9,184

The accompanying notes form an integral part of these financial statements.

SAGICOR FINANCIAL COMPANY LTD.
CONDENSED CONSOLIDATED STATEMENT OF INCOME

<u>Amounts in US \$000</u>	Three months to March 31, 2024	Three months to March 31, 2023
	(unaudited)	(unaudited)
NET INCOME FOR THE PERIOD	29,605	9,184
Net income is attributable to:		
Common shareholders	26,248	1,409
Non-controlling interests	3,357	7,775
	29,605	9,184
Earnings per common share (note 16):		
Basic earnings per common share	18.6 cents	1.0 cent
Fully diluted earnings per common share	18.2 cents	1.0 cent

The accompanying notes form an integral part of these financial statements.

SAGICOR FINANCIAL COMPANY LTD.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<u>Amounts in US \$000</u>	Three months to March 31, 2024	Three months to March 31, 2023
	(unaudited)	(unaudited)
NET INCOME FOR THE PERIOD	29,605	9,184
OTHER COMPREHENSIVE INCOME / (LOSS):		
Items net of tax that may be reclassified subsequently to income:		
Financial assets measured at FVTOCI:		
Gain / (loss) on revaluation	(8,435)	6,956
(Gain) / loss transferred to income	(516)	1,058
Retranslation of foreign currency operations	(20,114)	1,860
	(29,065)	9,874
Items net of tax that will not be reclassified subsequently to income:		
Gain arising on revaluation of owner-occupied property and owner-managed property	16	-
Gain / (loss) on defined benefit plans	328	29
Other items	3	-
	347	29
Other comprehensive income / (loss)	(28,718)	9,903
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	887	19,087
Total comprehensive income is attributable to:		
Common shareholders	1,549	6,611
Non-controlling interests	(662)	12,476
	887	19,087

The accompanying notes form an integral part of these financial statements.

SAGICOR FINANCIAL COMPANY LTD.
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital	Share Premium	Reserves	Retained Earnings	Total Shareholders' Equity
<u>Amounts in US \$000</u>	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Three months to March 31, 2024					
Balance as at January 1, 2024	1,409	725,029	(73,417)	317,913	970,934
Total comprehensive income	-	-	(25,030)	26,579	1,549
Transactions with holders of equity instruments:					
Repurchase of shares (note 17)	(2)	(848)	-	70	(780)
Movements in treasury shares	-	35	-	-	35
Changes in reserve for equity compensation benefits	-	-	953	-	953
Dividends declared	-	-	-	(8,450)	(8,450)
Transfers and other movements	-	-	1,070	(886)	184
Balance as at March 31, 2024	1,407	724,216	(96,424)	335,226	964,425

The accompanying notes form an integral part of these financial statements.

SAGICOR FINANCIAL COMPANY LTD.
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Total Shareholders' Equity	Non-controlling Interests	Total Equity
<u>Amounts in US \$000</u>	(unaudited)	(unaudited)	(unaudited)
Three months to March 31, 2024			
Balance as at January 1, 2024	970,934	358,087	1,329,021
Total comprehensive income	1,549	(662)	887
Transactions with holders of equity instruments:			
Repurchase of shares (note 17)	(780)	-	(780)
Movements in treasury shares	35	-	35
Changes in reserve for equity compensation benefits	953	(34)	919
Dividends declared	(8,450)	(12,288)	(20,738)
Transfers and other movements	184	(12)	172
Balance as at March 31, 2024	964,425	345,091	1,309,516

The accompanying notes form an integral part of these financial statements.

SAGICOR FINANCIAL COMPANY LTD.
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital	Share Premium	Reserves	Accumulated Deficit	Total Shareholders' Equity
<u>Amounts in US \$000</u>	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Three months to March 31, 2023					
Restated balance as at December 31, 2022	1,426	734,922	(115,441)	(191,216)	429,691
Total comprehensive income	-	-	5,173	1,438	6,611
Transactions with holders of equity instruments:					
Repurchase of shares (note 17)	-	(341)	-	97	(244)
Movements in treasury shares	(2)	(1,000)	-	-	(1,002)
Changes in reserve for equity compensation benefits	-	-	1,419	-	1,419
Dividends declared	-	-	-	(8,024)	(8,024)
Transfers and other movements	-	-	1,769	(1,917)	(148)
Balance as at March 31, 2023	1,424	733,581	(107,080)	(199,622)	428,303

The accompanying notes form an integral part of these financial statements.

SAGICOR FINANCIAL COMPANY LTD.
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Total Shareholders' Equity	Non-controlling Interests	Total Equity
<u>Amounts in US \$000</u>	(unaudited)	(unaudited)	(unaudited)
Three months to March 31, 2023			
Restated balance as at December 31, 2022	429,691	306,733	736,424
Total comprehensive income	6,611	12,476	19,087
Transactions with holders of equity instruments:			
Repurchase of shares (note 17)	(244)	-	(244)
Movements in treasury shares	(1,002)	-	(1,002)
Changes in reserve for equity compensation benefits	1,419	-	1,419
Dividends declared	(8,024)	(9,385)	(17,409)
Transfers and other movements	(148)	-	(148)
Balance as at March 31, 2023	428,303	309,824	738,127

The accompanying notes form an integral part of these financial statements.

SAGICOR FINANCIAL COMPANY LTD.
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

<u>Amounts in US \$000</u>	Three months to March 31, 2024	Three months to March 31, 2023
	(unaudited)	(unaudited)
OPERATING ACTIVITIES		
Income before taxes	46,137	17,011
Adjustments for non-cash items, interest and dividends (note 14)	74,917	(45,532)
Interest and dividends received	108,376	129,241
Interest paid	(48,663)	(22,361)
Income taxes paid	(22,340)	(16,258)
Net change in investments (note 14)	(176,664)	(31,544)
Net change in operating assets (note 14)	25,838	30,438
Net change in operating liabilities (note 14)	8,762	(20,065)
Net cash flows - operating activities	16,363	40,930
INVESTING ACTIVITIES		
Property, plant and equipment, net (note 14)	(2,535)	(2,904)
Associates and joint ventures	(1,475)	-
Dividends received from associates and joint ventures	1,717	638
Intangible assets, net	(1,596)	(340)
Net cash flows - investing activities	(3,889)	(2,606)
FINANCING ACTIVITIES		
Repurchase of common shares	(780)	(244)
Shares purchased from non-controlling interests	(26)	-
Movement in treasury shares	35	(1,002)
Notes and loans payable, net (note 14)	(12,414)	7,717
Lease liability principal paid (note 14)	(2,068)	(1,868)
Dividends paid to common shareholders	(1)	(13)
Dividends paid to non-controlling interests	-	(321)
Net cash flows - financing activities	(15,254)	4,269
Effect of exchange rate changes	(2,509)	318
NET CHANGE IN CASH AND CASH EQUIVALENTS	(5,289)	42,911
Cash and cash equivalents, beginning of period	801,370	592,738
CASH AND CASH EQUIVALENTS, END OF PERIOD (NOTE 14)	796,081	635,649

The accompanying notes form an integral part of these financial statements.

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

These unaudited interim condensed consolidated financial statements (“condensed consolidated financial statements”) of Sagicor Financial Company Ltd. and its subsidiaries (the “Group”), (“Sagicor”) are presented in compliance with International Accounting Standard (“IAS”) 34 - Interim Financial Reporting. The condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the audited 2023 annual consolidated financial statements and the accompanying notes included in pages 144 to 398 of the Annual Report for 2023. The condensed financial statements however do include certain disclosures required in the annual financial statements, but which are additional to the requirements of IAS 34.

The common shares and warrants of Sagicor are listed on the Toronto Stock Exchange and are traded under the symbols “SFC” and “SFC.WT” respectively.

2. MATERIAL ACCOUNTING POLICIES

These condensed consolidated financial statements have been prepared using the same accounting policies and methods used in preparation of the audited 2023 annual consolidated financial statements. The principal accounting policies are described in note 2 of those annual consolidated financial statements. The following new pronouncements became effective January 1, 2024 and have been deemed to have no material effect on the Group: IAS 1 – Non-current liabilities with covenants, IAS 7 – Disclosures on supplier finance arrangements, IFRS 7 – Supplier finance arrangements and IFRS 16 – Lease liability in a sale and leaseback.

2.1 Exchange rates

The following exchange rates were applied for the conversion of amounts to US dollars.

	Closing rates as of March 31, 2024	Closing rates as of December 31, 2023	Average rates for the three months to March 31, 2024	Average rates for the three months to March 31, 2023
Barbados dollar	2.0000	2.0000	2.0000	2.0000
Canadian dollar	1.3550	1.3226	1.3398	n/a
Eastern Caribbean dollar	2.7000	2.7000	2.7000	2.7000
Jamaica dollar	153.9124	154.2680	155.2780	152.4694
Trinidad & Tobago dollar	6.7374	6.7158	6.7224	6.7438

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

3. SEGMENTS

The Group conducts its business through four reportable operating segments, as follows:

- a) Sagikor Canada: Engages in individual life insurance, annuities, segregated funds, and accident and sickness insurance business throughout Canada.
- b) Sagikor Life: Engages in life, health, annuity, property and casualty insurance business, and pension administration services in Barbados, Eastern Caribbean, Dutch Caribbean, Bahamas, Belize, Panamá and Trinidad & Tobago and, through a segregated account, transfers insurance risks associated with certain life and annuity products relating to Trinidad & Tobago business to Sagikor Reinsurance Bermuda Ltd.
- c) Sagikor Jamaica: Engages in life, health, annuity, property and casualty insurance business, pension administration services, banking and financial services, and real estate investment services in Jamaica, Cayman Islands, Costa Rica and USA.
- d) Sagikor Life USA: Engages in life insurance and annuity business in certain states of the USA and, through a segregated account, transfers insurance risks associated with certain life and annuity products, and financial instruments supporting those liabilities, to Sagikor Reinsurance Bermuda Ltd.

Segmented financial information is set out in the sections 3.1 and 3.2. During 2023, management made certain reorganisational changes to its subsidiary, Sagikor General, resulting in the subsidiary now being reported as part of the Sagikor Life segment. All related comparative period information has been amended accordingly to reflect this change. Sagikor General was previously reported as part of Head Office and Other. Additionally, effective October 3, 2023, Sagikor Financial Company Ltd. purchased 100% of ivari and is included in the Sagikor Canada segment.

3.1 Statement of income by reportable operating segment

<u>Amounts in US \$000</u>	Sagicor Life	Sagicor Jamaica	Sagicor Life USA	Sagicor Canada	Head office and other	Adjust- ments	Total
Three months to March 31, 2024							
Insurance revenue	78,620	80,585	24,374	171,640	-	-	355,219
Insurance service expenses	(58,086)	(66,614)	(30,649)	(133,289)	-	-	(288,638)
Net expense from reinsurance contracts held	(9,819)	(7,373)	(1,173)	(18,473)	-	-	(36,838)
Inter-segment insurance service result	(252)	-	38	-	-	214	-
Insurance service result	10,463	6,598	(7,410)	19,878	-	214	29,743
Gain / (loss) on derecognition of amortised cost investments	-	13	(56)	-	-	-	(43)
Gain / (loss) on derecognition of assets carried at FVTOCI	-	1,044	(245)	-	(12)	-	787
Interest income earned from financial assets measured at amortised cost and FVTOCI	6,792	41,063	13,600	-	1,111	-	62,566
Credit impairment recovery / (loss)	1,454	(1,420)	(15)	-	55	-	74
Net gain / (loss) on FVTPL investments	21,012	4,358	87,991	70,616	1,024	-	185,001
Other investment income / (loss)	323	(67)	594	(25)	97	-	922
Inter-segment investment income / (expenses)	5,516	994	-	-	25,093	(31,603)	-
Net investment income / (expenses)	35,097	45,985	101,869	70,591	27,368	(31,603)	249,307
Finance income / (expenses) from insurance contracts issued	(22,473)	(4,384)	(39,238)	(3,888)	-	-	(69,983)
Finance income / (expenses) from reinsurance contracts held	(374)	(83)	3,431	(60,940)	-	-	(57,966)
Inter-segment net insurance finance income / (expenses)	(251)	-	251	-	-	-	-
Net insurance finance income / (expenses)	(23,098)	(4,467)	(35,556)	(64,828)	-	-	(127,949)
Net investment result before segregated funds	11,999	41,518	66,313	5,763	27,368	(31,603)	121,358

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

3. SEGMENTS (continued)

3.1 Statement of income by reportable operating segment (continued)

<u>Amounts in US \$000</u>	Sagicor Life	Sagicor Jamaica	Sagicor Life USA	Sagicor Canada	Head office and other	Adjust- ments	Total
Three months to March 31, 2024							
Net investment result before segregated funds	11,999	41,518	66,313	5,763	27,368	(31,603)	121,358
Net investment income / (expenses) for segregated funds	-	-	-	25,269	-	-	25,269
Finance income / (expenses) from insurance contracts issued for segregated funds	-	-	-	(25,269)	-	-	(25,269)
Net investment result for segregated funds	-	-	-	-	-	-	-
Total investment result	11,999	41,518	66,313	5,763	27,368	(31,603)	121,358
Net insurance and investment result	22,462	48,116	58,903	25,641	27,368	(31,389)	151,101
Fees and other income	1,918	31,328	26	(1)	1,212	314	34,797
Share of income of associates and joint ventures	753	433	-	-	-	-	1,186
Other operating expenses	(8,672)	(53,351)	(7,866)	(4,254)	(11,276)	1,702	(83,717)
Other interest and finance costs	(3,934)	(14,651)	(4,149)	(14,190)	(20,306)	-	(57,230)
Inter-segment other income / (expenses)	(174)	(435)	(3,283)	-	(5,358)	9,250	-
Segment income / (loss) before taxes	12,353	11,440	43,631	7,196	(8,360)	(20,123)	46,137
Income taxes	(2,532)	(4,861)	(6,482)	(1,959)	(698)	-	(16,532)
Segment net income / (loss) for the period	9,821	6,579	37,149	5,237	(9,058)	(20,123)	29,605
Net income / (loss) attributable to shareholders	9,815	3,176	37,149	5,237	(9,006)	(20,123)	26,248
Net income / (loss) attributable to non-controlling interests	6	3,403	-	-	(52)	-	3,357
Total comprehensive income / (loss) attributable to shareholders	9,821	6,579	37,149	5,237	(9,058)	(20,123)	29,605

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

3. SEGMENTS (continued)

3.1 Statement of income by reportable operating segment (continued)

<u>Amounts in US \$000</u>	Sagicor Life	Sagicor Jamaica	Sagicor Life USA	Head office and other	Adjust- ments	Total
Three months to March 31, 2023						
Insurance revenue	73,031	72,016	21,154	-	-	166,201
Insurance service expenses	(60,306)	(57,652)	(18,758)	-	-	(136,716)
Net expense from reinsurance contracts held	(6,797)	(6,004)	(14,389)	-	-	(27,190)
Inter-segment insurance service result	(356)	-	(74)	-	430	-
Insurance service result	5,572	8,360	(12,067)	-	430	2,295
Gain / (loss) on derecognition of assets carried at FVTOCI	-	(301)	(324)	9	-	(616)
Interest income earned from financial assets measured at amortised cost and FVTOCI	4,521	33,035	10,776	1,473	-	49,805
Credit impairment recovery / (loss)	263	(901)	(98)	(36)	-	(772)
Net gain / (loss) on FVTPL investments	22,528	23,693	119,222	4,804	-	170,247
Other investment income / (loss)	564	59	336	23	-	982
Inter-segment investment income / (expenses)	5,229	-	-	2,528	(7,757)	-
Net investment income / (expenses)	33,105	55,585	129,912	8,801	(7,757)	219,646
Finance income / (expenses) from insurance contracts issued	(22,503)	(13,993)	(109,290)	-	-	(145,786)
Finance income / (expenses) from reinsurance contracts held	93	(47)	11,986	-	-	12,032
Inter-segment net insurance finance income / (expenses)	(707)	-	705	-	2	-
Net insurance finance income / (expenses)	(23,117)	(14,040)	(96,599)	-	2	(133,754)
Net investment result before segregated funds	9,988	41,545	33,313	8,801	(7,755)	85,892
Net investment income / (expenses) for segregated funds	-	-	-	-	-	-
Finance income / (expenses) from insurance contracts issued for segregated funds	-	-	-	-	-	-
Net investment result for segregated funds	-	-	-	-	-	-
Total investment result	9,988	41,545	33,313	8,801	(7,755)	85,892
Net insurance and investment result	15,560	49,905	21,246	8,801	(7,325)	88,187
Fees and other income	2,783	29,385	26	702	(432)	32,464
Share of income of associates and joint ventures	983	(512)	-	-	-	471
Other operating expenses	(9,071)	(46,623)	(7,481)	(10,395)	(470)	(74,040)
Other interest and finance costs	(3,768)	(11,741)	(5,208)	(9,354)	-	(30,071)
Inter-segment other income / (expenses)	(136)	-	(2,965)	(5,078)	8,179	-
Segment income / (loss) before taxes	6,351	20,414	5,618	(15,324)	(48)	17,011
Income taxes	(1,329)	(5,304)	(1,180)	(14)	-	(7,827)
Segment net income / (loss) for the period	5,022	15,110	4,438	(15,338)	(48)	9,184
Net income / (loss) attributable to shareholders	5,028	7,298	4,438	(15,307)	(48)	1,409
Net income / (loss) attributable to non-controlling interests	(6)	7,812	-	(31)	-	7,775
Total comprehensive income / (loss) attributable to shareholders	3,924	12,002	4,947	(14,174)	(88)	6,611

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

3. SEGMENTS (continued)

3.2 Statement of financial position by reportable operating segment (continued)

<u>Amounts in US \$000</u>	Sagicor Life	Sagicor Jamaica	Sagicor Life USA	Sagicor Canada	Head office and other	Adjustments	Total
As of March 31, 2024							
Financial investments	1,760,585	3,047,167	4,883,883	7,267,297	118,680	-	17,077,612
Reinsurance contract assets	19,117	12,276	323,693	2,709,509	-	-	3,064,595
Insurance contract assets	4,610	4,557	-	-	-	-	9,167
Other external assets	363,574	591,510	190,887	761,632	172,449	-	2,080,052
Inter-segment assets	544,575	46,550	19,204	-	149,808	(760,137)	-
Total assets	2,692,461	3,702,060	5,417,667	10,738,438	440,937	(760,137)	22,231,426
Insurance contract liabilities	1,541,387	955,660	4,507,916	8,617,061	-	-	15,622,024
Reinsurance contract liabilities	11,918	4,174	-	-	-	-	16,092
Investment contract liabilities	268,899	136,883	59,729	8,356	-	-	473,867
Other external liabilities	160,094	1,921,908	396,413	1,281,150	1,050,362	-	4,809,927
Inter-segment liabilities	148,391	17,902	172,519	134	421,191	(760,137)	-
Total liabilities	2,130,689	3,036,527	5,136,577	9,906,701	1,471,553	(760,137)	20,921,910
Net assets	561,772	665,533	281,090	831,737	(1,030,616)	-	1,309,516
Net assets attributable to non-controlling interests	259	332,308	-	-	12,524	-	345,091

<u>Amounts in US \$000</u>	Sagicor Life	Sagicor Jamaica	Sagicor Life USA	Sagicor Canada	Head office and other	Adjustments	Total
As of December 31, 2023							
Financial investments	1,783,415	2,989,042	4,722,201	7,428,447	102,006	-	17,025,111
Reinsurance contract assets	21,571	18,053	332,538	2,840,737	-	-	3,212,899
Insurance contract assets	140	1,133	-	-	-	-	1,273
Other external assets	342,113	607,599	221,136	799,608	175,147	-	2,145,603
Inter-segment assets	508,954	46,711	22,530	-	149,632	(727,827)	-
Total assets	2,656,193	3,662,538	5,298,405	11,068,792	426,785	(727,827)	22,384,886
Insurance contract liabilities	1,520,852	939,845	4,404,976	8,866,541	-	-	15,732,214
Reinsurance contract liabilities	10,938	3,862	-	-	-	-	14,800
Investment contract liabilities	271,145	135,429	62,182	9,102	-	-	477,858
Other external liabilities	175,001	1,887,400	415,523	1,323,614	1,029,455	-	4,830,993
Inter-segment liabilities	161,254	3,526	173,065	-	389,982	(727,827)	-
Total liabilities	2,139,190	2,970,062	5,055,746	10,199,257	1,419,437	(727,827)	21,055,865
Net assets	517,003	692,476	242,659	869,535	(992,652)	-	1,329,021
Net assets attributable to non-controlling interests	254	345,257	-	-	12,576	-	358,087

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

3. SEGMENTS (continued)

3.3 Products and services

The Group's products and services comprising the insurance revenue, insurance service result, net investment income, and fees and other income are summarised as follows:

<u>Amounts in US \$000</u>	Insurance revenue		Insurance service result	
	Three months to March 31, 2024	Three months to March 31, 2023	Three months to March 31, 2024	Three months to March 31, 2023
Life, health and annuity insurance contracts issued to individuals	250,041	69,076	23,857	1,908
Life, health and annuity insurance and pension administration contracts issued to groups	67,323	63,507	3,642	(221)
Property and casualty insurance	37,855	33,618	2,244	608
	355,219	166,201	29,743	2,295
<u>Amounts in US \$000</u>	Net investment income		Fees and other income	
	Three months to March 31, 2024	Three months to March 31, 2023	Three months to March 31, 2024	Three months to March 31, 2023
Life, health and annuity insurance contracts issued to individuals	203,545	171,594	1,182	4,159
Life, health and annuity insurance and pension administration contracts issued to groups	2,842	9,470	797	3,600
Property and casualty insurance	1,701	1,271	61	38
Banking, investment management and other financial services	38,595	31,778	23,544	18,974
Unallocated revenues	2,624	5,533	9,213	5,693
	249,307	219,646	34,797	32,464

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

3. SEGMENTS (continued)

3.4 Geographical areas

The insurance revenue, insurance service result, net investment income, fees and other income by geographical area are summarised below.

	Insurance revenue		Insurance service result		Net investment income		Fees and other income	
	Three months to March 31, 2024	Three months to March 31, 2023	Three months to March 31, 2024	Three months to March 31, 2023	Three months to March 31, 2024	Three months to March 31, 2023	Three months to March 31, 2024	Three months to March 31, 2023
<u>Amounts in US \$000</u>								
Barbados	30,972	28,175	4,619	3,051	7,250	10,979	1,542	2,290
Jamaica	76,795	68,215	6,895	8,839	41,702	47,782	31,018	29,222
Trinidad & Tobago	27,318	25,737	2,695	640	17,060	15,883	956	771
Other Caribbean	24,120	22,920	3,104	1,758	10,836	15,090	1,256	155
Canada	171,640	-	19,878	-	70,590	-	(1)	-
USA	24,374	21,154	(7,448)	(11,993)	101,869	129,912	26	26
	355,219	166,201	29,743	2,295	249,307	219,646	34,797	32,464

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

3. SEGMENTS (continued)

3.5 Revenues from fees recognised

The following table discloses revenue from fees recognised by reportable segment.

Three months to March 31, 2024	Fees recognised		
	- at a point in time	- over time	Total
<u>Amounts in US \$000</u>			
Sagicor Life	-	1,467	1,467
Sagicor Jamaica	16,299	10,492	26,791
Sagicor USA	26	-	26
Sagicor Canada	-	-	-
Head office and other	-	1,446	1,446
	16,325	13,405	29,730

Three months to March 31, 2023	Fees recognised		
	- at a point in time	- over time	Total
<u>Amounts in US \$000</u>			
Sagicor Life	-	1,942	1,942
Sagicor Jamaica	15,443	9,087	24,530
Sagicor USA	26	-	26
Head office and other	26	800	826
	15,495	11,829	27,324

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

4. FINANCIAL INVESTMENTS

4.1 Analysis of financial investments

<u>Amounts in US \$000</u>	March 31, 2024		December 31, 2023	
	Carrying value	Fair value	Carrying value	Fair value
Investments at FVTOCI:				
Debt securities	1,424,785	1,424,785	1,454,818	1,454,818
Equity securities	593	593	564	564
	1,425,378	1,425,378	1,455,382	1,455,382
Investments at FVTPL:				
Money market funds	217,714	217,714	203,779	203,779
Debt securities	10,734,951	10,734,951	10,837,515	10,837,515
Equity securities	2,728,230	2,728,230	2,613,505	2,613,505
Derivative financial instruments	18,600	18,600	17,064	17,064
Mortgage loans	20,672	20,672	22,280	22,280
	13,720,167	13,720,167	13,694,143	13,694,143
Investments at amortised cost:				
Debt securities	139,907	138,771	135,257	134,383
Mortgage loans	784,592	780,153	774,961	772,085
Finance loans	718,607	691,660	682,415	655,691
Securities purchased for resale	13,577	13,374	13,361	13,361
Deposits	275,384	275,236	269,592	269,592
	1,932,067	1,899,194	1,875,586	1,845,112
Total financial investments	17,077,612	17,044,739	17,025,111	16,994,637

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

4. FINANCIAL INVESTMENTS

4.1 Analysis of financial investments (continued)

Non-derivative investments at FVTPL	FVTPL mandatory classification	FVTPL designation by election	Total
March 31, 2024			
<u>Amounts in US \$000</u>			
Equity securities	2,728,230	-	2,728,230
Money market funds	174,067	43,647	217,714
Debt securities	8,881,927	1,853,024	10,734,951
Mortgage loans	-	20,672	20,672
	11,784,224	1,917,343	13,701,567
December 31, 2023			
<u>Amounts in US \$000</u>			
Equity securities	2,613,505	-	2,613,505
Money market funds	188,639	15,140	203,779
Debt securities	8,892,885	1,944,630	10,837,515
Mortgage loans	-	22,280	22,280
	11,695,029	1,982,050	13,677,079

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

4. FINANCIAL INVESTMENTS (continued)

4.1 Analysis of financial investments (continued)

Amounts in US \$000

Debt securities and money market funds:

	March 31, 2024	December 31, 2023
Government & government-guaranteed debt securities	4,718,338	4,799,757
Collateralised mortgage obligations	1,152,187	1,070,716
Corporate debt securities	6,329,164	6,454,768
Money market funds and other debt securities	317,668	306,128
	12,517,357	12,631,369

Included in financial investments are:

Exchange-traded funds included in equity securities	690,182	903,806
Debt securities issued by associates	19,280	19,733
Mutual funds managed by the Group	188,229	186,952

4.2 Financial investments repledged

Debt securities are pledged as collateral under repurchase agreements with customers and other financial institutions and for security relating to overdraft and other facilities with other financial institutions. Of the assets pledged as security, the following represents the total for those assets pledged for which the transferee has the right by contract or custom to sell or repledge the collateral.

Amounts in US \$000

	March 31, 2024	December 31, 2023
Financial investments repledged	694,627	687,753

Statement of financial position presentation

Financial investments	16,382,985	16,337,358
Financial investments repledged	694,627	687,753
	17,077,612	17,025,111

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

4. FINANCIAL INVESTMENTS (continued)

4.2 Financial investments repledged (continued)

Analysis of financial investments repledged

	March 31, 2024	December 31, 2023
	Pledged value	Pledged value
<u>Amounts in US \$000</u>		
Investments at FVTOCI:		
Debt securities	556,845	637,083
Investments at FVTPL:		
Money market funds	51,548	50,670
Investments at amortised cost:		
Deposits	86,234	-
Financial investments repledged	694,627	687,753

4.3 Contracts with direct participation features

	March 31, 2024		December 31, 2023	
	Carrying value	Fair value	Carrying value	Fair value
<u>Amounts in US \$000</u>				
Contracts with direct participation features				
Underlying assets:				
Debt securities	137,155	137,155	140,994	140,994
Equity securities	202,400	202,400	195,978	195,978
	339,555	339,555	336,972	336,972
Other investments	16,738,057	16,705,184	16,688,139	16,657,665
Total financial investments	17,077,612	17,044,739	17,025,111	16,994,637

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. INSURANCE, REINSURANCE AND INVESTMENT CONTRACT ASSETS AND LIABILITIES

The table below presents a summary of insurance, reinsurance and investment contract assets and liabilities held by the Group. Additional to the disclosures in note 5 related to insurance contract assets and liabilities, reinsurance contract assets and liabilities as well as investment contract liabilities, specific segregated funds insurance contract liabilities disclosures are separately disclosed in note 8.

<u>Amounts in US \$000</u>	As of March 31, 2024		
	Current portion	Non-current portion	Total
Insurance contract assets	3,466	5,701	9,167
Insurance contract liabilities	(841,152)	(14,780,872)	(15,622,024)
Reinsurance contract assets	308,571	2,756,024	3,064,595
Reinsurance contract liabilities	124	(16,216)	(16,092)
Investment contract liabilities	(384,281)	(89,586)	(473,867)
Segregated funds insurance contract liabilities (note 8)	(25,984)	(456,802)	(482,786)
	As of December 31, 2023		
<u>Amounts in US \$000</u>	Current portion	Non-current portion	Total
Insurance contract assets	1,726	(453)	1,273
Insurance contract liabilities	(391,576)	(15,340,638)	(15,732,214)
Reinsurance contract assets	175,774	3,037,125	3,212,899
Reinsurance contract liabilities	91	(14,891)	(14,800)
Investment contract liabilities	(393,365)	(84,493)	(477,858)
Segregated funds insurance contract liabilities (note 8)	(29,870)	(462,401)	(492,271)
	As of March 31, 2023		
<u>Amounts in US \$000</u>	Current portion	Non-current portion	Total
Insurance contract assets	1,137	2,548	3,685
Insurance contract liabilities	(497,877)	(5,841,209)	(6,339,086)
Reinsurance contract assets	85,436	390,209	475,645
Reinsurance contract liabilities	75,879	(104,295)	(28,416)
Investment contract liabilities	(384,930)	(89,654)	(474,584)
Segregated funds insurance contract liabilities (note 8)	-	-	-

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. INSURANCE, REINSURANCE AND INVESTMENT CONTRACT ASSETS AND LIABILITIES (continued)

The following table presents insurance contract and reinsurance contract assets and liabilities and summarises those contracts which are measured under the premium allocation approach (PAA) and those which are not measured under the PAA.

	As of March 31, 2024	As of December 31, 2023	As of March 31, 2023
<u>Amounts in US \$000</u>			
Insurance contracts issued (includes direct participation contracts)			
Contracts measured under PAA – net (asset) / liability, end of period	141,838	146,244	131,773
Contracts not measured under PAA (GMM / VFA) – net (asset) / liability, end of period	15,471,019	15,584,697	6,203,628
Total – Net (asset) / liability, end of period	15,612,857	15,730,941	6,335,401
Reinsurance contracts held			
Contracts measured under PAA – net asset / (liability), end of period	16,606	27,607	21,245
Contracts not measured under PAA (GMM) – net asset / (liability), end of period	3,031,897	3,170,492	425,984
Total – Net asset / (liability), end of period	3,048,503	3,198,099	447,229

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. INSURANCE, REINSURANCE AND INVESTMENT CONTRACT ASSETS AND LIABILITIES (continued)

The following tables explain the components of insurance contract and reinsurance contract assets and liabilities, in addition to changes in these balances for the period.

5.1 INSURANCE CONTRACTS ISSUED

(i) Contracts measured under PAA

a) Reconciliation of the liability for remaining coverage and the liability for incurred claims components

Three months to March 31, 2024

Amounts in US \$000

	LRC		LIC		Insurance acquisition cash flows asset	Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk		
Insurance contracts issued						
Contracts measured under PAA						
Insurance contract liabilities, beginning of period	34,940	-	106,886	4,609	-	146,435
Insurance contract assets, beginning of period	(1,487)	-	1,315	(19)	-	(191)
Net balance – (asset) / liability, beginning of period	33,453	-	108,201	4,590	-	146,244
Insurance revenue	(101,622)	-	-	-	-	(101,622)
Insurance service expenses						
Incurred claims and other directly attributable expenses	-	-	63,320	(123)	-	63,197
Changes that relate to past service – adjustments to the LIC	-	-	-	-	-	-
Losses on onerous contracts and reversal of those losses	-	-	-	-	-	-
Impairment losses recognised during the period	-	-	-	-	-	-
Reversal of impairment losses recognised in prior periods	-	-	-	-	-	-
Insurance acquisition cash flows amortisation	14,530	-	-	-	-	14,530
Total insurance service expenses	14,530	-	63,320	(123)	-	77,727
Total amounts recognised in the insurance services result	(87,092)	-	63,320	(123)	-	(23,895)
Finance (income) / expenses from insurance contracts issued	-	-	-	-	-	-
Effect of exchange rate changes	(6)	-	54	1	-	49
Total amounts recognised in total comprehensive income	(87,098)	-	63,374	(122)	-	(23,846)
Investment components	-	-	-	-	-	-
Other changes	(1)	-	26	-	-	25

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. INSURANCE, REINSURANCE AND INVESTMENT CONTRACT ASSETS AND LIABILITIES (continued)

5.1 INSURANCE CONTRACTS ISSUED (continued)

(i) Contracts measured under PAA (continued)

(a) Reconciliation of the liability for remaining coverage and the liability for incurred claims components

Amounts in US \$000	Three months to March 31, 2024					Total
	LRC		LIC		Insurance acquisition cash flows asset	
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk		
Insurance contracts issued						
Contracts measured under PAA						
Cash flows						
Premiums received	96,200	-	-	-	-	96,200
Claims and other directly attributable expenses paid	-	-	(61,789)	-	-	(61,789)
Insurance acquisition cash flows	(14,996)	-	-	-	-	(14,996)
Total cash flows	81,204	-	(61,789)	-	-	19,415
Allocation from assets for insurance acquisition cash flows to groups of insurance contracts	-	-	-	-	-	-
Other movements	-	-	-	-	-	-
Net balance – (asset) / liability, end of period	27,558	-	109,812	4,468	-	141,838
Insurance contract liabilities, end of period	30,287	-	109,235	4,608	-	144,130
Insurance contract assets, end of period	(2,729)	-	577	(140)	-	(2,292)
Net balance – (asset) / liability, end of period	27,558	-	109,812	4,468	-	141,838

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. INSURANCE, REINSURANCE AND INVESTMENT CONTRACT ASSETS AND LIABILITIES (continued)

5.1 INSURANCE CONTRACTS ISSUED (continued)

(i) Contracts measured under PAA

a) Reconciliation of the liability for remaining coverage and the liability for incurred claims components

Three months to March 31, 2023

Amounts in US \$000

	LRC		LIC		Insurance acquisition cash flows asset	Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk		
Insurance contracts issued						
Contracts measured under PAA						
Insurance contract liabilities, beginning of period	27,520	-	101,466	4,313	-	133,299
Insurance contract assets, beginning of period	(10)	-	6	-	-	(4)
Net balance – (asset) / liability, beginning of period	27,510	-	101,472	4,313	-	133,295
Insurance revenue	(92,431)	-	-	-	-	(92,431)
Insurance service expenses						
Incurred claims and other directly attributable expenses	-	-	66,559	(125)	-	66,434
Changes that relate to past service – adjustments to the LIC	-	-	-	-	-	-
Losses on onerous contracts and reversal of those losses	-	-	-	-	-	-
Impairment losses recognised during the period	-	-	-	-	-	-
Reversal of impairment losses recognised in prior periods	-	-	-	-	-	-
Insurance acquisition cash flows amortisation	12,950	-	-	-	-	12,950
Total insurance service expenses	12,950	-	66,559	(125)	-	79,384
Total amounts recognised in the insurance services result	(79,481)	-	66,559	(125)	-	(13,047)
Finance (income) / expenses from insurance contracts issued	-	-	-	-	-	-
Effect of exchange rate changes	29	-	176	6	-	211
Total amounts recognised in total comprehensive income	(79,452)	-	66,735	(119)	-	(12,836)
Investment components	-	-	-	-	-	-
Other changes	-	-	-	-	-	-

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. INSURANCE, REINSURANCE AND INVESTMENT CONTRACT ASSETS AND LIABILITIES (continued)

5.1 INSURANCE CONTRACTS ISSUED (continued)

(i) Contracts measured under PAA (continued)

(a) Reconciliation of the liability for remaining coverage and the liability for incurred claims components

Amounts in US \$000	Three months to March 31, 2023					Total
	LRC		LIC		Insurance acquisition cash flows asset	
Insurance contracts issued Contracts measured under PAA	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk		
Cash flows						
Premiums received	87,641	-	-	-	-	87,641
Claims and other directly attributable expenses paid	-	-	(63,953)	-	-	(63,953)
Insurance acquisition cash flows	(12,374)	-	-	-	-	(12,374)
Total cash flows	75,267	-	(63,953)	-	-	11,314
Allocation from assets for insurance acquisition cash flows to groups of insurance contracts	-	-	-	-	-	-
Other movements	-	-	-	-	-	-
Net balance – (asset) / liability, end of period	23,325	-	104,254	4,194	-	131,773
Insurance contract liabilities, end of period	25,143	-	103,874	4,176	-	133,193
Insurance contract assets, end of period	(1,818)	-	380	18	-	(1,420)
Net balance – (asset) / liability, end of period	23,325	-	104,254	4,194	-	131,773

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. INSURANCE, REINSURANCE AND INVESTMENT CONTRACT ASSETS AND LIABILITIES (continued)

5.1 INSURANCE CONTRACTS ISSUED (continued)

(ii) Contracts not measured under PAA

(a) Reconciliation of the liability for remaining coverage and the liability for incurred claims components

Three months to March 31, 2024

Amounts in US \$000

	LRC		LIC	Insurance acquisition cash flows asset	Total
	Excluding loss component	Loss component			
Insurance contracts issued					
Contracts not measured under PAA					
Insurance contract liabilities, beginning of period	15,050,930	265,528	269,321	-	15,585,779
Insurance contract assets, beginning of period	452	-	(1,534)	-	(1,082)
Net balance – (asset) / liability, beginning of period	15,051,382	265,528	267,787	-	15,584,697
Insurance revenue	(253,597)	-	-	-	(253,597)
Insurance service expenses					
Incurred claims and other directly attributable expenses	-	(3,585)	179,184	-	175,599
Changes that relate to past service – adjustments to the LIC	-	-	-	-	-
Losses on onerous contracts and reversal of those losses	-	25,195	-	-	25,195
Impairment losses recognised during the period	-	-	-	-	-
Reversal of impairment losses recognised in prior periods	-	-	-	-	-
Insurance acquisition cash flows amortisation	10,117	-	-	-	10,117
Total insurance service expenses	10,117	21,610	179,184	-	210,911
Total amounts recognised in the insurance services result	(243,480)	21,610	179,184	-	(42,686)
Finance (income) / expenses from insurance contracts issued	66,833	2,881	269	-	69,983
Effect of exchange rate changes	(210,637)	11	(1,974)	-	(212,600)
Total amounts recognised in total comprehensive income	(387,284)	24,502	177,479	-	(185,303)
Investment components	(267,406)	-	267,406	-	-
Other changes	-	3	(3)	-	-

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. INSURANCE, REINSURANCE AND INVESTMENT CONTRACT ASSETS AND LIABILITIES (continued)

5.1 INSURANCE CONTRACTS ISSUED (continued)

(ii) Contracts not measured under PAA (continued)

(a) Reconciliation of the liability for remaining coverage and the liability for incurred claims components

Three months to March 31, 2024

Amounts in US \$000

	LRC		LIC	Insurance acquisition cash flows asset	Total
	Excluding loss component	Loss component			
Insurance contracts issued					
Contracts not measured under PAA					
Cash flows					
Premiums received	549,538	-	-	-	549,538
Claims and other directly attributable expenses paid	-	-	(410,031)	-	(410,031)
Insurance acquisition cash flows	(67,882)	-	-	-	(67,882)
Total cash flows	481,656	-	(410,031)	-	71,625
Allocation from assets for insurance acquisition cash flows to groups of insurance contracts	-	-	-	-	-
Other movements	-	-	-	-	-
Net balance – (asset) / liability, end of period	14,878,348	290,033	302,638	-	15,471,019
Insurance contract liabilities, end of period	14,884,220	290,000	303,674	-	15,477,894
Insurance contract assets, end of period	(5,872)	33	(1,036)	-	(6,875)
Net balance – (asset) / liability, end of period	14,878,348	290,033	302,638	-	15,471,019

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. INSURANCE, REINSURANCE AND INVESTMENT CONTRACT ASSETS AND LIABILITIES (continued)

5.1 INSURANCE CONTRACTS ISSUED (continued)

(ii) Contracts not measured under PAA

(a) Reconciliation of the liability for remaining coverage and the liability for incurred claims components

Three months to March 31, 2023

Amounts in US \$000

	LRC		LIC	Insurance acquisition cash flows asset	Total
	Excluding loss component	Loss component			
Insurance contracts issued					
Contracts not measured under PAA					
Insurance contract liabilities, beginning of period	5,711,360	203,209	200,726	-	6,115,295
Insurance contract assets, beginning of period	(5,119)	514	1,059	-	(3,546)
Net balance – (asset) / liability, beginning of period	5,706,241	203,723	201,785	-	6,111,749
Insurance revenue	(73,770)	-	-	-	(73,770)
Insurance service expenses					
Incurred claims and other directly attributable expenses	-	(1,875)	44,494	-	42,619
Changes that relate to past service – adjustments to the LIC	-	-	-	-	-
Losses on onerous contracts and reversal of those losses	-	9,936	-	-	9,936
Impairment losses recognised during the period	-	-	-	-	-
Reversal of impairment losses recognised in prior periods	-	-	-	-	-
Insurance acquisition cash flows amortisation	4,777	-	-	-	4,777
Total insurance service expenses	4,777	8,061	44,494	-	57,332
Total amounts recognised in the insurance services result	(68,993)	8,061	44,494	-	(16,438)
Finance (income) / expenses from insurance contracts issued	143,326	2,178	282	-	145,786
Effect of exchange rate changes	2,122	272	100	-	2,494
Total amounts recognised in total comprehensive income	76,455	10,511	44,876	-	131,842
Investment components	(170,596)	-	170,596	-	-
Other changes	-	-	-	-	-

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. INSURANCE, REINSURANCE AND INVESTMENT CONTRACT ASSETS AND LIABILITIES (continued)

5.1 INSURANCE CONTRACTS ISSUED (continued)

(ii) Contracts not measured under PAA (continued)

(a) Reconciliation of the liability for remaining coverage and the liability for incurred claims components

Three months to March 31, 2023

Amounts in US \$000

	LRC		LIC	Insurance acquisition cash flows asset	Total
	Excluding loss component	Loss component			
Insurance contracts issued					
Contracts not measured under PAA					
Cash flows					
Premiums received	197,504	-	-	-	197,504
Claims and other directly attributable expenses paid	-	-	(215,106)	-	(215,106)
Insurance acquisition cash flows	(22,361)	-	-	-	(22,361)
Total cash flows	175,143	-	(215,106)	-	(39,963)
Allocation from assets for insurance acquisition cash flows to groups of insurance contracts	-	-	-	-	-
Other movements	-	-	-	-	-
Net balance – (asset) / liability, end of period	5,787,243	214,234	202,151	-	6,203,628
Insurance contract liabilities, end of period	5,790,360	214,205	201,328	-	6,205,893
Insurance contract assets, end of period	(3,117)	29	823	-	(2,265)
Net balance – (asset) / liability, end of period	5,787,243	214,234	202,151	-	6,203,628

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. INSURANCE, REINSURANCE AND INVESTMENT CONTRACT ASSETS AND LIABILITIES (continued)

5.1 INSURANCE CONTRACTS ISSUED (continued)

(ii) Contracts not measured under PAA (continued)

(b) Reconciliation of the measurement components of insurance contract balances

Amounts in US \$000

	Three months to March 31, 2024					Three months to March 31, 2023				
	Present value of future cash flows	Risk adjustment for non-financial risk	CSM	Insurance acquisition cash flows asset	Total	Present value of future cash flows	Risk adjustment for non-financial risk	CSM	Insurance acquisition cash flows asset	Total
Insurance contracts issued										
Contracts not measured under PAA										
Insurance contract liabilities, beginning of period	12,380,332	1,303,806	1,901,641	-	15,585,779	5,113,089	298,751	703,455	-	6,115,295
Insurance contract assets, beginning of period	(1,135)	4	49	-	(1,082)	(19,747)	6,200	10,001	-	(3,546)
Net balance – (asset) / liability, beginning of period	12,379,197	1,303,810	1,901,690	-	15,584,697	5,093,342	304,951	713,456	-	6,111,749
Changes that relate to current service										
CSM recognised in net (income) / loss for the services provided	-	-	(59,151)	-	(59,151)	-	-	(23,545)	-	(23,545)
Change in the risk adjustment for non-financial risk for risk expired	-	(24,259)	-	-	(24,259)	-	(6,841)	-	-	(6,841)
Experience adjustments – relating to insurance service expenses	15,529	-	-	-	15,529	4,009	-	-	-	4,009
	15,529	(24,259)	(59,151)	-	(67,881)	4,009	(6,841)	(23,545)	-	(26,377)
Changes that relate to future service										
Changes in estimate that adjust the CSM	1,856	(718)	(1,138)	-	-	12,248	2,838	(15,085)	-	1
Changes in estimates that result in onerous contract losses or reversal of losses	25,014	(74)	-	-	24,940	7,699	(120)	-	-	7,579
Contracts initially recognised in the period	(60,460)	20,619	40,096	-	255	(30,381)	4,584	28,156	-	2,359
	(33,590)	19,827	38,958	-	25,195	(10,434)	7,302	13,071	-	9,939
Changes that relate to past service										
Changes that relate to past service – adjustments to the LIC	-	-	-	-	-	-	-	-	-	-
Impairment losses recognised during the period	-	-	-	-	-	-	-	-	-	-
Total amounts recognised in the insurance service result	(18,061)	(4,432)	(20,193)	-	(42,686)	(6,425)	461	(10,474)	-	(16,438)
Finance (income) / expenses from insurance contracts issued	67,753	(22,540)	24,770	-	69,983	145,051	(6,803)	7,538	-	145,786
Effect of exchange rate changes	(162,020)	(23,226)	(27,354)	-	(212,600)	1,596	156	742	-	2,494
Total amounts recognised in total comprehensive income	(112,328)	(50,198)	(22,777)	-	(185,303)	140,222	(6,186)	(2,194)	-	131,842
Other changes	-	-	-	-	-	-	-	-	-	-

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. INSURANCE, REINSURANCE AND INVESTMENT CONTRACT ASSETS AND LIABILITIES (continued)

5.1 INSURANCE CONTRACTS ISSUED (continued)

(ii) Contracts not measured under PAA (continued)

(b) Reconciliation of the measurement components of insurance contract balances

Amounts in US \$000

Insurance contracts issued Contracts not measured under PAA	Three months to March 31, 2024					Three months to March 31, 2023				
	Present value of future cash flows	Risk adjustment for non-financial risk	CSM	Insurance acquisition cash flows asset	Total	Present value of future cash flows	Risk adjustment for non-financial risk	CSM	Insurance acquisition cash flows asset	Total
Cash flows										
Premiums received	549,538	-	-	-	549,538	197,504	-	-	-	197,504
Claims and other directly attributable expenses paid	(410,031)	-	-	-	(410,031)	(215,106)	-	-	-	(215,106)
Insurance acquisition cash flows	(67,882)	-	-	-	(67,882)	(22,361)	-	-	-	(22,361)
Total cash flows	71,625	-	-	-	71,625	(39,963)	-	-	-	(39,963)
Allocation from assets for insurance acquisition cash flows to groups of insurance contracts	-	-	-	-	-	-	-	-	-	-
Other movements	-	-	-	-	-	-	-	-	-	-
Net balance – (asset) / liability, end of period	12,338,494	1,253,612	1,878,913	-	15,471,019	5,193,601	298,765	711,262	-	6,203,628
Insurance contract liabilities, end of period	12,351,470	1,251,149	1,875,275	-	15,477,894	5,202,834	296,602	706,457	-	6,205,893
Insurance contract assets, end of period	(12,976)	2,463	3,638	-	(6,875)	(9,233)	2,163	4,805	-	(2,265)
Net balance – (asset) / liability, end of period	12,338,494	1,253,612	1,878,913	-	15,471,019	5,193,601	298,765	711,262	-	6,203,628

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. INSURANCE, REINSURANCE AND INVESTMENT CONTRACT ASSETS AND LIABILITIES (continued)

5.1 INSURANCE CONTRACTS ISSUED (continued)

(c) Impact of contracts recognised in the period

Amounts in US \$000	As of March 31, 2024					As of March 31, 2023				
	Contracts issued		Contracts acquired		Total	Contracts issued		Contracts acquired		Total
	Non-onerous	Onerous	Non-onerous	Onerous		Non-onerous	Onerous	Non-onerous	Onerous	
Insurance contracts issued										
Estimates of present value of future cash outflows										
Insurance acquisition cash flows	44,220	1,866	-	-	46,086	17,376	2,237	-	-	19,613
Claims and other directly attributable expenses	333,240	10,293	-	-	343,533	105,281	8,118	-	-	113,399
Estimates of present value of future cash outflows	377,460	12,159	-	-	389,619	122,657	10,355	-	-	133,012
Estimates of present value of future cash inflows	(437,542)	(12,536)	-	-	(450,078)	(155,141)	(8,358)	-	-	(163,499)
Risk adjustment for non-financial risk	19,986	632	-	-	20,618	4,223	382	-	-	4,605
CSM	40,096	-	-	-	40,096	28,261	-	-	-	28,261
Increase / (decrease) in insurance contract liabilities from contracts recognised in the period	-	255	-	-	255	-	2,379	-	-	2,379

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. INSURANCE, REINSURANCE AND INVESTMENT CONTRACT ASSETS AND LIABILITIES (continued)

5.1 INSURANCE CONTRACTS ISSUED (continued)

d) Amounts determined on transition to IFRS 17 – Insurance revenue and the CSM by transition method

Amounts in US \$000

	Three months to March 31, 2024			Three months to March 31, 2023		
	New contracts and contracts measured under the full retrospective approach at transition	Contracts measured under the fair value approach at transition	Total	New contracts and contracts measured under the full retrospective approach at transition	Contracts measured under the fair value approach at transition	Total
Insurance contracts issued						
Insurance revenue	213,723	39,874	253,597	37,647	36,123	73,770
CSM, beginning of period	1,735,475	166,215	1,901,690	567,867	145,589	713,456
Changes that relate to current service						
CSM recognised in net (income) / loss for the services provided	(54,324)	(4,827)	(59,151)	(18,831)	(4,714)	(23,545)
Changes that relate to future service						
Changes in estimates that adjust the CSM	(21,975)	20,837	(1,138)	(37,929)	22,844	(15,085)
Contracts initially recognised in the period	40,068	28	40,096	28,091	65	28,156
	(36,231)	16,038	(20,193)	(28,669)	18,195	(10,474)
Finance (income) / expenses from insurance contracts issued	23,012	1,758	24,770	6,167	1,370	7,537
Effect of exchange rate changes	(27,696)	342	(27,354)	248	495	743
Total amounts recognised in total comprehensive income	(40,915)	18,138	(22,777)	(22,254)	20,060	(2,194)
CSM, end of period	1,694,560	184,353	1,878,913	545,613	165,649	711,262

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. INSURANCE, REINSURANCE AND INVESTMENT CONTRACT ASSETS AND LIABILITIES (continued)

5.2 REINSURANCE CONTRACTS HELD

(i) Contracts measured under PAA

(a) Reconciliation of the remaining coverage and the incurred claims components

Amounts in US \$000

	Three months to March 31, 2024					Three months to March 31, 2023					
	Remaining coverage		Incurred claims			Total	Remaining coverage		Incurred claims		Total
	Excluding loss recovery component	Loss recovery component	Present value of future cash flows	Risk adjustment for non-financial risk	Excluding loss recovery component		Loss recovery component	Present value of future cash flows	Risk adjustment for non-financial risk		
Reinsurance contracts held											
Contracts measured under the PAA											
Reinsurance contract liabilities, beginning of period	(2,035)	-	415	17	(1,603)	(1,326)	-	120	-	(1,206)	
Reinsurance contract assets, beginning of period	10,908	-	17,403	899	29,210	10,073	-	16,619	748	27,440	
Net balance – asset / (liability), beginning of period	8,873	-	17,818	916	27,607	8,747	-	16,739	748	26,234	
Net income / (expenses) from reinsurance contracts held											
Reinsurance expenses	(23,477)	-	-	-	(23,477)	(10,401)	-	-	-	(10,401)	
Other incurred directly attributable expenses	-	-	-	-	-	(9,942)	-	-	-	(9,942)	
Claims recovered	-	-	5,748	-	5,748	-	-	7,725	(9)	7,716	
Changes that relate to past service – adjustments to incurred claims	-	-	-	-	-	-	-	-	-	-	
Loss – recovery of onerous underlying contracts and adjustments	-	-	-	-	-	-	-	-	-	-	
Effect of changes in the risk of reinsurers' non-performance	-	-	-	-	-	-	-	-	-	-	
Net income / (expenses) from reinsurance contracts held	(23,477)	-	5,748	-	(17,729)	(20,343)	-	7,725	(9)	(12,627)	
Finance income / (expenses) from reinsurance contracts held	-	-	-	-	-	-	-	-	-	-	
Effect of exchange rate changes	(13)	-	(5)	-	(18)	(22)	-	17	1	(4)	
Total amounts recognised in total comprehensive income	(23,490)	-	5,743	-	(17,747)	(20,365)	-	7,742	(8)	(12,631)	
Investment components	-	-	-	-	-	-	-	-	-	-	
Other changes	-	-	-	-	-	-	-	-	-	-	

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. INSURANCE, REINSURANCE AND INVESTMENT CONTRACT ASSETS AND LIABILITIES (continued)

5.2 REINSURANCE CONTRACTS HELD

(i) Contracts measured under PAA (continued)

(a) Reconciliation of the remaining coverage and the incurred claims components

Amounts in US \$000

	Three months to March 31, 2024					Three months to March 31, 2023					
	Remaining coverage		Incurred claims			Total	Remaining coverage		Incurred claims		Total
	Excluding loss recovery component	Loss recovery component	Present value of future cash flows	Risk adjustment for non-financial risk	Excluding loss recovery component		Loss recovery component	Present value of future cash flows	Risk adjustment for non-financial risk		
Reinsurance contracts held											
Contracts measured under the PAA											
Cash flows											
Premiums paid net of ceding commissions and other directly attributable expenses paid	12,342	-	-	-	12,342	13,477	-	-	-	13,477	
Recoveries from reinsurance	-	-	(5,596)	-	(5,596)	-	-	(5,835)	-	(5,835)	
Total cash flows	12,342	-	(5,596)	-	6,746	13,477	-	(5,835)	-	7,642	
Net balance – asset / (liability), end of period	(2,275)	-	17,965	916	16,606	1,859	-	18,646	740	21,245	
Reinsurance contract liabilities, end of period	(4,020)	-	2,158	(6)	(1,868)	(988)	-	90	-	(898)	
Reinsurance contract assets, end of period	1,745	-	15,807	922	18,474	2,847	-	18,556	740	22,143	
Net balance – asset / (liability), end of period	(2,275)	-	17,965	916	16,606	1,859	-	18,646	740	21,245	

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. INSURANCE, REINSURANCE AND INVESTMENT CONTRACT ASSETS AND LIABILITIES (continued)

5.2 REINSURANCE CONTRACTS HELD

(ii) Contracts not measured under PAA

(a) Reconciliation of the remaining coverage and the incurred claims components

Amounts in US \$000

	Three months to March 31, 2024			Three months to March 31, 2023				
	Remaining coverage		Incurred claims	Remaining coverage		Incurred claims	Total	
	Excluding loss recovery component	Loss recovery component	Total	Excluding loss recovery component	Loss recovery component	Total		
Reinsurance contracts held								
Contracts not measured under the PAA								
Reinsurance contract liabilities, beginning of period	(12,253)	243	(1,187)	(13,197)	(29,784)	68	(524)	(30,240)
Reinsurance contract assets, beginning of period	3,063,834	19,642	100,213	3,183,689	425,562	7,964	55,600	489,126
Net balance – asset / (liability), beginning of period	3,051,581	19,885	99,026	3,170,492	395,778	8,032	55,076	458,886
Net income / (expenses) from reinsurance contracts held								
Reinsurance expenses	(123,159)	-	-	(123,159)	(8,289)	-	-	(8,289)
Other incurred directly attributable expenses	-	(1)	162	161	-	-	-	-
Claims recovered	-	(930)	102,810	101,880	-	(491)	(2,819)	(3,310)
Changes that relate to past service – adjustments to incurred claims	-	-	-	-	-	-	-	-
Changes that relate to future service – changes in the FCF do not adjust the CSM for the group of underlying insurance contracts	-	2,013	-	2,013	-	(2,964)	-	(2,964)
Effect of changes in the risk of reinsurers' non-performance	-	-	-	-	-	-	-	-
Net income / (expenses) from reinsurance contracts held	(123,159)	1,082	102,972	(19,105)	(8,289)	(3,455)	(2,819)	(14,563)
Finance income / (expenses) from reinsurance contracts held	(58,222)	256	-	(57,966)	11,993	39	-	12,032
Effect of exchange rate changes	(65,057)	1	(2,172)	(67,228)	(80)	83	(6)	(3)
Total amounts recognised in total comprehensive income	(246,438)	1,339	100,800	(144,299)	3,624	(3,333)	(2,825)	(2,534)
Investment components	(36,066)	-	36,066	-	(42,354)	-	42,354	-
Other changes	-	-	-	-	-	-	-	-

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. INSURANCE, REINSURANCE AND INVESTMENT CONTRACT ASSETS AND LIABILITIES (continued)

5.2 REINSURANCE CONTRACTS HELD

(ii) Contracts not measured under PAA (continued)

(a) Reconciliation of the remaining coverage and the incurred claims components

Amounts in US \$000

	Three months to March 31, 2024			Three months to March 31, 2023				
	Remaining coverage		Incurred claims	Remaining coverage		Incurred claims	Total	
	Excluding loss recovery component	Loss recovery component	Total	Excluding loss recovery component	Loss recovery component	Total		
Reinsurance contracts held								
Contracts not measured under the PAA								
Cash flows								
Premiums paid net of ceding commissions and other directly attributable expenses paid	81,055	-	-	81,055	6,346	-	(43)	6,303
Recoveries from reinsurance	-	-	(75,351)	(75,351)	-	-	(36,671)	(36,671)
Total cash flows	81,055	-	(75,351)	5,704	6,346	-	(36,714)	(30,368)
Net balance – asset / (liability), end of period	2,850,132	21,224	160,541	3,031,897	363,394	4,699	57,891	425,984
Reinsurance contract liabilities, end of period	(13,584)	11	(651)	(14,224)	(27,908)	45	345	(27,518)
Reinsurance contract assets, end of period	2,863,716	21,213	161,192	3,046,121	391,302	4,654	57,546	453,502
Net balance – asset / (liability), end of period	2,850,132	21,224	160,541	3,031,897	363,394	4,699	57,891	425,984

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. INSURANCE, REINSURANCE AND INVESTMENT CONTRACT ASSETS AND LIABILITIES (continued)

5.2 REINSURANCE CONTRACTS HELD

(ii) Contracts not measured under PAA (continued)

(b) Reconciliation of the measurement components of reinsurance contract balances

Amounts in US \$000

	Three months to March 31, 2024				Three months to March 31, 2023			
	Present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total	Present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total
Reinsurance contracts held								
Contracts not measured under the PAA								
Reinsurance contract liabilities, beginning of period	(33,202)	4,077	15,928	(13,197)	(42,801)	4,548	8,013	(30,240)
Reinsurance contract assets, beginning of period	2,011,420	565,016	607,253	3,183,689	433,571	24,743	30,812	489,126
Net balance – asset / (liability), beginning of period	1,978,218	569,093	623,181	3,170,492	390,770	29,291	38,825	458,886
Changes that relate to current service								
CSM recognised in net income / (loss) for the services received	-	-	(17,708)	(17,708)	-	-	(1,684)	(1,684)
Change in the risk adjustment for non-financial risk for risk expired	-	(11,379)	-	(11,379)	-	(924)	-	(924)
Experience adjustments	7,969	-	-	7,969	(8,993)	-	-	(8,993)
	7,969	(11,379)	(17,708)	(21,118)	(8,993)	(924)	(1,684)	(11,601)
Changes that relate to future service								
Changes in estimate that adjust the CSM	3,799	(287)	(3,513)	(1)	17,979	(4,064)	(14,273)	(358)
Changes in the FCF that do not adjust the CSM for the group of underlying insurance contracts	917	1,679	(4)	2,592	(1,642)	2,876	(9)	1,225
Contracts initially recognised in the period	(3,866)	5,867	(1,985)	16	(1,618)	54	1,570	6
Changes in the contractual service margin due to recognition of a loss-recovery component from onerous underlying contracts	-	-	(540)	(540)	-	-	(3,461)	(3,461)
Changes in the contractual service margin due to reversal of a loss-recovery component from onerous underlying contracts	(2)	2	(54)	(54)	-	-	(375)	(375)
	848	7,261	(6,096)	2,013	14,719	(1,134)	(16,548)	(2,963)
Changes that relate to past service								
Changes that relate to past service – adjustments to the incurred claims	-	-	-	-	-	-	-	-
Experience adjustments – arising from ceded premiums paid during the period	-	-	-	-	-	-	-	-
Effect of changes in the risk of reinsurers' non-performance	-	-	-	-	7	(6)	-	1
	-	-	-	-	7	(6)	-	1

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. INSURANCE, REINSURANCE AND INVESTMENT CONTRACT ASSETS AND LIABILITIES (continued)

5.2 REINSURANCE CONTRACTS HELD

(ii) Contracts not measured under PAA (continued)

(b) Reconciliation of the measurement components of reinsurance contract balances

Amounts in US \$000

	Three months to March 31, 2024				Three months to March 31, 2023			
	Present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total	Present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total
Reinsurance contracts held								
Contracts not measured under the PAA								
Net income / (expenses) from reinsurance contracts held	8,817	(4,118)	(23,804)	(19,105)	5,733	(2,064)	(18,232)	(14,563)
Finance income / (expenses) from reinsurance contracts held	(54,396)	(11,680)	8,110	(57,966)	12,441	(569)	160	12,032
Effect of exchange rate changes	(40,613)	(12,551)	(14,064)	(67,228)	(106)	45	58	(3)
Total amounts recognised in total comprehensive income	(86,192)	(28,349)	(29,758)	(144,299)	18,068	(2,588)	(18,014)	(2,534)
Other changes	-	-	-	-	-	-	-	-
Cash flows								
Premiums paid net of ceding commissions and other directly attributable expenses paid	81,055	-	-	81,055	6,303	-	-	6,303
Recoveries from reinsurance	(75,351)	-	-	(75,351)	(36,671)	-	-	(36,671)
Total cash flows	5,704	-	-	5,704	(30,368)	-	-	(30,368)
Net balance – asset / (liability), end of period	1,897,730	540,744	593,423	3,031,897	378,470	26,703	20,811	425,984
Reinsurance contract liabilities, end of period	(30,127)	3,639	12,264	(14,224)	(25,213)	2,844	(5,149)	(27,518)
Reinsurance contract assets, end of period	1,927,857	537,105	581,159	3,046,121	403,683	23,859	25,960	453,502
Net balance – asset / (liability), end of period	1,897,730	540,744	593,423	3,031,897	378,470	26,703	20,811	425,984

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. INSURANCE, REINSURANCE AND INVESTMENT CONTRACT ASSETS AND LIABILITIES (continued)

5.2 REINSURANCE CONTRACTS HELD

(c) Impact of contracts recognised in the period

<u>Amounts in US \$000</u>	As of March 31, 2024					As of March 31, 2023				
	Contracts held		Contracts acquired		Total	Contracts held		Contracts acquired		Total
	Contracts not in a net gain	Contracts in a net gain	Contracts not in a net gain	Contracts in a net gain		Contracts not in a net gain	Contracts in a net gain	Contracts not in a net gain	Contracts in a net gain	
Reinsurance contracts held										
Estimates of present value of future cash inflows	67	22,882	(3)	-	22,946	142	(214)	-	-	(72)
Estimates of present value of future cash outflows	(111)	(26,704)	3	-	(26,812)	(232)	(1,315)	-	-	(1,547)
Risk adjustment for non-financial risk	13	5,854	-	-	5,867	32	21	-	-	53
CSM	32	(2,017)	-	-	(1,985)	61	1,508	-	-	1,569
Increase / (decrease) in reinsurance contract assets from contracts recognised in the period	1	15	-	-	16	3	-	-	-	3

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. INSURANCE, REINSURANCE AND INVESTMENT CONTRACT ASSETS AND LIABILITIES (continued)

5.2 REINSURANCE CONTRACTS HELD

(d) Amounts determined on transition to IFRS 17 – The CSM by transition method

Amounts in US \$000

	Three months to March 31, 2024			Three months to March 31, 2023		
	New contracts and contracts measured under the full retrospective approach at transition	Contracts measured under the fair value approach at transition	Total	New contracts and contracts measured under the full retrospective approach at transition	Contracts measured under the fair value approach at transition	Total
Reinsurance contracts held						
CSM, beginning of period	612,795	10,386	623,181	18,687	20,138	38,825
Changes that relate to current service						
CSM recognised in net income / (loss) for the services provided	(19,152)	1,444	(17,708)	(1,280)	(404)	(1,684)
Changes that relate to future service						
Changes in estimates that adjust the CSM	(928)	(2,585)	(3,513)	(875)	(13,398)	(14,273)
Contracts initially recognised in the period	(2,109)	124	(1,985)	1,498	72	1,570
Loss- recovery component recognised on onerous underlying contracts	1	(541)	(540)	-	(3,461)	(3,461)
Reversal of loss-recovery component from onerous underlying contracts	(1)	(57)	(58)	29	(413)	(384)
	(22,189)	(1,615)	(23,804)	(628)	(17,604)	(18,232)
Finance income / (expenses) from reinsurance contracts held	8,008	102	8,110	(16)	176	160
Effect of exchange rate changes	(14,082)	18	(14,064)	(332)	390	58
Total amounts recognised in total comprehensive income	(28,263)	(1,495)	(29,758)	(976)	(17,038)	(18,014)
CSM, end of period	584,532	8,891	593,423	17,711	3,100	20,811

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. INSURANCE, REINSURANCE AND INVESTMENT CONTRACT ASSETS AND LIABILITIES (continued)

5.3. INVESTMENT CONTRACT LIABILITIES

	Three months to March 31, 2024	Twelve months to December 31, 2023	Three months to March 31, 2023
<u>Amounts in US \$000</u>			
Movement for the period:			
Balance, beginning of period	477,858	472,297	472,297
Amounts assumed on acquisition	-	9,509	-
Contributions received	8,388	46,185	10,649
Benefits paid	(16,890)	(70,674)	(12,675)
Investment return from underlying assets	5,391	23,930	4,308
Asset management fees charged	(419)	(1,469)	(500)
Effect of exchange rate changes	(461)	(1,920)	505
Balance, end of period	473,867	477,858	474,584

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

6. DEPOSIT AND SECURITY LIABILITIES

The following table presents the carrying values and estimated fair values of deposit and security liabilities.

<u>Amounts in US \$000</u>	As of March 31, 2024		As of December 31, 2023	
	Carrying value	Fair Value	Carrying value	Fair value
Liabilities at amortised cost:				
Other funding instruments	1,196,472	1,309,775	1,220,776	1,359,080
Customer deposits	1,111,932	1,114,532	1,066,443	1,069,478
Securities sold for repurchase	655,410	655,410	660,520	660,520
Bank overdrafts	1,098	1,098	2,153	2,153
	2,964,912	3,080,815	2,949,892	3,091,231
Liabilities at FVTPL:				
Derivative financial instruments	864	864	538	538
	2,965,776	3,081,679	2,950,430	3,091,769

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

7. NOTES AND LOANS PAYABLE

The following table presents the carrying values of notes and loans payable.

<u>Amounts in US \$000</u>	March 31, 2024		December 31, 2023	
	Carrying value	Fair value	Carrying value	Fair value
5.30% senior notes due 2028	548,717	544,593	539,124	537,306
10.50% unsecured bond due 2024	29,410	29,740	29,304	30,035
7.50% unsecured bond due 2024	21,088	21,265	21,060	21,332
6.75% notes due 2024	14,282	14,170	14,251	14,299
Bank loans and other funding instruments	27,523	6,675	36,092	36,092
SOFR+200 bps revolving credit facility	-	-	4,007	4,007
SOFR+500 bps term loan	303,787	303,787	301,828	301,828
	944,807	920,230	945,666	944,899

Movement for the three months to March 31:

Amounts in US \$000

	2024	2023
Balance, beginning of period	945,666	632,535
Valuation of call option embedded derivative	1,922	110
Additions:		
Gross principal	-	8,147
	-	8,147
Repayments:		
Principal	(12,414)	(431)
Interest	(10,096)	(1,306)
	(22,510)	(1,737)
Amortisation during the period	2,409	440
Accrued interest	17,192	8,549
Effects of exchange rate changes	128	152
Balance, end of the period	944,807	648,196

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

8. SEGREGATED FUNDS ASSETS AND LIABILITIES ON ACCOUNT OF FUND HOLDERS

The Group manages a range of segregated funds on behalf of policyholders which were assumed on the acquisition of ivari on October 3, 2023. The comparative amounts are presented from the date of acquisition.

The schedule of changes in segregated funds net assets is as follows:

<u>Amounts in US \$000</u>	Three months to March 31, 2024	October 3, 2023 to December 31, 2023
Segregated funds assets, beginning of period / assumed on acquisition	492,271	458,940
Additions:		
Deposits	418	270
Net realised and unrealised gains / (losses)	24,002	24,872
Interest and dividend income	1,266	10,092
Total additions	<u>25,686</u>	<u>35,234</u>
Less deductions:		
Payments to policy holders and their beneficiaries	18,954	14,889
Management fees	4,129	4,057
Other expenses, including GST on management fees	290	308
Total deductions	<u>23,373</u>	<u>19,254</u>
Foreign exchange (losses) / gains	(11,798)	17,351
Balance, end of period	<u>482,786</u>	<u>492,271</u>

Segregated funds assets represent underlying items for segregated fund insurance contracts which are direct participating contracts.

Investment on account of the segregated fund policyholders by asset class are as follows:

<u>Amounts in US \$000</u>	<u>As of March 31, 2024</u>		<u>As of December 31, 2023</u>	
	Total	Percentage	Total	Percentage
Asset class:				
Cash and cash equivalents	2,247	1%	2,273	1%
Short-term investments	9,889	2%	10,501	2%
Equities	55,164	11%	53,730	11%
Bonds	25,273	5%	28,200	6%
Mutual funds	389,502	81%	397,354	80%
Other assets	711	-	213	-
Total segregated funds assets	<u>482,786</u>	<u>100%</u>	<u>492,271</u>	<u>100%</u>

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

8. SEGREGATED FUNDS ASSETS AND LIABILITIES ON ACCOUNT OF FUND HOLDERS (continued)

Insurance contract liabilities on account of segregated fund policyholders

Reconciliation of the liability for remaining coverage and the liability for incurred claims

The following tables show the changes in the liabilities for insurance contracts for account of segregated fund holders by liability for remaining coverage and liability for incurred claims.

<u>Amounts in US \$000</u>	Three months to March 31, 2024		
	LRC	LIC	Total
Balance, beginning of period	492,271	-	492,271
Insurance finance (income) / expenses	25,269	-	25,269
Cash flows:			
Management fees	(4,129)	-	(4,129)
Amounts paid to policyholders and other insurance service expenses paid	-	(18,827)	(18,827)
Actual investment component excluded from insurance revenue	-	18,827	18,827
Expected investment component excluded from insurance revenue	(18,827)	-	(18,827)
Total	494,584	-	494,584
Foreign exchange (gains)	(11,798)		(11,798)
Balance, end of period	482,786	-	482,786

<u>Amounts in US \$000</u>	October 3, 2023 to December 31, 2023		
	LRC	LIC	Total
Balance, assumed on acquisition	458,940	-	458,940
Insurance finance (income) / expenses	34,963	-	34,963
Cash flows:			
Management fees	(4,057)	-	(4,057)
Amounts paid to policyholders and other insurance service expenses paid	-	(14,926)	(14,926)
Actual investment component excluded from insurance revenue	-	14,926	14,926
Expected investment component excluded from insurance revenue	(14,926)	-	(14,926)
Total	(18,983)	-	(18,983)
Foreign exchange losses	17,351	-	17,351
Balance, end of period	492,271	-	492,271

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

9. INSURANCE REVENUE AND SERVICE EXPENSES

An analysis of insurance revenue, insurance service expenses and net expenses from reinsurance contracts held is included in the following tables.

(a) Insurance service result	Three months to March 31, 2024	Three months to March 31, 2023
<u>Amounts in US \$000</u>		
Insurance revenue		
Contracts not measured under the PAA		
Amounts relating to the changes in the LRC:		
Expected incurred claims and other directly attributable expenses after loss component allocation	160,070	38,607
Change in the risk adjustment for non-financial risk for the risk expired after loss component allocation	24,259	6,841
CSM recognised in net income / (loss) for the services provided	59,151	23,545
Insurance acquisition cash flows recovery	10,117	4,777
Insurance revenue for contracts not measured under the PAA	253,597	73,770
Insurance revenue from contracts measured under the PAA	101,622	92,431
Total insurance revenue	355,219	166,201
Insurance service expenses		
Incurring claims and other directly attributable expenses	(238,796)	(109,053)
Losses on onerous contracts and reversal of those losses	(25,195)	(9,936)
Insurance acquisition cash flows amortisation	(24,647)	(17,727)
Total insurance service expenses	(288,638)	(136,716)

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

9. INSURANCE REVENUE AND SERVICE EXPENSES (continued)

(a) Insurance service result (continued)

	Three months to March 31, 2024	Three months to March 31, 2023
<u>Amounts in US \$000</u>		
Net income / (expenses) from reinsurance contracts held		
Reinsurance expenses – contracts not measured under the PAA		
Amounts relating to the changes in the remaining coverage:		
Expected claims and other directly attributable expenses recovery	(94,072)	(5,681)
Change in the risk adjustment recognised for the risk expired	(11,379)	(924)
CSM recognised in net income / (loss) for the services received	(17,708)	(1,684)
Reinsurance expenses – contracts not measured under the PAA	(123,159)	(8,289)
Reinsurance expenses – contracts measured under the PAA	(23,477)	(10,401)
Other incurred directly attributable expenses	161	(9,942)
Claims recovered	107,628	4,406
Changes in fulfilment cash flows which relate to onerous underlying insurance contracts	2,013	(2,964)
Reversals of loss-recovery component other than changes in fulfilment cash flows	(4)	-
Total net income / (expenses) from reinsurance contracts held	(36,838)	(27,190)
Total insurance service result	29,743	2,295

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

9. INSURANCE REVENUE AND SERVICE EXPENSES (continued)

(b) Amounts determined on transition to IFRS 17

The following table shows an analysis of insurance revenue and CSM by transition method.

Amounts in US \$000

INSURANCE CONTRACTS ISSUED

Insurance revenue

	Three months to March 31, 2024	Twelve months to December 31, 2023	Three months to March 31, 2023
New contracts and contracts measured under the full retrospective approach at transition	213,723	323,986	37,647
Contracts measured under the fair value approach at transition	39,874	152,215	36,123
	253,597	476,201	73,770

Amounts in US \$000

CSM, end of period

	As of March 31, 2024	As of December 31, 2023	As of March 31, 2023
New contracts and contracts measured under the full retrospective approach at transition	1,694,560	1,735,475	545,613
Contracts measured under the fair value approach at transition	184,353	166,215	165,649
	1,878,913	1,901,690	711,262

REINSURANCE CONTRACTS HELD

CSM, end of period

	As of March 31, 2024	As of December 31, 2023	As of March 31, 2023
New contracts and contracts measured under the full retrospective approach at transition	584,532	612,795	17,711
Contracts measured under the fair value approach at transition	8,891	10,386	3,100
	593,423	623,181	20,811

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

9. INSURANCE REVENUE AND SERVICE EXPENSES (continued)

(c) Expected recognition of the contractual service margin

The following tables summarise the expected recognition of the contractual service margin based on the estimate of the CSM using discounted coverage units to allocate the CSM to each year.

	As of March 31, 2024	As of December 31, 2023
<u>Amounts in US \$000</u>		
INSURANCE CONTRACTS ISSUED		
Contracts not measured under the PAA		
Number of years until expected to be recognised		
1	184,588	175,181
2	158,065	158,463
3	140,565	140,428
4	125,989	123,899
5	113,549	110,143
6-10	465,286	434,688
>10	690,871	758,888
Total	1,878,913	1,901,690

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

9. INSURANCE REVENUE AND SERVICE EXPENSES (continued)

(c) Expected recognition of the contractual service margin (continued)

	As of March 31, 2024	As of December 31, 2023
<u>Amounts in US \$000</u>		
REINSURANCE CONTRACTS HELD		
Contracts not measured under the PAA		
Number of years until expected to be recognised		
1	69,033	72,405
2	58,993	61,955
3	51,557	54,467
4	45,471	48,148
5	40,403	42,750
6-10	146,000	153,980
>10	181,966	189,476
Total	593,423	623,181

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

10. INVESTMENT INCOME AND INSURANCE FINANCE EXPENSES

An analysis of net investment income and net insurance finance expenses recognised in the statement of income is presented in the following tables.

<u>Amounts in US \$000</u>	Three months to March 31, 2024	Three months to March 31, 2023
NET INVESTMENT INCOME / (EXPENSES) – UNDERLYING ASSETS⁽¹⁾		
Gain / (loss) on derecognition of amortised cost investments	9	-
Gain / (loss) on derecognition of assets carried at FVTOCI	-	(479)
Interest income earned from financial assets measured at amortised cost and FVTOCI	3,801	2,612
Net gain / (loss) on FVTPL investments	156,889	113,799
Net credit impairment recovery / (loss)	917	270
Net investment income / (expenses) – underlying assets	161,616	116,202
NET INVESTMENT INCOME / (EXPENSES) – OTHER INVESTMENTS		
Gain / (loss) on derecognition of amortised cost investments	(52)	-
Gain / (loss) on derecognition of assets carried at FVTOCI	787	(137)
Interest income earned from financial assets measured at amortised cost and FVTOCI	58,765	47,193
Net gain / (loss) on FVTPL investments	28,112	56,448
Net credit impairment recovery / (loss)	(843)	(1,042)
Net investment income – other investments	86,769	102,462
NET INVESTMENT INCOME / (EXPENSES) – OTHER		
Net change in investment contract liabilities	(25)	-
Investment property – rental income	680	495
Investment property – unrealised gains	(65)	-
Other investment income	332	487
Net investment income – other	922	982
TOTAL NET INVESTMENT INCOME	249,307	219,646

⁽¹⁾ Underlying assets relate to those financial assets which support insurance liabilities

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

10. INVESTMENT INCOME AND INSURANCE FINANCE EXPENSES (continued)

	Three months to March 31, 2024	Three months to March 31, 2023
<u>Amounts in US \$000</u>		
FINANCE INCOME / (EXPENSES) FROM INSURANCE CONTRACTS ISSUED		
Changes in fair value of underlying assets of contracts measured under the VFA	(2,661)	329
Interest accreted	(188,112)	(60,974)
Effect of changes in interest rates and other financial assumptions	125,935	(85,141)
Net foreign exchange income/ (expense)	(5,145)	-
Finance expenses from insurance contracts issued	(69,983)	(145,786)
FINANCE INCOME / (EXPENSES) FROM REINSURANCE CONTRACTS HELD		
Interest accreted	40,027	5,223
Effect of changes in interest rates and other financial assumptions	(97,993)	6,809
Finance income/ (expenses) from reinsurance contracts held	(57,966)	12,032
NET INSURANCE FINANCE EXPENSES	(127,949)	(133,754)

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

10. INVESTMENT INCOME AND INSURANCE FINANCE EXPENSES (continued)

	Three months to March 31, 2024	Three months to March 31, 2023
<u>Amounts in US \$000</u>		
SUMMARY OF THE AMOUNTS RECOGNISED IN THE STATEMENT OF INCOME		
Net investment income / (expenses) – underlying assets ⁽¹⁾	161,616	116,202
Net investment income / (expenses) – other investments	86,769	102,462
Net investment income / (expenses) – other	922	982
Net insurance finance income / (expenses)	(127,949)	(133,754)
	121,358	85,892

⁽¹⁾ Underlying assets relate to those financial assets which support insurance liabilities

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

11. EXPENSES BY NATURE

An analysis of the expense incurred by the Group is included in the below table:

	Three months to March 31, 2024			
	Expenses attributed to insurance acquisition cash flows	Other directly attributable expenses	Other operating expenses	Total
<u>Amounts in US \$000</u>				
Employee expenses	15,818	13,250	34,560	63,628
Commissions and related compensation	42,780	12,167	1,129	56,076
Asset taxes	-	-	7,182	7,182
Claims adjustment expenses	-	100,843	-	100,843
Depreciation, amortisation and intangible asset impairment charges	472	320	6,446	7,238
Audit, legal and other professional fees	822	4,066	5,179	10,067
Other administrative expenses	13,238	10,909	29,221	53,368
	73,130	141,555	83,717	298,402
	Three months to March 31, 2023			
	Expenses attributed to insurance acquisition cash flows	Other directly attributable expenses	Other operating expenses	Total
<u>Amounts in US \$000</u>				
Employee expenses	8,916	9,599	37,856	56,371
Commissions and related compensation	7,481	5,881	933	14,295
Asset taxes	-	-	6,482	6,482
Claims adjustment expenses	-	45,147	-	45,147
Depreciation, amortisation and intangible asset impairment charges	293	226	4,772	5,291
Audit, legal and other professional fees	1,460	1,417	7,306	10,183
Other administrative expenses	7,220	6,950	16,691	30,861
	25,370	69,220	74,040	168,630

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

12. FAIR VALUE DISCLOSURES OF ASSETS AND LIABILITIES CARRIED AT FAIR VALUE

12.1 Property

Investment property and owner-occupied property are carried at fair value as determined by independent valuations using internationally recognised valuation techniques. Direct sales comparisons, when such data is available, and income capitalisation methods, when appropriate, are included in the assessment of fair values. The highest and best use of a property may also be considered in determining its fair value.

Some tracts of land are currently used for farming operations or are undeveloped or are leased to third parties. In determining the fair value of all lands, their potential for development within a reasonable period is assessed, and if such potential exists, the fair value reflects that potential. These lands are mostly in Barbados and the Group has adopted a policy of orderly development and transformation to realise their full potential over time.

The fair value hierarchy has been applied to the valuations of the Group's property. The different levels of the hierarchy are as follows:

- Level 1 - fair value is determined by quoted unadjusted prices in active markets for identical assets;
- Level 2 - fair value is determined by inputs other than quoted prices in active markets that are observable for the asset either directly or indirectly;
- Level 3 - fair value is determined from inputs that are not based on observable market data.

Applying the fair value hierarchy to the Group's property, results in a classification of Level 3 to all properties as set out below:

	Level 3	
<u>Amounts in US \$000</u>	As of March 31, 2024	As of December 31, 2023
Investment property	83,744	85,375
Owner-occupied properties	120,859	121,115
Total properties	204,603	206,490

For Level 3 investment property, reasonable changes in fair value would affect net income. For Level 3 owner-occupied properties reasonable changes in fair value would affect other comprehensive income.

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

12. FAIR VALUE DISCLOSURES OF ASSETS AND LIABILITIES CARRIED AT FAIR VALUE (continued)

12.1 Property (continued)

The following table shows the sensitivity of fair value measurements to changes in unobservable inputs for Level 3 investment property and owner-occupied properties.

	Fair value		Unobservable inputs	Range of unobservable inputs		Relationship of unobservable inputs to fair value
	March 31, 2024	December 31, 2023		March 31, 2024	December 31, 2023	
<u>Amounts in US \$000</u>						
Investment property	83,744	85,375	Comparable sales	5%	5%	(1)
Owner-occupied properties	120,859	121,115	Comparable sales	5%	5%	(1)
Total properties	204,603	206,490				

(1) Increases or decreases in comparable sale prices will have a direct correlation to the fair value.

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

12. FAIR VALUE DISCLOSURES OF ASSETS AND LIABILITIES CARRIED AT FAIR VALUE (continued)

12.2 Financial instruments carried at fair value

The fair value of financial instruments is measured according to a fair value hierarchy which reflects the significance of market inputs in the valuation. This hierarchy is described and discussed in sections (i) to (iii) below.

(i) Level 1 – unadjusted quoted prices in active markets for identical instruments

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange or other independent source, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The Group considers that market transactions should occur with sufficient frequency that is appropriate for the particular market, when measured over a continuous period preceding the date of the financial statements. If there is no data available to substantiate the frequency of market transactions of a financial instrument, then the instrument is not classified as Level 1.

(ii) Level 2 – inputs that are observable for the instrument, either directly or indirectly

A financial instrument is classified as Level 2 if:

- The fair value is derived from quoted prices of similar instruments which would be classified as Level 1; or
- The fair value is determined from quoted prices that are observable but there is no data available to substantiate frequent market trading of the instrument.

In estimating the fair value of non-traded financial assets, the Group uses a variety of methods such as obtaining dealer quotes and using discounted cash flow techniques. Where discounted cash flow techniques are used, estimated future cash flows are discounted at market derived rates for government securities in the same country of issue as the security; for non-government securities, an interest spread is added to the derived rate for a similar government security rate according to the perceived additional risk of the non-government security.

In assessing the fair value of non-traded financial liabilities, the Group uses a variety of methods including obtaining dealer quotes for specific or similar instruments and the use of internally developed pricing models, such as the use of discounted cash flows. If the non-traded liability is backed by a pool of assets, then its value is equivalent to the value of the underlying assets.

(iii) Level 3 – inputs for the instrument that are not based on observable market data

A financial instrument is classified as Level 3 if:

- The fair value is derived from quoted prices of similar instruments that are observable and which would be classified as Level 2; or
- The fair value is derived from inputs that are not based on observable market data.

Level 3 assets designated at FVTPL include mortgage loans, debt securities and equities for which the full income return and capital returns accrue to holders of unit linked policy and deposit administration contracts. These assets are valued with inputs other than observable market data.

The techniques and methods described in the preceding section (ii) for non-traded financial assets and liabilities may also be used in determining the fair value of Level 3 instruments.

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

12. FAIR VALUE DISCLOSURES OF ASSETS AND LIABILITIES CARRIED AT FAIR VALUE (continued)

12.2 Financial instruments carried at fair value (continued)

The results of applying the fair value hierarchy to the Group's financial instruments are set out in the tables below:

Amounts in US \$000	As of March 31, 2024			
	Level 1	Level 2	Level 3	Total
FVTOCI investments:				
Debt securities	236,540	1,082,469	105,776	1,424,785
Equity securities	404	-	189	593
	236,944	1,082,469	105,965	1,425,378
FVTPL investments:				
Money market funds	92,698	125,016	-	217,714
Debt securities	148,405	9,537,238	1,049,308	10,734,951
Equity securities	2,148,539	544,558	35,133	2,728,230
Derivative financial instruments	-	61	18,539	18,600
Mortgage loans	-	-	20,672	20,672
	2,389,642	10,206,873	1,123,652	13,720,167
Total assets	2,626,586	11,289,342	1,229,617	15,145,545
Total assets by percentage	17%	75%	8%	100%
FVTPL investment contracts:				
Unit linked deposit administration liabilities	-	-	163,896	163,896
FVTPL deposit and security liabilities:				
Derivative financial instruments	-	864	-	864
Total liabilities	-	864	163,896	164,760
Total liabilities by percentage	-	1%	99%	100%

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

12. FAIR VALUE DISCLOSURES OF ASSETS AND LIABILITIES CARRIED AT FAIR VALUE (continued)

12.2 Financial instruments carried at fair value (continued)

<u>Amounts in US \$000</u>	As of December 31, 2023			
	Level 1	Level 2	Level 3	Total
FVTOCI investments:				
Debt securities	232,357	1,120,671	101,790	1,454,818
Equity securities	375	-	189	564
	232,732	1,120,671	101,979	1,455,382
FVTPL investments:				
Money market funds	29,645	174,134	-	203,779
Debt securities	152,850	9,629,900	1,054,765	10,837,515
Equity securities	2,038,204	541,004	34,297	2,613,505
Derivative financial instruments	-	155	16,909	17,064
Mortgage loans	-	-	22,280	22,280
	2,220,699	10,345,193	1,128,251	13,694,143
Total assets	2,453,431	11,465,864	1,230,230	15,149,525
Total assets by percentage	16%	76%	8%	100%
FVTPL investment contracts:				
Unit linked deposit administration liabilities	-	-	165,562	165,562
FVTPL deposit and security liabilities:				
Derivative financial instruments	-	538	-	538
Total liabilities	-	538	165,562	166,100
Total liabilities by percentage	-	-	100%	100%

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

12. FAIR VALUE DISCLOSURES OF ASSETS AND LIABILITIES CARRIED AT FAIR VALUE (continued)

12.2 Financial instruments carried at fair value (continued)

The following table shows the sensitivity of fair value measurements to changes in unobservable inputs for Level 3 financial instruments:

	Fair value		Unobservable inputs	Range of unobservable inputs		Relationship of unobservable inputs to fair value
	March 31, 2024	December 31, 2023		March 31, 2024	December 31, 2023	
<u>Amounts in US \$000</u>						
FVTOCI Investments						
Debt securities	105,776	101,790	Adjustments to yields	10%	10%	(1)
Equity securities	189	189	Adjustments to net assets	10%	10%	(2)
	105,965	101,979				
FVTPL Investments						
Debt securities	1,049,308	1,054,765	Adjustments to yields	10%	10%	(1)
Equity securities	35,133	34,297	Adjustments to net assets	10%	10%	(2)
Derivative financial instruments	18,539	16,909	Adjustments to yields	10%	10%	(1)
Mortgage loans	20,672	22,280	Adjustments to yields	10%	10%	(1)
	1,123,652	1,128,251				
Total assets	1,229,617	1,230,230				
Unit linked deposit administration liabilities	163,896	165,562	Adjustments to yields	10%	10%	(1)
Derivative financial instruments	-	-	Adjustments to yields	10%	10%	(1)
Total liabilities	163,896	165,562				

(1) Adjustments to yields will have a direct correlation to the fair value.

(2) Increases or decreases in adjusted net assets of the underlying entities will have a direct correlation to the fair value.

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

12. FAIR VALUE DISCLOSURES OF ASSETS AND LIABILITIES CARRIED AT FAIR VALUE (continued)

12.2 Financial instruments carried at fair value (continued)

Movements in Level 3 Instruments

The following tables present movements in Level 3 instruments for the period:

<u>Amounts in US \$000</u>	Three months to March 31, 2024			Twelve months to December 31, 2023	
	FVTOCI investments	FVTPL investments	Derivative financial instruments	Total assets	Total assets
Balance, beginning of period	101,979	1,111,342	16,909	1,230,230	1,114,421
Additions	5,518	39,951	2,794	48,263	266,876
Fair value changes recorded in net investment income	-	(530)	3,211	2,681	27,546
Fair value changes recorded in other comprehensive income	88	-	-	88	92
Disposals and divestitures	(1,382)	(43,818)	(4,375)	(49,575)	(181,705)
Effect of exchange rate changes	(238)	(1,832)	-	(2,070)	3,000
Balance, end of period	105,965	1,105,113	18,539	1,229,617	1,230,230
Fair value changes recorded in investment income for instruments held at the end of the period	-	(33)	5,469	5,436	19,673

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

12. FAIR VALUE DISCLOSURES OF ASSETS AND LIABILITIES CARRIED AT FAIR VALUE (continued)

12.2 Financial instruments carried at fair value (continued)

Movements in Level 3 Instruments (continued)

<u>Amounts in US \$000</u>	Three months to March 31, 2024			Twelve months to December 31, 2023	
	Policy liabilities - Unit linked deposit administration	Structured products	Derivative financial instruments	Total liabilities	Total liabilities
Balance, beginning of period	165,562	-	-	165,562	164,043
Gains (losses) recorded in net investment income	-	-	-	-	(16)
Gains (losses) recorded in interest expense	(365)	-	-	(365)	666
Issues	4,281	-	-	4,281	19,765
Settlements	(5,054)	-	-	(5,054)	(15,160)
Transfers from (to) instruments carried at amortised cost	-	-	-	-	(4,404)
Movements arising from business acquisitions and divestitures	-	-	-	-	43
Effect of exchange rate changes	(528)	-	-	(528)	625
Balance, end of period	163,896	-	-	163,896	165,562
Fair value changes recorded in interest expense for instruments held at end of period	(365)	-	-	(365)	679

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

13. CREDIT RISK

13.1 Credit risk exposure – financial investments subject to impairment

Financial assets carried at amortised cost or FVTOCI are subject to credit impairment losses which are recognised in the statement of income. The following tables analyse the credit risk exposure of financial investments for which an ECL allowance is recognised. The gross carrying amounts of investments below represent the Group's maximum exposure to credit risk on these assets and is inclusive of accrued interest.

	March 31, 2024				December 31, 2023	
<u>Amounts in US \$000</u>	ECL Staging			Purchased credit-impaired	Total	Total
Financial Assets – FVTOCI	Stage 1 12-month ECL	Stage 2 life-time ECL	Stage 3 life-time ECL			
Credit grade:						
Investment	787,185	-	-	-	787,185	774,667
Non-investment	656,121	17,960	-	10,160	684,241	704,001
Gross carrying amount	1,443,306	17,960	-	10,160	1,471,426	1,478,668
Loss allowance	(612)	(603)	-	-	(1,215)	(1,254)
Carrying amount	1,442,694	17,357	-	10,160	1,470,211	1,477,414
					March 31, 2024	March 31, 2023
Credit impairment (loss) / recovery recorded in income					29	(200)

	March 31, 2024				December 31, 2023	
<u>Amounts in US \$000</u>	ECL Staging			Purchased credit-impaired	Total	Total
Financial Assets – amortised cost	Stage 1 12-month ECL	Stage 2 life-time ECL	Stage 3 life-time ECL			
Credit grade:						
Investment	658,820	13,770	-	-	672,590	676,738
Non-investment	1,182,835	46,984	2,318	9,509	1,241,646	1,177,858
Watch	10,908	382	7,965	153	19,408	21,611
Default	-	-	17,773	-	17,773	19,951
Unrated	549	-	-	4	553	548
Gross carrying amount	1,853,112	61,136	28,056	9,666	1,951,970	1,896,706
Loss allowance	(10,666)	(1,309)	(7,915)	(13)	(19,903)	(21,120)
Carrying amount	1,842,446	59,827	20,141	9,653	1,932,067	1,875,586
					March 31, 2024	March 31, 2023
Credit impairment (loss) / recovery recorded in income					45	(572)

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

14. CASH FLOWS

<u>Amounts in US \$000</u>	March 31, 2024	March 31, 2023
Operating activities		
Adjustments for non-cash items, interest and dividends:		
(Income) / loss from financial investments	(123,541)	(218,063)
Interest costs and finance costs	185,179	163,825
Credit impairment loss	(74)	772
Depreciation and amortisation	7,601	6,111
Other items	5,752	1,823
	<u>74,917</u>	<u>(45,532)</u>
Net change in investments:		
Deposits	(3,382)	(41,391)
Securities purchased for resale	4,494	9,789
Finance loans	(36,780)	(14,744)
Mortgage loans	(6,750)	(46,245)
Equity securities	3,263	9,251
Debt securities	(137,509)	51,796
	<u>(176,664)</u>	<u>(31,544)</u>
Net change in operating assets:		
Reinsurance contract assets	23,739	52,861
Insurance contract assets	(4,440)	(143)
Other assets and receivables	7,216	(22,280)
Investment property	1,635	-
Segregated funds assets	(2,312)	-
	<u>25,838</u>	<u>30,438</u>

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

14. CASH FLOWS (continued)

The gross changes in investment property, debt securities and equity securities are as follows:

<u>Amounts in US \$000</u>	March 31, 2024	March 31, 2023
Investment property:		
Disposal proceeds	1,635	-
	<u>1,635</u>	<u>-</u>
Debt securities:		
Purchases	(1,754,629)	(435,629)
Disposal proceeds	1,617,120	487,425
	<u>(137,509)</u>	<u>51,796</u>
Equity securities:		
Purchases	(35,745)	(8,250)
Disposal proceeds	39,008	17,501
	<u>3,263</u>	<u>9,251</u>
Net change in operating liabilities:		
Other liabilities and payables	(31,617)	38,347
Investment contract liabilities	(3,402)	2,040
Reinsurance contract liabilities	604	(3,085)
Insurance contract liabilities	7,089	(56,348)
Securities sold for repurchase	(3,724)	790
Deposits	44,061	11,520
Other funding instruments	(6,561)	(13,329)
Insurance contract liabilities on account of segregated fund policyholders	2,312	-
	<u>8,762</u>	<u>(20,065)</u>

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

14. CASH FLOWS (continued)

<u>Amounts in US \$000</u>	March 31, 2024	March 31, 2023
Investing activities		
Property, plant and equipment:		
Purchases	(2,584)	(2,945)
Disposal proceeds	49	41
	<u>(2,535)</u>	<u>(2,904)</u>
Financing activities		
Notes and loans payable:		
Proceeds	-	8,147
Repayments	(12,414)	(430)
	<u>(12,414)</u>	<u>7,717</u>
Lease liability payments		
Principal paid	(2,068)	(1,868)
Interest paid	(497)	(336)
	<u>(2,565)</u>	<u>(2,204)</u>
Cash and cash equivalents		
Cash	449,528	384,634
Call deposits and other liquid balances	347,651	251,834
Bank overdrafts	(1,098)	(819)
	<u>796,081</u>	<u>635,649</u>

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

15. INSURANCE RISK

15.1 Contracts not measured under PAA

The Group offers traditional life, universal life, living benefits and various annuity contracts, as well as life reinsurance contracts.

The main risks that the Group is exposed to are, as follows:

- Mortality risk – risk of loss arising due to the incidence of policyholder death being different than expected
- Morbidity risk – risk of loss arising due to policyholder health experience being different than expected
- Longevity risk – risk of loss arising due to the annuitant living longer than expected
- Expense risk – risk of loss arising from expense experience being different than expected
- Policyholder decision risk – risk of loss arising due to policyholder experiences (lapses and surrenders) being different than expected

The objective of the Group is to ensure that sufficient reserves are available to cover the liabilities associated with the insurance and reinsurance contracts that it issues. The risk exposure is mitigated by diversification across the portfolios of insurance contracts. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of outwards reinsurance arrangements.

The Group purchases reinsurance as part of its risk mitigation programme. Reinsurance held (outward reinsurance) is placed on a proportional basis. The majority of proportional reinsurance is quota-share reinsurance which is taken out to reduce the overall exposure of the Company to certain classes of business.

Amounts recoverable from reinsurers are estimated in a manner consistent with the underlying insurance contract liabilities and in accordance with the reinsurance contracts. Although the Group has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to ceded insurance, to the extent that any reinsurer is unable to meet its obligations assumed under such reinsurance agreements. The Group's placement of reinsurance is diversified such that it is neither dependent on a single reinsurer nor are the operations of the Group substantially dependent upon any single reinsurance contract.

For the life insurance and life reinsurance contracts for which death or disability is the insured risk, the significant factors that could increase the overall frequency of claims are epidemics, widespread changes in lifestyle and natural disasters, resulting in earlier or more claims than expected.

For immediate annuity contracts, the most significant factor that could increase the amount and frequency of claims is continued improvement in medical science and social conditions that would increase longevity.

The Group reinsures its immediate annuity contracts on a quota-share basis to mitigate its risk.

The nature of the Group's exposure to insurance risks and its objectives, policies and processes used to manage and measure the risks have not changed from the previous period.

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

15. INSURANCE RISK (continued)

15.1 Contracts not measured under PAA (continued)

Mortality risk may be concentrated in geographic locations, affecting the risk profile of the insurer. The most significant exposure for this type of risk arises where a single event or pandemic could result in very many claims. Total insurance coverage on insurance policies provides a quantitative measure of absolute mortality risk. However, claims arising in any one year are a very small proportion in relation to the total insurance coverage provided. The total amounts insured by the Group in respect of both contracts with or without investment returns at March 31, 2024 and December 31, 2023, gross and net of reinsurance, are summarised by geographic area below.

Total insurance coverage		As of March 31, 2024		As of December 31, 2023	
		Individual contracts	Group contracts	Individual contracts	Group contracts
Amounts in US \$000					
Barbados	Gross	4,814,895	1,354,314	4,806,966	1,371,208
	Net	4,549,463	1,346,812	4,542,354	1,321,160
Jamaica	Gross	12,633,013	-	12,401,419	-
	Net	12,397,996	-	12,173,843	-
Trinidad & Tobago	Gross	4,786,679	2,016,107	4,775,793	2,199,668
	Net	4,176,897	1,998,432	4,181,887	2,037,951
Other Caribbean	Gross	9,992,039	1,505,352	9,929,674	1,474,856
	Net	8,931,305	1,454,283	8,866,224	1,408,407
Canada	Gross	178,188,432	-	181,674,273	-
	Net	40,620,767	-	40,807,041	-
USA	Gross	8,512,228	22,361	8,634,301	22,423
	Net	4,578,425	22,271	4,638,655	22,333
Total	Gross	218,927,286	4,898,134	222,222,426	5,068,155
	Net	75,254,853	4,821,798	75,210,004	4,789,851

Total liability under annuity contracts provides a good measure of longevity risk exposure.

Total liability under annuity contracts		As of March 31, 2024		As of December 31, 2023	
		Individual contracts	Group contracts	Individual contracts	Group contracts
Amounts in US \$000					
Barbados	Gross	309,793	55,451	305,181	55,337
	Net	309,793	55,451	305,181	55,337
Jamaica	Gross	508	505,755	517	503,877
	Net	508	505,755	517	503,877
Trinidad & Tobago	Gross	498,138	-	531,335	-
	Net	498,138	-	531,335	-
Other Caribbean	Gross	106,044	-	107,383	-
	Net	106,044	-	107,383	-
Canada	Gross	119,105	-	126,610	-
	Net	119,105	-	126,610	-
USA	Gross	4,178,368	15,217	3,882,203	16,010
	Net	3,907,334	4,684	3,582,438	5,005
Total	Gross	5,211,956	576,423	4,953,229	575,224
	Net	4,940,922	565,890	4,653,464	564,219

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

15. INSURANCE RISK (continued)

15.1 Contracts not measured under PAA (continued)

Sensitivities

The Group's contractual service margin and financial results can be impacted by possible movements in key assumptions, such as the discount rate, timing of cash flows, and rates of lapse and mortality. The correlation of assumptions will have a significant effect in determining the ultimate impacts. Sensitivity information will also vary according to the current economic assumptions.

The Group's financial results will be affected by changes in the rates of mortality, morbidity, lapse, other policyholder behavior and expenses (insurance risks). The nature of those impacts and the extent to which they impact current period earnings depends on the change, the extent to which it relates to past, current or future periods and, where applicable, the extent to which the change impacts onerous or non-onerous groups of contracts.

Changes in the rates of current or future insurance risk that relate to the LIC relate to past service and will impact earnings in the period that those changes are realised. Changes in the rates of insurance risk experienced in the current period that related to the LRC and will also impact earnings in the period that those changes are realised.

Changes in the rates of insurance risk expected in the future, and changes in the rates of insurance risk experienced in the current period, in relation to the LRC will affect expected cash flows. To the extent that the changes relate to onerous groups of contracts, or the CSM on non-onerous groups is insufficient to offset any adverse impact of the changes, the impact of the changes will be recognised in earnings in the period realised. Where the changes impact non-onerous groups of contracts, the impact of changes in the LRC will be offset by changes in the CSM with a corresponding change in the CSM release that will be expected in future periods.

Where the insurance contracts are reinsured, the impacts of changes on direct contracts will be offset to the extent of the reinsurance.

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

15. INSURANCE RISK (continued)

15.2 Contracts measured under PAA

Property and casualty insurance contracts

Sagicor General Insurance and Advantage General Insurance are the principal insurers within the Group's operations that issue property and casualty insurance contracts. They operate mainly in Barbados, Trinidad and Tobago and Jamaica.

For non-life insurance contracts, risks arise from loss events such as accidents, fires, floods, tropical storms, hurricanes and other extreme weather events. Risk can also arise from inflation on expenses and claims. As a result, there is a risk that our actual loss experiences will emerge differently than estimated when the product was designed and priced or repriced and may require us to revise estimated potential loss exposures and the related loss reserves.

The objective of the Group is to ensure that sufficient reserves are available to cover the liabilities associated with these insurance and reinsurance contracts that it issues. The risk exposure is mitigated by diversification across the portfolios of insurance contracts. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance held arrangements. Furthermore, strict claim review policies to assess all new and ongoing claims, regular detailed review of claims handling procedures and frequent investigation of possible fraudulent claims are established to reduce the risk exposure of the Group. The Group further enforces a policy of actively managing and promptly settling claims, in order to reduce its exposure to unpredictable future developments that can negatively impact the business. Inflation risk is mitigated by taking expected inflation into account when estimating insurance contract liabilities and pricing appropriately.

Amounts recoverable from reinsurers are estimated in a manner consistent with underlying insurance contract liabilities and in accordance with the reinsurance contracts. Although the Group has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to reinsurance held, to the extent that any reinsurer is unable to meet its obligations. The Group's placement of reinsurance is diversified such that it is neither dependent on a single reinsurer nor are the operations of the Group substantially dependent upon any single reinsurance contract.

Total insurance coverage on insurance policies provides a quantitative measure of absolute risk. However, claims arising in any one year are a very small proportion in relation to the total insurance coverage provided. The following table shows the concentration of gross and net insurance contract liabilities by type of contract at March 31.

	Total insurance coverage								
	Property		Motor		Accident and Liability		Total		
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	
<u>Amounts in US \$000</u>									
As of March 31, 2024									
Sagicor Life	9,357,219	1,847,681	539,829	539,829	3,413,859	3,093,860	13,310,907	5,481,370	
Sagicor Jamaica	2,786,275	561,281	665,332	332,261	537,381	102,947	3,988,988	996,489	
Total	12,143,494	2,408,962	1,205,161	872,090	3,951,240	3,196,807	17,299,895	6,477,859	
As of December 31, 2023									
Sagicor Life	9,418,300	1,863,683	525,359	525,359	3,381,202	3,069,761	13,324,861	5,458,803	
Sagicor Jamaica	3,037,506	482,274	640,879	319,591	571,552	107,690	4,249,937	909,555	
Total	12,455,806	2,345,957	1,166,238	844,950	3,952,754	3,177,451	17,574,798	6,368,358	

SAGICOR FINANCIAL COMPANY LTD.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

15. INSURANCE RISK (continued)

15.2 Contracts measured under PAA (continued)

Group life and health insurance contracts

The Group offers Group Life and Group Health insurance contracts, where the period of coverage is one year or less. These contracts are measured under PAA. The Group is exposed to mortality and morbidity risk together with the risk of inflation on expenses and claims.

Sensitivities

The liability for incurred claims is sensitive to the key assumptions. Changes in the weighted average term to settlement, expected loss and inflation rate can impact the overall performance of the Group. The correlation of assumptions will have a significant effect in determining the ultimate impacts.

16. EARNINGS PER COMMON SHARE

For the three-month period ended March 31, 2024, certain instruments which are considered to be antidilutive have been excluded from the computation of fully diluted earnings per share. This treatment is in accordance with IAS 33 – Earnings Per Share, which indicates that such instruments are antidilutive only when the exercise price is exceeded by the market price of common shares.

17. REPURCHASE OF SHARES

During the three-month period ended March 31, 2024, the Company repurchased 165,000 shares at a total cost of US \$0.8 million (66,044 shares at a total cost of US \$0.2 million for the three-month period ended March 31, 2023), which were subsequently cancelled. Share capital and share premium in equity have been reduced by the cost of the shares repurchased and commission paid on the transactions. The premium on the repurchase of shares has been recorded directly in retained earnings.

The cost of shares totaling US \$0.02 million, which were repurchased at the period end date but not cancelled, (US \$1.0 million as at March 31, 2023), has been reflected in treasury shares.

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

18. DISPOSAL OF INSURANCE OPERATIONS

Curaçao and St. Maarten

On October 5, 2022, the Group entered into an agreement for the sale of its operations in Curacao and St. Maarten. The sale is subject to receipt of regulatory approval.

Panama

On May 30, 2023, the Group entered into an agreement for the sale of its wholly-owned subsidiary, Sagicor Panama S.A., to Sagicor - Capital & Advice Spain S.L., a subsidiary of Sagicor Costa Rica SCR, S.A. in which the Group holds a 24.56% ownership interest.

Effective December 31, 2023, ownership of Sagicor Panama operations was transferred from Sagicor Life Inc to Sagicor Group Jamaica Limited ("SGJ") given Sagicor Jamaica Group's joint venture holding in Sagicor Costa Rica SCR, S.A.

The shares were sold for the book value of Sagicor Panama S.A. as determined at the date of sale. A payment of US \$4 million has been made to date and the final payment is due in 2025, based on the final determination of the selling price in relation to Sagicor Panama's financial statements for the period ended December 31, 2024.

19. DIVIDEND

On March 26, 2024, the Board of Directors of Sagicor Financial Company Ltd. approved and declared a quarterly dividend of US \$0.06 per share, on the issued and outstanding shares held by the shareholders of record at the close of business on April 10, 2024. This dividend was paid on April 30, 2024.

20. SUBSEQUENT EVENTS

- i. On May 10, 2024, the Board of Directors of Sagicor Financial Company Ltd. approved and declared a quarterly dividend of US \$0.06 per common share payable on June 19, 2024, to the shareholders of record at the close of business on May 29, 2024.
- ii. Subsequent to the quarter end, regulatory approval was received for the sale of the Group's operations in Curacao. In line with the terms of the sales agreement, the effective date of transfer was determined as April 30, 2024. As of the effective date, the purchaser will assume the insurance and other liabilities of the Group's operations in these territories, in exchange for assets which shall exceed the value of the liabilities transferred by US \$3.038 million. The value of the liabilities and associated assets is to be finalised in line with the terms of the sales agreement.