

SAGICOR FINANCIAL COMPANY LTD.

MANAGEMENT DISCUSSION & ANALYSIS

For the three-month periods ended March 31, 2024 and March 31, 2023

About Sagicor

Established in 1840 as The Barbados Mutual Life Assurance Society, Sagicor is one of the oldest providers of insurance in the Americas. Sagicor offers a wide range of products and services including life and health insurance, annuities, pension investment and administration, property and casualty insurance, and a suite of ancillary non-insurance financial products and services, including banking and investment management, which are provided to two client segments, individuals and groups/corporations. Sagicor operates across 20 countries across the Caribbean, the United States of America (“USA”), and Canada.

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ACRONYMS

Certain acronyms have been used throughout the management discussion and analysis to substitute phrases. The more frequent acronyms and associated phrases are set out below.

Acronym	Phrase
AA	Appointed Actuary
AC	Amortised Cost
CSM	Contractual Service Margin
FVTOCI	Fair Value Through Other Comprehensive Income
FVTPL	Fair Value Through Profit and Loss
IAS	International Accounting Standards
IFRS	
Accounting Standards	Standards issued by the International Accounting Standards Board
LIC	Liability for Incurred Claims
LICAT	Life Insurance Capital Adequacy Test
LRC	Liability for Remaining Coverage
MCCSR	Minimum Continuing Capital and Surplus Requirement
OCI	Other Comprehensive Income
PAA	Premium Allocation Approach
SOFR	Secured Overnight Financing Rate

1. HIGHLIGHTS

Sagicor recorded net income of US \$29.6 million for the three-month period ended March 31, 2024, compared to US \$9.2 million for the corresponding period in 2023. Net income attributable to common shareholders was US \$26.2 million compared to US \$1.4 million for the same period in the prior year.

Reported earnings were significantly higher than the prior year primarily due to higher profitability in Sagicor Life USA and Sagicor Life, as well as the inclusion of the results of Sagicor Canada which was acquired in the fourth quarter of 2023. Sagicor Life USA and Sagicor Life benefited from positive market experience. This was offset by lower earnings in Sagicor Jamaica due to negative market experience. The Return on Shareholders' Equity¹ (annualised) for the quarter ended March 31, 2024, was 12.2%, compared to 1.3% for the corresponding period in 2023.

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

Total assets of US\$ 22,231.4 million at March 31, 2024 declined slightly from US\$ 22,384.9 million at December 31, 2023 primarily due to the impact of increased interest rates on the value of bonds and debentures in Sagicor Canada. The Group's book value per share¹ closed at US\$ 6.84 per share, compared to US\$ 6.88 per share at December 31, 2023.

Sagicor's capital remains strong, with the Group closing the period with a Minimum Continuing Capital and Surplus Requirement (MCCSR)¹ of 303%, compared to 301% at December 31, 2023, well above our target capital standards. As of March 31, 2024, Sagicor's LICAT¹ ratio was 136%, which remained stable to the prior quarter.

¹ Represents a non-IFRS or other financial measure: refer to Section 11 - Non-IFRS and Other Financial Measures in this document for relevant information about such measures.

2. FINANCIAL SUMMARY

	Three months ended March 31		
	2024	2023	Change
<i>(in millions of US \$, unless otherwise noted)</i>			
Profitability			
Group net income/(loss)	29.6	9.2	>100%
Net income/ (loss) attributable to common shareholders	26.2	1.4	>100%
Earnings per share:			
Basic earnings	\$0.19	\$0.01	>100%
Fully diluted	\$0.18	\$0.01	>100%
Return on shareholders' equity (annualised) ²	12.2%	1.3%	10.9 pts
Net Insurance and Investment Result			
Sagicor Life	22.5	15.6	44%
Sagicor Jamaica	48.1	49.9	(4%)
Sagicor Life USA	58.9	21.2	>100%
Sagicor Canada	25.6	-	-
Head office, Other and adjustments	(4.0)	1.5	(<100%)
Total net insurance and investment result	151.1	88.2	71%
Financial Position			
Total assets	22,231.4	10,775.0	>100%
Operating liabilities	19,977.1	9,388.6	>100%
Notes and loans payable	944.8	648.2	46%
Book value per common share ²	\$6.84	\$3.00	>100%
Financial Strength			
Debt to capital ratio ²	26.7%	31.2%	4.5 pts
Dividends declared per common share	0.06000	0.05625	7%
Total capital ²	3,539.8	2,076.7	70%
CSM balance growth - net ²	2.2%	9.4%	(7.2 pts)
Average common shares outstanding (000's)	140,969	142,736	(1%)
Outstanding shares, at end of period (000's)	140,900	142,703	(1%)
MCCSR ² , at end of period	303%	308%	(5.0 pts)
LICAT ² at end of period	136%	N/A	-

² Represents a non-IFRS or other financial measure: refer to Section 11 - Non-IFRS and Other Financial Measures in this document for relevant information about such measures.

3. GENERAL INFORMATION

A. Introduction and Notice

This Management's Discussion and Analysis ("MD&A") contains important information about Sagicor's business and its performance for the three-month period ended March 31, 2024 with comparative analysis for the corresponding period ended March 31, 2023. This MD&A should be read in conjunction with the Company's quarterly condensed consolidated financial statements, prepared in compliance with International Accounting Standard ("IAS") 34 – Interim Financial Reporting, in effect on the date of such information.

The following discussion is based on the financial condition and results of operations of Sagicor, unless otherwise specified or indicated. Financial information is presented in millions of United States (US) dollars, unless otherwise indicated. Amounts for subtotals, totals and percentage variances included in tables in this MD&A may not sum or calculate using the numbers as they appear in the tables due to rounding.

B. General Information

Sagicor Financial Company Ltd. (TSX: SFC) is a leading financial services provider with over 180 years of history which operates across the Caribbean, in the USA, and Canada. Sagicor's registered office is located at Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda, with its principal office located at Cecil F De Caires Building, Wildey, St. Michael, Barbados. Details of Sagicor's holdings and operations are set out in note 4 to the 2023 annual consolidated financial statements.

Sagicor currently operates in 20 countries and maintains a strong market position in most of the markets where it operates. Sagicor has four reporting operating segments, namely Sagicor Life, Sagicor Jamaica, Sagicor Life USA and Sagicor Canada.

The principal activities of the Sagicor Group are as follows:

- Life and health insurance,
- Annuities and pension administration services,
- Banking and investment management services.

and its principal operating companies are as follows:

- Sagicor Life Inc. (Barbados and Trinidad and Tobago),
- Sagicor Life Jamaica Limited (Jamaica),
- Sagicor Bank Jamaica Limited (Jamaica),
- Sagicor Life Insurance Company (USA).
- ivari (Canada)

The Group also underwrites property and casualty insurance in the Caribbean.

Sagicor's objective is to be a leading insurance and financial services provider of world class products and services to better serve its customers and other stakeholders in its markets. Sagicor is focused on growing our business and actively supporting the communities in the markets in which we operate.

C. Results of Operations

An understanding of Sagicor's financial condition and the results and related risks of Sagicor's operations for the periods discussed in this MD&A requires an understanding of Sagicor's business. Accordingly, the following discussion should be read in conjunction with the discussion of these and related matters that appear elsewhere in this MD&A, including under the following headings: (i) Key Factors Affecting Results; (ii) Critical Accounting Estimates and Judgements; and (iii) Risk Management.

D. Non-IFRS Financial Information

Sagicor reports its financial results and statements in accordance with IFRS. It also publishes certain financial measures that are not based on IFRS Accounting Standards ("non-IFRS"). A financial measure is considered a non-IFRS measure if it is presented other than in accordance with the generally accepted accounting principles used for the Group's audited financial statements. Sagicor believes these non-IFRS financial measures assist in understanding its ongoing operating results and provide readers with a better understanding of management's perspective on the Group's performance.

These measures enhance the comparability of the Group's financial performance from period to period, as well as measure relative contribution to shareholder value.

Since non-IFRS financial measures do not have standardised definitions and meanings, they may differ from the non-IFRS financial measures used by other institutions and should not be viewed as an alternative to measures of financial performance determined in accordance with IFRS. The Group strongly encourages investors to review its financial statements and other publicly filed reports in their entirety and not to rely on any single financial measure. Additional information concerning non-IFRS financial measures can be found in section 11 Non-IFRS financial measures.

E. Cautionary Statement Regarding Forward-looking Information

This MD&A includes "forward-looking information" and "forward-looking statements" (collectively "forward-looking information") and assumptions about, among other things, Sagicor's business, operations, and financial performance and condition, approved by the board of directors of Sagicor on the date of this MD&A. This forward-looking information and these assumptions include, but are not limited to, statements about the Group's objectives and strategies to achieve those objectives, and about its beliefs, plans, expectations, anticipations, estimates, or intentions. Additional information concerning forward-looking information as well as potential risk factors can be found in section 12 Cautionary Statement Regarding Forward-Looking Information

F. Additional Information

All documents related to the financial results of Sagicor Financial Company Ltd. are available on the Company's website at Sagicor.com, in the Investor Relations section. Additional information about Sagicor may be found on the SEDAR website at sedar.com, as well as the Company's Annual Information Form, which may be found on the Company's website or the SEDAR website.

The Management's Discussion and Analysis is dated May 14, 2024.

4. CONSOLIDATED GROUP RESULTS

A. Profitability

<i>Group net income/(loss)</i> <i>(in millions of US \$)</i>	Three months ended March 31		
	2024	2023	Change
Net income/(loss) is attributable to:			
Common shareholders	26.2	1.4	>100%
Non-controlling interest	3.4	7.8	(56%)
Group net income/(loss)	29.6	9.2	>100%
<i>Net income/(loss) attributable to Common shareholders by operating segment</i>			
Sagicor Life	9.8	5.0	96%
Sagicor Jamaica	3.2	7.3	(56%)
Sagicor Life USA	37.1	4.4	>100%
Sagicor Canada	5.2	-	-
Head office, Other and adjustments	(29.1)	(15.3)	(90%)
Net income / (loss)	26.2	1.4	>100%
Earnings per common share (EPS):			
Basic earnings	\$0.19	\$0.01	>100%
Fully diluted	\$0.18	\$0.01	>100%
Return on shareholders' equity (ROE) ³	12.2%	1.3%	10.9 pts

For the three-month period ended March 31, 2024, the Group reported net income of US \$29.6 million compared to US \$9.2 million for the corresponding period in 2023, an increase of US \$20.4 million. Net income attributable to common shareholders totaled US \$26.2 million compared to US \$1.4 million for the corresponding period in 2023, an improvement of US \$24.8 million. The Return on Shareholders' equity³ (annualised), for the quarter was 12.2%, compared to 1.3% (annualised) for the same period in 2023.

Reported earnings were significantly higher than the prior year primarily due to higher profitability in Sagicor Life USA and Sagicor Life, as well as the inclusion of the results of Sagicor Canada which was acquired in the fourth quarter of 2023. Sagicor Life USA and Sagicor Life benefited from positive market experience. This was offset by lower earnings in Sagicor Jamaica due to negative market experience.

The Earnings per Share (EPS - basic) for the year ended March 31, 2024, was US \$0.19 per share, compared to US \$0.01 per share for the corresponding period in 2023.

Refer to Section 5: Results by Segment of this Management's Discussion and Analysis for additional information on the Company's profitability for the period ended March 31, 2024.

³ Represents a non-IFRS or other financial measure: refer to Section 11 - Non-IFRS and Other Financial Measures in this document for relevant information about such measures.

B. Business Growth

Net insurance and investment result	Three months ended		
	March 31		
<i>(in millions of US \$)</i>	2024	2023	Change
Insurance revenue	355.2	166.2	>100%
Insurance service expenses	(288.6)	(136.7)	>100%
Net expenses from reinsurance contracts held	(36.9)	(27.2)	(36%)
INSURANCE SERVICE RESULT	29.7	2.3	>100%
NET INVESTMENT INCOME/(EXPENSES)	249.4	219.6	14%
Net insurance finance income/(expenses)	(128.0)	(133.7)	4%
Net insurance and investment result	151.1	88.2	71%
Total Net insurance and investment result by Operating Segment			
Sagicor Life	22.5	15.6	43%
Sagicor Jamaica	48.1	49.9	(4%)
Sagicor Life USA	58.9	21.2	>100%
Sagicor Canada	25.6	-	-
Head office, Other and Adjustments	(4.0)	1.5	(<100%)
Net insurance and investment result	151.1	88.2	71%

Net insurance and investment result totalled US \$151.1 million for the three-month period ended March 31, 2024, an increase of US \$62.9 million, compared to US \$88.2 million reported for the same period in 2023. The results for the three-month period ended March 2024 include results of the recently established Sagicor Canada segment (US \$25.6 million), and business growth across all business segments.

B. Business Growth, continued**NET INSURANCE AND INVESTMENT RESULT**

An analysis of insurance service result for the three-month period ended March 31, 2024, and 2023, is included in the following tables.

<i>Insurance service result</i> <i>(in millions of US \$)</i>	Three months ended		
	2024	2023	Change
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	160.1	38.6	>100%
Change in the risk adjustment for non-financial risk for the risk expired after loss component allocation	24.3	6.8	>100%
CSM recognised in net income for the services provided	59.2	23.5	>100%
Insurance acquisition cash flows recovery	10.1	4.8	>100%
Insurance revenue for contracts not measured under the PAA	253.7	73.7	>100%
Insurance revenue from contracts measured under the PAA	101.5	92.5	10%
Total insurance revenue	355.2	166.2	>100%
Insurance service expenses			
Incurred claims and other directly attributable expenses	(238.8)	(109.1)	(<100%)
Losses on onerous contracts and reversal of those losses	(25.2)	(9.9)	(<100%)
Insurance acquisition cash flows amortisation	(24.6)	(17.7)	(39%)
Total insurance service expenses	(288.6)	(136.7)	(<100%)
Total net expense from reinsurance contracts held	(36.9)	(27.2)	(36%)
Total insurance service result	29.7	2.3	>100%

B. Business Growth, continued

NET INSURANCE AND INVESTMENT RESULT, continued

Quarterly (three-month period) results

Insurance revenue for the three-month period totalled US \$355.2 million, compared to US \$166.2 million for the same period in 2023, an increase of US \$189.0 million with growth observed across all business segments.

Insurance revenue for contracts not measured under the PAA (long term life and annuity business) increased by US \$180.0 million, with the recently established Sagicor Canada contributing US \$171.6 million to the overall growth. Expected incurred claims and other attributable expenses added US \$121.5 million (Sagicor Canada – US \$118.8 million). CSM recognised in net income also increased quarter on quarter by US \$35.7 million with our Sagicor Canada segment contributing US \$33.9 million to the increase.

Insurance revenue from contracts measured under the PAA (short-term life and health and property and casualty business) grew by US \$9.0 million, quarter over quarter, reflecting business growth in our Sagicor Life and Sagicor Jamaica segments.

Insurance service expenses increased by US \$151.9 million during the March 2024 quarter to close at US \$288.6 million. The increase was fuelled by higher incurred claims and other directly attributable expenses (US \$129.7 million) driven primarily by our Sagicor Canada segment (US \$131.2 million). Losses on onerous contracts also increased by US \$15.3 million, observed in our Sagicor Life USA segment (US \$8.5 million) due to an increase in renewal crediting rates and higher than expected mortality claims, and in our Sagicor Jamaica segment (US \$5.5 million) due to actuarial model updates.

Net expenses from reinsurance held contracts totalled US \$36.9 million for the three-month period ended March 31, 2024, compared to US \$27.2 million for the corresponding period in 2023, an increase of US \$9.7 million. Our Sagicor Canada segment contributed US \$18.5 million, the impact of which was reduced by lower reinsurance charges in the Sagicor Life USA segment (US \$13.2 million), due to the run-off of a block of business.

The above factors contributed to total insurance service result of US \$29.7 million for the first quarter of 2024, compared to US \$2.3 million reported for the same period in 2023.

Net investment income/(expenses) totalled US \$249.4 million for the first quarter of 2024, an increase of US \$29.8 million, when compared to US \$219.6 million reported in the prior year. Interest income earned by the Group on financial assets measured at amortised cost and FVTOCI totalled US \$62.6 million, an increase of US \$12.8 million when compared to that reported in the corresponding period in the prior year. This increase was due to higher interest rates and growth in interest-bearing assets in our Jamaica segment. For the current period, net gains on FVTPL investments totalled US \$185.0 million, with a significant contribution made by our Sagicor Canada segment (US \$70.6 million). Absent the contribution made by the Sagicor Canada segment, net gains on FVTPL investments closed US \$55.8 million below the US \$170.2 million reported in the corresponding period in the prior year.

Net insurance finance expenses totalled US \$128.0 million for the three-month period ended March 31, 2024, a decrease in expenses of US \$5.7 million from US \$133.7 million reported for the same period in 2023, with our Sagicor Canada segment contributing US \$64.8 million to the variance. Excluding the impact of our Sagicor Canada segment, net insurance finance expenses declined by US \$70.6 million, driven by changes in discount rate in our Sagicor Life USA segment (US \$61.5 million).

C. Movement in CSM

The Contractual Service Margin (CSM) is a component of the carrying amount of the asset or liability for a group of insurance contracts issued representing the unearned profit that the Group will recognise as it provides insurance contract services in the future. Below is an analysis of the movement of the CSM for the three-month period ended March 31, 2024, and March 31, 2023. The movement includes components which flow directly into the insurance service result reported in the consolidated statement of income.

<i>(in millions of US \$)</i>	Three months ended March 31		
	2024	2023	Change
CSM, beginning of period – Insurance contracts issued	1,901.7	713.5	>100%
Changes that relate to current service			
CSM recognised in net (income)/loss for the services provided	(59.2)	(23.5)	(<100%)
Changes that relate to future service			
Changes in estimates that adjust the CSM	(1.1)	(15.1)	93%
Contracts initially recognised in the period	40.1	28.2	42%
	(20.2)	(10.4)	(94%)
Finance expense from insurance contracts issued	24.8	7.5	>100%
Effect of exchange rate changes	(27.4)	0.7	(<100%)
Total amounts recognised in total comprehensive income	(22.8)	(2.2)	(<100%)
CSM, end of period – Insurance contracts issued	1,878.9	711.3	>100%
CSM, end of period – Reinsurance contracts held	(593.4)	(20.8)	(<100%)
CSM, end of period – Net⁴	1,285.5	690.5	86%
CSM, beginning of period – Net, attributable to shareholders⁴	1,135.0	551.2	>100%
CSM, end of period – Net, attributable to shareholders⁴	1,145.4	566.6	>100%
CSM balance (net) growth⁴	2.2%	9.4%	(7.2 pts)

Quarterly (three-month period) results

The Group reported a contraction in the CSM for insurance contracts issued, which closed at US \$1,878.9 million at March 31, 2024, down from US \$1,901.7 million at December 31, 2023, however net of reinsurance CSM attributable to shareholders is slightly higher. CSM – net, attributable to shareholders closed at US \$1,145.4 million at March 31, 2024, up from US \$1,135.0 million at December 31, 2023. During the March 2024 quarter, the Group recognised US \$59.2 million in income (of which US \$33.9 million related to Sagicor Canada) compared to US \$23.5 million recorded in the same period in 2023. Changes in estimates that adjust the CSM was an expense of US \$1.1 million for the current quarter, inclusive of a positive adjustment of US \$13.2 million relating to our Sagicor Canada segment. Absent the positive impact from our Sagicor Canada segment, the adjustments to CSM would have been an expense of US \$14.3 million inclusive of adjustments of US \$8.4 million relating to our Sagicor Jamaica segment, associated with actuarial modelling updates. The impact of new business on the CSM quarter on quarter, saw an increase of US \$11.9 million, US \$10.0 million of which relates to our Sagicor Canada segment. The CSM was also adversely impacted by the effect of exchange rate changes totalling US \$27.4 million, primarily due to the impact of the Canadian dollar depreciating against the United States dollar during the March 2024 quarter (US \$27.7 million).

⁴ Represents a non-IFRS or other financial measure: refer to Section 11 - Non-IFRS and Other Financial Measures in this document for relevant information about such measures.

D. Other Operating Expenses

<i>Other Operating Expenses</i> <i>(in millions of US \$)</i>	Three months ended March 31		
	2024	2023	Change
Administrative expenses	69.0	61.9	(11%)
Commissions and related compensation	1.1	0.9	(22%)
Asset taxes	7.2	6.5	(11%)
Depreciation, amortisation and impairment	6.4	4.8	(33%)
Total other operating expenses	83.7	74.1	(13%)

Quarterly (three-month period) results

The Group reported other operating expenses for the three-month period ended March 31, 2024, totalling US \$83.7 million, compared to US \$74.1 million for the same period in 2023, an increase of US \$9.6 million. Other operating expenses for the March 2024 quarter includes US \$4.2 million relating to the Sagicor Canada segment, which was established on October 3, 2023, following the ivari acquisition. Our Sagicor Jamaica segment also contributed US \$6.6 million to the increase due to planned increases in staff costs and higher communication and technology costs. In addition, asset taxes increased by 11%, mainly observed in our Sagicor Life segment as a result of growth in taxable assets.

E. Other Interest and Finance costs

<i>(in millions of US \$)</i>	Three months ended March 31		
	2024	2023	Change
Other interest and finance costs	57.2	30.1	(90%)

Quarterly (three-month period) results

The Group incurred other interest and finance costs to the tune of US \$57.2 million for the three-month period ended March 31, 2024, up US \$27.1 million from the US \$30.1 million reported for the three-month period ended March 31, 2023. Our Sagicor Canada segment contributed US \$14.2 million to the increase, while our Sagicor Jamaica segment reported an increase of US \$2.7 million, quarter on quarter, due mainly to the effects of interest rates increases and growth in deposit and securities liabilities. Finance costs also includes US \$10.3 million associated with the term loan acquired in August 2023.

F. Income taxes

<i>Income taxes</i> <i>(in millions of US \$)</i>	Three months ended March 31		
	2024	2023	Change
Income Taxes	16.5	7.8	(<100%)

Quarterly (three-month period) results

Income taxes was US \$16.5 million for the three-month period ended March 31, 2024, compared to US \$7.8 million for the same period in 2023, an increase of US \$8.7 million. Our Sagicor Canada segment contributed US \$2.0 million, and our Sagicor Life USA segment reported increased income taxes as a result of improved operating results (US \$5.3 million).

G. Total Comprehensive Income

<i>(in millions of US \$)</i>	Three months ended March 31		
	2024	2023	Change
Net Income	29.6	9.2	>100%
Other comprehensive income/(loss)			
Items net of tax that may be reclassified subsequently to income:			
Financial assets measured at FVTOCI:			
(Loss)/gain on revaluation	(8.4)	6.9	(<100%)
(Gain)/loss transferred to income	(0.5)	1.1	(<100%)
Retranslation of foreign currency operations	(20.1)	1.9	(<100%)
	(29.0)	9.9	(<100%)
Items net of tax that will not be reclassified subsequently to income:			
Gain on defined benefit plans	0.3	-	-
	0.3	-	-
Other comprehensive (loss)/income	(28.7)	9.9	(<100%)
Total Comprehensive Income	0.9	19.1	(95%)

<i>(in millions of US \$)</i>	Three months ended March 31		
	2024	2023	Change
Total comprehensive income			
Total comprehensive income/(loss) attributable to:			
Common shareholders	1.5	6.6	(77%)
Non-controlling interests	(0.6)	12.5	(<100%)
Total Comprehensive Income	0.9	19.1	(95%)

Items recorded within other comprehensive income arise generally from fair value changes of financial assets measured at FVTOCI and from the retranslation of foreign currency operations.

Quarterly (three-month period) results

During the three-month period ended March 31, 2024, the Group reported a fair value loss on revaluation of financial assets measured at FVTOCI totalling US \$8.4 million compared to gains of US \$6.9 million for the same quarter in the prior year. Other comprehensive income for the current period also included foreign currency retranslation losses of US \$20.1 million of which US \$20.9 million related to the impact of the depreciation of the Canadian dollar against the United States dollar during the quarter.

5. RESULTS BY SEGMENT

Sagicor operates its business primarily through four reporting operating segments. These segments are: Sagicor Life, Sagicor Jamaica, Sagicor Life USA and Sagicor Canada. In 2023, management made certain reorganizational changes to its subsidiary, Sagicor General, resulting in the subsidiary now being reported as part of the Sagicor Life segment. All related comparative period information has been amended accordingly to reflect this change. Sagicor General was previously reported as part of Head Office and Other. Additionally, effective October 3, 2023, Sagicor Financial Company Ltd. purchased 100% of ivari which is included in the Sagicor Canada segment. The abridged Statements of Income and Financial Position by operating segment are presented on a three-month period basis for 2024 and 2023 as follows:

First Quarter (three-month period) – March 31

<i>(in millions of US \$)</i>	Sagicor Life		Sagicor Jamaica		Sagicor Life USA		Sagicor Canada		Head office, other & adjustments		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Abridged Statement of Income												
Net insurance and investment result	22.5	15.6	48.1	49.9	58.9	21.2	25.6	-	(4.0)	1.5	151.1	88.2
Segment net income / (loss)	9.8	5.0	6.6	15.1	37.1	4.4	5.2	-	(29.1)	(15.3)	29.6	9.2
Net income/(loss) attributable to shareholders	9.8	5.0	3.2	7.3	37.1	4.4	5.2	-	(29.1)	(15.3)	26.2	1.4
Key Metrics:												
Return on investments (annualised) ⁵	6.7%	7.0%	6.1%	7.7%	8.5%	12.3%	3.8%	-	N/A	N/A	5.8%	9.8%
Return on shareholder's equity (annualised) ⁵	7.3%	3.8%	3.7%	9.4%	56.7%	8.7%	2.5%	-	N/A	N/A	12.2%	1.3%

<i>(in millions of US \$)</i>	Sagicor Life		Sagicor Jamaica		Sagicor Life USA		Sagicor Canada		Head office, other & adjustments		Total	
	Mar 2024	Dec 2023	Mar 2024	Dec 2023	Mar 2024	Dec 2023	Mar 2024	Dec 2023	Mar 2024	Dec 2023	Mar 2024	Dec 2023
Abridged Statement of Financial Position												
Total assets	2,692.5	2,656.2	3,702.1	3,662.5	5,417.7	5,298.4	10,738.4	11,068.8	(319.3)	(301.0)	22,231.4	22,384.9
Total Liabilities	2,130.7	2,139.2	3,036.5	2,970.1	5,136.5	5,055.7	9,906.7	10,199.3	711.5	691.6	20,921.9	21,055.9
Net assets	561.8	517.0	665.6	692.4	281.2	242.7	831.7	869.5	(1,030.8)	(992.6)	1,309.5	1,329.0

The performance of these reporting segments for the three-month period ended March 31, 2024, compared to the same periods in 2023, is discussed in the following sections.

⁵ Represents a non-IFRS or other financial measure: refer to Section 11 - Non-IFRS and Other Financial Measures in this document for relevant information about such measures.

A. Sagicor Life

The Sagicor Life segment conducts life, health insurance, property & casualty insurance, pensions, annuities, and asset management services in Barbados, Eastern Caribbean, Dutch Caribbean, Bahamas, Belize and Trinidad and Tobago. Sagicor Life has a diversified customer base providing financial solutions to both individuals and corporations, mainly through a captive distribution network and local brokers. Sagicor Life's strong corporate image, people, financial strength, and diverse insurance solutions have contributed to Sagicor Life's leading position in the insurance market in the Caribbean.

<i>(in millions of US \$)</i>	Three months ended		
	2024	2023	Change
			March 31
Insurance service result	10.5	5.6	88%
Interest income earned from financial assets measured at amortised cost and FVTOCI	6.8	4.5	51%
Credit impairment recovery	1.5	0.3	>100%
Net gain on FVTPL investments	21.0	22.5	(7%)
Other investment income	0.3	0.6	(50%)
Inter-segment investment income	5.5	5.2	6%
Net investment income	35.1	33.1	6%
Net insurance finance expenses	(23.1)	(23.1)	-
Net insurance and investment result	22.5	15.6	44%
Inter-segment expenses	(0.3)	(0.1)	(<100%)
Fees and other income	1.9	2.7	(30%)
Share of income of associates and joint ventures	0.8	1.0	(20%)
Other operating expenses	(8.7)	(9.1)	4%
Other interest and finance costs	(3.9)	(3.8)	(3%)
Segment income before taxes	12.3	6.3	95%
Income taxes	(2.5)	(1.3)	(92%)
Segment net income	9.8	5.0	96%
Net income attributable to shareholders	9.8	5.0	96%
Return on Investments (annualised) ⁶	6.7%	7.0%	(0.3 pts)
Return on Total Equity (annualised) ⁶	7.3%	3.8%	3.5 pts
Return on Shareholder's Equity (annualised) ⁶	7.3%	3.8%	3.5 pts

Quarterly (three-month period) results

The Sagicor Life segment generated a net income attributable to shareholders of US \$9.8 million for the three-month period ended March 31, 2024, which was US \$4.8 million above that reported for the corresponding period in 2023. The improvement in performance, quarter on quarter, was due to business growth across all business lines along with the lower incidence of onerous contracts and improved loss ratios in the PAA business.

Insurance Service Result

The segment reported insurance service result for the three-month period was income of US \$10.5 million, compared to US \$5.6 million for the same period in 2023. An analysis of the insurance service result is shown in the table below.

⁶ Represents a non-IFRS or other financial measure: refer to Section 11 - Non-IFRS and Other Financial Measures in this document for relevant information about such measures.

<i>Insurance service result</i> <i>(in millions of US \$)</i>	Three months ended March 31		
	2024	2023	Change
Insurance revenue			
Insurance revenue for contracts not measured under the PAA	27.6	25.3	9%
Insurance revenue from contracts measured under the PAA	51.1	47.8	7%
Total insurance revenue	78.7	73.0	8%
Total insurance service expenses	(58.1)	(60.3)	4%
Total net expenses from reinsurance contracts held	(9.9)	(6.8)	(46%)
Inter-segment insurance service result	(0.2)	(0.3)	33%
Total insurance service result	10.5	5.6	88%

Total insurance revenue grew by 8%, quarter on quarter, to close at US \$78.7 million for the first quarter of 2024, compared to US \$73.0 million for the same period in the prior year, an increase of US \$5.7 million. Insurance revenue for contracts not measured under the PAA (the segment's long-term and annuity businesses) and insurance revenue from contracts measured under the PAA, (the segment's short-term business) increased by US \$2.3 million and US \$3.3 million, respectively, reflecting business growth across all business lines.

Total insurance service expenses were US \$58.1 million compared to US \$60.3 million for the same period in the prior year, a decrease of US \$2.2 million, driven by lower incidence of onerous contracts, and better loss ratios in the PAA (short-term) business as a result of repricing initiative on renewals, and adjustments on product offerings.

Net Investment Income/(Expenses)

Net investment income for the Sagicor Life segment closed the period at US \$35.1 million compared to US \$33.1 million for the same period in the prior year, an increase of US \$2.0 million. Interest earned from financial assets measured at amortised cost and FVTOCI, increased by US \$2.3 million.

Net Insurance Finance Income/(Expenses)

Net insurance finance expenses were US \$23.1 million which was on par with that reported for the March 2023 quarter.

Fees and other income closed the period at US \$1.9 million and was relatively consistent with the prior period.

Other operating expenses totalled US \$8.7 million, for the first quarter of 2024 and was relatively consistent with the prior period.

Statement of Financial Position	As of		
	March 31, 2024	December 31, 2023	Change
<i>(in millions of US \$)</i>			
Financial investments	1,760.6	1,783.4	(1%)
Reinsurance contract assets	19.1	21.6	(12%)
Insurance contract assets	4.6	0.1	>100%
Other external assets	363.6	342.1	6%
Inter-segment assets	544.6	509.0	7%
Total assets	2,692.5	2,656.2	1%
Insurance contract liabilities	1,541.4	1,520.9	1%
Reinsurance contract liabilities	11.9	10.9	9%
Investment contract liabilities	268.9	271.1	(1%)
Other external liabilities	160.1	175.0	(9%)
Inter-segment liabilities	148.4	161.3	(8%)
Total liabilities	2,130.7	2,139.2	-
Net assets	561.8	517.0	9%

Financial investments totaled US \$1,760.6 million (December 31, 2023 - US \$1,783.4 million) and comprised 65% (December 31, 2023 - 67%) of the segment's total assets, and insurance contract liabilities totaled US \$1,541.4 million (December 31, 2023 - US \$1,520.9 million) and comprised 72% (December 31, 2023 - 71%) of the segment's total liabilities at the end of March 2024. Net assets include contractual service margin (net) of US \$232.3 million as at March 31, 2024. The contractual service margin represents expected future profits on existing insurance contracts held by the segment.

An analysis of the movement of the CSM is shown in the table below.

Contractual Service Margin	Three months ended March 31		
	2024	2023	Change
<i>(in millions of US \$)</i>			
CSM, beginning of period – Insurance contracts issued	251.8	230.8	9%
Changes that relate to current service			
CSM recognised in net (income)/loss for the services provided	(6.8)	(6.1)	11%
Changes that relate to future service			
Changes in estimates that adjust the CSM	(3.6)	2.1	(<100%)
Contracts initially recognised in the year	9.2	12.0	(23%)
Finance expense from insurance contracts issued	3.2	2.5	28%
Effect of exchange rate changes	(0.3)	(0.1)	(<100%)
Total amounts recognised in total comprehensive income	1.6	10.4	(85%)
CSM, end of period – Insurance contracts issued	253.5	241.2	5%
CSM, end of period – Reinsurance contracts held	(21.2)	0.6	(<100%)
CSM, end of period – Net	232.3	241.8	(4%)
CSM, beginning of period – Net, attributable to shareholders	229.9	218.7	5%
CSM, end of period – Net, attributable to shareholders	232.3	241.8	(4%)

Overall, the segment reported a 1% growth in the CSM for insurance contracts moving from US \$251.9 million at December 31, 2023 to US \$253.5 million as at March 31, 2024. During the current year, US \$6.8 million was recognised in income compared to US \$6.1 million recorded in the same period in 2023. The impact of new business on the CSM period on period, declined, with US \$9.2 million being reported during the quarter ended March 31, 2024, compared to US \$12.0 million for the same period in 2023.

Overall, the net assets of the segment increased by 9% (US \$44.8 million) due to retention of segment earnings and dividends from non-segment subsidiaries not yet declared up to the parent company.

B. Sagicor Jamaica

The Sagicor Jamaica segment offers life, health, annuity, property and casualty insurance, pension administration services, retail and commercial banking, investment banking, real estate investment services and cambio and remittance services in the markets of Jamaica, Cayman Islands, Costa Rica, and Panama. Sagicor Jamaica's strong brand, together with its wide range of products and highly skilled work force, has allowed it to maintain a leading position in market segments in which it operates. Its retail and commercial banking services are offered through a network of fifteen (15) branches.

<i>(in millions of US \$)</i>	Three months ended		
	2024	2023	Change
Insurance service result	6.6	8.4	(21%)
Gain/(loss) on derecognition of assets carried at FVTOCI	1.0	(0.3)	>100%
Interest income earned from financial assets measured at amortised cost and FVTOCI	41.1	33.0	25%
Credit impairment loss	(1.4)	(0.9)	(56%)
Net gain on FVTPL investments	4.4	23.7	(81%)
Other investment loss	(0.1)	-	-
Inter-segment investment income	1.0	-	-
Net investment income	46.0	55.5	(17%)
Net insurance finance expenses	(4.5)	(14.0)	68%
Net insurance and investment result	48.1	49.9	(4%)
Inter-segment other income and expenses	(0.4)	-	-
Fees and other income	31.3	29.4	6%
Share of income/(loss) of associates and joint ventures	0.4	(0.5)	>100%
Other operating expenses	(53.3)	(46.7)	(14%)
Other interest and finance costs	(14.7)	(11.7)	(26%)
Segment income before taxes	11.4	20.4	(44%)
Income taxes	(4.8)	(5.3)	9%
Segment net income	6.6	15.1	(56%)
Net income attributable to shareholders	3.2	7.3	(56%)
Return on Investments (annualised) ⁷	6.1%	7.7%	(1.6 pts)
Return on Total Equity (annualised) ⁷	3.9%	10.0%	(6.1 pts)
Return on Shareholder's Equity (annualised) ⁷	3.7%	9.4%	(5.7 pts)

Quarterly (three-month period) results

The Sagicor Jamaica segment reported net income of US \$6.6 million for the three-month period ended March 31, 2024, compared to the US \$15.1 million reported for the first quarter of 2023.

Net income attributable to shareholders was US \$3.2 million, for the three-month period ended March 31, 2024, compared to US \$7.3 million, for the first quarter of 2023. Net income and net income attributable to shareholders were impacted by lower unrealised fair value gains, losses on onerous contracts arising from modelling updates and increases in operating, interest and finance costs.

⁷ Represents a non-IFRS or other financial measure: refer to Section 11 - Non-IFRS and Other Financial Measures in this document for relevant information about such measures.

Insurance Service Result

The Insurance service result for the period ended March 31, 2024, was US \$6.6 million, compared to US \$8.4 million for the corresponding period in 2023. An analysis of the insurance service result is shown in the table below.

Insurance service result <i>(in millions of US \$)</i>	Three months ended March 31		
	2024	2023	Change
Insurance revenue			
Insurance revenue for contracts not measured under the PAA	30.0	27.3	10%
Insurance revenue from contracts measured under the PAA	50.6	44.7	13%
Total insurance revenue	80.6	72.0	12%
Total insurance service expenses	(66.6)	(57.7)	(15%)
Total net expenses from reinsurance contracts held	(7.4)	(5.9)	(25%)
Total insurance service result	6.6	8.4	(21%)

Insurance revenue from contracts not measured under the PAA (primarily from the segment's long-term life and annuity businesses), for the three-month period ended March 31, 2024, was US \$30.0 million compared to US \$27.3 million, an increase of US \$2.7 million due mainly to an increase in CSM recognised in net income for services provided (US \$1.1 million). Insurance revenue from contracts measured under PAA (primarily relating to the segment's short-term health and property & casualty business) closed the period at US \$50.6 million compared to US \$44.7 million, an increase of US \$5.9 million (13%) largely as a result of new business sales and higher renewal rates for the Group Health products.

Insurance service expenses totalled US \$66.6 million for the first quarter of 2024 (March quarter 2023 – US \$57.7 million), an increase of US \$8.9 million (15%), mainly due to increases in attributable operating expenses (US \$1.9 million) resulting mainly from increases in staff compensation, and higher losses on onerous contracts (US \$5.5 million) due to actuarial model updates.

Net expense from reinsurance contracts held was US \$7.4 million for the three-month period ended March 31, 2024, compared to US \$5.9 million reported for the same period in the prior year, an increase of US \$1.5 million.

Net Investment Income/(Expenses)

Net investment income for the three-month period ended March 31, 2024, totalled US \$46.0 million, compared to US \$55.5 million, for the three-month period ended March 31, 2023. Interest income earned from financial assets measured at amortised cost and FVTOCI during the first quarter of 2024 was US \$41.1 million, an increase of US \$8.1 million, when compared to that reported for the three-month period ended March 31, 2023 (US \$33.0 million), due to higher interest rates and growth in interest bearing assets.

Net gain on FVTPL investments US \$4.4 million for the first quarter of 2024, compared to US \$23.7 million reported for the same period in 2023. The movement was mainly a result of lower fair value gains in the current quarter compared to the comparative period. During Q1 2023, the Group benefited from increases in bond prices primarily on the Government of Jamaica (GOJ) instruments. Since the start of the 2024, GOJ bond prices have been trending downwards, adversely affecting the results.

Net Insurance Finance Income/(Expenses)

Net insurance finance expenses totalled was US \$4.5 million for the three-month period ended March 31, 2024, compared to insurance finance expense of US \$14.0 million for the same period in 2023, a decrease in expenses of US \$9.5 million, and was mainly driven by the impact of changes in interest rates on insurance contracts liabilities.

Fees and other income totalled US \$31.3 million for the three-month period ended March 31, 2024, compared to US \$29.4 million reported in the corresponding period of the prior year, an increase of US \$1.9 million.

The Sagicor Jamaica segment's share of income from associates and joint ventures totaled US \$0.4 million for the three-month period ended March 31, 2024, compared to a loss of the US \$0.5 million reported for the same period in 2023. In 2023 share of income from associates and joint ventures was impacted by a high claims experience which resulted in the loss reported.

Other operating expenses for the Sagicor Jamaica segment totaled US \$53.3 million for the first quarter of 2024, US \$6.6 million above the US \$46.7 million reported for the first quarter of 2023. This increase was due to planned increases in staff costs and higher communication and technology costs.

Other interest and finance costs for the quarter ended March 31, 2024, was US \$14.7 million, compared to US \$11.7 million for the corresponding period in 2023, an increase of US \$3.0 million due mainly to the effects of interest rates increases and growth in deposit and securities liabilities, particularly repurchase agreements and customer deposits.

Statement of Financial Position <i>(in millions of US \$)</i>	As of		
	March 31, 2024	December 31, 2023	Change
Financial investments	3,047.2	2,989.0	2%
Reinsurance contract assets	12.3	18.1	(32%)
Insurance contract assets	4.6	1.1	>100%
Other external assets	591.5	607.6	(3%)
Inter-segment assets	46.6	46.7	-
Total assets	3,702.2	3,662.5	1%
Insurance contract liabilities	955.7	939.8	2%
Reinsurance contract liabilities	4.2	3.9	8%
Investment contract liabilities	136.9	135.4	1%
Other external liabilities	1,921.9	1,887.4	2%
Inter-segment liabilities	17.9	3.5	>100%
Total liabilities	3,036.6	2,970.0	2%
Net assets	665.6	692.5	(4%)

Financial investments totaled US \$3,047.2 million (December 31, 2023 - US \$2,989.0 million) and comprised 82% (December 31, 2023 - 82%) of the segment's total assets, and insurance contract liabilities totaled US \$955.7 million (December 31, 2023 - US \$939.8 million) and comprised 31% (December 31, 2023 - 32%) of the segment's total liabilities at the end of December 2023. Net assets include contractual service margin (net) of US \$275.4 million as at March 31, 2024. The contractual service margin represents expected future profits on existing insurance contracts held by the segment. An analysis of the movement of the CSM is shown below.

Contractual Service Margin <i>(in millions of US \$)</i>	Three months ended March 31		
	2024	2023	Change
CSM, beginning of period – Insurance contracts issued	286.9	245.5	17%
Changes that relate to current service			
CSM recognised in net (income)/ loss for the services provided	(9.2)	(8.1)	(14%)
Changes that relate to future service			
Changes in estimates that adjust the CSM	(8.4)	(2.3)	(<100%)
Contracts initially recognised in the year	7.2	8.0	(10%)
Finance expense from insurance contracts issued	3.7	2.6	42%
Effect of exchange rate changes	0.7	0.8	(13%)
Total amounts recognised in total comprehensive income	(6.0)	1.0	(<100%)
CSM, end of period – Insurance contracts issued	280.9	246.5	14%
CSM, end of period – Reinsurance contracts held	(5.5)	(3.3)	(62%)
CSM, end of period – Net	275.4	243.2	13%
CSM, beginning of period – Net, attributable to shareholders	138.4	119.0	16%
CSM, end of period – Net, attributable to shareholders	135.3	119.4	13%

Overall, the segment reported a decline in the CSM for insurance contracts issued for the quarter ended March 31, 2024, moving from US \$286.9 million at December 31, 2023 to US \$280.9 million as at March 31, 2024. During 2024, US \$9.2 million was recognised in profit and loss for services provided, compared to US \$8.1 million recorded in the same period in 2023. The impact of new business on the CSM for insurance contracts, was slightly lower than prior year's levels, totalling US \$7.2 million for the quarter ended March 31, 2024. The movement in the CSM includes adjustments which totalled US \$8.4 million, compared to US \$2.3 million, relating to actuarial modelling updates.

Overall net assets for the Sagicor Jamaica segment declined by 4% (US \$26.9 million) moving from US \$692.5 million as at December 31, 2023 to US \$665.6 million at the end of March 2024, the net impact of the positive operating results reduced by dividends declared to shareholders during the period.

C. Sagicor Life USA

Sagicor USA, Inc. and its operating entity, Sagicor Life Insurance Company, (collectively, Sagicor USA) operate in 45 states and the District of Columbia. Sagicor USA is focused on providing life and annuity products to middle market America through independent producers.

Sagicor USA's current product offerings can be broadly placed in three categories:

- **Annuities** – Annuity offerings are single premium products, which include traditional deferred, multi-year guaranteed (MYGA) and immediate annuities. Sagicor Life Insurance Company's annuities allow customers to accumulate assets at fixed interest rates, with no negative market risk.
- **Periodic premium** – This includes products such as non-participating whole life and indexed universal life. Premiums can be paid on a monthly, quarterly, semi-annual, or annual basis, and products are differentiated based on protection and/or accumulation potential.
- **Single premium life** – This includes an indexed universal life product developed for a retiree demographic to transfer wealth and leave a legacy to the next generation, while having access to funds to assist with a chronic illness, if needed.

<i>(in millions of US \$)</i>	Three months ended March 31		
	2024	2023	Change
Insurance service result	(7.4)	(12.1)	39%
Loss derecognition of amortised cost investments	(0.1)	-	-
Loss on derecognition of assets carried at FVTOCI	(0.2)	(0.3)	33%
Interest income earned from financial assets measured at amortised cost and FVTOCI	13.6	10.8	26%
Credit impairment loss	-	(0.1)	100%
Net gain on FVTPL investments	88.0	119.2	(26%)
Other investment income	0.6	0.3	100%
Net investment income	101.9	129.9	(22%)
Net insurance finance expenses	(35.6)	(96.6)	63%
Net insurance and investment result	58.9	21.2	>100%
Inter-segment other income and expenses	(3.3)	(3.0)	(10%)
Other operating expenses	(7.9)	(7.4)	(7%)
Other interest and finance costs	(4.1)	(5.2)	21%
Segment income before taxes	43.6	5.6	>100%
Income taxes	(6.5)	(1.2)	(<100%)
Segment net income	37.1	4.4	>100%
Net income attributable to shareholders	37.1	4.4	>100%
Return on Investments (annualised) ⁸	8.5%	12.3%	(3.8 pts)
Return on Total Equity (annualised) ⁸	56.7%	8.7%	48.0 pts
Return on Shareholder's Equity (annualised) ⁸	56.7%	8.7%	48.0 pts

Quarterly (three-month period) results

The Sagicor Life USA segment reported net income of US \$37.1 million for the three-month period ended March 31, 2024, compared to income of US \$4.4 million for the corresponding period in the prior year, an increase of US \$32.7 million. The positive impact on net income was primarily determined by lower insurance finance expenses driven by changes in discount rate. These were partially offset by lower net investment income due to unfavourable market value movements.

⁸ Represents a non-IFRS or other financial measure: refer to Section 11 - Non-IFRS and Other Financial Measures in this document for relevant information about such measures.

Insurance Service Result

Insurance service result for the three-month period ended March 31, 2024, was a loss of US \$7.4 million, compared to a loss of US \$12.1 million for the corresponding period in 2023, a change of US \$4.7 million. An analysis of the insurance service result is shown in the table below.

<i>Insurance service result</i>	Three months ended		
	2024	2023	Change
<i>(in millions of US \$)</i>			
Insurance revenue			
Insurance revenue for contracts not measured under the PAA	24.4	21.2	15%
Total insurance revenue	24.4	21.2	15%
Total insurance service expenses	(30.6)	(18.8)	(63%)
Total net expenses from reinsurance contracts held	(1.2)	(14.4)	92%
Inter-segment insurance service result	-	(0.1)	100%
Total insurance service result	(7.4)	(12.1)	39%

Insurance revenue from contracts not measured under the PAA (which relates to the segment's life and annuity business), for the three-month period ended March 31, 2024, increased by 15% (US \$3.2 million) over that reported for the corresponding period, to close at US \$24.4 million, as a result of an increased insurance book of business.

Insurance service expenses totalled US \$30.6 million for the first quarter of 2024 (March quarter 2023 – US \$18.8 million), an increase of US \$11.8 million, mainly driven by an increase in renewal crediting rates offset by higher asset returns in annuity block of business, as well as higher than expected mortality claims.

Net expense from reinsurance contracts held was US \$1.2 million for the first quarter of 2024 compared to an expense totalling US \$14.4 million for the first quarter of 2023, a decrease of US \$13.2 million while reinsurance contract assets declined by 27% (year on year), primarily due to the run-off of closed blocks of business.

Net Investment Income/(Expenses)

Net investment income for the three-month period ended March 31, 2024, totalled US \$101.9 million, compared to US \$129.9 million, for the three-month period ended March 31, 2023. Interest income earned on assets measured at amortised costs and FVTOCI during the first quarter of 2024 totalled US \$13.6 million which was US \$2.8 million higher than reported for the same period in 2023 due to higher interest rates. Net gain on FVTPL investments totalled US \$88.0 million for the first quarter of 2024, compared US \$119.2 million reported for the same period in 2023, due to fair value movements of FVTPL debt instruments.

Insurance Finance Income

Net insurance finance expenses totalled US \$35.6 million for the three-month period ended March 31, 2024, compared to expenses of US \$96.6 million reported for the first quarter of 2023, a decrease in expenses of US \$61.0 million and was mainly driven by the impact of changes in interest rates.

Overall, net insurance and investment result increased by US \$37.7 million, quarter on quarter to close at US \$58.9 million for the three-month period ended March 31, 2024, compared to income of US \$21.2 million, reported for the corresponding period in the prior year.

Operating expenses for the first quarter of 2024 were US \$7.9 million and was on par with that reported for the corresponding period in 2023.

Other interest and finance cost totalled US \$4.1 million for the three-month period ended March 31, 2024, compared to US \$5.2 million for the first quarter of 2023, a slight decrease of US \$1.1 million and relates to FHLB program lower financing cost.

Income taxes increased by US \$5.3 million, quarter on quarter, closing at US \$6.5 million for the three-month period ended March 31, 2024. This was due to the improvement in the segment's performance when compared to the corresponding quarter in the prior year.

Statement of Financial Position <i>(in millions of US \$)</i>	As of		
	March 31, 2024	December 31, 2023	Change
Financial investments	4,883.9	4,722.2	3%
Reinsurance contract assets	323.7	332.5	(3%)
Other external assets	190.9	221.1	(14%)
Inter-segment assets	19.2	22.5	(15%)
Total assets	5,417.7	5,298.3	2%
Insurance contract liabilities	4,507.9	4,405.0	2%
Investment contract liabilities	59.7	62.2	(4%)
Other external liabilities	396.4	415.5	(5%)
Inter-segment liabilities	172.5	173.1	-
Total liabilities	5,136.5	5,055.8	2%
Net assets	281.2	242.5	16%

Overall, the increase in net assets from December 31, 2023, to March 31, 2024, of US \$38.7 million (16%) was primarily the result of profitability for the period.

Consistent with prior reporting periods, Sagicor Life USA's financial position is dominated by the liabilities it recognizes on its in force life and annuity policy obligations; 88% of total liabilities as of March 31, 2024 (December 31, 2023 – 87%) and the financial investments that support those liabilities (90% of total assets as of March 31, 2024 and 89% of total assets as of December 31, 2023).

Insurance contract liabilities and the supporting financial investments both grew by 2% and 3%, respectively, for the first quarter of 2024. Net assets include contractual service margin (net) of US \$209.8 million as at March 31, 2024. The contractual service margin represents expected future profits on existing insurance contracts held by the segment. An analysis of the movement of the CSM is shown in the table below.

Contractual Service Margin <i>(in millions of US \$)</i>	Three months ended March 31		
	2024	2023	Change
CSM, beginning of period – Insurance contracts issued	205.6	237.2	(13%)
Changes that relate to current service			
CSM recognised in net (income) / loss for the services provided	(9.3)	(9.4)	(2%)
Changes that relate to future service			
Changes in estimates that adjust the CSM	(2.3)	(14.9)	84%
Contracts initially recognised in the year	13.7	8.2	67%
Finance expense from insurance contracts issued	2.2	2.4	(8%)
Total amounts recognised in total comprehensive income	4.3	(13.7)	>100%
CSM, end of period – Insurance contracts issued	209.9	223.5	(6%)
CSM, end of period – Reinsurance contracts held	(0.1)	(18.1)	99%
CSM, end of period – Net	209.8	205.4	2%
CSM, beginning of period – Net, attributable to shareholders	202.9	213.5	(5%)
CSM, end of period – Net, attributable to shareholders	209.8	205.4	2%

Overall, the segment reported growth in the CSM for insurance contracts issued, which moved from US \$205.6 million at December 31, 2023 to US \$209.9 million as at March 31, 2024. During the first quarter of 2024, US \$9.3 million was recognised in profit and loss for services provided, which was on par with that reported for the same period in 2023. The impact of new business on the CSM, period on period, grew, with US \$13.7 million being reported for the first quarter of 2024 compared to US \$8.2 million in the same period in 2023, due to increased business sales. Changes in estimates that adjust the CSM was an expense of US \$2.3 million for the quarter ended March 31, 2024, compared to US \$14.9 million for same period in 2023 resulting from insurance experience. During the prior period, the segment was adversely impacted by increased insurance policy surrenders related to fixed index annuity products.

D. Sagicor Canada

Effective October 3, 2023, Sagicor Financial Company Ltd. purchased 100% of the shares of Proj Fox Acquisition Inc., now known as ivari Holdings Inc. which holds ivari, leading to the establishment of the Sagicor Canada segment. ivari, has operated in the Canadian marketplace for over 90 years. With a national network of thousands of independent advisors, the segment offers life insurance and annuities, accident and sickness insurance in Canada.

	Three months ended March 31
<i>(in millions of US \$)</i>	2024
Insurance service result	19.8
Net gain on FVTPL investments	70.6
Net investment income	70.6
Net insurance finance expenses	(64.8)
Net investment result before segregated funds	5.8
Net Investment income for segregated funds	25.3
Finance expenses for insurance contracts issued for segregated funds	(25.3)
Net Investment result for segregated funds	-
Net insurance and investment result	25.6
Other operating expenses	(4.2)
Other interest and finance costs	(14.2)
Segment income before taxes	7.2
Income taxes	(2.0)
Segment net income	5.2
Net income attributable to shareholders	5.2
Return on Investments (annualised) ⁹	3.8%
Return on Total Equity (annualised) ⁹	2.5%
Return on Shareholder's Equity (annualised) ⁹	2.5%

Quarterly (three-month period) results

The Sagicor Canada segment reported net income of US \$5.2 million for the three-month period ended March 31, 2024. Net income for the current quarter was primarily influenced by fair value movements below expectations.

Insurance Service Result

Insurance service result for the three-month period ended March 31, 2024, was US \$19.8 million. An analysis of the insurance service result is shown in the table below.

	Three months ended March 31
<i>Insurance service result</i>	
<i>(in millions of US \$)</i>	2024
Insurance revenue	
Insurance revenue for contracts not measured under the PAA	171.6
Total insurance revenue	171.6
Total insurance service expenses	(133.3)
Total net expenses from reinsurance contracts held	(18.5)
Total insurance service result	19.8

Insurance revenue from contracts not measured under the PAA (which relates to the segment's life and health business), for the three-month period ended March 31, 2024, totalled US \$171.6 million, offset by insurance service expenses totalling US \$133.3 million. The net impact in the current period was associated with a risk adjustment and CSM recognition in net income consistent with Q4 2023, offset by higher-than-expected incurred claims.

Net expense from reinsurance contracts held was US \$18.5 million for the first quarter of 2024.

⁹ Represents a non-IFRS or other financial measure: refer to Section 11 - Non-IFRS and Other Financial Measures in this document for relevant information about such measures.

Net Investment Income/(Expenses)

Net gain on FVTPL investments totalled US \$70.6 million for the current period, as the segment's fixed income cash flows performed as expected. This was offset by negative fair value movements in debt instruments, while equity securities provided positive returns.

Net Insurance Finance Income

Net insurance finance expenses totalled US \$64.8 million for the three-month period ended March 31, 2024, and was mainly driven by the impact of changes in interest rates.

Overall, net insurance and investment result totalled US \$25.6 million for the current period.

Other interest and finance cost totalled US \$14.2 million for the three-month period ended March 31, 2024, representing interest charges on other funding instruments.

Statement of Financial Position <i>(in millions of US \$)</i>	As of		
	March 31, 2024	December 31, 2023	Change
Financial investments	7,267.3	7,428.4	(2%)
Reinsurance contract assets	2,709.5	2,840.7	(5%)
Other external assets	761.6	799.6	(5%)
Total assets	10,738.4	11,068.7	(3%)
Insurance contract liabilities	8,617.1	8,866.5	(3%)
Investment contract liabilities	8.3	9.1	(9%)
Other external liabilities	1,281.2	1,323.6	(3%)
Inter-segment liabilities	0.1	-	-
Total liabilities	9,906.7	10,199.2	(3%)
Net assets	831.7	869.5	(4%)

Overall, net assets declined from December 31, 2023, to March 31, 2024, by US \$37.8 million (4%) to close at US \$831.7 million. The decline was primarily the result of a positive operating performance net of a return of capital (US \$22.5 million) and retranslation losses on foreign currency operations (US \$20.9 million).

Sagicor Canada's financial position is dominated by the liabilities it recognizes on its in-force life and annuity policy obligations; 87% of total liabilities as of March 31, 2024 (December 31, 2023 – 87%) and the financial investments that support those liabilities (68% of total assets as of March 31, 2024, and 67% of total assets as of December 31, 2023).

Insurance contract liabilities and the supporting financial investments contracted by 3% and 2%, respectively for the period ended March 31, 2024. While reinsurance contracts assets declined by US \$131.2 million during the March 2024 quarter, which was impacted by the increase in Q1 2024 discount rates which reduced the present value of the ceded fulfilment cash flows. Net assets include contractual service margin (net) of US \$568.0 million as at March 31, 2024. The contractual service margin represents expected future profits on existing insurance contracts held by the segment. An analysis of the movement of the CSM is shown below.

Contractual Service Margin	Three months ended March 31
<i>(in millions of US \$)</i>	2024
CSM, beginning of period – Insurance contracts issued	1,157.3
Changes that relate to current service	
CSM recognised in net (income) / loss for the services provided	(33.9)
Changes that relate to future service	
Changes in estimates that adjust the CSM	13.2
Contracts initially recognised in the period	10.0
Finance expense from insurance contracts issued	15.7
Effect of exchange rate changes	(27.7)
Total amounts recognised in total comprehensive income	(22.7)
CSM, end of period – Insurance contracts issued	1,134.6
CSM, end of period – Reinsurance contracts held	(566.6)
CSM, end of period – Net	568.0
CSM, beginning of period – Net, attributable to shareholders	563.7
CSM, end of period – Net, attributable to shareholders	568.0

The segment reported CSM for insurance contracts issued of US \$1,134.6 million as at March 31, 2024. During the period ended March 31, 2024, US \$33.9 million was recognised in profit and loss for services provided. The impact of new business on the CSM was US \$10.0 million being reported in 2024. In addition, the segment was impacted by retranslation losses totalling US \$27.7 million, the impact the Canadian dollar depreciation against the United States dollar during the quarter.

6. FINANCIAL POSITION

A. Capital Adequacy

	March 31, 2024	December 31, 2023
Sagicor Consolidated MCCSR ¹⁰	303%	301%
Group LICAT ¹⁰	136%	136%
Sagicor Life Jamaica Limited (JA-LICAT) ¹⁰	137%	155%
Sagicor Investments Jamaica Limited capital base to risk weighted assets ¹⁰	16%	17%
Sagicor Bank Jamaica Limited capital base to risk weighted assets ¹⁰	13%	13%
ivari (Total LICAT ratio) ¹⁰	131%	131%

Sagicor Consolidated Capital Adequacy

Capital adequacy is managed at the Group level and the operating segment level, as appropriate. The calculation is verified by the company's Appointed Actuary (AA), and reviewed by executive management, the audit committee and the board of directors of the company. In addition, the Group seeks to maintain internal capital adequacy at levels higher than the regulatory or internationally recognised requirements.

To assist in evaluating the current business and strategy opportunities, a risk-based capital approach is a core measure of financial performance. Some jurisdictions within our Group prescribe differing risk-based assessment measures for statutory purposes, and a number of jurisdictions in the Caribbean region have no internationally recognized capital adequacy requirements. Sagicor voluntarily adopted the Canadian Minimum Continuing Capital and Surplus Requirement ("MCCSR") standard and Life Insurance Capital Adequacy Test (LICAT) as its risk-based assessment measures to provide a consolidated view of capital adequacy. The MCCSR was a standard used by the Office of the Superintendent of Financial Institutions (OSFI) from 1992 until 2018, when it was superseded by the Life Insurance Capital Adequacy Test (LICAT). When it was in place OSFI established a supervisory minimum Total Ratio of 150% under MCCSR. Canadian practices for calculation of the MCCSR evolved and changed from inception through its replacement. Where the MCCSR guidance is not consistent with the most recent Canadian MCCSR guidelines, Sagicor has made certain interpretations in our calculation of the MCCSR, in consultation with our appointed actuary, which are believed to appropriately reflect the risk-based assessment of our capital position. As the MCCSR is no longer prescribed by OSFI and is interpreted in different ways by our local regulators, there can be no assurance that Sagicor's MCCSR figures are comparable to current reporting by Canadian life insurers or that of Canadian life insurers at any single point in time since the implementation of the MCCSR.

The consolidated MCCSR¹⁰ for the life insurers of the Group as of March 31, 2024, has been estimated as 303% (December 31, 2023 – 301%). This is one standard of capital adequacy used to assess the overall strength of the life insurers of the Group. However, because of the variations in capital adequacy standards across jurisdictions, the consolidated result should be regarded as applicable to the life insurers of the Group and not necessarily applicable to each individual segment, insurance subsidiary or insurance subsidiary branch. The Group complies with all regulatory capital requirements.

Group LICAT

LICAT, developed by OSFI, became effective on January 1, 2018. Since its implementation, OSFI has made, and continues to make, modifications to LICAT, with the most recent version of LICAT becoming effective on January 1, 2023. LICAT is calculated on a consolidated basis and OSFI has established a minimum supervisory Total Ratio of 100%.

The consolidated LICAT for the life insurers of the Group as of March 31, 2024, has been estimated as 136% (December 31, 2023 – 136%). LICAT is another standard of capital adequacy used to assess the overall strength of the life insurers of the Group. However, because of the variations in capital adequacy standards across jurisdictions, the consolidated result should be regarded as applicable to the life insurers of the Group and not necessarily applicable

¹⁰ Represents a non-IFRS or other financial measure: refer to Section 11 - Non-IFRS and Other Financial Measures in this document for relevant information about such measures.

to each individual segment, insurance subsidiary or insurance subsidiary branch. The Group complies with all regulatory capital requirements.

Sagicor Life Jamaica Limited

Capital adequacy, which is calculated quarterly, is verified by the Appointed Actuary and reviewed by Executive Management and the Board of Directors. Sagicor Life Jamaica Limited seeks to maintain internal capital adequacy at levels higher than the regulatory requirements. To assist in evaluating the current business and strategy opportunities, a risk-based capital approach is one of the core measures of financial performance. The risk-based assessment measure is the Jamaican Life Insurance Capital Adequacy Test¹⁰ (JA-LICAT) which became effective January 1, 2023, as per the Insurance Regulations, 2001 amended 2023. Minimum Continuing Surplus and Capital Requirement (MCCSR) was in effect prior to 2023. The supervisory minimum Total Ratio for JA-LICAT and MCCSR is 100% and 150% respectively. Sagicor Life Jamaica Limited exceeded the standard requirement at period-end.

Sagicor Life Insurance Company (USA)

A risk-based capital (RBC) formula and model have been adopted by the National Association of Insurance Commissioners (NAIC) of the United States. RBC is designed to assess minimum capital requirements and raise the level of protection that statutory surplus provides for policyholder obligations. The RBC formula for life insurance companies measures four major areas of risk: (i) underwriting, which encompasses the risk of adverse loss developments and property and casualty insurance product mix; (ii) declines in asset values arising from credit risk; (iii) declines in asset values arising from investment risks, including concentrations; and (iv) off-balance sheet risk arising from adverse experience from non-controlled assets such as reinsurance guarantees for affiliates or other contingent liabilities and reserve and premium growth. If an insurer's statutory surplus is lower than required by the RBC calculation, it will be subject to varying degrees of regulatory action, depending on the level of capital inadequacy.

The RBC methodology provides for four levels of regulatory action. The extent of regulatory intervention and action increases as the ratio of surplus to RBC falls. The least severe regulatory action is the "Company Action Level" (as defined by the NAIC) which requires an insurer to submit a plan of corrective actions to the regulator if surplus falls below 200% of the RBC amount. Sagicor Life USA has maintained all minimum regulatory capital level ratios as of March 31, 2024, and December 31, 2023, respectively.

Sagicor Investments Jamaica Limited and Sagicor Bank Jamaica Limited

The capital adequacy and the use of regulatory capital are monitored monthly by management employing techniques based on the guidelines developed by the Financial Services Commission (FSC), the Bank of Jamaica (BOJ), Basel II and the Risk Management and Compliance Unit. The required information is filed with the respective regulatory authorities at stipulated intervals. The Bank of Jamaica and the FSC require each regulated entity to hold the minimum level of regulatory capital, and to maintain a minimum ratio of total regulatory capital to the risk-weighted assets.

The risk-weighted assets are measured by means of a hierarchy of five risk weights classified according to the nature of each asset and counterparty, taking into account, any eligible collateral or guarantees. A similar treatment is adopted for off financial statements exposure, with some adjustments to reflect the more contingent nature of the potential losses. The required capital base to risk weighted assets for both Sagicor Investments Jamaica Limited and Sagicor Bank Jamaica Limited is 10% and has been maintained as at March 31, 2024 and December 31, 2023.

ivari

The Office of the Superintendent of Financial Institutions in Canada (OSFI) requires federally regulated life insurance companies to apply its Life Insurance Capital Adequacy Test ("LICAT) as the capital adequacy guideline. Companies are required, at a minimum, to maintain a Total Ratio of 90% and OSFI has established a supervisory target ratio level of 100% for Total Capital. Sagicor Canada has exceeded all minimum regulatory capital level ratios as of March 31, 2024, and December 31, 2023.

B. Capital

<i>(in millions of US \$)</i>	March 31, 2024	December 31, 2023	Change
Total Capital¹¹			
Shareholders' equity	964.4	970.9	(1%)
Non-controlling interest	345.1	358.1	(4%)
Notes and loans payable	944.8	945.7	-
Total net contractual service margin ¹¹	1,285.5	1,278.5	1%
Total Capital¹¹	3,539.8	3,553.2	-

The Group deploys its capital resources through its operating activities. These operating activities are carried out by subsidiary companies which are either insurance entities or provide other financial services. The capital is deployed in such a manner as to ensure that subsidiaries have adequate and sufficient capital resources to carry out their activities and to meet regulatory requirements.

The Group's objectives are to (i) to comply with capital requirements established by insurance, banking and other financial intermediary regulatory authorities; (ii) to comply with internationally recognised capital requirements for insurance, where local regulations do not meet these international standards; (iii) to safeguard its ability as a going concern to continue to provide benefits and returns to policyholders, depositors, note-holders and shareholders; (iv) to provide adequate returns to shareholders; and (v) to maintain a strong capital base to support the future development of Group operations.

At March 31, 2024, the Group's capital¹¹ totalled US \$3,539.8 million, US \$13.4 million below the December 31, 2023 position (US \$3,553.2 million). Shareholders' equity declined by US \$6.5 million during the March 2024 quarter and was impacted by total comprehensive income of US \$1.5 million net of the impact of dividends paid during the period (US \$8.5 million). Non-controlling interest decreased by US \$13.0 million during the quarter, while notes and loans payable declined marginally. Net contractual service margin increased by US \$7.0 million during the quarter.

C. Financial Leverage

	March 31, 2024	December 31, 2023	Change
Debt / capital ¹¹	26.7%	26.6%	(0.1 pts)

The Debt to Capital ratio¹¹ was 26.7% at March 31, 2024, compared to that reported at December 31, 2023 (26.6%).

¹¹ Represents a non-IFRS or other financial measure: refer to Section 11 - Non-IFRS and Other Financial Measures in this document for relevant information about such measures.

D. Ratings

Sagicor Financial Company Ltd, its principal operating subsidiaries, and its debt financing vehicle, have been rated by the rating agencies AM Best, Standard and Poor's, or Fitch. On April 18, 2024, Sagicor announced that it received an Issuer Rating and a Senior Debt Rating of BBB (low) with a stable trend from global credit rating agency DBRS Limited (Morningstar DBRS). In assigning these ratings, DBRS cited Sagicor's diversified business, its long history and dominant position in the Caribbean and its growing presence in the U.S. and Canada, its high-quality investment portfolio, and its strong track record. In addition, DBRS assigned an A (low) Financial Strength Rating with a stable trend to Sagicor's U.S. operating subsidiary, Sagicor Life Insurance Company, and also to Sagicor's Canadian operating subsidiary, ivari. The ratings as of the date of issue of this Management Discussion and Analysis are as follows.

	AM Best Rating ^(a)	S&P Rating ^(b)	Fitch Rating ^(c)	DBRS Limited ^(d)
Sagicor Life Inc				
Financial Strength	A- (Excellent)			
Issuer Credit Rating	a- (Excellent)			
Sagicor Life Jamaica Limited				
Financial Strength	B++ (Good)			
Issuer Credit Rating	bbb+ (Good)			
Sagicor Life Insurance Company (USA)				
Financial Strength	A- (Excellent)			A (low) Stable
Issuer Credit Rating	a- (Excellent)			
Sagicor Financial Company Ltd				
Issuer Credit Rating	Bbb- (Good)	BBB (Stable)	BBB- (Stable)	BBB (low) Stable
Senior Unsecured	Bbb (Good)	BBB (Stable)	BB+ (Stable)	BBB (low) Stable
Sagicor General Insurance Inc				
Financial Strength	A- (Excellent)			
Issuer Credit Rating	a- (Excellent)			
Sagicor Reinsurance `Bermuda Ltd				
Financial Strength	A- (Excellent)			
Issuer Credit Rating	a- (Excellent)			
ivari				
Financial Strength	A- (Excellent)		A-	A (low) Stable
Issuer Credit Rating	a- (Excellent)			

(a) Updated October 20, 2023; (b) Affirmed December 29, 2023; (c) Affirmed November 7, 2023; (d) April 17, 2024.

Sagicor's credit ratings constitute the rating agencies' assessment of Sagicor's ability to meet its payment obligations as they become due. The credit ratings, which may be revised or withdrawn at any time, do not represent a recommendation to buy, sell or hold Sagicor's Common Shares. Each rating agency's credit rating should be evaluated independently of credit ratings issued by other rating agencies.

E. Common Shares, Book Value and Market Capitalization

	March 31, 2024	December 31, 2023	Change
Number of common shares outstanding (million)	140.9	141.1	-
Share price	US \$5.18	US \$4.52	15%
Market Capitalization (million) ¹²	US \$730.0	US \$637.8	14%
Book value per common share ¹²	US \$6.84	US \$6.88	(1%)

Outstanding Common Shares

The authorised share capital of the Company is US \$200,000,000 divided into 10,000,000,000 common shares of US \$0.01 each and 10,000,000,000 preference shares of US \$0.01 each.

The number of issued and outstanding common shares at March 31, 2024 was 140,900,216. During the 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 totalling 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.

Securities convertible, exercisable or exchangeable into common shares

The number of issued and outstanding options at March 31, 2024 was 4,956,942.

The number of issued and outstanding warrants at March 31, 2024 was 34,774,993.

Dividends

	March 31, 2024	March 31, 2023	Change
Dividends declared during the period, per common share	US \$0.0600	US \$0.05625	7%

The Group declared one dividend to common shareholders during the quarter ended March 31, 2024.

On March 26, 2024, the Board of Directors declared a dividend of US \$0.0600 per share, on issued and outstanding common shares held by registered holders on record at the close of business on April 10, 2024. This dividend was paid on April 30, 2024.

¹² Represents a non-IFRS or other financial measure: refer to Section 11 - Non-IFRS and Other Financial Measures in this document for relevant information about such measures.

F. Notes and Loans Payable

As of March 31, 2024, Sagicor had US \$944.8 million in notes and loans payable compared to US \$945.6 million as of December 31, 2023. Summary details of the carrying values of notes and loans payable as of March 31, 2024, and December 31, 2023, respectively are set out in the following table.

<i>(in millions of US \$)</i>	Carrying Value	
	March 31, 2024	December 31, 2023
Notes and loans payable		
5.30% senior notes due 2028	548.8	539.1
7.50% unsecured bond due 2024	21.1	21.1
10.50% unsecured bond due 2024	29.4	29.3
6.75% notes due 2024	14.2	14.2
SOFR+200 bps revolving credit facility	-	4.0
SOFR+500 bps term loan	303.8	301.8
Bank loans & other funding instruments	27.5	36.1
Total	944.8	945.6

For more details on notes and loans payable, refer to note 7 of the Group March 2024 interim financial statements.

G. Liquidity and Capital Resources

The following discussion is qualified by reference to the consolidated statement of cash flows and note 32 of the 2023 audited financial statements.

Liquidity sources immediately available to the Sagicor Group include: (i) existing cash and cash equivalents; (ii) the Group's portfolio of highly rated, highly liquid investments; (iii) cash flow from operating activities which include net premiums receipts, fee income and investment income; and (iv) borrowing facilities. These funds are used primarily to pay current benefits and operating expenses, service the Group's long-term debt, purchase investments to support future benefits and maturing obligations, and for distribution of dividends. Sagicor expects to have sufficient liquidity to fund its operations and to meet its current business plans. However, should the need arise, additional liquidity sources include further bank loans and new issuances of debt or shares in the private or public markets.

Cash Flows

The following table summarise the Group's cash flows for the three-month period ended March 31, 2024, and March 31, 2023, respectively.

<i>(in millions of US \$)</i>	Three months ended March 31		
	2024	2023	Change
Net cash flows:			
Operating activities	16.4	40.9	(60%)
Investing activities	(3.9)	(2.6)	(50%)
Financing activities	(15.3)	4.3	(<100%)
Effect of exchange rate changes	(2.5)	0.3	(<100%)
	(5.3)	42.9	(<100%)
Cash and cash equivalents:			
Beginning of period	801.4	592.7	35%
End of period	796.1	635.5	25%

First Quarter (three-month period) - Cash flows analysis

For the first quarter of 2024, Sagicor's net cash inflows associated with operating activities was US \$16.4 million compared to inflows of US \$40.9 million for the same period in 2023, a decrease in inflows of US \$24.5 million. Our Sagicor Canada segment, contributed US \$25.9 million in cash outflows, including net outflows associated with the purchase of financial investments.

Sagicor's net cash outflows for investing activities was US \$3.9 million for the three-month period ended March 31, 2024, which was slightly above the US \$2.6 million reported for the same period in 2023.

Sagicor's net cash outflows for financing activities totalled US \$15.3 million for the three-month period ended March 31, 2024, compared to inflows of US \$4.3 million for the same period in 2023, an increase in outflows of US \$19.6 million associated with payments related to additional funding acquired during 2023.

For the three-month period ended March 31, 2024, the effect of exchange rate changes was a loss of US \$2.5 million compared to a gain of US \$0.3 million for the corresponding period in 2023.

7. FINANCIAL INVESTMENTS

As of March 31, 2024, the Sagicor Group held US \$17,077.6 million of diversified financial assets, compared to US \$17,025.1 million at December 31, 2023, an increase of US \$52.5 million. The Group recorded net investment income of US \$249.4 million for the quarter ended March 31, 2024, compared to US \$219.6 million for the same period in 2023, with our newly established segment, Sagicor Canada, contributing US \$70.6 million to total net investment income. The March 2024 quarter was impacted by lower fair value gains on FVTPL investments in our Sagicor Jamaica and Sagicor Life USA segments, when compared to the corresponding period in the prior year. The return on investments (annualized)¹³ was 5.8%, compared to 9.8% for the same period in 2023. As at March 31, 2024, Sagicor held US \$12,517.4 million in debt securities and money market funds (73% of the total financial investments on hand). A summary of net investment income for the three-month period ended March 31, 2024, and 2023, is shown below.

Net Investment Income	Three months ended March 31		
	2024	2023	Change
<i>(in millions of US \$, unless otherwise noted)</i>			
Net investment Income/(Expenses) – Underlying Assets	161.6	116.2	39%
Net investment Income/(Expenses) – Other Assets	86.9	102.4	(15%)
Net Investment Income/(Expenses) – Other	0.9	1.0	(10%)
Net investment income	249.4	219.6	14%
Represented by:			
Gain/(loss) on derecognition of assets carried at FVTOCI	0.8	(0.6)	>100%
Interest income earned from financial assets measured at amortised cost and FVTOCI	62.6	49.8	26%
Credit impairment recovery/(loss)	0.1	(0.8)	>100%
Net gain on FVTPL investments	185.0	170.2	9%
Other investment income	0.9	1.0	(10%)
Net investment income/(expenses)	249.4	219.6	14%
Return on Investments (annualised) ¹³	5.8%	9.8%	(4.0 pts)

Insurance Finance Expenses	Three months ended March 31		
	2024	2023	Change
<i>(in millions of US \$, unless otherwise noted)</i>			
Finance income/(expenses) from insurance contracts issued	(70.0)	(145.8)	52%
Finance income/(expenses) from reinsurance contracts held	(58.0)	12.1	(<100%)
	(128.0)	(133.7)	4%

Each principal operating entity within the Group has an investment policy that provides a framework of maximizing investment yield subject to the management of the Asset Liability Management (ALM) risks and the investment regulations of each country.

¹³ Represents a non-IFRS or other financial measure: refer to Section 11 - Non-IFRS and Other Financial Measures in this document for relevant information about such measures.

A. Carrying Values

The table below shows the carrying value of Sagicor's investment portfolio as of March 31, 2024, and December 31, 2023.

<i>(in millions of US \$, except percentages)</i>	As of		As of	
	March 31, 2024		December 31, 2023	
	Carrying value	% of Total	Carrying value	% of Total
Investments at FVTOCI:				
Debt securities	1,424.8	8%	1,454.8	8%
Equity securities	0.6	-	0.6	-
	1,425.4	8%	1,455.4	8%
Investments at FVTPL:				
Money market funds	217.7	1%	203.8	1%
Debt securities	10,735.0	63%	10,837.5	64%
Equity securities ⁽¹⁾	2,728.2	16%	2,613.5	15%
Derivative financial instruments	18.5	-	17.0	-
Mortgage loans	20.7	-	22.3	-
	13,720.1	80%	13,694.1	80%
Investments at amortised cost:				
Debt securities	139.9	1%	135.2	1%
Mortgage loans	784.6	5%	775.0	5%
Finance loans	718.6	4%	682.4	4%
Securities purchased for re-sale	13.6	-	13.4	-
Deposits	275.4	2%	269.6	2%
	1,932.1	12%	1,875.6	12%
Total financial investments	17,077.6	100%	17,025.1	100%

⁽¹⁾ Included in equity securities are exchange-traded funds of US \$690.2 million as at March 31, 2024 (US \$903.8 million as at December 31, 2023).

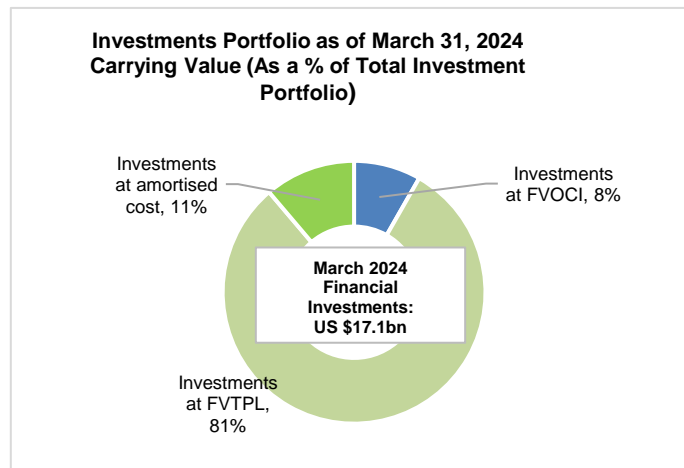
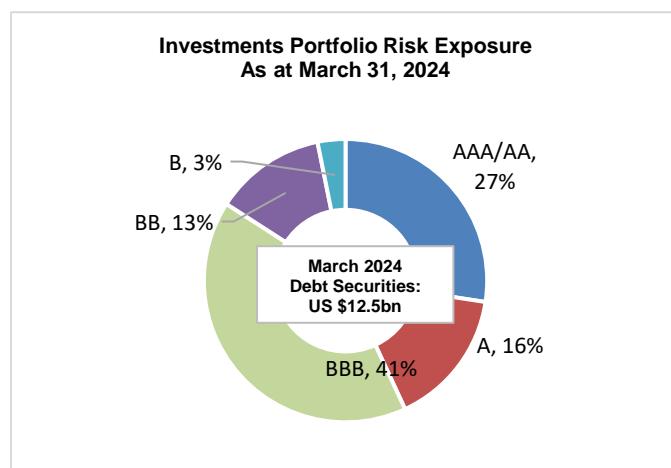
Our equities portfolio comprises the following at March 31, 2024:

<i>(in millions of US \$)</i>	As of		
	March 31, 2024	December 31, 2023	Change
Equities	220.7	206.7	7%
Passthrough equities	2,176.0	2,076.8	5%
Preference shares	332.1	330.6	-
Total	2,728.8	2,614.1	4%

Our debt security portfolios constitute the major asset class of the Group and are reflected in the statement of financial position as follows:

<i>(in millions of US \$)</i>	As of		
	March 31, 2024	December 31, 2023	Change
Debt securities and money market funds			
Measured at fair value through other comprehensive income (FVTOCI)	1,424.8	1,454.8	(2%)
Measured at amortised cost	139.9	135.2	3%
Measured at fair value through profit and loss (FVTPL)	10,952.7	11,041.3	(1%)
Total	12,517.4	12,631.3	(1%)
Represented by:			
Government and government-guaranteed debt securities	4,718.3	4,799.8	(2%)
Collateralised mortgage obligations	1,152.2	1,070.7	8%
Corporate debt securities	6,329.2	6,454.7	(2%)
Money market funds	217.7	203.8	7%
Other securities	100.00	102.3	(2%)
Total	12,517.4	12,631.3	(1%)

FVTOCI debt securities are held to collect contractual cash flows and to sell periodically to collect gains. These securities primarily support our business in the USA and in Jamaica, where there is reasonable opportunity to realise investment gains. Amortised cost debt securities are held to collect contractual cash flows and are sold infrequently. These securities primarily support our business in the Southern and Eastern Caribbean. The Group has designated some financial assets which support insurance liabilities as FVTPL to better match the assets and liabilities of the business. Other FVTPL debt securities are classified as such when the Group investment contract-holder is credited with the full return on the underlying asset. Debt securities held for trading are also classified as FVTPL. The pie charts below represent a breakdown of the carrying value and risk exposure of Sagicor's consolidated investments portfolio as of March 31, 2024.



B. INSURANCE AND INVESTMENT CONTRACT LIABILITIES

The amount of liabilities held in respect of long-term or recurring insurance or investment contracts is a measure of the quantum of business held from such contracts. The liabilities of such contracts are summarised in the following table.

<i>(in millions of US \$)</i>	March 31, 2024	December 31, 2023	Change
Principal insurance and investment contract liabilities			
Insurance contract liabilities	15,622.0	15,732.2	(1%)
Investment contract liabilities	473.9	477.9	(1%)
Customer deposits	1,111.9	1,066.4	4%
Securities sold for repurchase	655.4	660.5	(1%)
Other funding instruments	1,196.5	1,220.8	(2%)
Structured product contracts	0.9	0.5	80%
Total	19,060.6	19,158.3	(1%)

9. RISK MANAGEMENT

Sagicor is exposed to several risks that are inherent in our business activities. Enterprise Risk Management (ERM) provides the framework under which all risk management activities across Sagicor are coordinated. The ERM sets clear responsibilities for identifying, assessing, measuring, mitigating, monitoring, and reporting risks, and is based on the following elements: i) governance and culture; ii) strategy and objective setting; iii) performance; iv) review and revision; and v) information, communication, and reporting. Our ERM is designed to both challenge and enable our organization to understand the risks we face, selectively take risks by optimizing the relationship between risk and reward, and effectively managing these risks to ensure we achieve our overall profitability goals and sustain our long-term financial viability.

The Group defines risk as an uncertain event, or series of events, that should it occur, could have an adverse impact on the value of our organization, including among others the inability to meet or achieve our objectives and the occurrence of losses or interruption of our services.

Risk is also viewed holistically recognizing that one risk event may cause downside deviations in several business segments but also simultaneously causes upside deviations in one or more business segments or may also be highly correlated with a second risk event.

Identified risks are categorized as illustrated in the table below and further classified as key risks or non-key risks. Non-key risks are monitored for any changes in likelihood and/or severity and, if warranted, elevated to key risk status.

Financial	Insurance	Operational	Strategic
<ul style="list-style-type: none"> • Economic • Market • Credit • Liquidity • Capital 	<ul style="list-style-type: none"> • Pricing • Reserving • Underwriting 	<ul style="list-style-type: none"> • Business Continuity / Climate Change • Physical Resources • Fraud / Wrongdoing • Human Resources • Technology / Cybersecurity • Litigation • Compliance • Process / Execution • Model • Third Party 	<ul style="list-style-type: none"> • Strategy • Competitor • Legislation/Regulation • Governance • Strategic / External Relations • International

Risks are assessed both qualitatively and quantitatively. We employ various approaches to quantifying the risks, including among others, point in time views of our risk exposures as well as sensitivity analyses and stress testing to assess the impact on our financial performance and financial condition.

Risk information is regularly communicated to external stakeholders including regulators, rating agencies, and the public. For example, management prepares Own Risk and Solvency Assessment Reports (ORSA) that are shared with Sagicor's Board (or the relevant subsidiaries Board) and our regulators. Management also meets regularly with rating agencies (S&P, Fitch, DBRS and A.M. Best) to provide updates on our risk exposures, strategy, and other relevant developments. Sagicor also provides extensive risk disclosures in our Notes to the Financial Statements.

Details of the Group's ERM Process including Roles and Responsibilities, and Key Risks are disclosed in the 2023 Annual Report.

CREDIT RISK

Sagicor takes on exposure to credit risk, which is the risk associated with an obligor's potential inability or unwillingness to fulfill its contractual obligations on a timely basis and may arise from the risk of default of a primary obligor and indirectly from a secondary obligor. Credit risks are primarily associated with our investments, securities, lending, revolving credit, and reinsurance portfolios.

Sagicor in most, but not all instances, bears the risk for investment performance, i.e., return of principal and interest, as premiums, deposits, and other receivables received are invested to pay for future policyholder and other obligations. Any credit defaults or other reductions in the value of debt securities, loans, deposits, and receivables could have a material adverse effect on the Group's business, financial performance and financial condition.

Sagicor has credit risk policies in place to manage credit risk. Specific limits are set for concentration by asset class and issuer, in addition to minimum standards for asset quality. Sagicor deals only with highly rated reinsurers to contain counterparty risk and we seek to minimise credit risk from financial investments through holding a diversified portfolio of investments, purchasing securities, and advancing loans and revolving credit facilities only after careful assessment of borrowers, and placing deposits with financial institutions that have a strong capital base. We also monitor the financial condition of our counterparties on a regular basis.

Sagicor has significant concentrations of credit risk with respect to its holding of bonds and treasury bills issued by governments or government-backed investments (including state and local governments), in Canada, the United States, Jamaica, Barbados, and Trinidad and Tobago. While we have policies in place to limit our single name exposures, many jurisdictions mandate that our operating companies invest a portion of the assets supporting the policy liabilities in government instruments. Sagicor also has significant exposure to certain reinsurers, including Guggenheim Partners, LLC, Hannover Rück S.E., Heritage Life Insurance Company, Munich Reinsurance Company, Optimum Life Reinsurance (Canada), PartnerRe Ltd., Reinsurance Group of America Inc., SCOR S.E., Swiss Re Ltd., and Washington National Insurance Company.

Through our banking and asset management businesses, Sagicor is exposed to credit risk in both its securities and lending activities. In connection with securities activities, Sagicor established various exposure limits and monitors and reports routinely on those limits to prevent concentration in its portfolios. Trading with its counterparties is done on a "delivery versus payment" policy where securities from the Bank of Jamaica and the Government of Jamaica are accepted on a mark-to-market basis. In our lending activities, Sagicor seeks to adequately collateralise our loans, particularly where they exceed certain thresholds. Applicants undergo a thorough screening and credit analysis process before they can access any credit facility from us. Portfolio limits are set and monitored for all credit products which include loans, mortgages and credit card receivables.

The following tables summarise Sagicor's credit exposure for our financial investments as of March 31, 2024. It shows the gross carrying value, the accumulated loss allowance and the net carrying value, analysed by expected credit loss (ECL) staging (see critical accounting estimates and judgements – 1. *impairment of financial assets*).

Credit exposure – March 31, 2024

<i>(in US \$millions)</i>	ECL Staging			POCI ^(c)	Total
	Stage 1	Stage 2	Stage 3		
FVOCI ^(a) debt securities:					
Gross value	1,443.3	18.0	-	10.2	1,471.5
Loss allowance	(0.6)	(0.6)	-	-	(1.2)
Net value	1,442.7	17.4	-	10.2	1,470.3
Debt securities ^(b)					
Gross value	109.5	21.1	-	9.7	140.3
Loss allowance	(0.2)	(0.2)	-	-	(0.4)
Net value	109.3	20.9	-	9.7	139.9

Credit exposure – March 31, 2024					
(in US \$millions)	ECL Staging			POCI ^(c)	Total
	Stage 1	Stage 2	Stage 3		
Mortgage loans ^(b)					
Gross value	748.1	23.6	17.8	-	789.5
Loss allowance	(2.3)	(0.4)	(2.1)	-	(4.8)
Net value	745.8	23.2	15.7	-	784.7
Finance loans ^(b)					
Gross value	703.7	16.1	10.2	-	730.0
Loss allowance	(5.0)	(0.6)	(5.8)	-	(11.4)
Net value	698.7	15.5	4.4	-	718.6
Securities purchased for re-sale ^(b)					
Gross value	13.6	-	-	-	13.6
Loss allowance	-	-	-	-	-
Net value	13.6	-	-	-	13.6
Deposits ^(b)					
Gross value	278.2	0.4	-	-	278.6
Loss allowance	(3.2)	(0.1)	-	-	(3.3)
Net value	275.0	0.3	-	-	275.3

^(a) FVOCI – fair value through other comprehensive income classification.

^(b) Financial investments carried at amortised cost.

^(c) POCI - purchased or originated credit impaired.

10. ADDITIONAL INFORMATION

A. ECONOMIC & MARKET REVIEW AND OUTLOOK

Canada

Economic activity in Canada remained relatively modest during the first quarter of 2024. Statistique Canada's advance estimate suggests the Canadian economy expanded by approximately 0.6% during the first quarter of 2024. According to the International Monetary Fund, Canada's economy is expected to grow by 1.2% in 2024. At the end of March 2024, the unemployment rate in Canada stood at 6.1% and increased by 1 percentage point on a year over year basis. Canada's Consumer Price Index rose by 2.9% on a year over year basis in March 2024, compared to 4.3% for the similar period in 2023. By the end of the quarter, the monetary policy stance of the Bank of Canada remained unchanged as the targets for the overnight rate, the Bank Rate and the deposit rate remained at 5%, 5¼% and 5% respectively.

USA

The Bureau of Economic Analysis' advance estimate indicates economic activity in the USA expanded by an annual rate of 1.6% during the quarter under review. Increased economic activity within the United States during the quarter was attributed to increases in consumer spending, residential and nonresidential fixed investment and state and local government spending. The International Monetary Fund projects economic activity in the United States will expand by 2.7% in 2024. The US Labor Department reported the United States' unemployment rate stood at 3.8% as at March 31, 2024, compared to 3.6% on record for one year prior. The Consumer Price Index for All Urban Consumers increased by 3.5% for the 12-month period ended March 2024. During the first quarter of 2024, the Federal Open Market Committee maintained the target range for the federal fund rates at 5.25% to 5.50%.

Barbados

The Barbadian economy continues to show signs of robust economic growth as the country's real GDP grew by 4.1% during the first quarter of 2024. This level of growth was credited to a surge of tourism related activity and ongoing infrastructure investments. According to the International Monetary Fund, Barbados' real GDP is forecasted to grow by 3.7% in 2024. The country's debt-to-GDP ratio remain on a downward trend as this ratio fell to 114.3% by the end of the quarter. According to the Central Bank of Barbados, the country's Gross International Reserves ended the quarter at approximately US\$ 1.5 billion or 30.9 weeks of import coverage. As at the end of February 2024, Barbados' 12 month moving average inflation stood at 5.9%. The International Monetary Fund projects the Consumer Price Index in Barbados to increase on average by 3.9% in 2024.

Trinidad & Tobago

In its World Economic Outlook released in April 2024, the International Monetary Fund forecasts Trinidad and Tobago's real GDP is expected to grow by 2.4% in 2024. According to the Central Statistical Office, the change in Trinidad and Tobago's consumer prices in March 2024 compared to March 2023, reflects a 0.8% increase. At the end of March 2024, the country's Net Official Reserve stood at US\$ 5.5 billion or approximately 6.9 months of import cover.

Jamaica

The Statistical Institute of Jamaica estimated the Jamaican economy grew by 1.7% in the fourth quarter of 2023 compared to the similar period in 2022. Jamaica's point-to-point inflation rate for the twelve months ending March 2024 stood at 5.6 per cent. At the end of the first quarter of 2024, the Monetary Policy Committee in Jamaica maintained the Bank of Jamaica's policy rate at 7.00%.

Financial Markets

During the first quarter of 2024, US equity markets continued to outpace emerging market equities. At the end of the quarter, the S&P 500 Index and Nasdaq Composite Index were up approximately 10.56% and 9.31% respectively. Meanwhile, the MSCI Emerging Market Index was up 2.37% for the quarter under review. At the end of the first quarter of 2024, the 10-year Treasury yield stood at 4.20%, up from 3.88% as of December 31, 2023.

B. REGULATORY ENVIRONMENT

We monitor and prepare for regulatory developments and changes in a manner that seeks to ensure compliance with new requirements while mitigating adverse business or financial impacts. Such impacts could result from new or amended laws or regulations and the expectations of those who enforce them. A high-level summary of upcoming key regulatory changes that have the potential to increase or decrease our costs and the complexity of our operations are listed below.

Sales Practices – Canada

The Financial Services Regulatory Authority of Ontario (FSRA) and other Canadian provincial insurance regulators regulate, among other things, the distribution of and sales practices related to life insurance products. FSRA is engaged in a review of industry distribution models and could seek to impose changes in how certain life insurance products are distributed either on an industry-wide basis or on certain participants, which may include the managing general agencies contracted by Sagicor Canada and/or Sagicor Canada itself, among others. FSRA has expressed concerns with respect to the recruiting, training and ongoing monitoring of agents in the context of managing general agency distribution models, as well as suitability concerns with respect to the sale of universal life policies. As a result, it is possible that FSRA could seek to impose restrictions or other requirements on Sagicor Canada and its distribution ability through managing general agencies.

Capital Adequacy Requirements – Canada

OSFI is developing a new approach to determine capital requirements for segregated fund risk to be effective January 1, 2025, which may change the capital requirement to support the in-force business. We are monitoring the developments of this new methodology and will assess its impact on Sagicor Canada in due course.

Climate Risk Management (B-15) – Canada / IFRS Sustainability Standards (S1 and S2) – Global

The guideline sets out OSFI's expectations for how Sagicor Canada manages and discloses climate-related risks. The guideline will become effective fiscal year-end 2025, with applicable disclosures required to be published no later than 180 days after fiscal year-end. Across SFC we are working to enhance our climate-related risks assessments and disclosures to align with the IFRS Sustainability Standards Guidelines. These new IFRS Sustainability Guidelines came into effect on January 1, 2024.

C. QUARTERLY FINANCIAL DISCLOSURES

The following table provides a summary of Sagicor's results from continuing operations for the eight most recent quarters. A more complete discussion of our historical quarterly results can be found in our interim and annual MD&A for the relevant periods.

<i>(in millions of US \$, unless otherwise noted)</i>	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022 Restated	Q3 2022 Restated	Q2 2022 Restated
Net insurance service result	29.7	20.1	23.6	25.2	2.3	33.4	5.2	33.7
Net investment income/(expenses)	249.4	1,135.4	82.8	115.9	219.6	164.4	(84.8)	(233.9)
Net insurance finance income/(expense)	(128.0)	(893.1)	(8.5)	15.5	(133.7)	(7.3)	52.9	203.6
Net segregated funds investment result	-	-	N/A	N/A	N/A	N/A	N/A	N/A
Total insurance and investment result	151.1	262.4	97.9	156.6	88.2	190.5	(26.7)	3.4
Fees and other income	34.7	27.1	27.1	31.1	32.5	36.4	35.5	39.3
Gain arising on business combinations, acquisitions and divestures	-	448.3	-	-	-	-	1.7	-
Share of income of associates and joint ventures	1.2	3.1	1.4	2.6	0.5	0.8	1.1	1.9
Other operating expenses	(83.7)	(131.1)	(70.8)	(73.9)	(74.1)	(77.1)	(65.9)	(83.4)
Other interest and finance costs	(57.2)	(56.8)	(33.8)	(34.7)	(30.1)	(28.3)	(25.9)	(24.9)
Income/(loss) before taxes	46.1	553.0	21.8	81.7	17.0	122.3	(80.2)	(63.7)
Income taxes	(16.5)	(49.5)	(10.6)	(21.4)	(7.8)	(18.9)	(6.0)	(4.3)
Net income/(loss)	29.6	503.5	11.2	60.3	9.2	103.4	(86.2)	(68.0)
Income/(loss) attributable to shareholders	26.2	485.3	(3.5)	48.8	1.4	71.9	(74.1)	(81.2)
Basic EPS \$	0.19	3.43	(0.025)	0.342	0.010	0.50	(0.519)	(0.569)
Basic EPS - Adjusted \$ ¹⁴	N/A	0.26	N/A	N/A	N/A	N/A	N/A	N/A
Diluted EPS \$	0.18	3.37	(0.025)	0.339	0.010	0.50	(0.519)	(0.569)
Diluted EPS - Adjusted \$ ¹⁴	N/A	0.26	N/A	N/A	N/A	N/A	N/A	N/A
Return on shareholders' equity (annualised) ¹⁵	12.2%	211.0%	(3.1%)	43.9%	1.3%	73.6%	(74.5%)	(64.7%)
Return on shareholders' equity - Adjusted (annualised) ^{14 15}	N/A%	30.8%	N/A	N/A	N/A	N/A	N/A	N/A
Dividends declared per share \$	0.06000	0.05625	0.05625	0.05625	0.05625	0.05625	0.05625	0.05625
Dividends paid per share \$	-	0.05625	0.05625	0.11300	-	0.05625	0.05625	0.11300
Total assets	22,231.4	22,384.9	11,031.0	11,040.5	10,775.0	10,621.4	10,410.3	10,455.2
Total equity attributable to shareholders	964.4	970.9	442.5	462.5	428.3	429.7	351.9	443.8
Income/(loss) attributable to shareholders by operating segment:								
Sagicor Life	9.8	(30.7)	3.6	8.7	5.0	46.7	(10.9)	(0.4)
Sagicor Jamaica	3.2	17.3	14.2	10.8	7.3	30.5	(12.5)	13.3
Sagicor Life USA	37.1	(23.0)	5.1	54.6	4.4	14.6	(26.6)	(35.5)
Sagicor Canada	5.2	122.1	N/A	N/A	N/A	N/A	N/A	N/A
Head office, other & inter-segment eliminations	(29.1)	399.6	(26.4)	(25.3)	(15.3)	(19.9)	(24.1)	(58.6)
Total	26.2	485.3	(3.5)	48.8	1.4	71.9	(74.1)	(81.2)

¹⁴ Excluding gain on business acquisition

¹⁵ Represents a non-IFRS or other financial measure: refer to Section 11 - Non-IFRS and Other Financial Measures in this document for relevant information about such measures.

Fourth Quarter 2023

In Q4 2023 Sagicor's financial results significantly benefited from the ivari acquisition and our subsidiaries' strong aggregate Q4 results. Net income to shareholders was \$485.3 million, of which the bargain purchase gain on the ivari acquisition contributed \$448.3 million. Net income to shareholders excluding this gain and associated transaction costs was \$51.2 million, driven by the profitability at Sagicor Canada and Sagicor Jamaica during the quarter, offset by charges taken by Sagicor Life and actuarial strengthening in Sagicor Life and Sagicor Life USA. New business production in each of our segments was robust.

Third Quarter 2023

In Q3 2023 Sagicor continued momentum in new business production while navigating rising interest rates and some continued adverse experience. Each of our segments delivered strong insurance revenue and new business CSM. Sagicor's Q3 2023 results showed a net loss to shareholders of US \$3.5 million and was primarily caused by changes in actuarial assumptions as part of Sagicor's annual review, together with other one-time charges and expenses.

Second Quarter 2023

Sagicor experienced Q2 2023 net income to shareholders of US \$48.8 million. New business production in each of our segments was robust, with Sagicor Life USA posting excellent sales during the quarter in a favorable competitive and investment environment. Sagicor Jamaica and Sagicor Life generated net income to shareholders of US \$10.8 million and US \$8.7 million, respectively. Sagicor Life USA segment reported net income to shareholders of US \$54.6 million, due in part to the refinement in the discount rate inputs.

First Quarter 2023

Net income to shareholders for the quarter, excluding one-time costs of US \$5.2 million relating to the IFRS 17 implementation, the ivari transaction, the build-out of our digital bank in Barbados and an estimated \$0.6 million of net experience loss, was US \$7.2 million. Our results were dominated by asset price movement and the revaluation of liabilities under IFRS 17. We experienced positive movement through earnings backing surplus from our shareholding in Playa Hotels & Resorts. This was offset by the accounting mark-to-market volatility from the delinking of asset and liability rates upon the transition of IFRS 17, which resulted in non-economic accounting volatility where the calculated value of our liabilities increased more than the appreciation of our assets backing liabilities.

C. KEY FACTORS AFFECTING RESULTS

A variety of factors affect Sagicor's results, including:

- (i) sales of core products and services;
- (ii) life insurance and annuity policy lapse experience;
- (iii) insurance claims experience;
- (iv) investment yields;
- (v) asset default;
- (vi) country inflation and taxes;
- (vii) sensitivity arising from the measurement of contract assets and liabilities;
- (viii) Sagicor's expansion into new geographic markets (in the United States and Canada) and product markets (in Jamaica) through portfolio and / or company acquisitions; and
- (ix) the continuing availability of appropriately priced reinsurance treaties for life, health and property and casualty insurance;
- (x) legal & regulatory risks.

Sales of core products and services

Growth in sales enables Sagicor to allocate our fixed operating expenses over larger revenues and subsequently increases its profitability. The impact is very significant for the Sagicor Life and Sagicor Jamaica operating segments which sell significant amounts of periodic premium life insurance and annuity policies. The pricing of such products is either fixed at the issue of each policy or may limit the extent of cost recovery over the duration of the policy which can extend over decades. Growth in sales enables Sagicor to contain the growth in unit policy operating expenses.

Lapse experience

With respect to periodic premium life insurance and annuity policies, lapse experience is a factor of profitability. Many of these policies have up-front commission, policy issue and medical underwriting costs which are only recovered in full if the policy is premium paying for the initial years of its duration. If the policy lapses during the initial years, Sagicor will not fully recover our up-front costs and incur a loss on that policy.

For the same reasons that the quantum of sales of insurance policies is an important factor in maintaining insurance policy unit costs of administration, the rates of lapse or termination of inforce policies impacts the policy unit costs incurred. The lower the lapse or termination rate, the more policies are inforce, enabling Sagicor to contain growth in unit policy administrative costs.

Insurance claims experience

Across all lines of insurance, claims experience is a factor in profitability. In establishing rates of premium, Sagicor provides for appropriate levels of claims experience, be it rates of mortality for life insurance, rates of longevity for annuities, rates of morbidity for disability and health insurance, or rates of contingent losses for property and casualty insurance. Claims rates incurred in excess of pricing have adverse consequences for profitability, and conversely, claims rates incurred at levels below pricing impact profitability positively.

Investment yields

Across applicable lines of insurance and across financial contracts issued by Sagicor, investment yield is important to the profitability of Sagicor. Higher investment yields enable us to achieve higher interest margins (defined as the difference between interest earned and payable) on applicable insurance contracts and financial contracts. With lower investment yields, the interest margins are generally lower and may be eliminated if we are not able to earn a guaranteed rate of interest which is payable under the insurance or financial contract.

For long-term life insurance and annuity contracts, the Appointed Actuaries within the Group determine each segment's contract liabilities at December 31 by discounting the cash flows using the relevant yield.

Asset default

The recognition of an un-anticipated default from an invested asset or loans, may have immediate negative consequences for profitability. Sagicor maintains certain invested assets for which the full return (of capital and of interest) is borne by insurance and /or financial contract-holders. In such instances, Sagicor is generally not exposed to asset default risk. However, for loans and other invested assets, for which Sagicor is exposed to default risk, the default risk may be entirely borne by Sagicor's shareholders, or the risk is shared by Sagicor's shareholders and insurance and /or financial contract-holders. In such instances, the impact on profitability will be negative.

Should asset default rates over time be lower than expected, profitability is impacted positively. Conversely, if asset default rates over time are higher than expected, profitability is impacted negatively.

Country inflation and taxes

As with other key factors affecting profitability, changes in the level of country inflation and taxes impact the operating costs of the Sagicor Group, immediately and in the longer term.

Actuaries within the Group determine each segment's contract liabilities as of December 31 after factoring in expected levels of operating expenses. Higher inflation and taxation levels result in adverse consequences for profitability and lower inflation and taxation levels result in positive consequences for profitability.

Sensitivity arising from the measurement of contract assets and liabilities.

The measurement of contract assets and liabilities is sensitive to the assumptions made. Changes in those assumptions could have a significant effect on the measurement of contract assets and liabilities which are discussed below.

The measurement of contract assets and liabilities of life insurance and annuity contracts is sensitive to:

- insurance risk, (mortality, morbidity, longevity, expense and policyholder decision risk),
- impact of possible movements in key assumptions, and
- Risk adjustment for non-financial risk.

Expansion into new markets and company acquisitions

While Sagicor has endured for over 180 years, its product offerings and geographic markets have evolved. Markets often have different preferences for certain products and any successful venture into new markets need to adapt to market tastes. Sagicor only ventures into new markets or offers new products after extensive research and appraisal.

Company acquisitions has been a strategy employed by the Sagicor Group over the last twenty years. As a result of these acquisitions, Sagicor's assets include goodwill and other intangibles acquired on company acquisitions. On October 3, 2023, Sagicor Financial Company Ltd. completed its purchase of 100% of the shares of Proj Fox Acquisition Inc. which holds ivari through its holding in Wilton Re (Canada) Limited, for cash consideration of US \$271.2 million (the "ivari acquisition"). The ivari acquisition gave rise to an after-tax gain on the business acquisition of US \$448.3 million in the fourth quarter of 2023, and to the establishment of the Sagicor Canada segment.

Reinsurance treaties

In order to offer useful insurance coverages to potential customers, the Group holds reinsurance coverages that allow potential policy benefits to exceed amounts which are prudent for Sagicor to undertake the claims risk. Reinsured amounts may be on a per policy basis, (i.e., in excess of a pre-determined insured amount) or may be based on the aggregation of the insured's coverages (i.e., the insured has several policies and the amount reinsured is the aggregate exceeding a pre-determined amount).

Legal & regulatory risks

We are subject to extensive regulatory oversight by financial services regulators in the jurisdictions in which we operate. Legal and regulatory risk is the risk that changes to legislations, regulations or government policies, or the way they are interpreted or enforced, may require that we make significant changes to our strategy and may result in higher implementation costs and diversion of resources to implement the changes. These changes could impact financial reporting, accounting processes, capital requirements, the regulatory framework of our products and services, the regulation of selling practices, sales intermediaries and product offerings, solvency requirements, and corporate governance practices and could impose restrictions on our operations. All these changes could have an adverse effect on our business and operations. Our failure to comply with laws or to conduct our business consistent with changing

regulatory or public expectations could adversely impact our reputation and may lead to regulatory investigations, examinations, proceeding, settlement, penalties, fines, restrictions on our business, litigation or an inability to execute our business strategies and plans.

D. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The development of estimates and the exercise of judgement in applying accounting policies may have a material impact on the Group's reported assets, liabilities, income and other comprehensive income. The items which may have the most effect on the Group's financial statements are set out below.

- Insurance and reinsurance contracts
- Impairment of financial assets
- The fair value of securities not quoted in an active market
- Recognition and measurement of intangible assets

Our critical accounting estimates and judgements are described in note 3 to our 2023 audited financial statements.

E. CHANGES TO ACCOUNTING POLICIES IN 2024

There were no new significant accounting standards adopted during the three-month period ended March 31, 2024. Refer to note 2 of the Group's March 2024 condensed consolidated financial statements for more details.

F. LITIGATION OR OTHER MATTERS

The Group is subject to various claims, disputes and legal proceedings, as part of the normal course of business. Provision is made for such matters when, in the opinion of management and its professional advisors, it is probable that a payment will be made by the Group, and the amount can be reasonably estimated. In respect to claims asserted against the Group which, according to the principles outlined above, have not been provided for, management is of the opinion that such claims are either without merit, can be successfully defended, cannot be reasonably estimated or will result in exposure to the Group which is immaterial to both the financial position and the results of operations. Details of significant matters have been disclosed in the Group's 2023 audited financial statements.

G. SHARE BUYBACK PROGRAMME

During the 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 totalling 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.

H. BOARD OF DIRECTORS

The Company's board has fourteen directors, led by Mr. Mahmood Khimji, as Chairman. Details on each Board of Director are available on the Company's website.

I. DISPOSAL OF INSURANCE OPERATIONS

Curacao 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, 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.

J. 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.

11. NON-IFRS AND OTHER FINANCIAL MEASURES

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

Return on Total Equity: IFRS does not prescribe the calculation of return on total equity and therefore a comparable measure under IFRS is not available. To determine this measure, reported group net income/(loss) is divided by average of the opening and closing total equity for the period. The quarterly return on total equity is annualised.

Return on Investments: IFRS does not prescribe the calculation of return on Investments therefore a comparable measure under IFRS is not available. Return on investments measures the return on the investments relative to the value of the investments for a period. To determine this measure, investment income is divided by the average of opening and closing financial investments. The quarterly return on investments is annualised.

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

Minimum Continuing Capital and Surplus Requirements (MCCSR): Sagicor voluntarily adopted the Canadian Minimum Continuing Capital and Surplus Requirement ("MCCSR") standard as its risk-based assessment measure to provide a consolidated view of capital adequacy. The MCCSR was a standard used by Canadian regulators from 1992 until 2018, when it was superseded by the Life Insurance Capital Adequacy Test (LICAT). When it was in place, the minimum standard recommended by the Canadian regulators was an MCCSR of 150.0%. Canadian practices for calculation of the MCCSR evolved and changed from inception through its replacement. In jurisdictions where the MCCSR is currently prescribed, the MCCSR guidance is not consistent with the most recent Canadian MCCSR guidelines or with current Canadian capital standards under LICAT. Sagicor has made certain interpretations in our calculation of the MCCSR, in consultation with our appointed actuary, which are believed appropriately reflect the risk-based assessment of our capital position, including accounting for CSM in MCCSR's Total Capital calculation as the MCCSR standard was not based on the IFRS 17 standard and this treatment of the CSM is consistent with the approach under LICAT (which does consider the IFRS 17 standard). As the MCCSR is no longer prescribed by Canadian regulators and is interpreted in different ways by our local regulators, there can be no assurance that Sagicor's MCCSR figures are comparable to current reporting by Canadian life insurers or that of Canadian life insurers at any single point in time since the implementation of the MCCSR.

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

Jamaican Life Insurance Capital Adequacy Test (JA-LICAT): Capital adequacy is calculated monthly by the Appointed Actuary and reviewed by Executive Management and the Board of Directors. Sagicor Life Jamaica Limited seeks to maintain internal capital adequacy at levels higher than the regulatory requirements. To assist in evaluating the current business and strategy opportunities, a risk-based capital approach is one of the core measures of financial performance. The risk-based assessment measure is the Jamaican Life Insurance Capital Adequacy Test (JA-LICAT) which became effective January 1, 2023, as per the Insurance Regulations, 2001 amended 2023. Minimum Continuing Surplus and Capital Requirement (MCCSR) was in effect prior to 2023. The minimum standard requirement for LICAT and MCCSR ratio is 100% and 150% respectively. Sagicor Life Jamaica Limited exceeded the standard requirement at quarter-end.

Life Insurance Capital Adequacy Test (LICAT): ivari manages its capital in accordance with its Capital Risk Management Policy and other related policies, which are reviewed and approved by the Board annually. Ivari's goal is to maintain adequate levels of available capital to provide sufficient margin over capital levels required by the Office of the Superintendent of Financial Institutions (OSFI) to maintain consumer confidence as well as ratings with external rating agencies. Management engages the Board with regards to actions necessary to maintain appropriate capital levels. OSFI requires federally regulated life insurance companies to apply its LICAT, as the capital adequacy guideline. Companies are required, at a minimum, to maintain a Total Ratio of 90% and OSFI has established a supervisory target ratio level of 100% for Total Capital. ivari's LICAT Ratios have exceeded its Internal Target Capital Ratios and are well above OSFI's supervisory ratio in both periods.

Debt-to-capital ratio: The debt-to-capital ratio is the ratio of notes and loans payable (refer to note 7 to the March 2024 condensed consolidated annual financial statements) to total capital, where total capital is defined as the sum of shareholder's equity, notes and loans payable, total net contractual service margin and non-controlling interest. This ratio measures the proportion of debt a company uses to finance its operations as compared with its capital.

Dividend pay-out ratio: This is the ratio of dividends paid per share to basic earnings per common share. IFRS does not prescribe the calculation of dividend pay-out ratio, therefore a comparable measure under IFRS is not available.

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

Market capitalisation: Market capitalisation is the value a company is traded on the stock market. It is calculated by multiplying the total number of shares by the present share price, at a given date.

Capital base to risk-weighted assets: This capital adequacy measure is based on the guidelines developed by the Financial Services Commission (FSC), the Bank of Jamaica (BOJ), Basel II and the Risk Management and Compliance Unit. The required information is filed with the respective Regulatory Authorities at stipulated intervals. The BOJ and the FSC require each regulated entity to hold the minimum level of regulatory capital, and to maintain a minimum ratio of total regulatory capital to the risk-weighted assets. The risk-weighted assets are measured by means of a hierarchy of five risk weights classified according to the nature of each asset and counterparty, considering any eligible collateral or guarantees.

Net CSM balance growth: This ratio measures the growth in expected future profits year on year, determined by the percentage increase on total net CSM. The quarterly Net CSM balance growth ratio is annualised.

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

Operating liabilities: This measure represents total liabilities excluding notes and loans payable.

12. CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This forward-looking information and these assumptions include, but are not limited to, statements about the Company's objectives and strategies to achieve those objectives, and about its beliefs, plans, expectations, anticipations, estimates, or intentions. Information included in this MD&A that is not a statement of historical fact is forward-looking information. When used in this MD&A, words such as "believes," "may," "will," "estimate," "would," "should," "shall," "plans," "assumes," "continue," "outlook," "could," "anticipates," "intends," "expects," and words of similar import, are intended to identify statements containing forward-looking statements. These statements appear throughout this MD&A. Such forward-looking statements are based on Sagicor's estimates, assumptions, strategies and projections and subject to known and unknown risks, uncertainties and other factors, all of which are difficult to predict and many of which are beyond its control and which may cause actual results, events or developments to be significantly different from any future results, events or developments expressed or implied by such forward-looking statements.

Risk factors include, but are not limited to, the following: fluctuations in the fixed income markets may adversely affect Sagicor's profitability and financial condition; the success of Sagicor's operations in the United States depends on Sagicor's ability to grow its business; Sagicor's financial targets may prove materially inaccurate or incorrect; Sagicor's exposure to the credit risk of its counterparties could adversely affect its profitability; differences between actual claims experience and estimated claims at the time the product was priced may result in increased losses, and so Sagicor's policy reserves may be insufficient to cover actual policy benefits; Sagicor could be forced to sell investments at a loss to cover policyholder withdrawals; Sagicor's risk management policies and procedures could leave Sagicor exposed to unidentified or unanticipated risks, which could negatively affect Sagicor's business or result in losses; illiquidity of certain investment assets may prevent Sagicor from selling investments at fair prices in a timely manner; Sagicor's fiduciary relationship with certain counterparties could adversely affect its profitability; a prolonged labour dispute could hurt Sagicor's business; disease outbreaks may negatively impact the performance of Sagicor and its subsidiaries; a failure to successfully integrate Sagicor's acquisitions could adversely affect Sagicor's operations and profitability; a failure to successfully execute current and future strategic acquisitions could adversely affect Sagicor's profitability; Sagicor's business is highly regulated and subject to numerous laws and regulations; litigation and regulatory proceedings outcomes could adversely affect Sagicor's business; companies in the financial services industry are sometimes the target of law enforcement investigations and the focus of increased regulatory scrutiny; there may be adverse consequences if the status of Sagicor's independent contractors is successfully challenged; failures to implement or comply with legally required anti-money laundering practices could subject Sagicor to sanctions and/or criminal and civil penalties; the amount of statutory capital that Sagicor's insurance subsidiaries have and the amount of statutory capital that they must hold to maintain their financial strength and credit ratings and meet other requirements can vary significantly from time to time and are sensitive to factors outside of Sagicor's control; a failure to maintain adequate levels of surplus capital may result in increased regulatory scrutiny or a downgrade by the private rating agencies; Sagicor's financial condition may be adversely affected by geopolitical events; Sagicor operates in a highly competitive industry; Sagicor faces significant competition mainly from national and regional insurance companies and from self-insurance, and Sagicor also faces competition from global companies – this competition could limit Sagicor's ability to gain or maintain its position in the industry and could materially adversely affect its business, financial condition and results of operations; brokers that sell Sagicor's products may sell insurance products of Sagicor's competitors and such brokers may choose not to sell Sagicor's products; computer viruses, network security breaches, disasters or other unanticipated events could affect Sagicor's data processing systems or those of its business partners and could damage Sagicor's business and adversely affect its financial condition and results of operations; a financial strength downgrade in Sagicor's A.M. Best ratings or any other negative action by a rating agency may increase policy surrenders and withdrawals, adversely affect relationships with advisors and negatively affect Sagicor's financial condition and results of operations; the unpredictable nature of the property and casualty insurance industry may cause fluctuations in Sagicor's results; Sagicor may be unable to reinsure risks on terms that are commercially reasonable or satisfactory to Sagicor, or Sagicor's reinsurers may fail to meet assumed obligations, increase rates, or be subject to adverse developments, negatively affecting Sagicor's business, financial condition and result of operations; Sagicor's business model depends on the performance of various third parties including actuarial consultants and other service providers; negative publicity in the insurance industry could adversely affect Sagicor; Sagicor depends on key personnel, and if they were to leave Sagicor, Sagicor might have an insufficient number of qualified employees; Sagicor is highly dependent upon economic, political and other conditions and developments in Barbados, Jamaica, Trinidad and Tobago, the United States and the other jurisdictions in which it operates; Sagicor's financial condition and operating results may be adversely affected by foreign exchange fluctuations; foreign exchange controls may restrict Sagicor's ability to receive distributions from its subsidiaries and any such distributions may be subject to foreign withholding taxes; catastrophes and weather-related events, such as hurricanes, may adversely affect Sagicor; the performance of Sagicor's group life insurance may be adversely affected by the characteristics of the employees insured or through unexpected catastrophic events such as natural disasters; Sagicor's credit ratings may be reduced, which may adversely affect Sagicor; Sagicor may be subject to Bermuda tax; Bermuda's compliance with the Organization for Economic Cooperation and Development international tax standards could subject Sagicor to

additional taxes; legislation enacted in Bermuda in response to the European Union's review of harmful tax competition could adversely affect Sagicor's operations and financial condition; any additional taxes resulting from changes to tax regulations or the interpretation thereof in countries in which it does business could negatively impact Sagicor's financial condition; Sagicor Financial Company Ltd. is a holding company and is dependent upon distributions from subsidiaries to pay taxes and other expenses.

Additional information about material risk factors that could cause actual results to differ materially from expectations and about material factors or assumptions applied in making forward-looking statements may be found in this MD&A under "Risk Management", "Key Factors Affecting Results," and "Critical Accounting Estimates and Judgements" and in the "Financial Risk" and "Insurance Risk" notes to the consolidated financial statements. The forward-looking statements in this document are, unless otherwise indicated, stated as of the date hereof and are presented for the purpose of assisting investors and others in understanding our financial position and results of operations, our future operations, as well as our objectives and strategic priorities, and may not be appropriate for other purposes. We do not undertake to update any forward-looking statements, except as required by law.