News Release

GRACEKENNEDY TO ACQUIRE SCOTIA INSURANCE CARIBBEAN LIMITED

August 30, 2022, Kingston, Jamaica - GraceKennedy (GK) has confirmed that it has come to an agreement with The Bank of Nova Scotia to acquire 100% of Scotia Insurance Caribbean Limited (SICL), with the associated transaction being subject to regulatory approvals and other customary closing conditions.

The announcement comes exactly one year after GK's acquisition of another Bank of Nova Scotia subsidiary, Scotia Insurance Eastern Caribbean Limited (SIECL), in August 2021, which was subsequently rebranded under the name GK Life Insurance Eastern Caribbean Limited (GK Life). Like GK Life, SICL is a licensed life insurance company, which offers credit protection to customers on personal loans, residential mortgages, personal lines of credit, personal and small business credit cards. SICL currently operates in Barbados, Belize, British Virgin Islands, Cayman Islands and Turks & Caicos Islands.

GK Group CEO Don Wehby, commented on the development, "The acquisition of SICL is another step in the fulfillment of our strategy to grow GK's insurance business in the Caribbean as we continue to expand the footprint of our Financial Group in the region. Along with last year's acquisition of SIECL, the addition of SICL, and the five territories where it operates, will mean that we have expanded GK's life insurance business to a total of 12 markets in less than two years. M&A (mergers and acquisitions) continues to be a key strategic driver of growth for our Group, as we move towards achievement of our 2030 vision. Our M&A Unit is in discussions regarding M&A transactions locally and internationally, and we are looking forward to what the future has in store."

Steven Whittingham, Deputy CEO of the GK Financial Group with direct responsibility for the insurance segment commented "Since 2019 we have steadily been strengthening GK's presence in the insurance market. The segment continues to benefit from our recent acquisitions, including Key Insurance in 2020 and SIECL in 2021. In 2019 we also entered a joint venture partnership with Musson Jamaica to launch Canopy Insurance. We are looking forward to further building out GK's life insurance business with the addition of SICL, and to serving our customers in these new markets. We are well-positioned to establish GK as a major pan-Caribbean insurer."

SICL will be the newest member of the GraceKennedy Financial Group, which comprises of GK Life Insurance Eastern Caribbean, GK General Insurance, Key Insurance, Canopy Insurance, Allied Insurance Brokers, GK Insurance Eastern Caribbean, GK Insurance Brokers, GraceKennedy Remittance Services, GraceKennedy Money Services Group, GK Capital Management and First Global Bank.

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