

RATING RELEASE

October 21, 2026

CariCRIS reaffirms 'good creditworthiness' ratings of The Beacon Insurance Company Limited

CariA- **(Regional Scale Foreign Currency)**
CariA- **(Regional Scale Local Currency)**
ttA- **(Trinidad and Tobago National Scale Local Currency)**

Caribbean Information and Credit Rating Services Limited (CariCRIS) has reaffirmed the Issuer/Corporate Credit Ratings assigned to the Beacon Insurance Company Limited (Beacon or the Company) at *CariA-* (Foreign and Local Currency Ratings) on the regional rating scale and *ttA-* (Local Currency Rating) on the Trinidad and Tobago (T&T) national scale. These ratings indicate that the level of creditworthiness of this obligor, adjudged in relation to other obligors in the Caribbean and within T&T, is **good**. CariCRIS has also reaffirmed Beacon's financial strength rating at *CariA-*, which indicates that the Company's relative ability to meet its ongoing insurance obligations is **good**.

CariCRIS has also revised the outlook on the ratings to **positive** from **stable**. The positive outlook is based on the high likelihood that Beacon will continue to benefit from growth in insurance revenue, supported by a risk-based pricing strategy and prudent claims management. In addition, closer alignment of systems and procedures with those of Musson (Jamaica) Limited (Musson or the Parent)¹ is expected to improve operating efficiencies over time, resulting in lower operating expenses in the medium term. Newly established relationships with companies affiliated with the Parent should also support continued growth in new business. Moreover, continued profitability and strong reinsurance coverage are expected to underpin the Company's good capitalisation and liquidity, providing protection against significant downside risks. Although profitability is expected to remain relatively flat in 2026 due to increased operating expenses associated with operational and systems transformation initiatives under Beacon's amalgamation

¹ Musson is a large private conglomerate incorporated in Jamaica. It owns controlling and minority interests in public and private companies operating in the manufacturing, logistics, insurance, information technology (IT) and telecommunications, and food and fast-moving consumer goods (FMCG) distribution industries in the Caribbean, Central America, Europe and the Pacific region.

and broader integration programme, insurance revenue growth is expected to offset much of this pressure. High profitability in 2027 is projected, supported by ongoing improvement in the insurance service result and some reduction in operating expenses.

Beacon's ratings continue to reflect its healthy capitalization levels, supported by its strong reinsurance programme. Additionally, improvements have been noted over the last year in the Company's financial performance and in the quality of its investment portfolio, which continues to be well-diversified. Furthermore, Beacon's robust and structured enterprise risk management (ERM) framework also bolsters the ratings. These rating strengths are tempered by the prevailing economic conditions in T&T, which could constrain profitability and growth, mitigated to some extent by the Company's regionally diversified operations. Moreover, Beacon's continued reliance on insurance brokers for product distribution, while typical of the industry, may also threaten the stability of its earnings.

Rating Sensitivity Factors

Factors that could, individually or collectively, lead to an improvement in the Ratings and/ or Outlook include:

- An improvement in the market share of general insurance products in Beacon's largest market to 10% or more
- An improvement in the overall credit profile for Beacon's fixed income portfolio where more than 90% of the portfolio is rated investment grade on the Standard and Poor's (S&P) rating scale
- Increased profitability leading to an improvement in Return on Earning Assets (ROEA) and Return on Equity (ROE) to above 2.5% and 10% respectively, sustained for 2 financial years

Factors that could, individually or collectively, lead to a lowering of the Ratings and/ or Outlook include:

- A 2-notch deterioration of the credit rating of Beacon's top reinsurer
- Loss of relationship with any of the Company's major reinsurers and failure to provide viable replacements
- Lowered profitability leading to a deterioration in ROEA and ROE to below 0.5% and 3.5% respectively, sustained for 2 financial years

About the Company:

The Beacon Insurance Company Limited (Beacon or the Company) was founded in 1972 as the Caribbean Insurance Company Limited, before being rebranded in 1996. In October 2025, Musson (Jamaica) Limited (Musson) acquired 100% of Beacon's shareholding. Musson is a large private conglomerate based in Jamaica. It owns controlling and minority interests in public and private companies operating in the manufacturing, logistics, insurance, information technology (IT) and telecommunications, and food and fast-moving consumer goods (FMCG) distribution industries in the Caribbean, Central America, Europe and the Pacific region. Beacon and General Accident Insurance Company (Trinidad and Tobago) Limited (GATT)², a subsidiary of General Accident Insurance Company (Jamaica) Limited (GENAC)³, intend to complete a planned amalgamation in 2026, creating a new company, also to be known as The Beacon Insurance Company Limited (the Amalgamated Company)⁴. Following this, GENAC intends to acquire a 70% interest in the Amalgamated Company, subject to the remaining regulatory approval in Jamaica, with Musson retaining a 30% direct interest.

Beacon is domiciled in Trinidad and Tobago (T&T) with branches in T&T, Barbados, Grenada and Saint Lucia and agency operations located in T&T, the Commonwealth of Dominica, Saint Kitts and Nevis, and Saint Vincent and the Grenadines. The Company underwrites all major lines of general insurance for both individual and institutional clients, including Property, Motor, Accident and Casualty, Marine Cargo and Hull, Bonds, and Engineering insurance. Beacon benefits from a composite insurance license, which enabled its expansion into the life insurance industry, with Group Health and Group Life insurance products and services targeted to institutional clients.

² GATT is incorporated in T&T and is a relatively small operation. In 2019, General Accident Insurance Company Jamaica Limited (GENAC) acquired 55% of the share capital of Motor One Insurance Company Limited (Motor One), subsequently raising its shareholding to 65% in 2020 and further to 75% in 2022. In 2020, Motor One was formally renamed GATT.

³ GENAC is incorporated in Jamaica and listed on the Jamaica Stock Exchange (JSE). It is one of the two largest general insurance providers in Jamaica. It is a subsidiary of Musson (69.8% shareholding as at June 2026).

⁴ As a result, GENAC's shareholdings in GATT and Musson's shareholdings in Beacon will be cancelled and the Amalgamated Company will issue ordinary shares to Musson.

For more information on Beacon's ratings, please visit www.caricris.com or contact:

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