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Intact Financial Corporation Completes \$400 Million Medium Term Note Private Placement

TORONTO, September 14, 2023 – Intact Financial Corporation (TSX: IFC) (Intact or the Company) announced today that it has completed a private placement of Series 14 unsecured medium term notes (the Notes).

The Notes were offered on a best efforts basis through a syndicate led by CIBC Capital Markets and BMO Capital Markets. The Notes are direct unsecured obligations of Intact and rank equally with all other unsecured and unsubordinated indebtedness of Intact. The Notes were issued with a principal amount of \$400 million and bear interest at a fixed annual rate of 5.276% until maturity on September 14, 2054. The Notes were offered by way of private placement to accredited investors in Canada (the Private Placement).

Intact intends to use the net proceeds from the Private Placement in order to subscribe for shares of one or more subsidiaries of the Company to ultimately be used for the purpose of partially funding the execution of the proposed indirect acquisition (the Acquisition) by Intact of assets comprising, among other things, the brokered commercial lines operations of Direct Line Insurance Group plc (Direct Line) and certain of its affiliates (the Acquired Business), announced by Intact on September 6, 2023 and related capital requirements and integration costs. To the extent the net proceeds of the Private Placement in combination with the proceeds from Intact's offering of common shares announced on September 6, 2023, are (i) less than the contemplated initial purchase price of the Acquisition, the Company currently intends to use available cash resources, undertake further financings or draw on one or more term loans to satisfy such shortfall or (ii) greater than the contemplated purchase price of the Acquisition, such excess net proceeds will be used for general corporate purposes.

The Notes have each been given a rating of A with a positive trend by DBRS Limited, a rating of Baa1 with a stable outlook by Moody's Investors Service, Inc. and a rating of A- with a stable trend by Fitch Ratings, Inc.

If (i) Royal & Sun Alliance Insurance Limited (RSA) does not pay the initial cash purchase price for the Acquisition prior to 11:59 p.m. (London UK local time) on February 29, 2024, or (ii) Intact delivers to CIBC notice stating that, or publicly confirms that, it does not intend to proceed with the Acquisition, then Intact will be required to redeem the Notes at a redemption price equal to 101% of the aggregate principal amount of the Notes, plus accrued and unpaid interest, if any, up to, but excluding, the date of redemption.

Additional information on the Acquisition is available at Intact's website at www.intactfc.com/investors/.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (U.S. Securities Act), and may not be offered or sold in the United States or to or for the account or benefit of U.S. persons absent registration or an applicable exemption from the

registration requirements of the U.S. Securities Act. This press release shall not constitute an offer to sell or the solicitation of an offer to buy such securities in the United States or in any other jurisdiction where such offer is unlawful.

About Intact Financial Corporation

Intact Financial Corporation (TSX: IFC) is the largest provider of property and casualty (P&C) insurance in Canada, a leading provider of global specialty insurance, and, with RSA, a leader in the U.K. and Ireland. Our business has grown organically and through acquisitions to over \$21 billion of total annual premiums.

In Canada, Intact distributes insurance under the Intact Insurance brand through a wide network of brokers, including its wholly-owned subsidiary BrokerLink, and directly to consumers through belairdirect. Intact also provides affinity insurance solutions through the Johnson Affinity Groups.

In the US, Intact Insurance Specialty Solutions provides a range of specialty insurance products and services through independent agencies, regional and national brokers, and wholesalers and managing general agencies.

In the U.K., Ireland, and Europe, Intact provides a range of personal, commercial and specialty insurance solutions through a wide network of brokers, third party partners and directly to customer under the RSA brands.

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Cautionary note regarding forward-looking statements and Non-IFRS Measures

Certain of the statements included in this press release about the expected use of the net proceeds of the Private Placement or any other future events or developments constitute forward-looking statements. The words “may”, “will”, “would”, “should”, “could”, “expects”, “plans”, “intends”, “trends”, “indications”, “anticipates”, “believes”, “estimates”, “predicts”, “likely”, “potential” or the negative or other variations of these words or other similar or comparable words or phrases, are intended to identify forward-looking statements. Unless otherwise indicated, all forward-looking statements in this press release are made as of the date hereof and are subject to change.

Forward-looking statements are based on estimates and assumptions made by management based on management’s experience and perception of historical trends, current conditions and expected future developments, as well as other factors that management believes are appropriate

in the circumstances. Many factors could cause the Company's actual results, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements. In addition to other estimates and assumptions which may be identified herein, estimates and assumptions have been made regarding, among other things, the anticipated completion of the Acquisition and the expected use of the net proceeds of the Private Placement. However, the completion of the Acquisition is subject to customary closing conditions, termination rights and other risks and uncertainties, and there can be no assurance that the Acquisition will be completed within anticipated timeframes or at all.

All of the forward-looking statements included in this press release are qualified by these cautionary statements and those made in the "Risk Management" sections of the Company's 2022 Management's Discussion and Analysis (Sections 30-34) and the Company's Q2-2023 Management's Discussion and Analysis (Sections 19-20), in Notes 10 and 13 of the Company's Consolidated Financial Statements for the year ended December 31, 2022 and in the Company's Annual Information Form dated February 7, 2023 and those made in the prospectus supplement dated September 8, 2023 filed in respect of the Company's previously announced bought deal offering of common shares, all of which are available on the Company's website at www.intactfc.com and on SEDAR+ at www.sedarplus.ca. These factors are not intended to represent a complete list of the factors that could affect the Company. These factors should, however, be considered carefully. Although the forward-looking statements are based upon what management believes to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. Investors should not rely on forward-looking statements to make decisions, and investors should ensure the preceding information is carefully considered when reviewing forward-looking statements made in this press release. The Company has no intention and undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

The Company uses both International Financial Reporting Standards (IFRS) and certain non-IFRS measures to assess performance. Non-IFRS measures and non-IFRS ratios, including debt-to-capital ratio, do not have any standardized meaning prescribed by IFRS and are unlikely to be comparable to any similar measures presented by other companies. They are used by management to assess the Company's performance. For more information about debt-to-capital ratio, including the definition and explanation of how this measure provides useful information, refer to Section 21 – Non-GAAP and other financial measures in the Company's Q2-2023 Management's Discussion and Analysis dated August 2, 2023, which Section is incorporated by reference into this press release and which is available on the Company's website at www.intactfc.com and on SEDAR+ at www.sedarplus.ca.

Disclaimer

This press release does not constitute or form part of any offer for sale or solicitation of any offer to buy or subscribe for any securities nor shall it or any part of it form the basis of or be relied on in connection with, or act as any inducement to enter into, any contract or commitment whatsoever.

The information contained in this press release concerning the Company does not purport to be all-inclusive or to contain all the information that an investor may desire to have in evaluating whether or not to make an investment in the Company. The information is qualified entirely by reference to the Company's publicly disclosed information and the cautionary note regarding forward-looking statements included in this press release.

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