

DEFINITY RELEASES ESTIMATE OF FINANCIAL IMPACT FROM RECENT STORM SYSTEM IN ONTARIO AND QUÉBEC

WATERLOO, ON, June 2, 2022 — [Definity Financial Corporation](#) (“Definity”) (TSX: DFY) today released its estimate of the financial impact arising from the severe storm system that hit Ontario and Québec on May 21st.

“The severe weather that affected Ontario and Québec in late May was a reminder of the importance of delivering on our purpose to support our clients and communities,” said Rowan Saunders, Definity’s President and Chief Executive Officer. “Our claims team is responding with on-the-ground support to help our customers and broker partners rebuild their communities and recover as quickly as possible.”

While the situation continues to develop, Definity estimates a negative impact on net income of between \$26 million and \$29 million, or between \$0.22 and \$0.25 per share currently outstanding, net of taxes and reinsurance.

This assessment is based on information received to date from customers, as well as analysis of exposures.

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About Definity Financial Corporation

Definity Financial Corporation is the parent company to some of Canada’s most long-standing and innovative multi-channel, property and casualty insurance companies and distributors, including Economical Insurance, Sonnet Insurance, Family Insurance Solutions, and Petline Insurance. Definity had over \$3.3 billion in gross written premiums for the 12 months ended March 31, 2022 and over \$7.5 billion in assets as at March 31, 2022.

Forward-looking statements

This news release may contain forward-looking information within the meaning of applicable securities laws, which reflects Definity’s current expectations regarding future events, including statements relating to the financial impact caused by the May 21, 2022 storm system in Ontario and Québec, the terms and operation of Definity’s reinsurance arrangements, the anticipated effect of applicable and future federal and provincial tax regulations, and Definity’s potential exposure in Ontario and Québec. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond Definity’s control. Such risks and uncertainties include Definity’s ability to precisely assess its total exposure in Ontario and Québec in light of the ongoing receipt of information from customers, the adequacy of its reserves, and its ability to successfully alleviate risk through reinsurance arrangements. Actual results could differ materially from those projected herein. Definity does not undertake any obligation to update such forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required under applicable securities laws.

Non-GAAP measures

This news release contains a measure of the negative impact on net income, net of taxes and reinsurance, that does not have any standardized meaning prescribed by generally accepted accounting principles (“GAAP”). This non-GAAP measure may be used by management and financial analysts to assess our performance, but may not be comparable to any similar measures presented by other companies. Accordingly, this measure should not be considered in isolation or as a substitute for analysis of our financial information reported under GAAP.

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