

# SYGNUS

## CREDIT INVESTMENTS

January 28, 2022

**FOR IMMEDIATE RELEASE**

**PRESS RELEASE**

### **SCI TOUTS FAST GROWTH AND SHARE BUY BACK AT AGM WITH RATIONALES FOR PUERTO RICAN ACQUISITIONS**

*(Gros Islet, St. Lucia)* Sygnus Credit Investments Limited (“SCI” or “The Company”), a Caribbean leader in alternative investments and pioneers in private credit announced at its recently held Annual General Meeting (“AGM”) on January 26, 2022, which was live-streamed from a satellite location at the Terra Nova All-Suite Hotel, that the company anticipated receiving regulatory approval for the acquisition of Acrecent Financial Corporation, a private credit company formed in 2003 in Puerto Rico within the next 30 – 60 days.

SCI confirmed that they will be acquiring a majority stake in Acrecent, which is a licensed financing and leasing company located in Puerto Rico. Puerto Rico is a US territory with an economic size of US\$100 billion with GDP per capita of approximately US\$31K.

Executive Vice President and Chief Investment Officer at Sygnus, Jason Morris highlighted three major factors for the purchase of Acrecent, which included, **enhanced diversification** due to exposure to a US territory and Pan Caribbean, enhancing earnings quality due to higher quality assets, access to additional alternative investment strategies such as impact investing themes and access to fast-growth industries not readily available in the English and Dutch speaking Caribbean such as healthcare and biopharmaceuticals, information technology and industrial manufacturing. He also cited, the Puerto Rico acquisition would allow SCI to **reimagine its growth path** due to the substantially larger Private Credit Investments (PCI) market opportunities and more importantly the ability to attract and build relationships with international financial partners and global institutional asset managers. Finally, there is an **alignment in business strategies** as Acrecent is one of the largest private credit firms in Puerto Rico with an experienced management team spanning US, Puerto Rico and Latin America markets, and is focused on middle market and small portfolio companies. This is similar to SCI which is the largest private credit firm in the English and Dutch speaking Caribbean with a focus on middle-market firms. SCI’s experienced management team’s skill set span Investment Banking, Investment Management, Private Credit, Mergers & Acquisition, Real Estate, Private Equity.

For the last 4 years, SCI has been focused on providing alternative investment financing to medium-sized businesses and has already deployed over US\$146 million across more than forty-one (41) middle-market businesses that spans across eleven (12) industries in seven (8) Caribbean countries, while delivering on shareholder value.

Since the last AGM, major milestones achieved by SCI were a US\$54.7 million capital raise comprising a record US\$27.2 million Additional Public Offering and a record breaking US\$27.5 million through private placement of notes. The total capital raise exceeded the US\$50.0 million target by the company at the

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last AGM. SCI generated a record US\$5.1 million in Net Profit for the financial year ended June 2021 while making its highest dividend payment of US\$1.55 million in October 2021. SCI has also received its first credit rating of Investment Grade from CariCRIS of jmBBB with a Stable outlook during the preceding quarter and signed a Share Purchase Agreement to acquire majority stake in Acrecent , pending regulatory approval.

Management highlighted that SCI is a fast-growth company with core revenues growing at a compounded annual growth rate (CAGR) since inception of 75.8% on a financial year end audited basis and 80.4% on a September Q1 quarterly basis.

Mr. Morris highlighted at the AGM that SCI is exploring the implementation of a Share Buy Back or equivalent program designed to enhance shareholder value as it is believed that the shares are currently undervalued. This program would also assist in providing liquidity support to the shares in a thinly traded market. Morris also highlighted that pre-pandemic in February 2020, the shares were trading at highs US\$0.21 and J\$28.00 which fell at the onset of the pandemic in March 2020. Since then, SCI has released record breaking financial results with little to no appreciation in the share price relative to March 2020. He also highlighted that SCI has consistently been one of the highest dividend paying stocks on both the JMD and USD index of the Jamaica Stock Exchange.

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### **About Sygnus**

Sygnus is the Caribbean's leading alternative investment management company spanning private credit, real estate and private equity. Sygnus Capital Limited is a licensed securities dealer in Jamaica with the Financial Services Commission and is focused on providing clients with independent Investment Banking and Investment Advisory Services. As a registered broker, Sygnus Capital is committed to assisting local and regional clients to access financing through the debt or equity capital markets, as well as non-traditional channels through our Private Credit Investment companies.

Sygnus manages Sygnus Credit Investments Limited (SCI) which is listed on the Jamaica Stock Exchange (JSE) and the largest Private Credit Investment company in the English-Speaking Caribbean. SCI is a pioneering private credit investment company, which offers creative debt financing to middle market businesses across the Caribbean. Sygnus Real Estate Finance Limited (SRF) , which was recently listed on the JSE, provides flexible capital (Debt or Equity) to all classes of real estate assets (commercial, hospitality, industrial or residential). Sygnus Deneb Investments Limited (SDI) invests private equity capital in companies in the form of growth capital, buyouts and turnarounds. Sygnus also offers its clients Investment Banking, Wealth Advisory and Tax Advisory

### ***For Additional Information, Please Contact:***

Garrick Communications

876-622-3552 |pr@garrickcommunications.com