



News Release

Signia Financial Acquires Globe Financial to Form Leading Merchant Bank in Barbados

[BARBADOS - SEPTEMBER 6, 2018] GraceKennedy Limited (GKL) has announced that one of its associated companies in Barbados, Signia Financial Group Inc., has acquired Globe Finance Inc.

The acquisition will result in the formation of the amalgamated company, which will be known as SigniaGlobe Financial Group Inc.

GKL currently holds a 40% shareholding in Signia and will hold the same 40% stake in the new entity - SigniaGlobe Financial Group Inc.

In speaking about the acquisition, Don Wehby, GKL's Group CEO, said the merger will result in a stronger positioning of the new entity.

"We continue to look for opportunities to invest across the region. This transaction is in keeping with our long-term strategy and we believe that this merger, which will result in the creation of the largest Merchant Bank in Barbados, will significantly strengthen our financial services platform in the Caribbean," said Mr Wehby.

The transaction is estimated to cost a total of BBD11.8 million. GK Capital Management Limited, the investment and advisory arm of GKL, advised Signia in the transaction.

Signia and Globe are two of the leading merchant banks in Barbados. Signia and Globe have several competing product offerings including fixed deposits, retail and commercial lending, commercial leasing and foreign exchange services. In addition to these common offerings, there are also some other products which are exclusive to each company. Signia is a registered stock broker, licensed by the Barbados Stock Exchange. Globe Finance Inc. currently offers a VISA credit card service to its customers. Based on results released as at December 2017, the two entities have combined deposits of BBD351.5 million and loans of BBD339.8 million.

News of the potential merger first surfaced in February of this year when the companies confirmed that they had signed a letter of intent.

(MORE)

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Trust or finance companies and merchant banks are licensed under Part III of the Financial Institutions Act. Signia and Globe both hold Part III licences and are regulated by the Central Bank of Barbados.

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