



IHC Announces the Completion of the Sale of Its Controlling Interest in PetPartners, Inc.

June 30, 2021

STAMFORD, Conn., June 30, 2021 (GLOBE NEWSWIRE) -- Independence Holding Company (NYSE: IHC) today announced that it has completed the sale of its 85% interest in PetPartners, Inc. ("PPI") to Iguana Capital, Inc. ("Iguana Capital"), an investment company specifically formed to facilitate this transaction.

As previously announced on May 17, 2021, IHC and its subsidiaries agreed to sell to Iguana Capital a controlling interest in IHC's pet division, through IHC's 85% interest in PPI and all of the stock of Independence American Holdings Corp. ("IAHC"), which owns all of the stock of Independence American Insurance Company ("Independence American"). The transaction was structured as two separate purchase agreements with independent conditions and closing dates. In aggregate for both deals, IHC will receive 70% of the consideration in cash, or approximately \$265 million, and will receive 30% of the stock of Iguana Capital.

The PPI sale transaction closed today. The closing of the acquisition of IAHC and Independence American is expected later this year and is subject to customary closing conditions, including applicable regulatory approvals, one of which is the approval of the Delaware Insurance Department.

As part of the transaction, David T. Kettig will resign from his position as President, Chief Operating Officer and a director of IHC, effective as of June 30, 2021, and will join Iguana Capital as its Chief Executive Officer. Teresa A. Herbert will become President of IHC and Colleen P. Maggi will become Chief Financial Officer of IHC, effective July 1, 2021. Vincent Furfaro, Senior Vice President, will serve as a director and fill the vacancy left by Mr. Kettig's departure until the next annual meeting of IHC shareholders.

"On behalf of IHC, I want to thank David for his many significant contributions to IHC over his approximately 30 years with IHC," said Roy T.K. Thung, IHC's Chief Executive Officer and Chairman of the Board. "David played an integral role and was instrumental in positioning the Company for success as we executed our strategic vision, and we are pleased that he will be CEO of Iguana Capital where we will continue to own a 30% interest."

About Independence Holding Company

Through our subsidiaries, Independence Holding Company (NYSE: IHC) underwrites and distributes health, group disability and life, New York State DBL and paid family leave, and pet insurance. IHC underwrites policies in all 50 states, Washington D.C., Puerto Rico and the U.S. Virgin Islands through our three carriers: Independence American Insurance Company, Standard Security Life Insurance Company of New York ("Standard Security Life") and Madison National Life Insurance Company, Inc. We also distribute products nationally through multiple channels, including our agencies, call centers, advisors, direct and affinity relationships, Web Broker, and web properties, including www.healthdeals.com; www.healthinsurance.org; www.medicareresources.org; www.petplace.com; and www.inxscloud.com. As previously announced, IHC entered into a stock purchase agreement to sell all of the issued and outstanding capital stock of Standard Security Life and separately entered into a stock purchase agreement to sell all of the capital stock of Independence American Holdings Corp., which includes Independence American Insurance Company and other assets of IHC's pet business, both subject to regulatory approval. To learn more visit <https://ihcgroup.com/>.

Forward-looking Statements

Certain statements and information contained in this release may be considered "forward- looking statements," such as statements relating to management's views with respect to future events and financial performance. Such forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from historical experience or from future results expressed or implied by such forward-looking statements. Potential risks and uncertainties include, but are not limited to, economic conditions in the markets in which IHC operates, new federal or state governmental regulation, IHC's ability to effectively operate, integrate and leverage any past or future strategic acquisition, and other factors which can be found in IHC's other news releases and filings with the Securities and Exchange Commission. IHC expressly disclaims any duty to update its forward-looking statements unless required by applicable law.

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