

# SURA ASSET MANAGEMENT

**2Q-2023 RESULTS**

**QUARTERLY REPORT**

# Income Statement

Income Statement	2T-2023	2T-2022	Var. % *	Junio 2023	Junio 2022	Var. % *
Fee and commission income	232	220	2.7%	456	438	3.9%
"Encaje" return	23	-25	N/A	43	-52	N/A
Net Equity Method result	3	2	92.5%	5	5	-12.9%
Other operating income	19	20	-10.8%	28	18	50.1%
<b>Operating Income</b>	<b>277</b>	<b>216</b>	<b>23.0%</b>	<b>533</b>	<b>410</b>	<b>28.8%</b>
Insurance Margin	14	10	28.3%	24	19	25.1%
<b>Total operating expenses</b>	<b>-172</b>	<b>-174</b>	<b>-2.6%</b>	<b>-350</b>	<b>-347</b>	<b>1.8%</b>
<b>Operating Income</b>	<b>118</b>	<b>52</b>	<b>99.8%</b>	<b>207</b>	<b>81</b>	<b>131.7%</b>
Net financial result	-7	-18	-61.2%	-16	-33	-46.8%
Net financial derivatives and Fx	1	8	-90.6%	3	-8	N/A
<b>Income before tax</b>	<b>112</b>	<b>41</b>	<b>124.3%</b>	<b>194</b>	<b>39</b>	<b>275.6%</b>
Income tax expense	-38	-26	48.3%	-65	-38	76.9%
Discontinuous operations	0	0	N/A	0	0	N/A
<b>Net Income after tax (before minority interest)</b>	<b>74</b>	<b>15</b>	<b>205.0%</b>	<b>129</b>	<b>1</b>	<b>761.4%</b>
Minority Interest	10	-8	N/A	22	-10	N/A
<b>Net Income (after minority interest)</b>	<b>64</b>	<b>23</b>	<b>112.0%</b>	<b>107</b>	<b>11</b>	<b>365.5%</b>

## Highlights

- **Commission revenues** grew by **38.0%** as of June 2023 (adjusted to pro forma view **3.9%**), driven by a **5.7%** increase in the Savings and Retirement business, benefiting from an **11.6%** rise in the wage base. However, the positive momentum in the Savings and Retirement business was partially offset by a **6.1%** decline in commission revenues from the Voluntary segment due to a decrease in fees.
- The **"encaje"** exhibited a significant recovery in the first half of 2023, shifting from a loss of 28 MUSD in 2022 to a gain of **43 MUSD**. Furthermore, the annualized yield reached **8.4%** in the first half of 2023, in contrast to the -2.8% recorded in the same period of the previous year.
- **Operational expenses** grew by **38.0%** as of June 2023, driven by the consolidation impact of AFP Protección and AFP Crecer. Adjusting for these effects, operational expenses increased by **1.8%**, which represents an increment lower than the weighted average inflation across the countries where SURA Asset Management operates.

(Highlights as of June 2023)

Figures in USD millions.

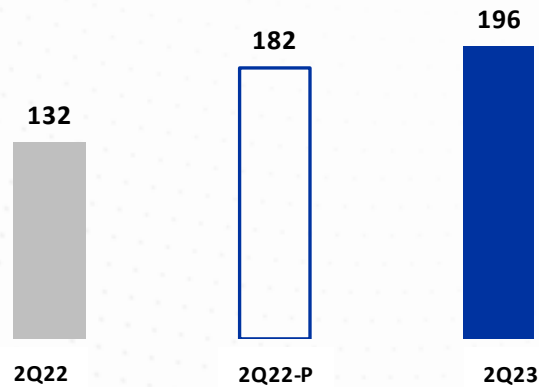
\*Var. % excludes exchange rate effects, average constant rate June 2023.

\*\* Proforma 2022, are administrative figures that include AFP Protección and AFP Crecer line by line in the income statements of Sura Asset Management

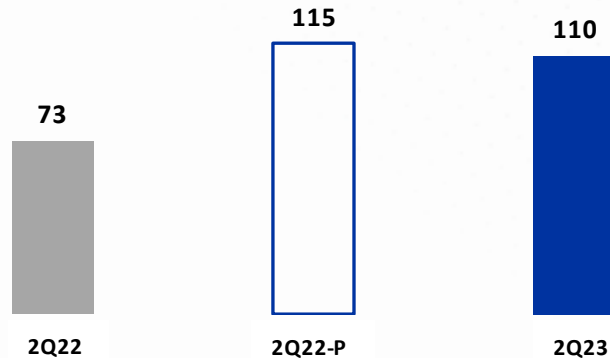
# Pension savings segment (Mandatory)

This segment benefited from the good performance of base salary commissions, which increased 11.6% as of June 2023.

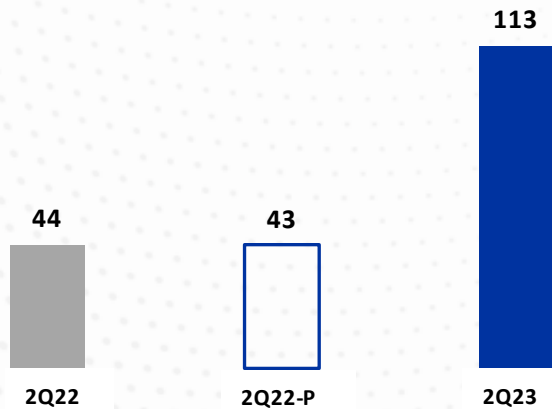
## FEE AND COMMISSION INCOME



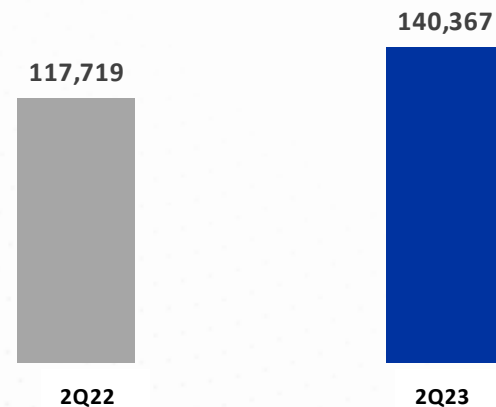
## TOTAL OPERATING EXPENSES



## OPERATING INCOME



## TOTAL AuM



### Highlights

- **Commission income** increased by **5.7%** (adjusted to pro forma view) in the year, benefiting from:
  - AUM growth of 11.5% in Mexico and 12.5% in Peru.
  - Good dynamics in Chile explained by the Wage Base.
  - Elimination of the AFPs' responsibility to contract pension insurance in El Salvador.
- **AUM** for the Savings and Retirement business grew **8.0%** versus the second quarter of 2022, driven by growth in contributions to workers' individual accounts and the recovery of yields.
- **Operating** expenses decreased **2.3%** (2022-pro forma view), lower than the average inflation of the countries where Sura Asset Management operates. Mainly explained by the automation and digitalization of processes, as well as the management of distribution channels, which has increased productivity.

*(Highlights as of June 2023)*

Figures in USD millions.

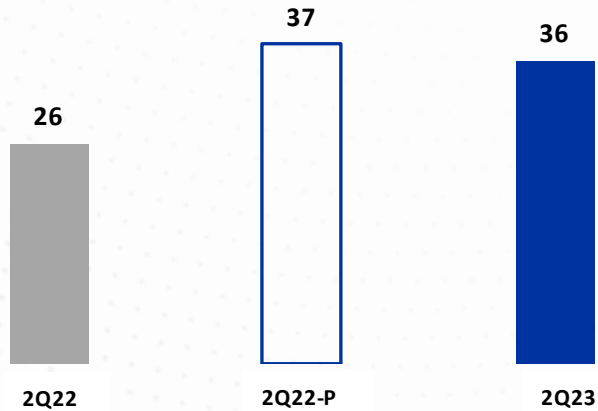
\* Real Var%

\*\* Proforma 2022, are administrative figures that include AFP Protection and AFP Crecer line by line in the income statements of Sura Asset Management

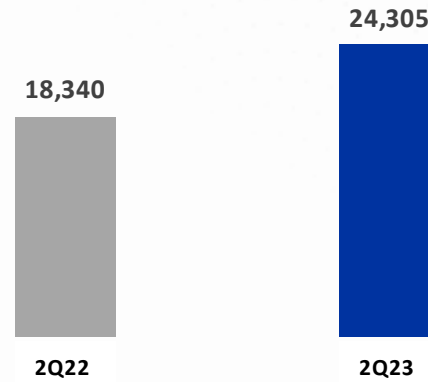
# Inversiones SURA + SURA Investment Management (Voluntary)

Results continue to be in positive territory despite a more challenging industry environment

## FEE AND COMMISSION INCOME



## TOTAL AuM

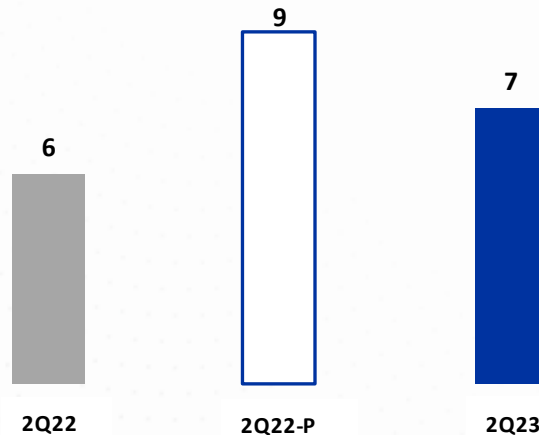


## Highlights

- **Fee and commission** income decreased **5.6%** on a pro forma view, affected by lower commission rates due to a higher participation in insurance mandates and a higher participation of lower fee products in asset allocation.
- **Operating expenses** decreased **2.8%** for the second quarter (pro forma view), in line with lower revenue dynamics.
- **AUM** grew **17.8%**, mainly explained by the growth of insurance mandates.

(Highlights as of June 2023)

## OPERATING INCOME



Figures in USD millions.

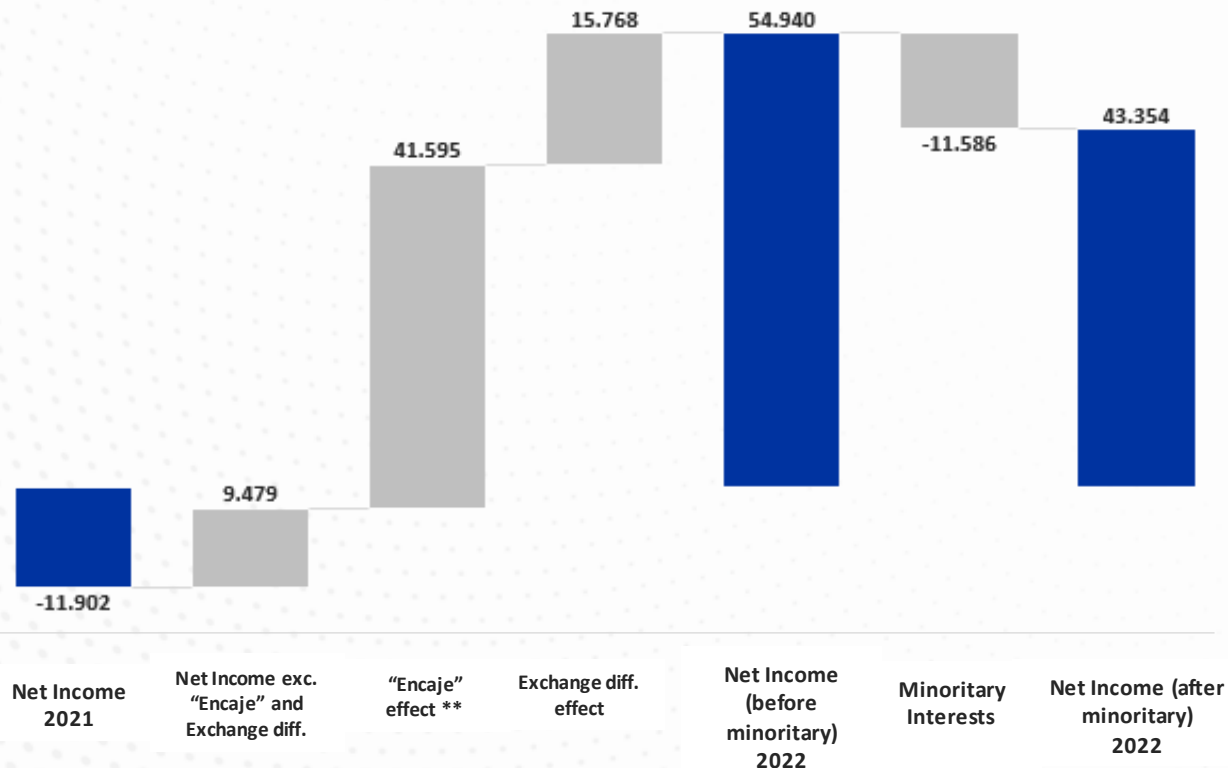
\*Real Var%.

\*\* Proforma 2022, are administrative figures that include AFP Protection and AFP Crecer line by line in the income statements of Sura Asset Management

# Consolidated Net Income variation

Controlling net income performed well in the quarter and closed at USD 64 million, which resulted in an improvement in profitability levels.

## NET INCOME VARIATION



Adjusted ROE (%)\*

9.0%

Adjusted ROTE (%)\*

25.8%

### Highlights

- **Net Income** had a positive performance, mainly explained by the recovery of the reserve requirement, the positive evolution of fee income, and efficiencies in operating expenses.
- SURA Asset Management's profitability showed an improvement in 2023, where ROTE increased from 13.9% to **25.8%**, while ROE increased from **4.7%** to **9.0%**.

*(Highlights as of June 2023)*

Figures in USD millions.

\*Adjusted net income, discontinued profits and amortization expense of intangibles related to M&A are returned.