

# SURA ASSET MANAGEMENT

3Q-2023 RESULTS

QUARTERLY REPORT

# Income Statement | Quarterly

Income Statement	3Q-2023	3Q-2022	Var. % *	Proforma		
				3Q-2023	3Q-2022	Var. % *
Fee and commission income	241	152	39.2%	241	209	3.8%
"Encaje" return	-16	-13	19.8%	-16	-22	-26.0%
Net Equity Method result	2	5	-69.0%	2	4	-62.8%
Other operating income	25	3	533.7%	25	4	395.2%
<b>Operating Income</b>	<b>252</b>	<b>147</b>	<b>49.1%</b>	<b>252</b>	<b>196</b>	<b>14.7%</b>
Insurance Margin	0	9	N/A	0	9	N/A
<b>Total operating expenses</b>	<b>-173</b>	<b>-120</b>	<b>27.4%</b>	<b>-173</b>	<b>-156</b>	<b>-1.0%</b>
<b>Operating Income</b>	<b>78</b>	<b>37</b>	<b>78.1%</b>	<b>78</b>	<b>49</b>	<b>41.0%</b>
Net financial result	-8	-12	-45.3%	-8	-13	-47.8%
Net financial derivatives and Fx	8	4	51.2%	8	5	43.6%
<b>Income before tax</b>	<b>78</b>	<b>29</b>	<b>118.4%</b>	<b>78</b>	<b>41</b>	<b>66.4%</b>
Income tax expense	-38	-9	250.8%	-38	-18	90.2%
Discontinuous operations	0	-7	N/A	0	-7	N/A
<b>Net Income after tax (before minority interest)</b>	<b>40</b>	<b>12</b>	<b>146.9%</b>	<b>40</b>	<b>15</b>	<b>118.8%</b>
Minority Interest	1	0	28.5%	1	2	-96.1%
<b>Net Income (after minority interest)</b>	<b>39</b>	<b>12</b>	<b>147.4%</b>	<b>39</b>	<b>12</b>	<b>144.9%</b>

## Highlights

- **Commission revenues** reached **241 MUSD**, reflecting a growth of **39.2%** compared to the same quarter of the previous year (pro forma **3.8%**). This increase is attributed to a **4.4%** rise in the Savings and Retirement business, driven by an **11.3%** growth in the Salary Base and a **10.6%** increase in AUM, benefiting from yield recovery and a **13.0%** rise in individual contributions.
- The Reserve Requirement (**Encaje**) yielded a negative performance in the third quarter of 2023, following a similar trend to the loss recorded in the same period of 2022.
- **Operational expenses** rose by **27.4%** compared to the same quarter in 2022, influenced by the consolidation of AFP Protección and AFP Crecer. Adjusting for this effect, a decrease of **1.0%** is observed, demonstrating efficiency in comparison to the increase in revenues and the weighted inflation rate (**6.5%**). This achievement is attributed to automation, channel management, and structural adjustments.

Figures in USD millions.

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

# Income Statement | YTD

Income Statement				Proforma		
	September 2023	September 2022	Var. % *	September 2023	September 2022	Var. % *
Fee and commission income	697	465	39.0%	697	647	3.9%
"Encaje" return	28	-41	N/A	28	-73	N/A
Net Equity Method result	6	-1	14222.2%	6	9	-35.2%
Other operating income	53	23	121.7%	53	22	128.0%
<b>Operating Income</b>	<b>784</b>	<b>446</b>	<b>63.1%</b>	<b>784</b>	<b>605</b>	<b>24.5%</b>
	0	0				
Insurance Margin	24	28	-20.0%	24	28	-20.0%
	0	0				
<b>Total operating expenses</b>	<b>-523</b>	<b>-363</b>	<b>35.1%</b>	<b>-523</b>	<b>-504</b>	<b>0.9%</b>
	0	0				
<b>Operating Income</b>	<b>285</b>	<b>111</b>	<b>131.0%</b>	<b>285</b>	<b>130</b>	<b>101.8%</b>
	0	0				
Net financial result	-23	-44	-43.4%	-23	-46	-45.9%
Net financial derivatives and Fx	10	-3	N/A	10	-4	N/A
	0	0				
<b>Income before tax</b>	<b>271</b>	<b>64</b>	<b>245.5%</b>	<b>271</b>	<b>80</b>	<b>187.9%</b>
Income tax expense	-103	-33	199.4%	-103	-57	81.6%
Discontinuous operations	0	-7	N/A	0	-7	N/A
<b>Net Income after tax (before minority interest)</b>	<b>169</b>	<b>23</b>	<b>371.6%</b>	<b>169</b>	<b>16</b>	<b>477.9%</b>
Minority Interest	22	0	11365.9%	22	-8	N/A
<b>Net Income (after minority interest)</b>	<b>146</b>	<b>23</b>	<b>311.3%</b>	<b>146</b>	<b>23</b>	<b>307.2%</b>

## Highlights

- **Commission revenues** reached **697 MUSD**, reflecting a growth of **39.0%** compared to September of the previous year (pro forma **3.9%**). This increase is attributed to a **5.3%** rise in the Savings and Retirement business, offsetting the impact of the voluntary business which decreased **4.2%**.
- The Reserve Requirement (**Encaje**) maintains a favorable result in the year-to-date 2023, during which it records an annualized yield of **3.8%**, contrasting with a yield of **-9.5%** in September 2022. This positive Encaje performance, coupled with a strong operational result, significantly contributes to the increase in income tax.
- **Operational expenses** increased by **35.1%** compared to September 2022, influenced by the consolidation of AFP Protección and AFP Crecer. Adjusting for this effect, the growth is **0.9%**.

Figures in USD millions.

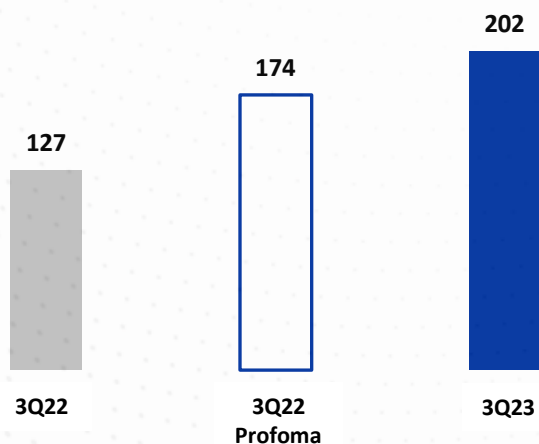
\*Var % excludes exchange rate effects, average constant rate june2023.



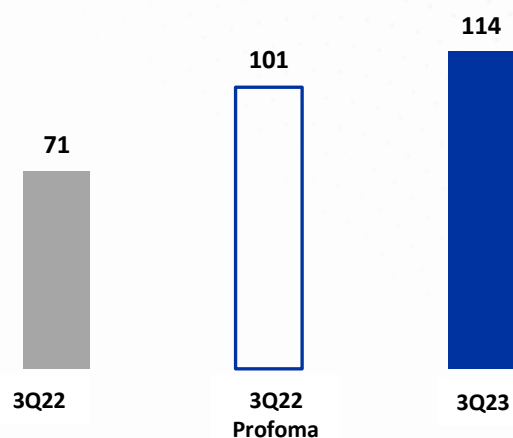
## Pension savings segment (Mandatory)

This segment benefited from an **11.3%** increase in the Salary Base and a **10.6%** growth in AUM. This was further supported by the recovery of yields and a **11.0%** increase in contributions.

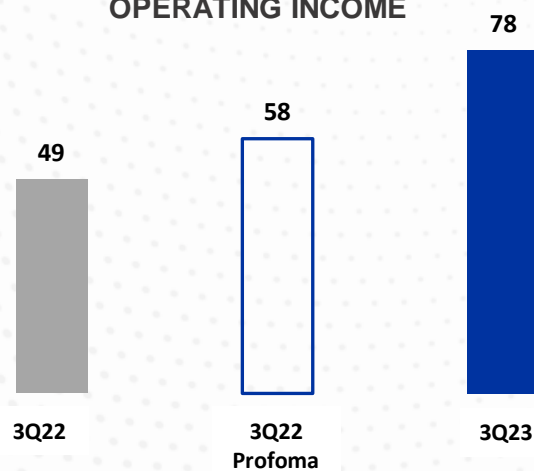
### FEE AND COMMISSION INCOME



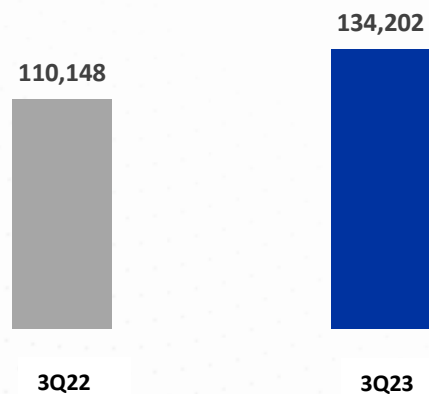
### TOTAL OPERATING EXPENSES



### OPERATING INCOME



### TOTAL AuM



### Highlights

- **Commission revenues** increased by **5.3%** (pro forma view) year-to-date in September, benefiting from:
  - **AUM** growth of **12.5%** in Mexico.
  - Positive dynamics in Chile and El Salvador explained by the Salary Base.
- **AUM** in the Savings and Retirement business grew by **10.6%** compared to the same quarter in 2022, driven by the growth in contributions to individual worker accounts and the recovery of yields.
- **Operational expenses** decreased by **1.6%** in September 2023 on a pro forma basis, a level lower than the average inflation in the countries where Sura Asset Management operates.

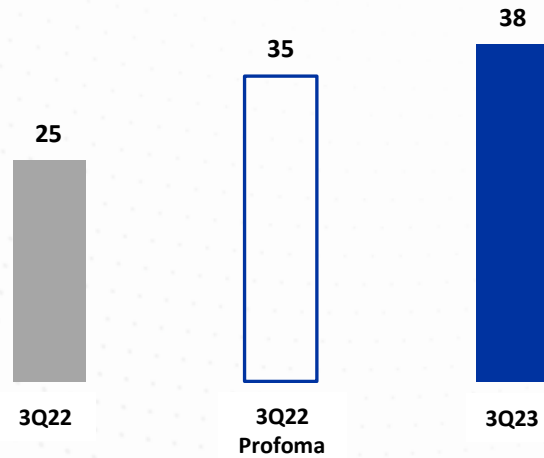
Figures in USD millions.

\* Real Var%

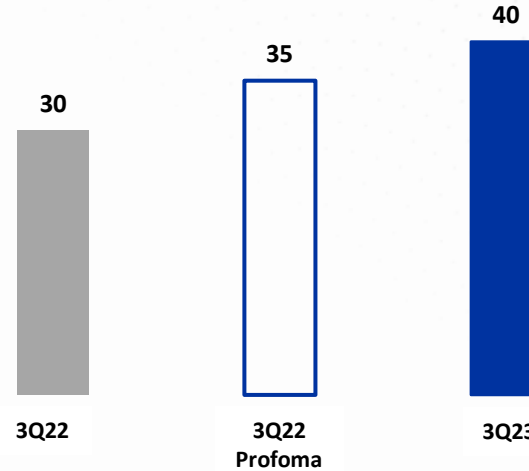
# Inversiones SURA + SURA Investment Management (Voluntary)

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

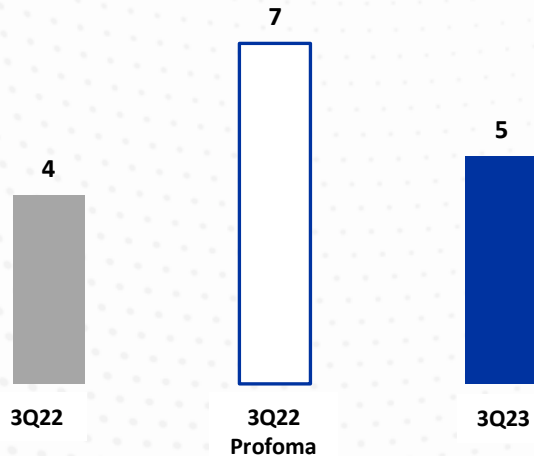
## FEE AND COMMISSION INCOME



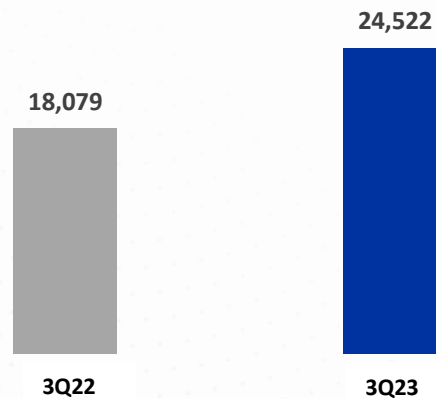
## TOTAL OPERATING EXPENSES



## OPERATING INCOME



## TOTAL AuM

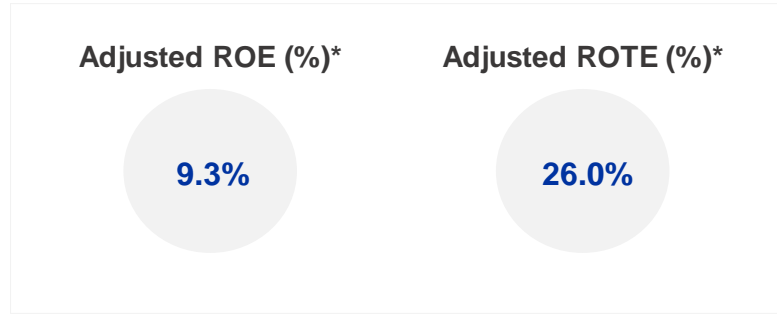


### Highlights

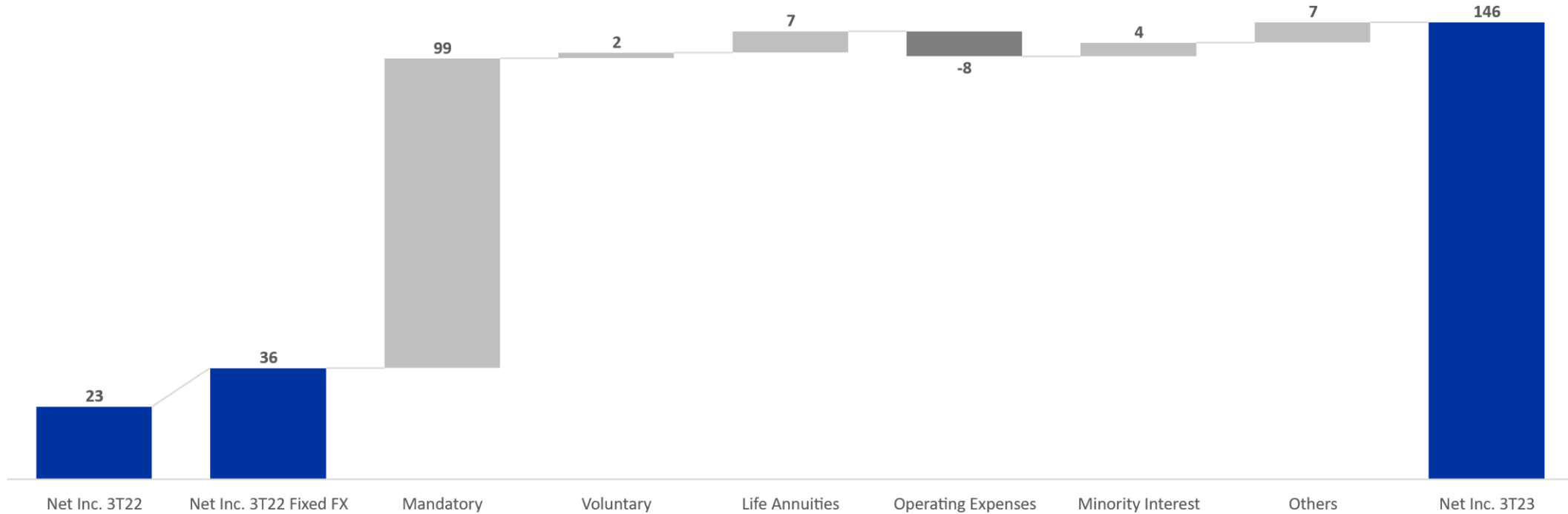
- **Commission revenues** decreased by **0.4%** compared to the same quarter of the previous year, pro forma view, impacted by lower commission rates due to increased participation in insurance mandates and the high interest rates offered by commercial banks on term deposits.
- **Operational expenses** decreased by **1.0%** year-to-date until September 2023 on a pro forma basis, demonstrating the business's ability to adapt and control expenses in a context where commission revenues are under pressure.
- **AUM** grew by **23.9%**, primarily explained by the growth in insurance mandates, as well as the recovery of financial yields and the strengthening of our commercial offerings.

# Consolidated Net Income variation

The controlling net income performed well in the quarter and year-to-date, reaching 146 million USD.



- Highlights**
- The **Net Income** exhibited a positive performance, growing by **147%**, primarily driven by a positive operational performance characterized by an increase in commission revenues that outpaced the rate of growth in operational expenses.
  - SURA Asset Management's profitability showed improvement in 3Q23, with the ROTE increasing from **9.6%** to **26.0%**, while ROE rose from **3.3%** to **9.3%**.



Figures in USD millions.

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

# Disclaimer

- » The pro forma Income Statement has been prepared by the company for purely illustrative purposes, aiming to enhance the understanding of the most relevant figures and events in the Financial Statements. However, it is important to note that this document does not replace the detailed analysis of the reported Financial Statements. All decisions and statements made by investors and other stakeholders relying on financial information should be based exclusively on the official Financial Statements. Grupo SURA assumes no responsibility for decisions made based on the aforementioned pro forma Income Statement.
- » The purpose of the pro forma Income Statement is to compare the financial performance between 2023 and 2022 by presenting the prior year's data using the 2023 methodology. This methodology includes the consolidation of the Income Statements of AFP Protección and AFP Crecer, line by line, into the Income Statement of SURA Asset Management. This facilitates the comparability of results between the two periods.