

GRUPO SURA (BVC: GRUPOSURA and PFGRUPOSURA) closed the quarter with revenues of COP 6.9 trillion, up 25.1%, and a controlling net income up 121.0% compared to Q12021.

Highlights:

<p>Total revenues</p> <p>COP 6.9 trillion</p> <p>+ 25.1% vs Q1 2021</p>	<p>Revenues via the equity method</p> <p>COP 543 billion</p> <p>+126.6% vs Q1 2021</p>	<p>Controlling Net Income</p> <p>COP 429 billion</p> <p>+ 121.0% vs Q1 2021</p>
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- **Total revenue** continued to post double-digit growth, reaching COP 6.9 trillion, an increase of COP 1.4 trillion compared to the same period last year, this being the quarter with the highest revenues in the history of Grupo SURA. The positive evolution in revenues is due to a growth in written premiums of COP 1 trillion and a greater contribution from associates in the equity method. On the other hand, fee and commission income grew 2.4% compared to the first quarter of 2021, impacted by decrease in commissions from the mandatory pension business in Mexico.
- **Investment income** showed a loss of COP -10,563 million for the quarter, having declined by COP 276,852 million compared to the same period last year. The decrease in this line is explained by the prevailing market conditions, the drop in interest rates and the appreciation of the Chilean peso, which have different effect on SURA AM and Suramericana. In SURA AM, these effects have impacted on the return on reserves and *unit link* portfolios. On the contrary, in the case of Suramericana these effects produced positive results with regard to its Colombian and Chilean portfolios.
- Revenues from associates via the **equity method** rose by COP 303,296 million compared to the first quarter of 2021, reaching COP 542,785 million, an all-time high, this mainly driven by the results posted by Bancolombia and Nutresa, which grew 219.2% and 28.7%, respectively.
- **Retained claims** increased by COP 735,758 million, for a growth of 25.0% compared to the same period last year. COVID-related claims for the quarter came to just COP 164,441 million compared to COP 416,621 million for the first quarter of 2021, having declined by 60.5%. However, for this period, claims rate for this past quarter was mainly affected by increased average costs of mobility solutions due to disruptions in the auto parts supply chains that have impacted this item in the case of Suramericana.
- **Operating expense** ratio which is calculated as a ratio between operating expenses and revenues*, continued to come down, showing the focus of both the company and its subsidiaries on control and efficiency to mitigate the different impacts on the businesses. On the other hand, operating expense rose grew COP 381,228 million, rose by 18.3% compared to Q12021, a growth 700bps below company's total revenues growth.
- **Operating Income** was in line with positive levels of business performance as well as spending controls, having increased by 53.9% compared to the first quarter last year, where margin expansion continues thanks to revenue growth and a focus on expense control.
- **Net income** showed a recovery in terms of the different lines of business with net income increasing by COP 230,399 million compared to the first quarter of 2021, reaching COP 441,587 million. Controlling net income reached the highest value in the last twelve month, reaching COP 1.64 trillion, with COP 429,271 million for the quarter. These results confirm the progress towards an adjusted profitability above the cost of capital, reaching an **adjusted ROE** of 9.6% for the last twelve months.
- Grupo SURA, the holding, posted a **Net Debt** of COP 4.5 trillion, for a 4.4% decline compared to year-end 2021

Key figures on a consolidated basis:

Figures in millions	1Q22	1Q21	Var. %
Written premiums	5,753,708	4,754,226	21.0%
Retained earned premiums	5,380,743	4,093,446	31.4%
Commission income	776,716	758,726	2.4%
Revenues via equity method	542,785	239,488	126.6%
Investment income	-10,563	266,290	
Total revenues	6,908,501	5,521,382	25.1%
Retained claims	-3,674,664	-2,938,906	25.0%
Administrative expenses	-2,462,349	-2,081,121	18.3%
Operating profit	771,488	501,355	53.9%
Financial Result	-283,442	-199,058	42.4%
Net Income	441,587	211,188	109.1%
Controlling net income	429,271	194,230	121.0%
Operating expense / Revenue*	38.7%	41.4%	
Operating margin	11.2%	9.1%	
Adjusted ROE (12m)**	9.6%	8.0%	

Written premiums include income corresponding to premiums and health care services that were previously recorded as revenues from healthcare services.

The operating expense / Revenue* ratio is calculated as total operating expenses over total revenues, this excluding investment income and revenues obtained via the equity method.

Adjusted ROE (12- mth)** on net income given amortizations of intangibles from acquisitions and standardized reserve requirements. Grupo SURA's shareholders' equity does not include valuations of associates or cross- shareholdings.

This table does not include all the line items of the Income Statement, more detailed information is provided in the appendices attached to this report.

Summary of results broken down per line of business

Figures in millions	1Q22	1Q21	Var. %
Suramericana	104,376	-10,551	
SURA AM	-46,580	115,652	
Net income excluding return from legal reserve	82,716	85,044	-2.7%
Return from legal reserve	-70,008	28,364	
Fx exchange difference	-59,288	2,243	
Revenues via equity method Grupo SURA (holding)	546,075	220,733	147.4%
Bancolombia	424,158	132,870	219.2%
Grupo Argos	15,822	7,438	112.7%
Grupo Nutresa	105,213	81,322	29.4%
Otros	882	-897	
Other results Grupo SURA (holding)	-162,284	-114,645	41.6%
Fx exchange effect	-5,008	-1,040	381.3%
Administrative expenses	-29,889	-13,162	127.1%
Interests	-111,803	-107,284	4.2%
Other	-15,583	6,841	
Net income	441,587	211,188	109.1%

*The net result of the legal reserve is adjusted for the deferred tax allocated to the legal reserve and includes Protección's legal reserve, this duly adjusted for the stake held.

Highlights:

Written premiums

COP 5.6 trillion

+ 21.4% vs Q12021

% Retained claims / REP

71.6%

vs 70.6% for Q12021

Net Income

COP 104 billion

- A positive level of growth was obtained in **written premiums** for all insurance segments, this led by the car and health care solutions with growths of 29.9% and 22.3%, respectively. Also worthy of mention is the 31.5% growth with the mandatory insurance business in Colombia, thanks to an increase in the subscriber bases for both the EPS (mandatory health care) and the ARL (occupational health and safety) subsidiaries.
- The **claims rate** was higher compared to the same quarter last year, mainly due to the car solution, which showed generalized increases in average costs throughout the region and is returning to pre-pandemic frequency levels. On the other hand, COVID claims during the quarter reached COP 164,441 million, showing declines of 60.5% compared to the same quarter last year, as well as a decrease of 11.4% compared to the fourth quarter of 2021.
- **Administrative expense** continued to be a strategic focus of our efficient resource management initiative, as well as the transformation of our operating models and a continued drive towards greater productivity levels; all of which has so far produced a 0.8% reduction in this ratio. During this quarter, the growth in expense was due to the seasonal effect of our investments in technology as well as sales force incentive plans, both factors due to level out in the next few quarters.
- The Company's **financial results** showed an important level of growth compared to last year, this driven by higher inflation throughout the region, which benefits the Colombian and Chilean portfolios given the inflation-linked that accompanies the insurance liabilities of these regional businesses.
- **Net income** and **ROTE** showed the current uptrend with our insurance business, in spite of the pressure exerted by higher average costs of automobile claims, which impacted the Company's claims rate.
- During the first quarter of this year, the company continued with the divestiture of our previous surety bond business in Argentina, this mainly belonging to the ACG company, the value of which comes to USD 8.2 million. This was carried out as part of our strategic goal of specializing more in the Property and Casualty as well as Life Insurance segments, as a part of a consolidation process on the Argentinian market.

Key figures:

Figures in millions	1Q22	1Q21	Var. %
Written premiums	5,583,038	4,598,205	21.4%
Retained earned premiums (REP)	4,928,660	3,992,587	23.4%
Retained claims	-3,530,362	-2,816,833	25.3%
RT	407,951	404,740	0.8%
Administrative expenses	-682,572	-597,544	14.2%
Investment income	376,233	199,275	88.8%
Net income	104,376	-10,551	
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% Retained claims / REP	71.6%	70.6%	
% Admin. Expenses / Written premiums	12.2%	13.0%	
Adjusted ROE (12m)	4.3%	2.7%	
Adjusted ROTE (12m)	5.5%	3.4%	

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Life Insurance Segment:

Figures in millions	1Q22	1Q21	Var. %
Written premiums	1,635,081	1,401,067	16.7%
Retained earned premiums (REP)	1,556,493	1,356,720	14.7%
Retained claims	-995,679	-919,235	8.3%
<i>% Retained claims / REP</i>	64.0%	67.8%	
Technical result	45,537	44,537	2.2%
Administrative expenses	-192,163	-160,620	19.6%
<i>% Admin. Expenses / Written premiums</i>	11.8%	11.5%	
Investment income	290,807	148,611	95.7%
Net Income	148,706	48,037	209.6%

Administrative expenses includes administrative expenses + fees*

Premiums

The growth in written premiums for this segment was driven by the health care solution with a growth of 22.3%, thanks to the amount of new business and policy renewals that took place in this past quarter. Also noteworthy is the Occupational Health and Safety business, which scored a growth of 18.1% for the quarter, thanks to a larger exposed mass, which now reaches 4.2 million insured subscribers.

Retained earned premiums rose to a lesser degree compared to written premiums given higher reserves that were set up both unearned premium reserves (in line with the growth in the life insurance business) as well as mathematical reserves (due to adjustments to account balances as a result of higher inflation in Colombia).

Claims rate

The improvement with the claims rate in Q1 2022 was due to a drop in COVID cases for the quarter thanks to lower levels of infection and fatal cases throughout the region. COVID-related claims for the first quarter of the year amounted to COP 51,347 million, for a 76.8% decline compared to the same period last year. On the other hand, non-COVID claims reached pre-pandemic frequency levels in the life, health and occupational risk solutions.

Operating efficiency and other expenses

Administrative expense rose due to greater investments made in technology during this first quarter, mainly in Colombia, these focusing on projects designed to strengthen our management systems and increase our agility with our operating models.

Furthermore, miscellaneous insurance expense rose by 55.4%, given the freeing up of a provision in 2021 amounting to COP 38,946 million that was first set up in Q4 2020 for providing care and compensation to people infected with COVID in December 2020.

Investment income

Our investment portfolios performed well during the first quarter of the year, with investment income rising by 95.7% with respect to the same period last year, this mainly due to higher inflation. In the particular case of Colombia, the volatility prevailing with interest rates was mitigated by our held to maturity classification strategy.

Net income

Finally, this segment's results were driven by higher financial income. It is worth noting that this segment's technical result rose by 2.2%, even though in 2021 the provision for COVID care as relates to miscellaneous insurance expense was freed up.

Property and Casualty Insurance Segment:

Figures in millions	1Q22	1Q21	Var. %
Written premiums	2,162,779	1,867,472	15.8%
Retained earned premiums (REP)	1,575,200	1,305,223	20.7%
Retained claims	-866,514	-682,939	26.9%
<i>% Retained claims / REP</i>	55.0%	52.3%	
Technical result	205,088	208,107	-1.5%
Administrative expenses* includes administrati	-321,971	-279,774	15.1%
<i>% Admin. Expenses / Written premiums</i>	14.9%	15.0%	
% Combined ratio	109.5%	108.1%	
Investment income	84,482	49,891	69.3%
Net Income	14,238	-10,093	

Administrative expenses includes administrative expenses + fees*

Premiums

Written premiums were driven by a growth in the different mobility insurance solutions, both mandatory scoring a growth of 31.2% and voluntary with another 29.9%. Both increases were the result of the recovery seen with the sales of these products in the light of lesser mobility restrictions, thereby producing more new sales, as well as having adjusted rates to offset the increases in average costs given disruptions with the supply chain. The significant growth scored by the mobility solution within this segment also produced higher retained earned premiums compared to written premiums, due to low levels of risks being assigned to reinsurers.

On the other hand, sales of our life insurance solutions, which are consolidated in this segment and represent 11.8% of this segment total premiums, scored a growth in premiums of 37.8%, with our Mexican subsidiary deserving special mention with higher new sales and policy renewals that are incorporating the new rate increases.

Claims rate

The higher claims rate corresponding to the Property and Casualty segment was due to the car insurance solution, which recorded a claims rate of 71.9% compared to just 60.7% last year. Car insurance was the solution that was mainly affected by disruptions with the supply chain, which in turn increased the average costs of repairing existing vehicles and insuring new ones.

On the other hand, the claims rate corresponding to corporate insurance recorded a drop of 29.3%, this compared to 30.1% for Q1 2021, thanks to a lower incidence of severity events. In addition to this, the life insurance solutions that are consolidated in this segment recorded a lower claims rate due to lower COVID-related cases, which for this quarter had an overall impact of COP 14,247 million, thereby producing a drop of 59.0% compared to last year and another 6.7% compared to Q4 2021.

Operating efficiency and other expenses

Net commissions versus earned premiums came to 19.8%, while for Q1 2021 these stood at 19.3%. This increase is due to a higher volume in the affinity channels in Argentina, Brazil, Panama and Uruguay, where acquisition costs are higher than average.

Administrative expenses increased by 15.1%, due to expenses directly related to income, such as operating tax, financial expense and incentive plan expenses. It is worth noting that administrative expense versus written premiums showed a drop of 10bp, thereby demonstrating constant efforts in obtaining greater operating efficiencies in different lines of business.

Investment income

Investment income performed well during the first quarter of this year, having risen by 69.3% compared to the same period last year, mainly due to higher inflation and higher reinvestment rates that offset valuation losses appraised at market rates. Countries such as Colombia, Chile and Brazil benefited from these higher levels of inflation and interest hikes, while countries such as Uruguay and the Dominican Republic had to deal with a more challenging quarter due to the appreciation of their local currencies, which, however, thanks to our asset-liability matching

strategy in dollars allowed for a certain amount of offsetting on a total company level that largely mitigated the losses incurred with the overall investment portfolio.

Net income

Net income was driven by higher returns from investment portfolios, which allowed it to mitigate the effect of a higher claims rate with our mobility solutions.

Health Care Segment:

Figures in millions	1Q22	1Q21	Var. %
Written premiums	2,111,063	1,659,302	27.2%
Retained claims	-1,971,292	-1,528,540	29.0%
% Retained claims / REP	93.4%	92.1%	
Administrative expenses	-145,309	-124,735	16.5%
% Admin. Expenses / Written premiums	6.9%	7.5%	
Net Income	-2,241	843	

Administrative expenses includes administrative expenses + fees*

Premiums

The growth in premiums for this segment was driven by the Mandatory Health Care subsidiary (EPS), which scored a 35.7% increase given 367 thousand additional subscribers compared to year-end 2021, for a total subscriber base of 5.1 million. During this past quarter, EPS Sura received 288 thousand subscribers from other mandatory health care companies.

It should be noted that during this period revenues from the health care services provided by the IPS and Diagnostic Aids subsidiaries dropped by 1.4% due to the contracting of the COVID services rendered.

Claims rate

The claims rate here was impacted by changes to the segment's composition, given the Mandatory Health Care subsidiary (EPS) having a greater share of the total, with this subsidiary not only scoring higher growth rates but also incurring higher claims rates compared to the other service providing subsidiaries. If we were to separate the different lines of business in this segment, we would see drops in the claims rates, especially in the case of the Mandatory Health Care subsidiary (EPS) with 98.8% while this came to 99.2% last year. This favored by lower COVID-related cases offsetting a higher claims rate due to the PBS (basic health plan) being updated.

Operating efficiency and other expenses

This segment scored a drop in its respective expense account thanks to the transformation strategies carried out with our operating model, which includes a controlled growth in the expenses recorded by our Mandatory Health Care subsidiary, in spite of a significant increase in the number of subscribers, thereby producing an expense ratio of 3.8%, while for the same period last year this came to 3.9%.

Net income

The drop in net income was due to lower levels of income on the part of the IPS (the Health Care Service Provider Institute) and Ayudas Diagnosticas Sura (Diagnostic Services), whose results in 2021 were leveraged by an increase in COVID-related services.

Corporate Segment and Others

The Corporate segment recorded a loss of COP 58,726 million, 16.6% higher than in the same quarter last year. The main factors that led to this increase were: higher inflation in Colombia, which produced higher interest payments for the Holding Company, and the consolidation of the Vaxthera business, which produced a negative effect from the standpoint of revenues obtained via the equity method since this subsidiary is still at a research and development stage. It is important to note that this segment is also carrying out processes aimed at increasing its operating efficiency, which produced a 9.8% reduction in administrative expense for the quarter.

Highlights:

Fee and commission income

COP 609 billion

EBITDA (excl. reserve requirements)

COP 266 billion
-10.2% vs Q1 2021

Net income

- COP 46 billion

- **Fee and commission income** decreased for the quarter as a result of the regulatory lowering of the commissions charged by the Pension Savings Business (APR) in Mexico. This impact was mitigated by the growth of the Pension Savings Business in Chile, Peru and Uruguay, where the average wage base increased by 9.7%, this driven by an accelerated recovery of the job markets in these countries coupled with a growth in wages due to higher inflation rates.
- Returns from the Company's **reserve requirements** had a negative performance as a result of higher interest rates throughout the region. However, SURA Asset Management's investment teams managed to achieve superior results in relative terms. The Pension Savings Business in Chile, Peru and Colombia produced 12-month returns that were above the industry average in all managed portfolios. On the other hand, SURA Investment Management (SURA IM) achieved alpha in 65% of its traditional AUM while expanding its offering of alternative assets.
- Revenues obtained via the **equity method**, where those corresponding to the 49.36% stake held AFP Protección are mainly recorded, were affected by lower returns from the company's reserve requirements along with higher provisions for pension insurance, due to (i) lower rates of return on reserves; (ii) growth expectations above basic wage inflation; and (iii) an increase in the claims rate.
- **Operating expense** remained constant in nominal terms but declined in real terms compared to the 12-month inflation rate in all those countries where the company operates. The company's efficiency and productivity efforts partially mitigated the impact of the drop in operating revenues on overall operating income.
- **Net income and ROTE** were also adversely affected, not only from the operating and reserve requirement standpoints, but also by a negative exchange difference of COP 59,288 million due to the 7.7% appreciation of the Chilean peso, which affected the company's average balance in Chile in the amount of USD 89 million. Financial expense attributable to the company's indebtedness declined thanks to the amount of financial obligations having been pre-paid in 2021, this amounting to COP 505,500 million
- SURA IM signed a regional distribution agreement with the firm, Edmond de Rothschild Asset Management, for the purpose of making the latter's full range of investment products and solutions available to the SURA IM clients. Off-shore AUM reached COP 194.500 million at the end of the quarter.

Key figures:

Figures in millions	1Q22	1Q21	*Var. % Ex-Fx
Fee and commission income	609,281	620,955	-6.3%
Income from legal reserves (encaje)	-81,100	19,019	
Income (expense) via equity method	1,050	19,335	-94.6%
Operating expenses	-465,101	-445,893	0.1%
EBITDA	170,447	304,087	-46.5%
EBITDA ex. Legal reserve	266,305	296,550	-10.2%
Net Income	-46,580	115,652	
Value of legal reserve	2,705,750	3,082,669	-12.2%
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% Consolidated annualized Yield	-12.0%	2.5%	
Operating margin	15.9%	37.7%	
EBITDA Margin	28.0%	49.0%	
EBITDA Margin ex. Legal reserve	43.7%	47.8%	
Adjusted ROE (12m)	5.6%	8.4%	
Adjusted ROTE (12m)	17.03%	29.29%	
Total AUM	562,741,540	551,781,045	2.4%

*Real percentage change (excluding exchange rate effects)

EBITDA ex. reserve* incorporates the cleaning of the SURA AM reserve and the associated reserve to Protección

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Pension Savings Segment - Pension Fund Management firms:

Figures in millions	1Q22	1Q21	*Var. % Ex-Fx
Fee and commission income	509,452	526,928	-7.8%
<i>Fee and commissions Wage base</i>	296,882	268,909	9.5%
<i>Fee and commissions AUM</i>	212,570	258,019	-24.5%
Income from legal reserves (encaje)	-77,574	18,290	
Income (expense) via equity method	-4,317	12,215	
Operating expenses	-282,980	-272,531	-1.4%
% Expenses / Revenues	66.2%	48.9%	
Operating earnings	152,203	283,867	-48.4%
Net Income	101,205	213,495	-54.4%
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Wage Base*	32,820,387	29,144,089	12.3%
Total AUM	487,337,166	479,926,834	1.9%
Clients (in MM)	19.1	18.9	1.1%
Contribution rate	38.5%	36.8%	

*Includes AFP Protección and AFP Integra at 100%.

*Real percentage change (excluding exchange rate effects)

Wage base | AUM

The Wage Base rose by 12.3%, thanks to a higher increase in wages given the currently high levels of inflation along with a recovery in job markets, this was clearly evident with a 170 bp improvement in the contribution rate (contributors / members). The growth in AUM corresponding to the Pension Savings line of business slowed, this affected by negative yields and extraordinary withdrawals in Chile and Peru, which over the last 12 months reached COP 7 trillion.

Fee and commission income

Fee and commission income fell by 7.8%, given the decline in commission income in Mexico, given the new regulatory cap on commissions charged, which in the case of our Pension Fund subsidiary, AFORE SURA, fell from 83 bps in 2021 to 57 bps in 2022. Commissions charged on AUM (100% Mexico and 12.7% in Peru) declined by 24.5%, as a result of a drop of COP 67,527 million in Mexico. On the other hand, wage-based commissions rose by 9.5%, thanks to a higher average wage base thereby mitigating the decline in Mexico.

Furthermore, the Pension Fund business in Peru managed to sign up more than 453 thousand people as part of the second tender for new members of the private pension system, this now reaching a membership base of 1.2 million as of 2019. This tender is expected to close in May 2023, with the advantage of a membership base that is 7 years younger than the current one.

Revenues from reserve requirements

Revenues from reserve requirements ended up in negative territory as a result of generalized losses in value suffered by the financial markets. The annualized yield fell from +2.5% in Q1 2021 to -12.0% for Q1 2022. However, in relative terms, SURA Asset Management's investment teams in Chile, Peru and Colombia managed to secure returns that were higher than the industry average over the last 12 months thereby generating alpha in all managed funds. In Chile, the company obtained the highest performance in the industry in the C Fund. In Peru, well performance was achieved in 2 of the 3 funds in the industry. In Colombia, well performance was achieved in 4 of the 6 funds in the industry, including the Severance segment. Although in Mexico the company did not manage to generate alpha compared to the rest of the industry, SURA's SIEFORES (investment funds in which the Pension Fund Management firms invest managed worker resources) once again received a silver rating from Morningstar, the highest in the Mexican industry, thereby recognizing the ability of SURA's investment teams to achieve superior long-term risk-adjusted returns.

Revenues obtained via the equity method

During this past quarter, a loss in revenues via the equity method of COP 4,317 million for this segment was recorded, this due to negative returns from reserve requirements and higher provisions regarding pension insurance in the light of (i) lower returns on reserves; (ii) expectations that the basic wage shall continue to grow above inflation; as well as (iii) an increased claims rate. However, the Colombian Pension Fund Management firm, Protección recorded a 15.2% growth in gross income from the mandatory pension segment, as a result of a 15.7% growth in the wage base, as well as a 10.1% growth in the Severance segment. The Wage Base performed well thanks to a recovery with the local job market (with the nation-wide unemployment rate falling from 14.7% at the end of Q1 2021 to 12.1% at the end of Q1 2022); this also driven by a 10% rise in the basic wage for 2022, the largest increase in the last 20 years.

Operating efficiency and other expenses

Operating expense fell by 1.4% in nominal terms and close to 10% in real terms, as a result of the efficiency and productivity efforts that the company has been making in recent years, including savings of 25% in expenses for leasing physical space in 2021. This mitigated the negative impact on the company's operating income caused by the drop in revenues. In Mexico, operating expense fell by 4.6% as a result of the adjustments that began to be implemented following the cap on commissions. The modification in the payment of the variable commission for sales agents began to take effect in March and is expected to generate greater savings in acquisition costs in the coming months. In Chile, acquisition costs fell by 2.7%, this due to greater efficiency on the part of our sales teams as well as to the expanded services offered via our digital channel, whose cost is just one third of that incurred by the face-to-face channel. In Peru, operating expense fell by 6.3%, given higher sales productivity.

Operating Income / EBITDA

Operating income from the Pension Savings business fell by 48.4%, affected by the drop in commissions from the Mexican Pension Fund subsidiaries and the generalized losses in value incurred on the financial markets. The company's efficiency and productivity efforts mitigated the impact of these factors on our operating income. EBITDA excluding returns to reserve reserve decreased 10%.

Voluntary Savings (Inversiones SURA | SURA Investment Management):

Figures in millions	1Q22	1Q21	*Var. % Ex-Fx
Ingresos por comisiones	99,816	94,024	2.3%
Comisiones Base Salarial	5,367	7,120	-24.6%
Ingresos por encaje	-3,526	729	
Gastos Operacionales	-115,437	-109,704	2.6%
% Gastos oper. / Ingresos totales	119.9%	115.8%	
Utilidad Operacional	15,809	15,508	-0.9%
Utilidad Neta	-1,494	14,172	
<i>FEAUM (IM Inversiones SURA)</i>	75,404,375	71,854,211	5.9%
<i>Flujo Neto IM +Inversiones SURA</i>	1,733,449	7,945,833	-78.2%
<i>Clientes totales</i>	2,057	1,674	22.9%

Real percentage change (excluding exchange rate effects)

* FEAUM (Fee earning AUM)

Net Fund Flow - AUM

The Voluntary segment continued to expand, with a 5.9% growth in AUM and another 22.8% increase in the client's number, which now exceeds 2 million (including 487 institutional clients), thereby enabling the company to continue gaining market share throughout the region. This increase in the number of clients mainly corresponded to Mexico and Peru, countries that have achieved a significant number of clients signed up for the Voluntary Pension business, as a result of digital marketing campaigns and the fast digital affiliation mechanism in the case of Mexico.

AUM growth slowed due to lower yields and a lower Net Fund Flow, in line with the uncertainty prevailing on the financial markets that has made it difficult for the company to attract greater volumes of AUM. Inversiones SURA and SURA IM have made significant efforts to keep transfers of AUM at a minimum by offering their clients a relevant value-added range of products, based on their knowledge of each individual client's financial objectives and investor profile. During this past quarter the company launched 3 new fixed-income funds in Chile and Mexico, a global real estate Fund of Funds in Chile and a principal protected structured note solution in Uruguay.

Fee and commission income

Growth in operating income slowed for the quarter, having increased by just 2.3%, this affected by a lower AUM performance and a drop in the average commission charged; this as a result of a higher weighting of products carrying lower risk and lower commissions (fixed-income and money markets) in the portfolios belonging to certain clients, this in response to the uncertainty prevailing on the financial markets. Off-shore products earning dollar-denominated commissions, were also affected by the appreciation of Latin American currencies during this period.

Operating efficiency and other expenses

Operating expense rose in a controlled fashion in keeping with revenues, which allowed us to protect our operating income from the lower growth in revenues. Acquisition costs fell by 12.2% due to the decline in the Net Fund Flow figure. On the other hand, administrative expense rose by 11.5%, which is mainly due to higher inflation throughout the quarter, and to a lesser extent to operating expense with regard to client services, marketing efforts for driving the SURA brand in the region, and the strengthening of Fiduciaria SURA's operating platform in Colombia, this in order to continue taking advantage of the opportunity arising with the institutional market in Colombia, where AUM rose by 273%.

Operating income

Operating income amounted to COP 15,809 million, recording a slight variation compared to Q1 2021 along with an operating margin of 15.8%, thereby consolidating positive levels of operating leverage for the Voluntary segment. Inversiones SURA and SURA IM achieved a good level of operating results at year-end 2020, after a period of organic investing in equipment, systems, processes, and their organizational structure, this in order to form a powerful investment platform in Latin America offering significant scale in terms of AUM. Since then, this segment has achieved operating income in 5 of the last 6 quarters and it is expected that in the mid-term the driving factors of scale and operating efficiency shall continue to bring their business closer to the goal of achieving a ROE above the cost of capital.

Corporate Segment and Others:

Operating expense corresponding to the Corporate segment fell by 3.5% for Q1 2022 compared to Q1 2021, thanks to the productivity and efficiency efforts the company has been making in recent years, which have resulted in a 25% decline in this line item between 2019 and 2021. However, this segment consolidates the expense of cross-cutting structures relating to strategic planning as well as investments in projects having a regional scope.

On the other hand, financial expense corresponding to the company's indebtedness declined as a result of having prepaid financial obligations in the amount of COP 505,500 million in 2021.

The insurance segment includes the Unit-Linked product (insurance incorporating savings plans) as well as the life and health care insurance businesses in Chile. The company's total insurance margin reached COP 9,772 million for Q1 2022, up by 157% compared to Q1 2021, as a result of a 20.1% growth in net premiums and higher returns from investments underpinning reserves.

Highlights:

Dividends

COP 932 billion

+ 254.2% vs Q1 2021

Revenues obtained via the equity method

COP 97 billion

+ 1.5% vs Q1 2021

Net income

COP 892 billion

+276.8% vs Q1 2021

- **Dividend income** showed an increase of COP 668,761 million, mainly due to higher dividends declared by Bancolombia, which increased by COP 672,135 million compared to the same quarter last year, thanks to the positive performance recorded in 2021.
- **Revenues via the equity method** remained in line with those recorded during the first quarter of last year, showing a recovery in income posted by Suramericana, which rose by COP 93,044 million, while SURA AM recorded a decline of COP 135,523 million given lower returns from its reserve requirements, the exchange difference and the impact that lower commission charges in Mexico had on the overall commission income account.
- **Interest income** rose by COP 2,757 million compared to the first quarter of last year, due to the increase in local interest rates, this partially offset by a decrease in interest due to having canceled a bond hedge worth USD 300 million.
- **Net debt** came to COP 4.5 trillion including hedging appraisals. During this last quarter the Company's debt, consisting of banks, bonds and repos, remained stable compared to year-end 2021, having decreased by COP 61,606 million.

Figures in millions

1. Grupo SURA's consolidated financial statements detail:

Balance sheet	Mar 22	Dec 21	Var. %
Assets	75,203,760	75,901,683	-0.9%
Liabilities	43,693,442	44,636,469	-2.1%
Equity	31,510,314	31,265,213	0.8%
Equity attributable to owners of parent company	28,890,992	28,596,539	1.0%
Non-controlling interest	2,619,322	2,668,674	-1.8%

Financial statements	1Q22	1Q21	Var. %
Written premiums	5,753,708	4,754,226	21.0%
Ceded premiums	-649,964	-674,557	-3.6%
Retained premiums (net)	5,103,744	4,079,669	25.1%
Adjustments to reserves	276,999	13,777	
Retained earned premiums	5,380,743	4,093,446	31.4%
Net return on investments at amortized cost	195,718	223,086	-12.3%
Gains (losses) at fair value	-196,814	27,155	
Commission income	776,716	758,726	2.4%
Services rendered	72,268	62,516	15.6%
Revenues via equity method	542,785	239,488	126.6%
Gains (losses) on sale of investments	-9,467	16,050	
Other revenues	146,552	100,915	45.2%
Total revenues	6,908,501	5,521,382	25.1%
Total claims	-4,393,919	-3,238,019	35.7%
Reimbursed claims	719,256	299,113	140.5%
Retained claims	-3,674,664	-2,938,906	25.0%
Brokerage commissions	-809,929	-666,004	21.6%
Insurance costs and expenses	-435,116	-331,211	31.4%
Services rendered	-91,956	-82,252	11.8%
Administrative expenses	-428,482	-380,116	12.7%
Employee benefits	-469,783	-429,019	9.5%
Fees	-88,366	-62,671	41.0%
Depreciation and amortization	-134,092	-128,890	4.0%
Other expenses	-4,627	-958	383.0%
Total costs and expenses	-6,137,013	-5,020,027	22.3%
Operating profit	771,488	501,355	53.9%
Profit/Loss at fair value - hedging derivatives	-16,870	-17,716	-4.8%
Exchange differences, net	-55,570	5,183	
Interest expense	-211,002	-186,525	13.1%
Financial Result	-283,442	-199,058	42.4%
Earnings before tax	488,046	302,297	61.4%
Income tax	-46,360	-92,823	-50.1%
Net Income from continuing operations	441,686	209,474	110.9%
Net Income from discontinued operations	-100	1,714	
Net Income	441,587	211,188	109.1%
Earnings - parent company	429,271	194,230	121.0%
Earnings - non-controlling interest	12,316	16,958	-27.4%

1.1 Financial liabilities

Grupo SURA (holding)	Mar 22	Dec 21	Var. %
Grupo SURA - Bonds	3,994,095	4,276,843	-6.6%
Banks	779,146	610,628	27.6%
Reprurchase agreement	55,645	3,021	1741.9%
Financial debt	4,828,886	4,890,492	-1.3%
Derivatives	279,208	302,049	-7.6%
Preferred dividends	459,902	460,066	0.0%
Total financial liabilities	5,567,996	5,652,607	-1.5%
Fair value-hedging derivatives	558,576	347,230	60.9%
Cash and cash equivalents	49,811	136,628	-63.5%
Net debt	4,499,707	4,708,683	-4.4%

Note: Debt affected by hedging of bond derivatives

SURA AM	Mar 22	Dec 21	Var. %
Bonds	3,241,675	3,395,666	-4.5%
Banks	2,148	1,987	8.1%
Financial debt	3,243,823	3,397,653	-4.5%
Derivates	0	0	
Total financial liabilities	3,243,823	3,397,653	-4.5%
Fair value - hedging derivatives	628,401	874,476	-28.1%
Financial liabilities, net of hedges	2,615,422	2,523,177	3.7%

Note: Debt affected by hedging of bond derivatives

Suramericana	Mar 22	Dec 21	Var. %
Bonds	854,355	851,209	0.4%
Banks	424,964	436,509	-2.6%
Suramericana	1,279,319	1,287,718	-0.7%
Derivates	7,510	19,910	-62.3%
Total financial liabilities	1,286,829	1,307,628	-1.6%

2. Suramericana's consolidated Financial Statements detail:

Results summary	Mar 22	Dec 21	Var. %
Assets	32,577,524	33,291,826	-2.1%
Liabilities	27,390,360	28,109,843	-2.6%
Shareholders' equity	5,179,615	5,174,044	0.1%
Tangible equity	4,068,383	4,063,731	0.1%

Financial Statement	1Q22	1Q21	Var. %
Written premiums	5,583,038	4,598,205	21.4%
Ceded premiums	-648,027	-672,861	-3.7%
Retained premiums (net)	4,935,011	3,925,344	25.7%
Adjustments to reserves	-6,351	67,243	
Retained earned premiums (REP)	4,928,660	3,992,587	23.4%
Total claims	-4,249,618	-3,115,946	36.4%
Reimbursed claims	719,256	299,113	140.5%
Retained claims	-3,530,362	-2,816,833	25.3%
Net commissions	-647,257	-529,336	22.3%
Revenues from services rendered	22,863	19,713	16.0%
Costs from services rendered	-48,062	-42,132	14.1%
Other operating expenses	-311,446	-216,177	44.1%
Technical Impairment	-6,444	-3,082	109.1%
Technical result	407,951	404,740	0.8%
Administrative expenses	-682,572	-597,544	14.2%
Amortizations and depreciations	-55,937	-54,718	2.2%
Impairment	801	986	-18.7%
Underwriting profit	-329,756	-246,537	33.8%
Investment income	376,233	199,275	88.8%
Interest expenses	-37,255	-22,546	65.2%
Other non-operating income (expense)	121,923	84,333	44.6%
Earnings (losses) before tax	131,145	14,525	
Income tax	-26,769	-25,076	6.8%
Earnings (losses), net	104,376	-10,551	
Earnings (losses) - parent company	104,205	-10,481	
Amortization of M&A intangibles	-12,577	-14,636	-14.1%
Amortization deferred tax	3,920	3,861	1.5%
Adjusted net earnings	112,862	294	

2.1 Suramericana - Breakdown of premiums by country:

By country	Col	Ch	Mx	Arg	Br	SV	Pan	RD	Uru	Sura Re
Var Y/Y (Local Ccy)	22.4%	-8.9%	41.4%	30.3%	-8.1%	-3.6%	17.0%	24.6%	17.8%	-
WP mar-22 (bn)	4,262	485	336	218	140	124	149	96	86	13
Var Q/Q (Local Ccy)	22.4%	-8.9%	41.4%	30.3%	-8.1%	-3.6%	17.0%	24.6%	17.8%	-
WP Q1 2022 (bn)	4,262	485	336	218	140	124	149	96	86	13

2.2 Suramericana - Breakdown of investment portfolio by country:

Portfolio - Country	Arg	Br	Ch	Col	SV	Mx	Pan	RD	Uru
Yield*	37.0%	7.2%	9.2%	7.7%	5.3%	3.6%	4.2%	7.2%	10.6%
Portfolio value**	18,167	350	187,325	12,857,574	97	3,658	125	2,133	2,475

*Annualized quartely yields

**Figures in local currency in millions

This return includes total financial income (P&L + Equity).

3. SURA AM's consolidated Financial Statements detail:

Balance sheet	Mar 22	Dec 21	*Var. % Ex-Fx
Assets	20,251,567	20,752,262	-2.4%
Liabilities	10,375,714	10,570,955	-1.8%
Equity attributable to owners of parent company	9,867,012	10,172,803	-3.0%
Equity	9,875,854	10,181,307	-3.0%

Financial statements	1Q22	1Q21	*Var. % Ex-Fx
Fee and commission income	609,281	620,955	-6.3%
Income from legal reserves (encaje)	-81,100	19,019	
Income (expense) via equity method	1,050	19,335	-94.6%
Other operating income	-1,051	-1,396	7.7%
Operating revenues	528,180	657,913	-23.2%
Total insurance margin	33,754	22,308	53.5%
Sales operating expenses	-126,490	-127,567	-6.1%
Deferred Acquisition Costs - DAC	15,010	10,953	20.1%
Operating and administrative expenses	-353,621	-329,279	3.3%
Operating expenses	-465,101	-445,893	0.1%
Operating earnings	96,832	234,328	-60.5%
Financial income (expense)	-56,970	-47,579	20.3%
Income (expense) from derivatives and exchange difference	-59,288	2,243	
Profit (loss) before taxes	-19,426	188,993	
Income tax	-27,279	-77,589	-66.3%
Net income from continuing operations	-46,705	111,404	
Net income from discontinued operations	125	4,248	-97.3%
Net income (losses)	-46,580	115,652	
Adjusted net income (losses)	27,034	192,493	-86.6%

*Adding -back amortization of M&A intangibles

3.1 Legal reserve:

Legal reserve	1Q22	1Q21	*Var. % Ex-Fx
Value of legal reserve (consolidated)	2,705,750	3,082,669	-12.2%
Income from return on legal reserve (consolidated)	-81,100	19,019	-526.4%
Consolidated annualized yield	(12.0%)	2.5%	-585.8%
<i>Chile</i>	(17.7%)	3.0%	
<i>México</i>	(7.5%)	0.4%	
<i>Perú</i>	(4.8%)	1.9%	
<i>Colombia</i>	(4.7%)	1.0%	
<i>Uruguay</i>	1.5%	16.3%	

3.2 Debt:

Debt	Mar 22	Dec21	*Var. % Ex-Fx
Hedged debt	2,725,973	2,641,062	3.2%
Total debt	3,354,375	3,515,539	-4.6%
Cost of debt	6.42%	6.42%	
<i>Gross Debt / EBITDA</i>	<i>2.3x</i>	<i>1.8x</i>	

Debt balance includes bonds issued, financial obligations and right-of-use liabilities.

4. Grupo SURA's Separate Financial Statements:

Balance sheet	Mar 22	Dec 21	Var.%
Assets	31,485,844	30,583,355	3.0%
Liabilities	6,203,836	5,836,391	6.3%
Equity	25,282,008	24,746,964	2.2%

Financial statements	1Q22	1Q21	Var.%
Dividends	931,885	263,124	254.2%
Income from investments	194	1,292	-85.0%
Loss at fair value, net	-6	392	
Revenues via equity method, net	97,413	96,016	1.5%
Income from sale of investments, net	0	0	
Other income	5,362	10	
Operating Revenues	1,034,848	360,834	186.8%
Administrative expenses	-6,039	-5,001	20.8%
Employee benefits	-7,311	-6,201	17.9%
Fees	-12,969	-1,528	
Depreciations	-554	-544	1.8%
Operating expense	-26,873	-13,274	102.4%
Operating profit	1,007,975	347,560	190.0%
Profit/Loss at fair value - hedging derivatives	1,047	-1,129	
Exchange differences, net	-14,686	-11,332	29.6%
Interest expense	-111,228	-108,472	2.5%
Financial Result	-124,867	-120,933	3.3%
Profit before tax	883,108	226,627	289.7%
Income tax	8,516	9,995	-14.8%
Net profit	891,624	236,622	276.8%

5. Key words:

- AUM: Assets under management
- EP: Premiums written
- RP: Retained premiums
- REP: Retained earned premiums
- TR: Technical result
- IR: Industrial result