

2024



# **Q3 Quarterly Report**



## Consolidated Financial Statements

Total revenues  
Proforma<sup>1</sup>

COP 26.0 trillion +29.2%

Operating profit  
Proforma<sup>1</sup>

COP 8.1 trillion +124.9%

Controlling net income  
Proforma<sup>1</sup>

COP 5.7 trillion +335.7%

The company achieved total revenues of COP 26.0 trillion<sup>1</sup> for the first nine months of the year and COP 7.4 trillion<sup>1</sup> for the third quarter. Excluding the effects related to the Nutresa transaction, which include profit from the sale, associated taxes, and the equity method recorded in 2023, revenues are reported at COP 22.0 trillion, reflecting a 17.1% increase when excluding the effects of exchange rates in the current year's accumulated results. This growth is driven by positive performance in Suramericana's written premiums, commission income, returns on legal reserve at SURA Asset Management, and the equity method from associated companies.

Operating profit as of September reached COP 8.1 trillion<sup>1</sup>, a figure which, isolating the effects of the Nutresa transaction, is COP 4.1 trillion, representing a 25.6% increase in constant rates. For the quarter, operating profit closed at COP 1.2 trillion<sup>1</sup>. This reflects the strong performance of our subsidiaries and investments, as well as their progress in expanding margins and profitability.

Controlling net income reached COP 5.7 trillion<sup>1</sup>. Adjusting for the Nutresa transaction effects, this figure stands at COP 2.0 trillion on a cumulative basis and COP 533,807 million for the quarter, which increased by 14.1% and 17.8%, respectively. Earnings per share for the last twelve months were COP 6,295<sup>2</sup>, an increase of 60.7% compared to 2023, reflecting a better business performance and the accretion produced by the repurchase of shares.

Thanks to this strong operational performance, the company achieved a trailing twelve-month profitability of 12.2% and a tangible profitability of 23.9%. These figures exceed prior years' levels and are consistent with our strategic objective set years ago to increase profitability by optimizing our business footprint.

The following is a summary of the contribution to controlling net income from investments.

### Contribution to controlling net income excluding EPS and Nutresa

Figures in millions	3Q24	3Q23	Var.%	Sept 24	Sept 23	Var.%
Suramericana (81.1%)	138,208	81,965	68.6%	427,677	470,850	-9.2%
SURA Asset Management (93.3%)*	431,701	126,422	241.5%	821,872	538,953	52.5%
Equity method	400,383	399,051	0.3%	1,740,241	1,469,312	18.4%
GIS interests	-249,198	-152,810	63.1%	-647,448	-457,958	41.4%
GIS administrative expenses	-74,299	-37,589	97.7%	-141,990	-122,793	15.6%
Other	-112,989	35,994		-168,507	-118,126	42.7%
<b>Controlling net income proforma</b>	<b>533,807</b>	<b>453,033</b>	<b>17.8%</b>	<b>2,031,844</b>	<b>1,780,238</b>	<b>14.1%</b>
Nutresa transaction effects*				3,650,371	-475,977	
<b>Controlling net income excl. EPS</b>	<b>533,807</b>	<b>453,033</b>	<b>17.8%</b>	<b>5,682,215</b>	<b>1,304,261</b>	<b>335.7%</b>
EPS net income per stake in Grupo SURA		-142,522		-4,034	-170,593	
<b>Controlling net income</b>	<b>533,807</b>	<b>310,511</b>	<b>71.9%</b>	<b>5,678,182</b>	<b>1,133,668</b>	<b>400.9%</b>

The figures presented in the table are a summary of the company's results, refer to the website for the full detail.

Controlling net income excl. EPS and Nutresa isolate the effects of EPS in 2023 and 2024, as well as the profit on sale and taxes from the Nutresa transaction.

\* Grupo SURA's stake in SURA Asset Management is 93.3% by September 2024 and 83.6% by 2023.

\*\* Profit on sale of 4.0 trillion pesos recorded during the first quarter of 2024 and taxes of 363,241 million, as well as the recognition of the deferred tax in June 2023 for 618,118 million associated with the Nutresa transaction and the Nutresa equity method for 142,141 million in accumulated to September 2023.

<sup>1</sup> Proforma figures exclude EPS

<sup>2</sup> Excludes EPS, the non-recurring effects associated with the sale of Nutresa in 2023 and 2024 and the effects of the Argentina and El Salvador transaction for 2023. Additionally, it is calculated based on the number of shares outstanding after the liquidation of Sociedad Portafolio.

Written premiums  
Proforma<sup>1</sup>

COP 14.8 trillion +6.1%\*

% Claims / earned premiums  
Proforma<sup>1</sup>

59.4% vs 58.6%

Controlling net income

COP 522 billion +41.1%

Written premiums<sup>1</sup> on a proforma basis reached COP 14.8 trillion, with a growth of 6.1% at constant exchange rates, and totaled COP 5.0 trillion for the quarter. The Life segment stood out, achieving an 8.0% increase in constant exchange rates as of 3Q24, driven by higher renewals, the addition of new products in Colombia's voluntary health solutions, and improved performance in the occupational risk solution.

The YTD proforma claims rate<sup>1</sup> stands at 59.4%, an increase of 81 basis points compared to the same period last year. This increase is due to higher claims in the General segment within the SOAT solution and severe events affecting the company portfolio in the Colombia subsidiary, partially offset by a lower claims rate in the Life segment's voluntary health and occupational risk solutions. During the quarter, the consolidated claims rate reached 57.5%, consistent with the level recorded in the same quarter of the previous year.

As of September, proforma technical result<sup>1</sup> grew by 12.6% in accounting terms and 26.4% at constant exchange rates, reflecting the profitability initiatives in underwriting and operational excellence, which contributed to an expansion in technical result. The technical margin expanded by 132 basis points over the first nine months of the year, closing at 13.5%.

Proforma investment income<sup>1</sup> reflects a 14.4% decrease year-over-year and a 3.7% decrease compared to the third quarter of 2023, attributed to lower current inflation levels, as approximately 61% of Suramericana's investment portfolio is indexed to CPI. This lower investment return moderated in the third quarter, and the portfolio is expected to continue aligning with returns more consistent with lower interest rates and inflation while maintaining solid real return levels.

Proforma controlling net income<sup>1</sup> reached COP 527,149 million, a 9.2% decrease compared to September 2023, with a quarterly figure of COP 170,354 million. The cumulative decrease is primarily due to the base effect of high investment returns in the Life segment during 2023. The accounting controlling net income was COP 522,177 million, increasing 41.1% compared to September 2023. The ROE and ROTE for the trailing twelve months stood at 12.5% and 15.5%, respectively, as the company remains focused on consolidating and enhancing the profitability of its insurance business.

## Key consolidated figures - proforma<sup>1</sup>

Figures in millions	3Q24	3Q23	Var.%	Sept 24	Sept 23	Var.%
Written premiums	5,009,698	5,099,457	-1.8%	14,813,143	14,840,566	-0.2%
Retained claims	-2,332,921	-2,208,583	5.6%	-7,040,029	-6,835,079	3.0%
Technical result	552,541	589,946	-6.3%	1,594,915	1,415,923	12.6%
Administrative expenses	-749,139	-708,116	5.8%	-2,247,639	-2,162,445	3.9%
Investment income	439,846	456,687	-3.7%	1,477,311	1,726,156	-14.4%
Proforma net income <sup>1</sup>	170,354	101,368	68.1%	527,151	581,094	-9.3%
Proforma controlling net income <sup>1</sup>	170,354	101,029	68.6%	527,149	580,364	-9.2%
EPS net income	0	-175,673		-4,972	-210,274	
<b>Controlling net income</b>	<b>170,354</b>	<b>-74,644</b>		<b>522,177</b>	<b>370,090</b>	<b>41.1%</b>

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During the third quarter of this year, Suramericana identified an operational error in the recognition of the discounted Value Added Tax and its proportional imputation, so it proceeded to quantify and correct voluntarily and retroactively apply the correction in its Financial Statements, which were restated for 2023 and 2022.

\*% Variation in constant exchange rates

<sup>1</sup> Proforma figures exclude EPS

**Fee and commission income**

**COP 2.9 trillion +11.4%**

**EBITDA (excl. legal reserves)**

**COP 1.3 trillion +14.7%**

**Controlling net income**

**COP 881 billion +71.6%**

**Fee and commission income** as of the end of September reached COP 2.9 trillion, reflecting a double-digit increase of 11.4% year-to-date and 12.9% for 3Q24, excluding exchange rate effects. This growth was driven by the solid performance of both business segments. The Savings and Retirement business posted a 10.0% increase through September, driven by growth in assets under management in Mexico and a higher salary base in Colombia. Additionally, SURA Investments saw a 24.0% increase in fee and commission income, thanks to favorable asset management dynamics across its three segments.

**Legal reserves** continued to perform positively both year-to-date and quarterly, achieving an annualized cumulative return of 13.3%, compared to 3.5% recorded in September of the previous year. This growth is supported by the results of the legal reserves, particularly in Mexico, Chile, and Colombia, reflecting a favorable global financial market trend amid inflation control efforts and anticipated reductions in the U.S. Federal Reserve's monetary policy rate.

**Operating expenses** continue to reflect SURA Asset Management's efforts to improve productivity and efficiency. Expenses have grown at a slower pace than fee and commission income, which has enabled **operating profit** to register double-digit growth both year-to-date and quarterly, reaching COP 1.6 trillion and COP 735,339 million, respectively. This places the cumulative operating margin\* at 34.2%, up from 32.8% in the prior year and compared to 2021, the indicator has expanded by 332 basis points, with effective expense control standing out despite a high inflation environment. These figures underscore steady growth in fee and commission income, efficient expense management, and positive legal reserves returns. On the other hand, accumulated **EBITDA** as of September 2024 reached COP 1.8 trillion, reflecting a 42.2% increase over the same period last year.

**Controlling net income** grew by 71.6%, reaching COP 880,729 million as of September, demonstrating strong operational dynamics across all business lines. The company achieved a double-digit **ROE** of 11.3%, while **ROTE** reached 30.8%. Both metrics are evidence of the expansion in profitability in which the company is advancing.

## Key consolidated figures

Figures in millions	3Q24	3Q23	*Var.% Ex-Fx	Sept 24	Sept 23	*Var.% Ex-Fx
Fee and commission income	986,805	928,915	12.9%	2,895,853	2,934,152	11.4%
Legal reserves	307,651	-77,414		482,590	122,016	310.9%
Total insurance margin	39,211	12,639	263.8%	72,754	90,159	6.8%
Operational expenses	-666,241	-682,966	3.2%	-2,096,670	-2,192,720	6.6%
EBITDA	811,112	373,802	141.5%	1,801,661	1,470,655	42.2%
Net income after tax (before minority interests)	565,095	150,776	364.7%	1,036,929	743,434	70.4%
Controlling net income	462,618	151,262	278.1%	880,729	644,855	71.6%

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% Variations in SURA Asset Management are expressed at constant exchange rates

\*Operating margin excludes revenue from reserve requirements in revenues and operating profit and includes insurance margin in revenues