

2024



# **Q4 Quarterly Report**



## Consolidated Financial Statements

Total revenues  
proforma<sup>1</sup>

COP 33.3 trillion +23.9%

Operating profit  
proforma<sup>1</sup>

COP 9.2 trillion +94.6%

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

COP 6.1 trillion +253.1%

At the end of December 2024, the company obtained **proforma operating revenues** of COP 33.3<sup>1</sup> trillion and COP 7.3 trillion<sup>1</sup> for the last quarter of the year, with growth of 23.9% and 8.1% respectively compared to the corresponding periods of 2023. The positive dynamics of revenues during the year was driven by the gain on the sale of Grupo Nutresa's investments of COP 4.0 trillion in the context of the execution of the Framework Agreement. Isolating this non-recurring gain and the Nutresa equity method that was held in the year 2023, proforma operating income reached COP 29.3 trillion with an increase of 9.5% in the year to date, reflecting the higher written premiums in Asulado and Suramericana. Also a double-digit growth in SURA Asset Management's fee and commission income when excluding the effects of exchange rates; additionally, the higher equity method of Grupo Argos, which was driven by the transaction with Summit Materials and the solid results maintained by Bancolombia during a challenging year against the interest rate cycle, which reflected the strength of the companies in the portfolio.

**Proforma operating profit** closed the year at COP 9.2<sup>1</sup> trillion, with a positive increase of 94.6% compared to December of the previous year, and when adjusting for the effects of the Nutresa transaction, it reached COP 5.2 trillion, thanks to the operating performance and the efficient management carried out by the subsidiary companies during 2024, achieving a higher growth in income than in expenses, and in the same way, the contribution of the associated companies to the portfolio was key for the generation of value during the year. For the last quarter, proforma operating profit was COP 1.1<sup>1</sup> trillion.

Finally, **controlling net income** reached COP 6.1 trillion, reflecting a growth of 294.5% compared to December 2023. After adjusting for the effects of the Nutresa transaction, net income reached a record level of COP 2.4 trillion, 24.6% higher than the previous year. Therefore, the **return on equity** in the last twelve months closed at 12.3%, which implies an increase of 240 basis points compared to 2022, the period in which the post-pandemic recovery began, which demonstrates the progress in the profitability and consolidation of operations. Thus, **earnings per share** at the end of the year reached an all-time high of COP 6.144<sup>2</sup>, which represents a compound annual growth of 18.6% over the last 5 years. This evolution reflects the combination of the solid results obtained by the businesses and the increase captured by each shareholder because of the reduction in the number of shares resulting from the exchange of Nutresa - Grupo SURA, which has increased the value for all shareholders. Below is a summary of the contribution to the controlling net income by the investments.

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

<sup>2</sup> Excludes EPS SURA and the nonrecurring effects associated with Nutresa's transaction for 2023 and 2024.

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

| Cifras en millones                          | 4Q24           | 4Q23           | Var.%        | Dec 24           | Dec 23           | Var.%         |
|---|----------------|----------------|--------------|------------------|------------------|---------------|
| Suramericana (81.1%)                        | 97,892         | 79,345         | 23.4%        | 613,450          | 550,195          | 11.5%         |
| SURA AM (93.3%)                             | 4,200          | 214,798        | -98.0%       | 826,072          | 753,751          | 9.6%          |
| Bancolombia                                 | 407,368        | 354,615        | 14.9%        | 1,535,065        | 1,498,130        | 2.5%          |
| Grupo Argos                                 | 146,110        | -27,003        |              | 766,272          | 155,831          | 391.7%        |
| Grupo Nutresa & Sociedad Portafolio         |                | -4,213         |              |                  | 137,928          |               |
| Grupo SURA interests                        | -198,325       | -167,756       | 18.2%        | -849,105         | -627,683         | 35.3%         |
| Grupo SURA administrative expenses          | -60,048        | -56,934        | 5.5%         | -188,126         | -176,913         | 6.3%          |
| Exchange rate impact                        | -11,754        | -82,367        | -85.7%       | -48,342          | -116,440         | -58.5%        |
| Other                                       | 10,353         | 36,193         | -71.4%       | -227,645         | -47,886          | 375.4%        |
| Nutresa transaction effects                 |                | 70,181         |              | 3,650,371        | -405,796         |               |
| <b>Proforma controlling net income</b>      | <b>395,797</b> | <b>416,858</b> | <b>-5.1%</b> | <b>6,078,012</b> | <b>1,721,119</b> | <b>253.1%</b> |
| EPS SURA net income per stake in Grupo SURA |                | -10,944        |              | -4,034           | -181,537         |               |
| <b>Controlling net income</b>               | <b>395,797</b> | <b>405,914</b> | <b>-2.5%</b> | <b>6,073,978</b> | <b>1,539,582</b> | <b>294.5%</b> |
| Nutresa transaction effects                 |                | 70,181         |              | 3,650,371        | -405,796         |               |
| <b>Controlling net income excl. Nutresa</b> | <b>395,797</b> | <b>335,733</b> | <b>17.9%</b> | <b>2,423,607</b> | <b>1,945,378</b> | <b>24.6%</b>  |

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

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

Interest is net of investment income.

Foreign exchange impact includes fair value gains on derivatives and foreign exchange difference.

Other includes recognition of Suramericana's VAT for COP 222,861 million.

The effects of the Nutresa transaction includes the gain on sale for COP 4.0 trillion pesos recorded during the first quarter of 2024 and taxes for COP 363,241 million, as well as the recognition of the deferred tax for COP 543,724 million associated to the Nutresa transaction and the equity method of Nutresa for COP 137,928 million in accumulated to December 2023.

## CLARIFYING NOTES

During 2024, the following events occurred that affect the comparability of the figures for the period with respect to those for 2023:

1. The **Colombian peso appreciated** against the rest of the currencies in the region between 6% and 16%; therefore, for some figures, variations will be shown excluding the effect of the exchange rate to reflect the operating reality of the business.
2. During the accumulated of the year there was a **non-recurring profit** due to the execution of the Framework Agreement (Nutresa-SURA transaction) that generated a gain on sale of investments for COP 4.0 trillion and an income tax for COP 363,241 million for 2024.
3. As of June 1, 2024, EPS SURA will be deconsolidated in the Suramericana subsidiary and therefore in the Financial Statements of Grupo SURA. For this reason, for the purposes of this report we have prepared some figures that exclude the effects of consolidation of EPS SURA, both for 2023 and 2024, to make the figures comparable. These figures will be referred to as **proforma figures**. It is important to clarify that the accounting Financial Statements do reflect EPS SURA's figures for the first 5 months of 2024.

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

<sup>2</sup> Excludes EPS SURA and the nonrecurring effects associated with Nutresa's transaction for 2023 and 2024.

Written premiums  
proforma<sup>1</sup>

COP 20.7 trillion +6.6%\*

Technical result  
proforma<sup>1</sup>

COP 2.4 trillion +23.4%

Controlling net income

COP 751 billion +65.3%

Proforma written premiums<sup>1</sup> closed at COP 20.7 trillion in December and COP 5.9 trillion in the fourth quarter of the year, with constant rate growth of 6.6%\* and 8.2%\* respectively. The Life segment grew by 9.7%\* thanks to the renewal and incorporation of new products in the voluntary health solutions and the Property and Casualty segment grew by 5.0% as of December due to better commercial dynamics in the transport and civil liability solutions, which offset the lower issuance of business associated with mortgage portfolios in the Chilean subsidiary, a strategy that is aligned with the decrease in the appetite for catastrophic risk in this subsidiary. In this way, voluntary insurance reached a share of 84% of total premiums in the year, which reinforces the company's strategic objective of growing and diversifying non-regulated business.

The accumulated proforma claims ratio<sup>1</sup> was 58.1%, a decrease of 50 bps compared to December 2023. In the quarter, the indicator decreased 420 bps due to the updating of long-term reserves in the Occupational Health and Safety solution carried out during 2023, as well as the decrease in the average cost and frequency of claims in the voluntary health and mobility portfolios.

Proforma technical result<sup>1</sup> as of December increased 23.4% y/y and 38.8% in the last quarter of 2024, due to lower levels of claims and miscellaneous insurance expenses. This is explained by the company's profitability initiatives, accompanied by selective growth focused on profitable insurance portfolios and strict expense control.

Proforma investment income<sup>1</sup> decreased by 37.7% in the fourth quarter and by 19.8% for the year, closing at COP 1.8 trillion as of December 2024 with an investment yield of 10.0%. This is mainly explained by the decrease in inflation in Colombia, which went from 9.3% to 5.2%. It should be noted that the portfolios in this country represent more than 80% of the total and their indexation to CPI exceeds 66%. However, the company's comprehensive asset and liability strategy seeks to mitigate exposure to this indicator.

Finally, proforma controlling net income<sup>1</sup> ended the year at COP 756,130 million and accounting net income at COP 751,158 million, increasing 11.5% and 65.3%, respectively, compared to 2023. Thus, the company achieved a ROE in the last twelve months of 13.1% and a ROTE of 16.1% higher than the cost of capital and above projections, making progress in the profitability of its operations.

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

| Figures in millions             | 4Q24           | 4Q23          | Var.%        | Dic 24         | Dic 23         | Var.%        |
|---------------------------------|----------------|---------------|--------------|----------------|----------------|--------------|
| Written premiums                | 5,909,508      | 5,586,240     | 5.8%         | 20,722,651     | 20,426,806     | 1.4%         |
| Retained earned premiums        | 4,204,597      | 3,908,729     | 7.6%         | 16,056,411     | 15,574,065     | 3.1%         |
| Retained claims                 | -2,294,410     | -2,297,319    | -0.1%        | -9,334,505     | -9,132,398     | 2.2%         |
| Technical result                | 678,795        | 488,914       | 38.8%        | 2,351,349      | 1,904,837      | 23.4%        |
| Administrative expenses         | -818,596       | -774,276      | 5.7%         | -3,064,515     | -2,936,722     | 4.4%         |
| Investment income               | 325,872        | 523,363       | -37.7%       | 1,803,182      | 2,249,520      | -19.8%       |
| Proforma net income             | 120,660        | 97,072        | 24.3%        | 756,132        | 678,166        | 11.5%        |
| Proforma controlling net income | 120,660        | 97,800        | 23.4%        | 756,130        | 678,164        | 11.5%        |
| EPS SURA                        |                | -13,489       |              | -4,972         | -223,763       |              |
| <b>Controlling net income</b>   | <b>120,660</b> | <b>84,311</b> | <b>43.1%</b> | <b>751,158</b> | <b>454,401</b> | <b>65.3%</b> |

The figures presented in the table are a summary of the company's results; please refer to the web page for full details. During the fourth quarter of the year, Suramericana identified an operating error in the recognition of the Value Added Tax and its proportional imputation in some of its operations in Colombia, so it proceeded to quantify and correct it voluntarily. As a result, Suramericana retroactively applied the correction in its Financial Statements, which were restated for 2023 with an expense of COP 57,300 million and, for periods prior to 2022, COP 217,398 million in retained earnings.

\*Variation in constant exchange rates

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

Fee and commission income

COP 3.9 trillion +12.1%\*

EBITDA (excl. Legal reserves)

COP 1.6 trillion +12.1%\*

Controlling net income

COP 885 billion +17.0%\*

Fee and commission income reached COP 3.9 trillion at the end of the year and COP 1.0 trillion in the last quarter of the year, with double digit growth of 12.1%\* and 14.4%\* respectively compared to the same period of 2023, driven by the positive dynamics of both segments. The Savings and Retirement segment grew 10.8%\*, mainly due to the Mexican subsidiary and its increase in assets under management as a result of higher contributions and better investment results. It is also important to highlight the increase in contributors and the stability in the contribution rate, as well as the increase in the wage base. On the other hand, SURA Investments grew its fee and commission income by 24.7%\*, driven by its three business lines: Investment Management, Wealth Management and Corporate Solutions, which registered growth of 34.0%\*, 20.3%\* and 8.8%\*, respectively.

The insurance margin experienced a decrease compared to the fourth quarter of 2023 attributed to the growth of the minimum wage in Colombia for 2025, which exceeded the inflation rate by 430 basis points. The effect on the financial statements was reflected in the constitution of higher reserves, mainly for pension insurance.

Legal reserves obtained an annualized return of 9.5% and a growth of 2.9%\* for the year-to-date compared to December 2023. During the last quarter of the year, global markets were impacted, which was reflected in negative investment results.

Operating expenses increased 7.1%\* for the year to December and 8.7%\* in the last quarter, growth that remained below the growth on income, thanks to the efficiency initiatives implemented and the optimization of key business processes. As a result, operating income reached COP 1.8 trillion, growing 12.3%\* as of December, with an operating margin of 31.4%, an improvement of 166 bps compared to the previous year, thanks to the company's management focused on efficiency and operational improvement.

As a result, controlling net income closed the year at COP 885,230 million, representing a 17.0%\* growth versus the 2023 result, driven by the solid performance of the businesses. As a result, the company achieved an ROE of 9.0% and a ROTE of 24.1%, exceeding the expectations of the 2024 guidance presented to the market.

## Key consolidated figures

| Figures in millions                              | 4Q24      | 4Q23     | *Var.%<br>Ex-Fx | Dec 24     | Dec 23     | *Var.%<br>Ex-Fx |
|--|-----------|----------|-----------------|------------|------------|-----------------|
| Fee and commission income                        | 1,033,199 | 917,395  | 14.4%           | 3,929,052  | 3,851,547  | 12.1%           |
| Legal reserves                                   | -37,245   | 341,366  |                 | 445,345    | 463,382    | 2.9%            |
| Total insurance margin                           | -56,551   | -25,908  | 116.0%          | 16,203     | 64,251     | -62.1%          |
| Operational expenses                             | -804,207  | -753,661 | 8.7%            | -2,900,877 | -2,946,381 | 7.1%            |
| EBITDA   | 278,349   | 647,236  | -56.2%          | 2,080,010  | 2,117,891  | 10.0%           |
| Net income after tax (before minority interests) | 27,290    | 315,175  | -92.9%          | 1,064,219  | 1,058,609  | 16.8%           |
| Controlling net income                           | 4,501     | 257,006  |                 | 885,230    | 901,861    | 17.0%           |

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

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

Operating margin: Operating income excluding legal reserves / Total revenues plus insurance margin.

## Guidance 2025

| Grupo SURA   | 2025E       |
|--|-------------|
| Controlling net income post. Spin-Off (COP trillion) | 1.7-1.9     |
| Controlling net inc. per share post. Spin-Off (COP)  | 5,200-5,800 |
| Adjusted ROE   | 10%-11%     |

| Suramericana                      | 2025E      |                               |
|-----------------------------------|------------|-------------------------------|
| Written premiums                  | 8%-10%     | Life: 11%-13%<br>P&C: 6%-8%   |
| Claims ratio                      | 57%-58%    | Life: 61%-63%<br>P&C: 50%-52% |
| Admin expenses / Written premiums | 14%-15%    |                               |
| Adjusted ROE                      | 9.5%-10.5% |                               |
| Adjusted ROTE                     | 12%-14%    |                               |

| SURA Asset Management     | 2025E     |                                     |
|---------------------------|-----------|-------------------------------------|
| AUM                       | 9%-11%    | SyR: 9%-11%<br>SURA Invest.: 9%-11% |
| Fee and commission income | 7%-9%     | SyR: 7%-9%<br>SURA Invest.: 9%-11%  |
| Adjusted ROE              | 8.5%-9.5% |                                     |
| Adjusted ROTE             | 24%-26%   |                                     |