

# Grupo Security 4Q23 Results

February 29, 10:00 a.m.



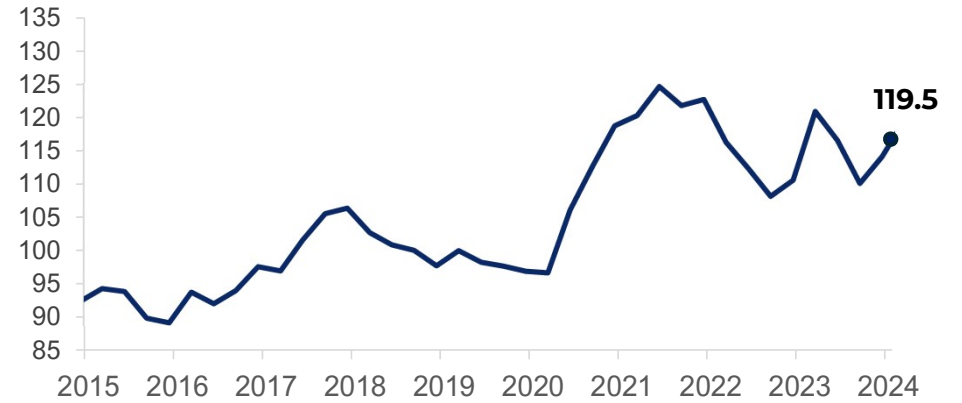
# Macroeconomic Recap

## Restrained activity will show gradual improvement as the year progresses

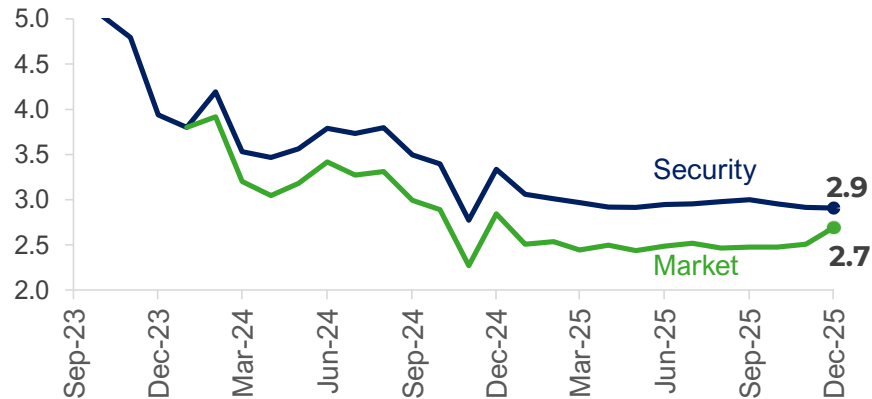
### IMACEC (seasonally adjusted)



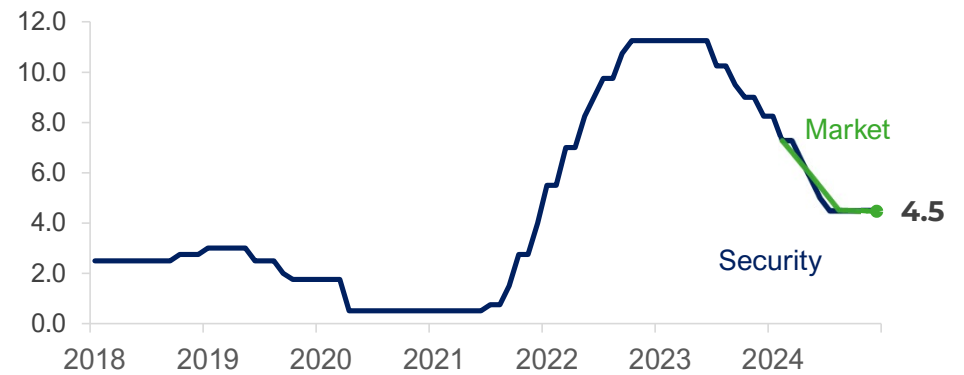
### Terms of Trade (index)



### CPI (% chg YoY)



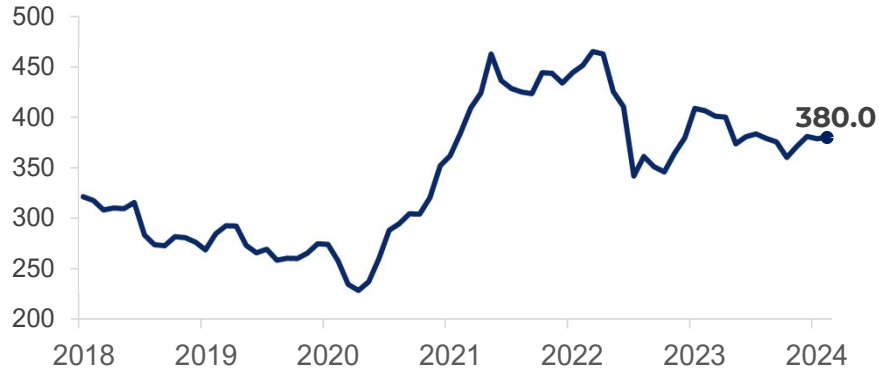
### Expected MPR (%)



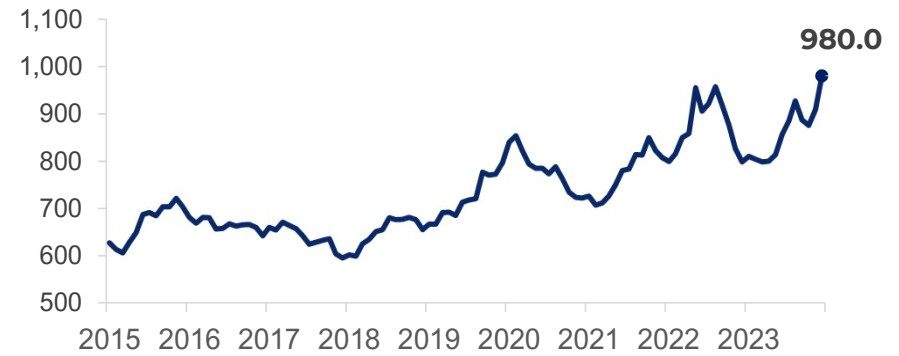
# Macroeconomic Recap

## Recent developments and outlook

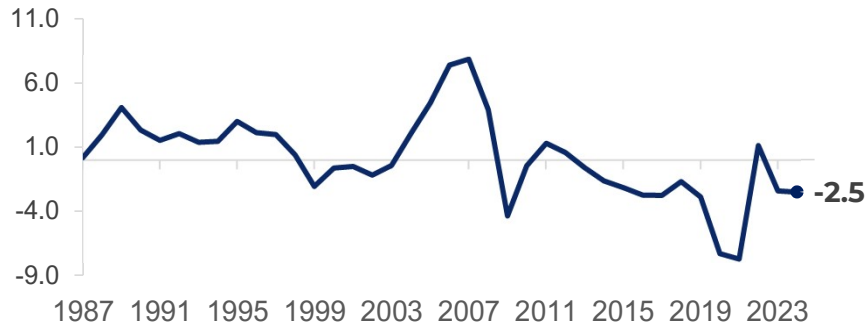
### Copper Price (US\$/lb)



### Exchange Rate (CH\$/US\$)



### Fiscal Balance (% GDP)



### Fiscal Debt (% GDP)



# Record results driven by the Bank and strong performances from other businesses

Profit for 2023: MCH\$196,562, +50.8% YoY

Earnings per Share: CH\$48.7<sup>1</sup>

**Lending**  
**MCH\$180,555**

Banco Security, Factoring  
Security

**Insurance**  
**MCH\$37,099**

Vida Security, Hipotecaria  
Security, Corredora de  
Seguros Security,  
Securitizadora,  
Inmobiliaria

**Asset  
Management**  
**MCH\$10,376**

AGF, Valores CB

**Other**  
**MCH\$4,667**

Travel Security

**International  
Business**  
**MCH\$366**

Protecta, Travel Perú

1. Earnings per share: Defined as the quotient between profit attributable to controlled companies LTM and the weighted average number of shares LTM.

# Grupo Security and BICECORP would become one of the largest financial groups in Chile

Pro-forma figures as of Sept-23

**398**

Profit for the year  
(BCH\$)<sup>1</sup>

**37+**

Total assets  
(BUS\$)

**17.1%**

ROAE<sup>1</sup>

**+40**

Years in business

**+2.4 million +6,250**

Customers

Employees

**+80**

Branches throughout  
Chile

**Growth**

Generates business development opportunities, strengthening their competitive position by combining companies with complementary profiles

**Solvency**

Robust regulatory capital ratios with relevant buffers

**Diversification**

Highly diversified companies in terms of business lines and products

**Culture**

Well-aligned corporate cultures based on trust, which enhance talent around a common project and service excellence

**Digital**

Strategic focus on the digital transformation of both groups' businesses

**Market**

Increased access to capital markets, providing opportunities to optimize and diversify funding sources

Source: CMF, company reports; Notes: Figures as of September 2023. BCH\$ denotes billions of Chilean pesos. BUS\$ denotes billions of dollars; <sup>1</sup>Calculated over last twelve months as of September 2023. Pro-forma figures do not consider consolidation adjustments. Figures converted to US\$ at an exchange rate of 892 CLP/USD corresponding to the end of 3Q23



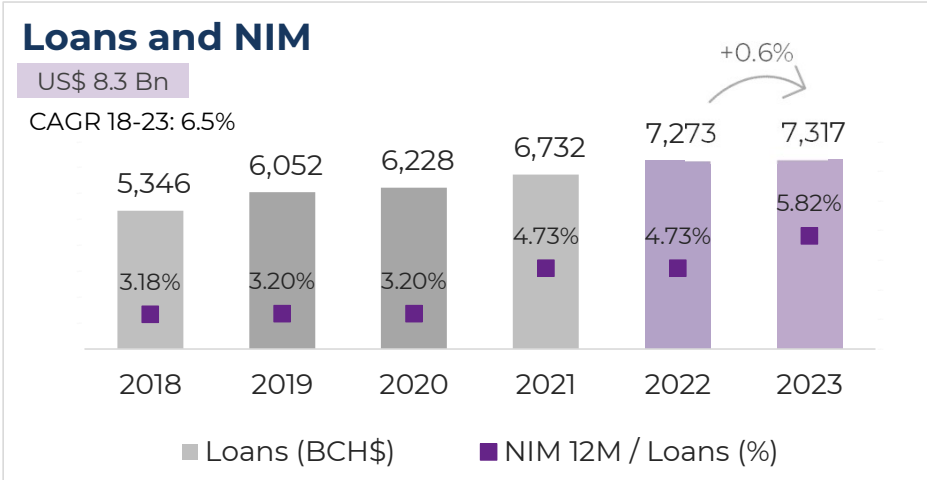
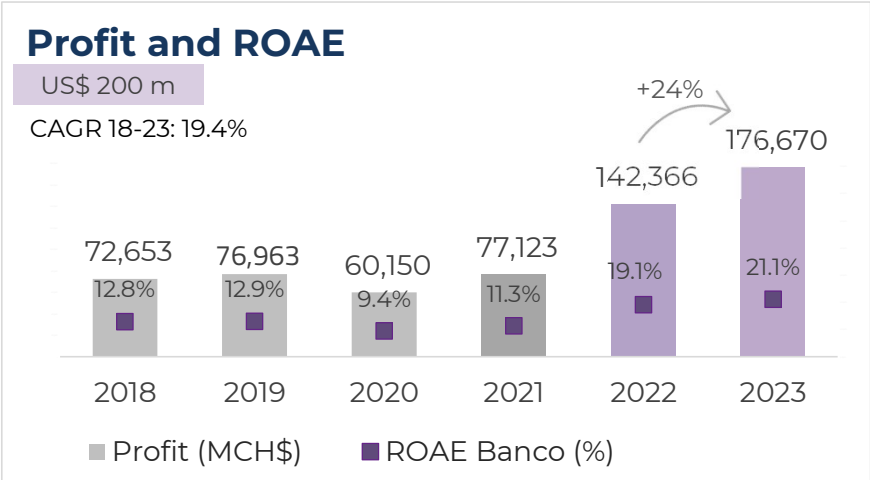


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# Lending



# 24% increase in profit, with a larger net interest margin, reaching an ROAE of 21.1%



**41.7%**  
Efficiency <sup>1</sup>  
43.0% as of Dec-22

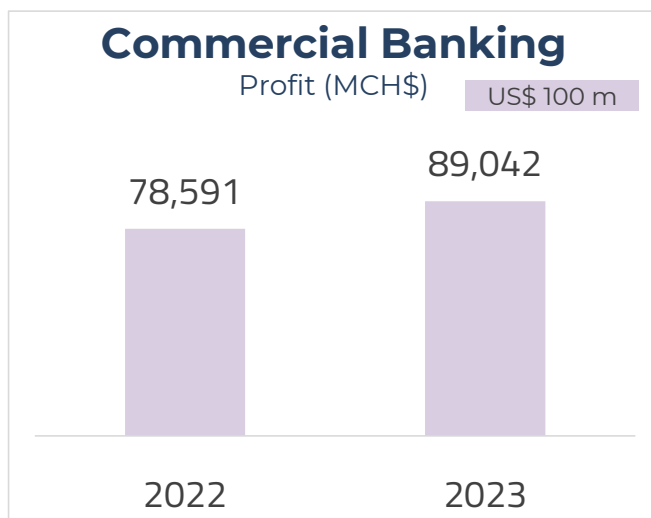
**3.16%**  
Market share  
Total loans  
-9 bps YoY

**4.7%**  
Market share  
Commercial Banking <sub>2</sub>

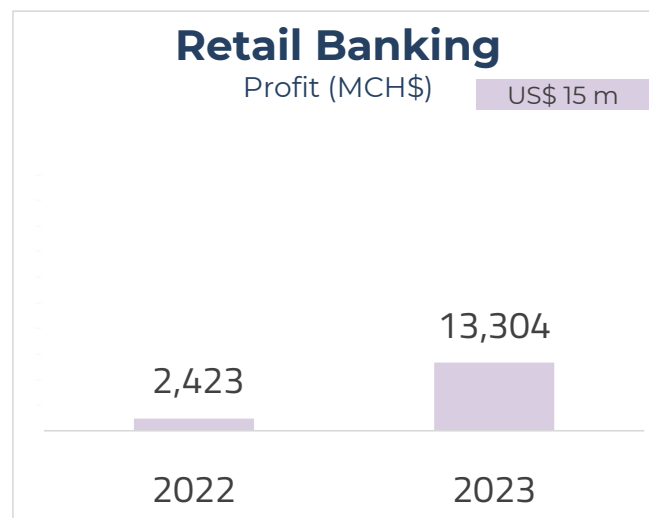
**4.6%**  
Market share  
Retail Banking <sup>3</sup>

1. Efficiency: Total operating expenses / Total operating revenue. 2. Market share in commercial loans. 3. Market share in Retail Banking target segment.

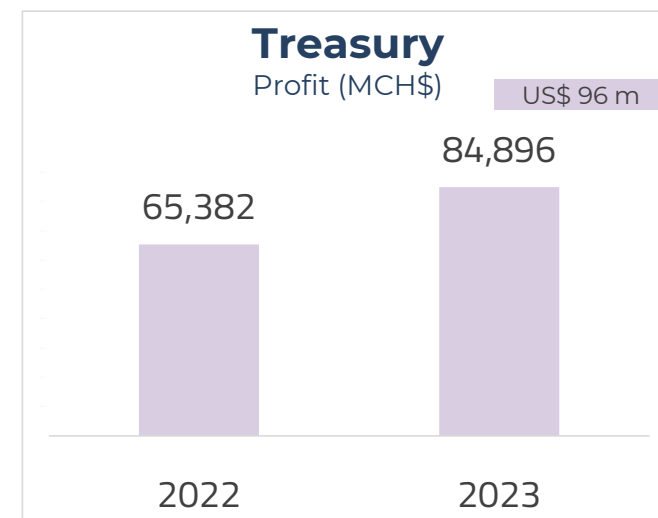
## Results driven by all bank segments



**BCH\$5,709**  
Commercial loans  
-1.8% YoY



**BCH\$1,607**  
Retail loans\*  
+10.2% YoY



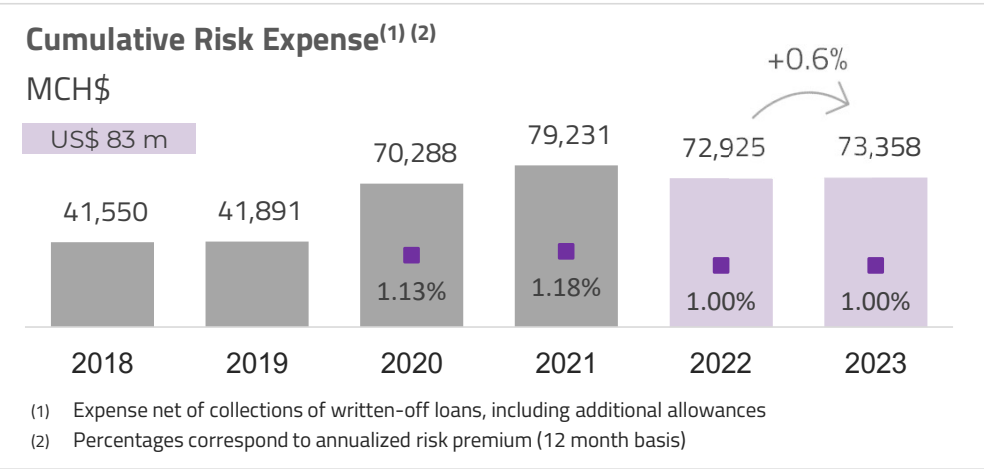
**BCH\$1,793**  
Investment portfolio\*\*  
+34.2% YoY

\*Retail loans consider consumer + mortgage loans.

\*\*Financial assets at fair value through other comprehensive income.



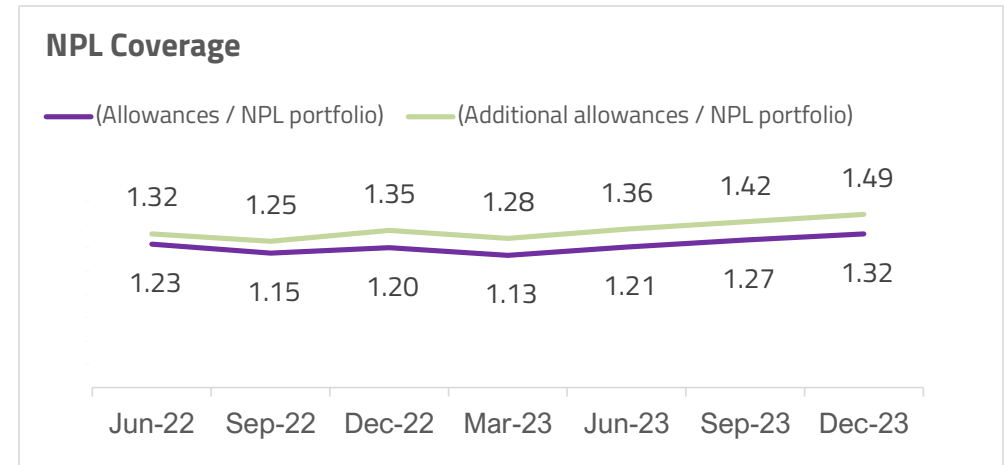
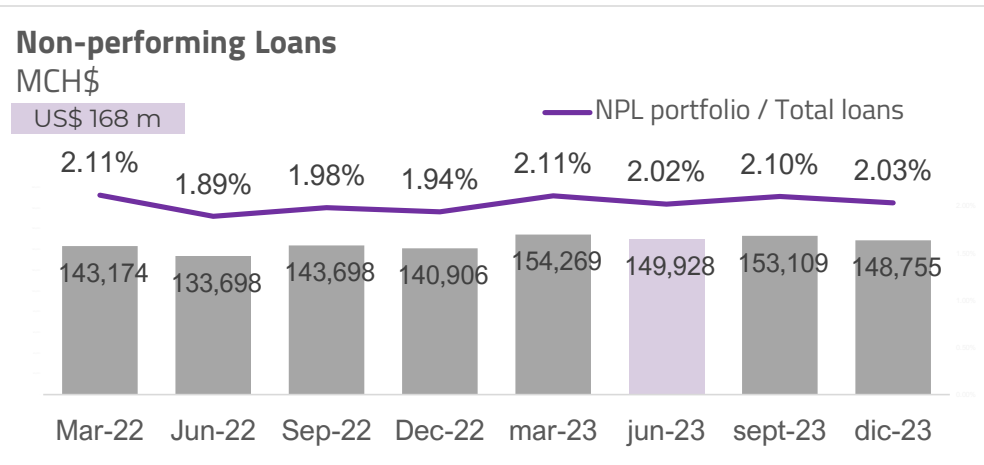
# Risk expenses held steady and guarantees remained above industry level



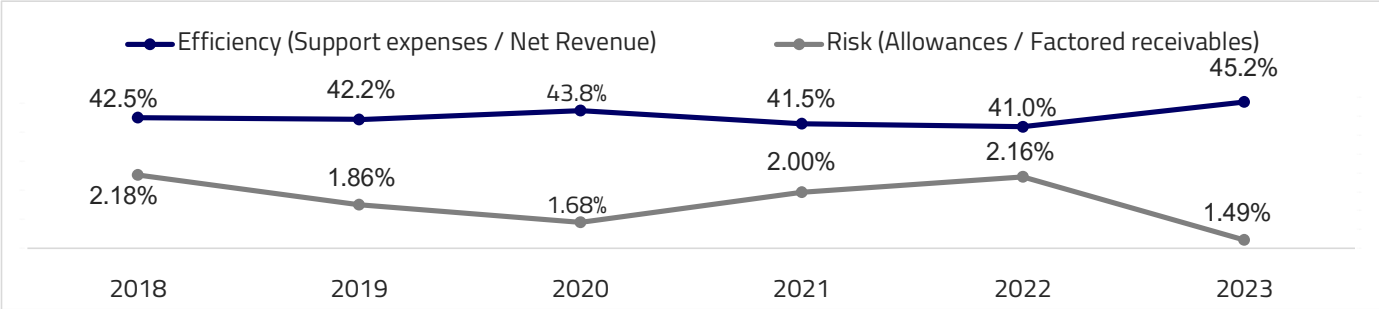
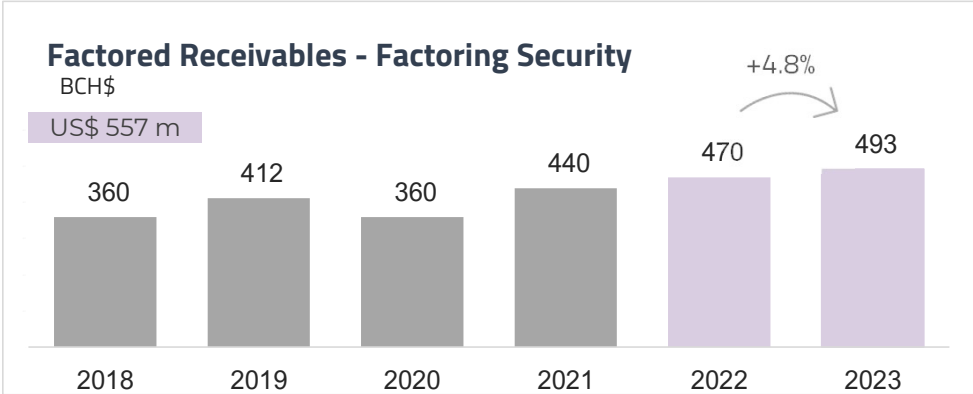
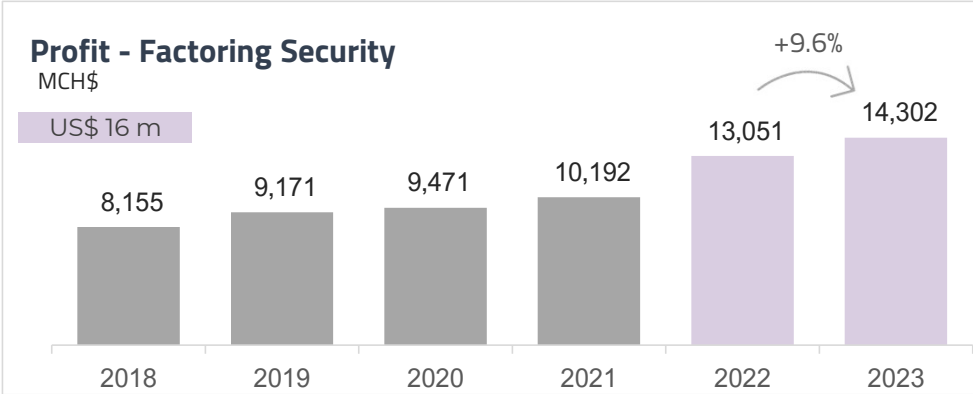
### Estimación propia para garantías de coloc. Evaluadas indiv.

Institución	Garantías / Colocaciones	Provisiones / Colocaciones	(Prov. + Gar.) / Colocaciones
Sistema Bancario	53,6%	2,1%	55,7%
Bancos Grandes <sup>1</sup>	49,1%	2,0%	51,1%
Banco Security	70,5%	2,8%	73,3%

Estimate for the individually assessed commercial portfolio. 1. Large banks: Chile, BCI, Estado, Itaú, Scotiabank and Santander. Source: Financial Market Commission (CMF). Information as of November 2023



# Profit of MCH\$14,302 with greater net interest margin and loan growth



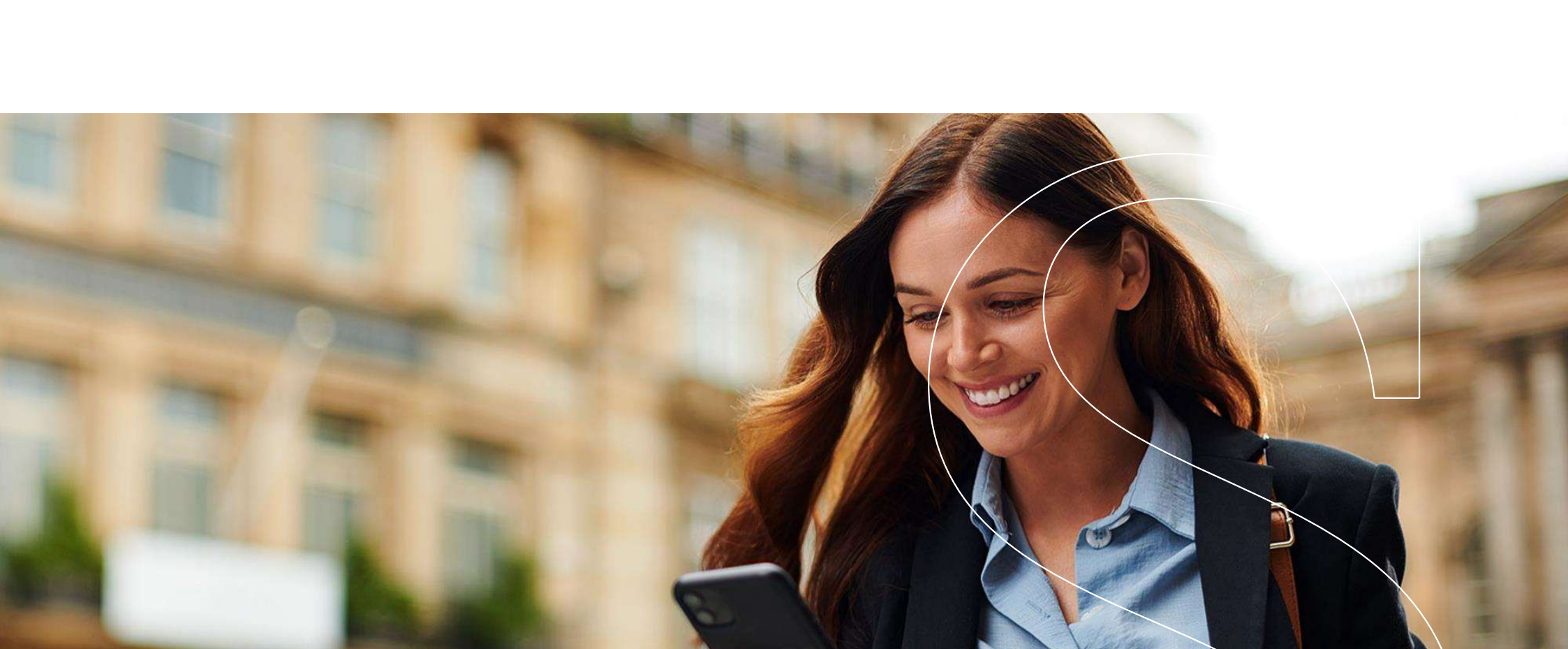
**Profit:**  
MCH\$ 14,302  
+9.6% YoY

**Loans:**  
MCH\$ 492,771  
+4.8% YoY

**Efficiency Ratio:**  
45.2%  
41.0% as of Dec-22

**Risk<sup>1</sup>:**  
1.49%  
-67 bps YoY

1) Allowances for Loan Losses / Loans

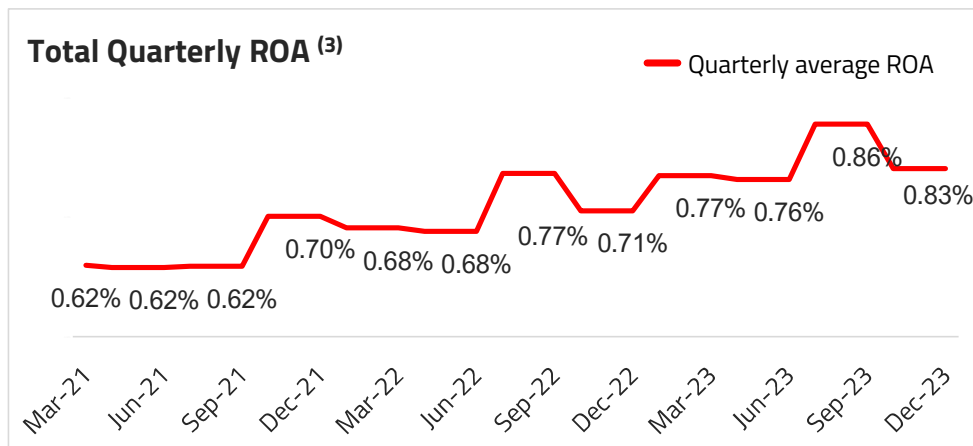
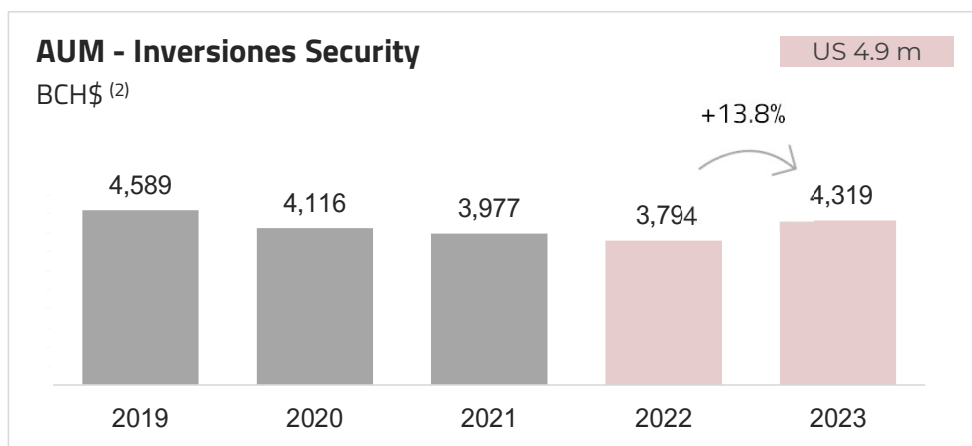
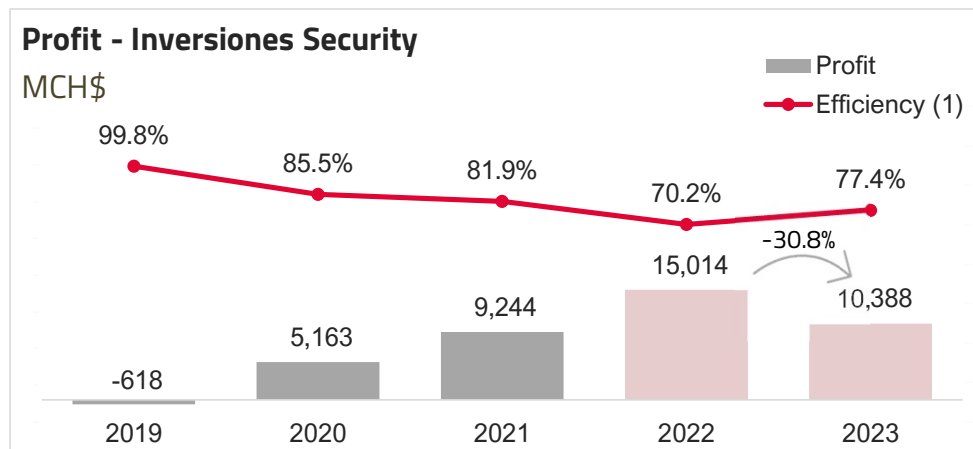


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# Asset Management

# Recovery in AUM with increased activity in funds, offset by lower returns on proprietary trading portfolio

<i>In MCH\$</i>	2022	2023	% Chg YoY
Operating income	39,754	39,759	0.0%
Funds income	26,802	27,832	3.8%
Transactional income	12,939	11,926	-7.8%
Total expenses	-35,517	-37,926	6.8%
Non-operating income	10,824	9,270	-14.4%
<b>Profit - AGF &amp; Valores</b>			
AGF Security	11,511	8,300	-27.9%
Valores Security	3,503	2,088	-40.4%
<b>Profit - Asset management</b>	<b>15,014</b>	<b>10,388</b>	<b>-30.8%</b>



Notes: (1) Efficiency: total operating expenses over total revenue (2) AUM: Monthly average as reported by Mutual Fund Association. (3) ROA: Revenue over total AUM



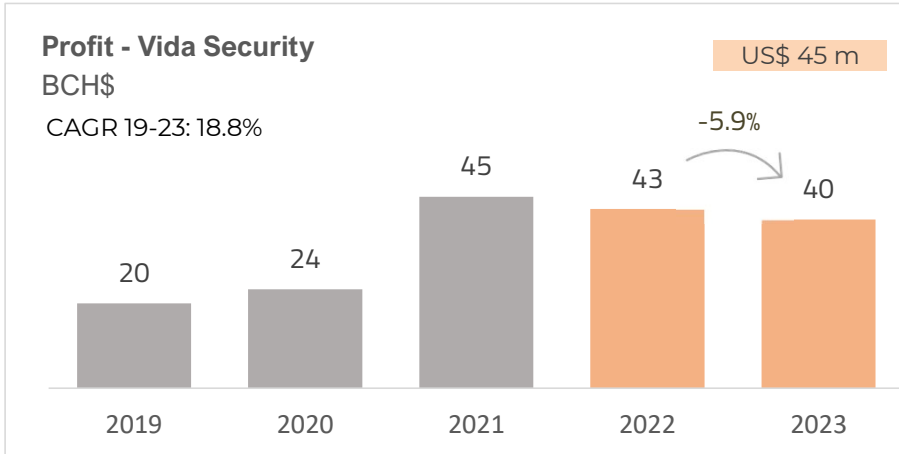
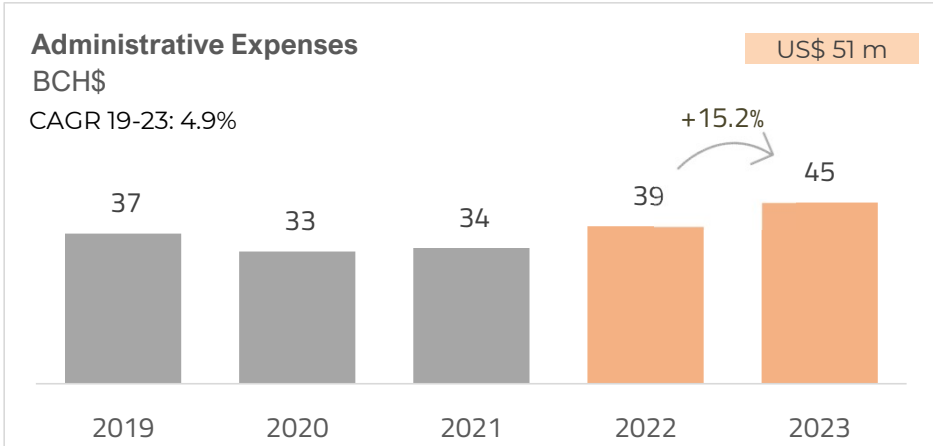
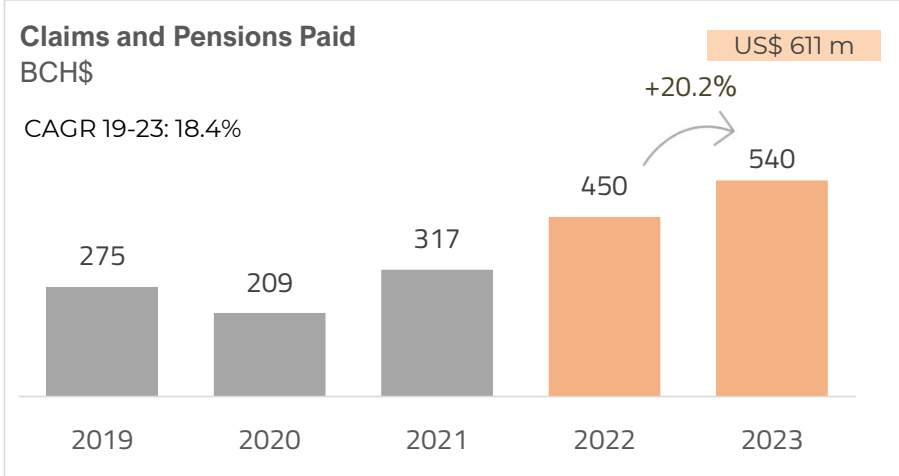
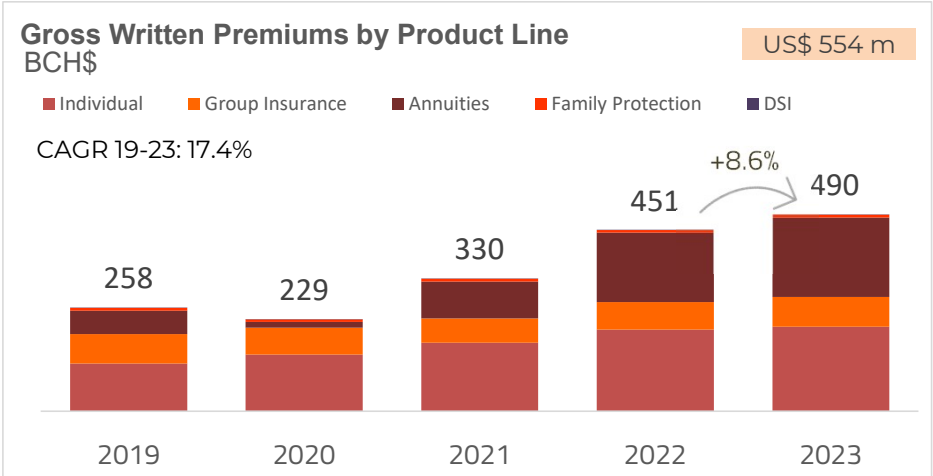


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**Insurance**

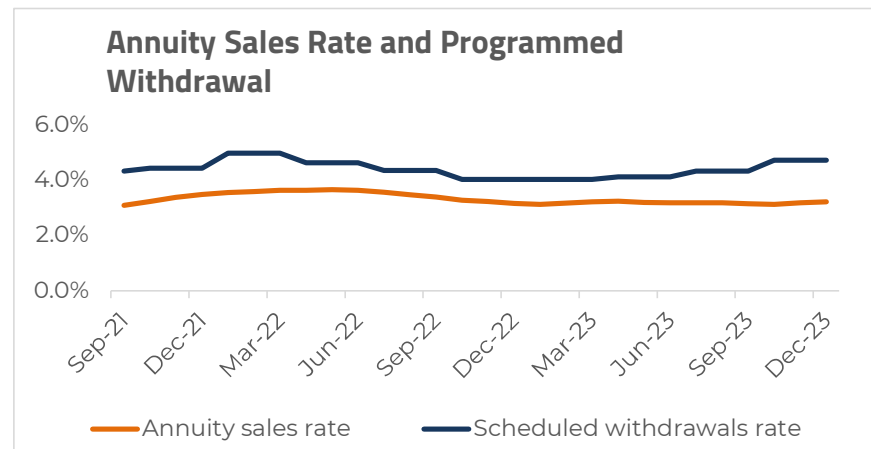
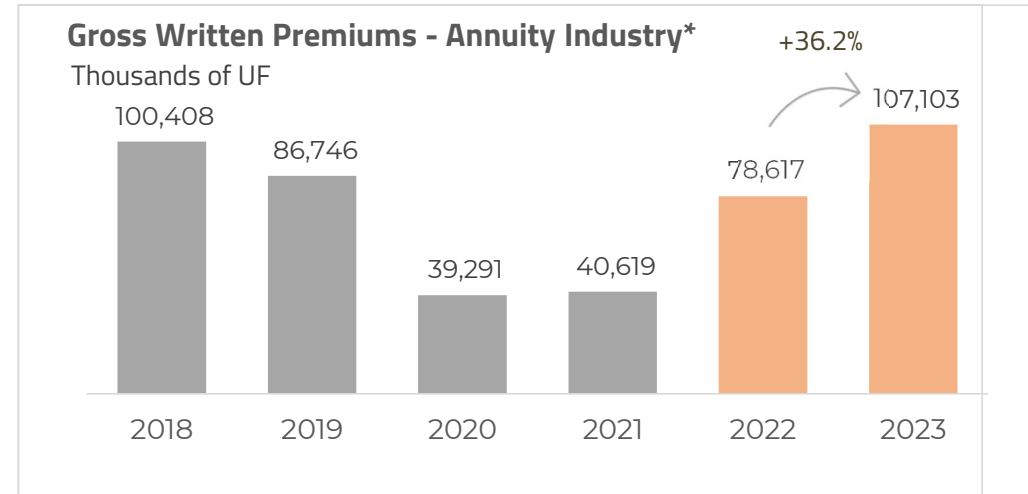
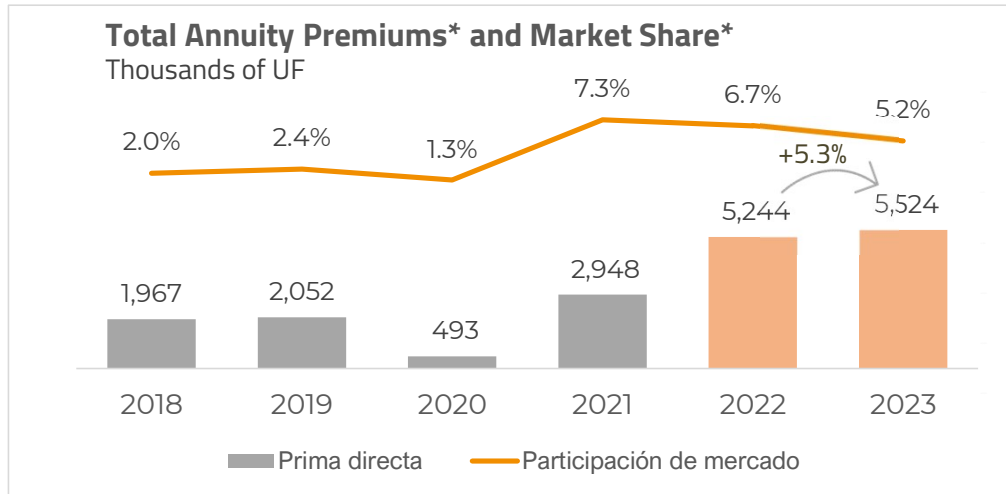




# 8.6% growth in gross written premiums, with greater technical and investment results, offset by higher expenses

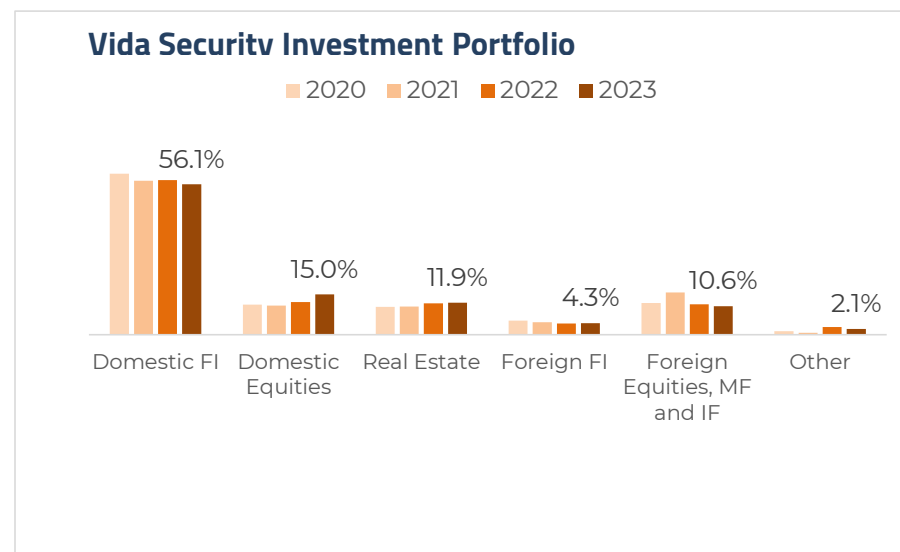
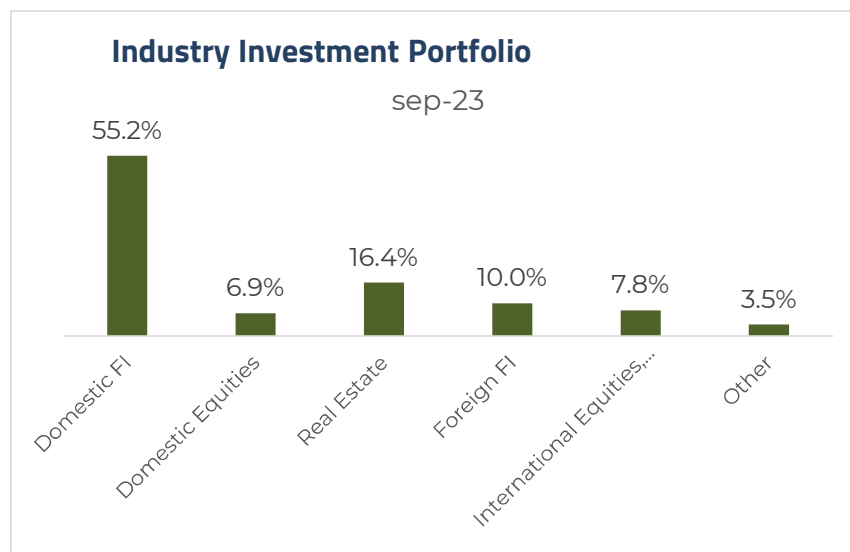


# Annuity premiums of UF 5.5 million, with a real growth rate of 5%



# Recovery in the CUI and APV portfolio, together with strong returns from the proprietary trading portfolio

In CH\$ million	Portfolio				Gain (Loss)			ROI	
	dic-22	dic-23	Δ YoY	%/Total	dic-22	dic-23	Δ YoY	dic-22	dic-23
Fixed Income	1,986,336	2,088,431	5.1%	60.4%	84,174	83,078	-1.3%	4.24%	3.98%
Equities and indexes	753,354	884,026	17.3%	25.6%	6,039	79,760	-	0.80%	9.02%
Real estate	376,479	410,380	9.0%	11.9%	13,808	19,098	38.3%	3.67%	4.65%
Other investments	92,643	73,638	-20.5%	2.1%	12,581	12,493	-0.7%	13.58%	16.97%
<b>Total</b>	<b>3,208,812</b>	<b>3,456,474</b>	<b>7.7%</b>	<b>100.0%</b>	<b>116,601</b>	<b>194,429</b>	<b>66.7%</b>	<b>3.63%</b>	<b>5.63%</b>
CUI Portfolio	748,827	748,827	0.0%	21.7%	-22,186	52,375	-	-2.96%	6.99%
Proprietary Portfolio	2,459,985	2,707,647	10.1%	78.3%	138,787	142,054	2.4%	5.64%	5.25%



Lower returns as a result of ownership transferred on fewer units at Inmobiliaria Security, in line with its sales cycle

### Inmobiliaria Security

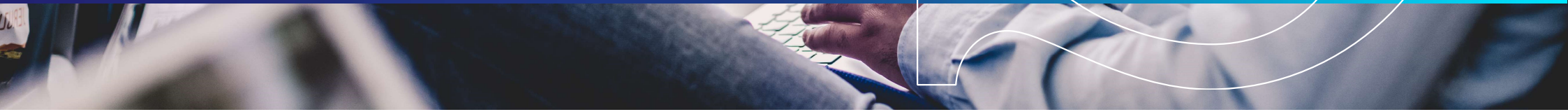
- \* Loss of -MCH\$3,994 for 2023 (vs loss of -MCH\$1,404 for 2022)
- \* Ownership transferred on fewer units during the period
  - \* Dec-23: 16 units
  - \* Dec-22: 51 units
- \* Real estate assets under management of MCH\$ 86,070 (-0.6% YoY)
- \* 10 units available for sale
- \* Three projects under development

<i>In Ch\$ Million</i>	2023	2022	% Chg
Real estate assets under management	86,070	86,574	-0.6%
Purchase promise agreements (UF)	361,538	549,048	-34.2%
Purchase promise agreements (Units)	17	29	-41.4%
Ownership transfers (UF)	277,278	958,778	-71.1%
Ownership transfers (Units)	16	51	-68.6%
<b>Profit for the period</b>	<b>-3,994</b>	<b>-1,404</b>	<b>184.5%</b>



INMOBILIARIA | security TRAVEL | security

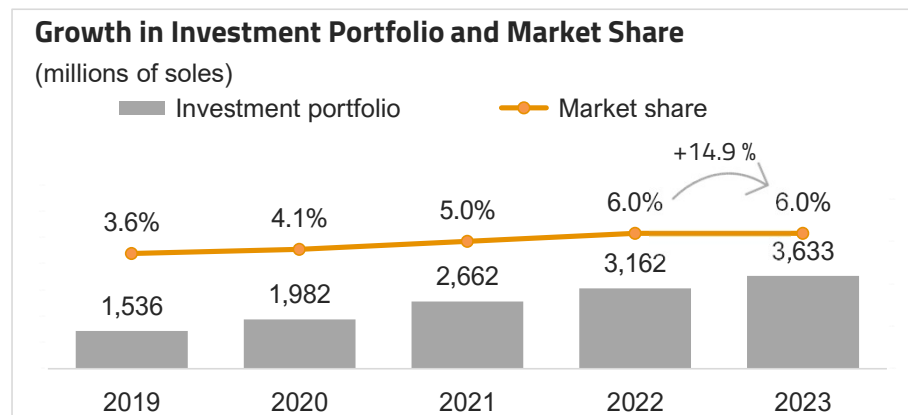
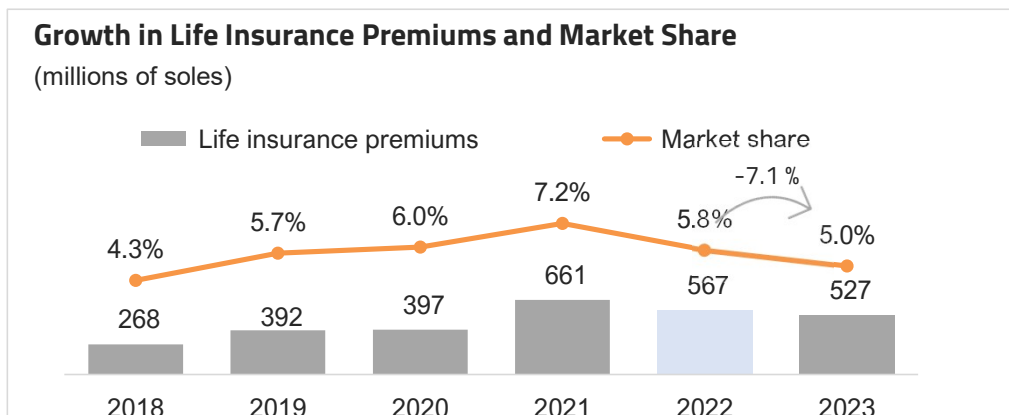
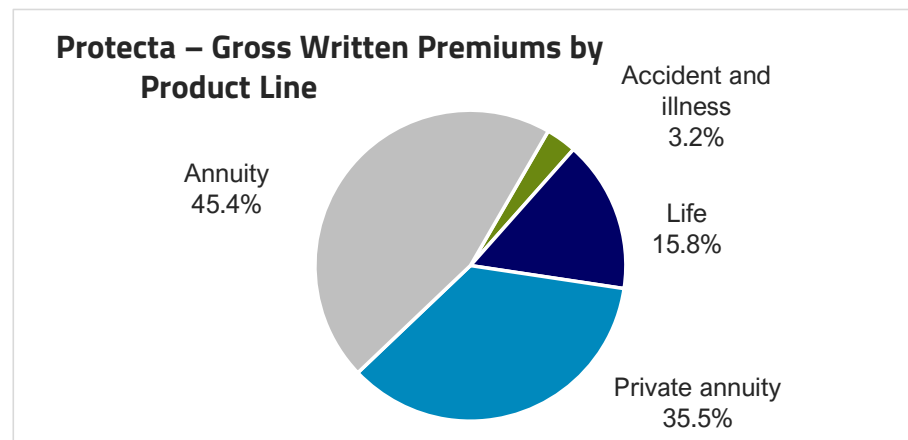
# International Business & Other Services





Profit doubled since the same period of the previous year driven by better investment results

<i>In S./ Thousands</i>	2022	2023	% Chg YoY
Annuities - Premiums written	336,843	247,506	-26.5%
Annuities - Market share	21.1%	21.4%	35 p
Private annuities - Premiums written	145,251	193,517	33.2%
Private annuities - Market share	12.9%	14.0%	109 p
<b>Premiums written</b>	<b>594,149</b>	<b>544,717</b>	<b>-8.3%</b>
Investment income	218,701	246,465	12.7%
Annualised return (LTM)	7.5%	1.5%	-596 p
<b>Profit for the period</b>	<b>31,157</b>	<b>50,801</b>	<b>63.0%</b>



\* Excluding accident and illness premiums

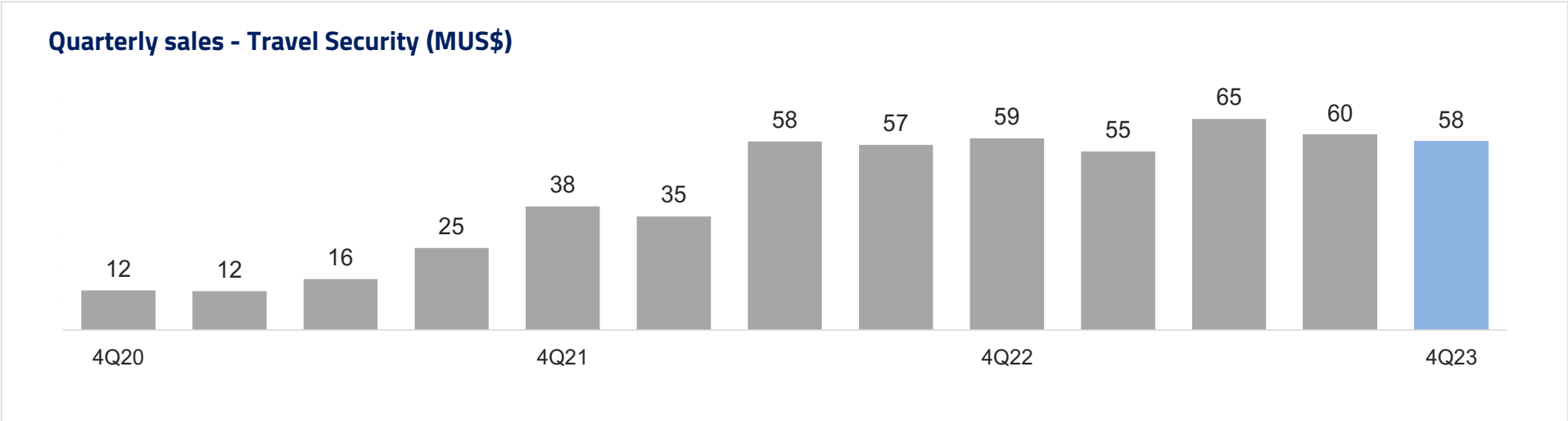
# Travel Security historical results

## Travel Security

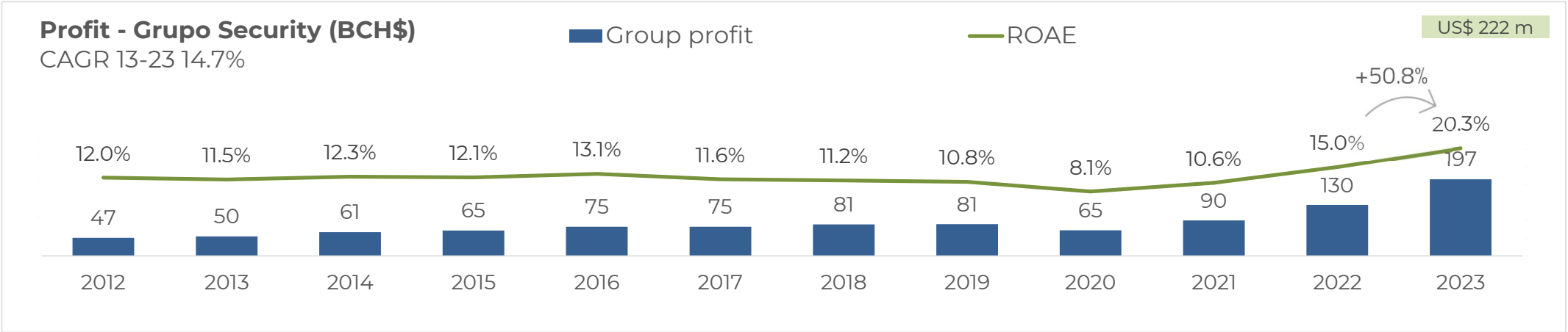
- \* Profit of MCH\$5,905 (+36.3% YoY)
- \* Sales MUS\$ 238 (+13.9% YoY).

## Travel Perú

- \*Profit THUS\$ 454 (-56.4% YoY)
- \*Sales: MUS\$ 42 (+7.3% YoY)



# Profit at all-time high, with positive share performance



\*Dividend yield: LTM dividends over closing price \*\*Closing price and number of shares as of 02/23/24

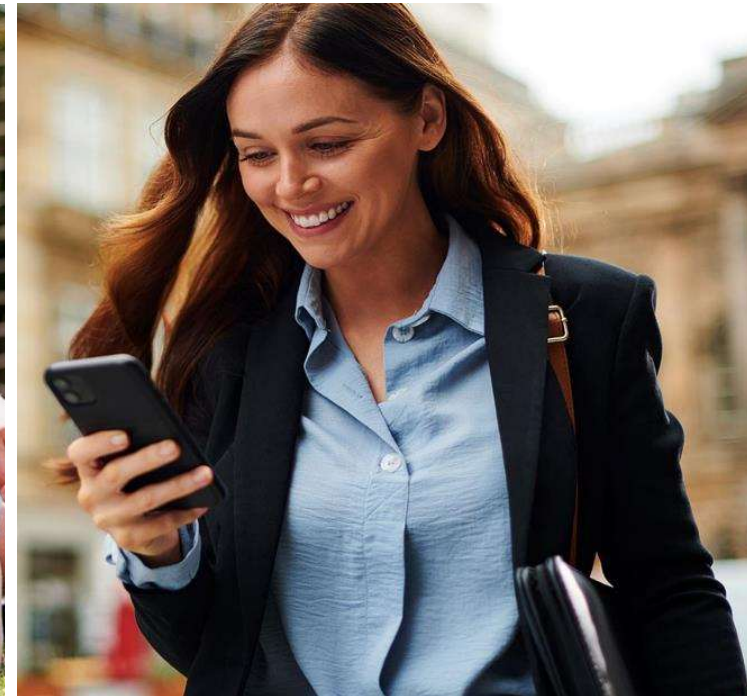
# Outlook for 2024

## Macro Assumptions

GDP	Growth ~1.5%
CPI	Reach 3% by the end of the year
Monetary policy	4.5% by year-end

## Group & Subsidiaries

Growth of <b>Bank loans</b>	Growth of 5% to 8%
Allowances / Total loans	Around ~0.9%
<b>ROI</b> Proprietary trading portfolio of Vida Security	~ 5.5%
<b>ROAE Grupo Security</b>	<b>Normalization ~15%</b>



# Grupo Security 4Q23 Results

February 29, 10:00 a.m.





# Grupo Security 4Q23 Results

<b>Earnings from Related Companies (MCH\$)</b>			
	<b>Dec-22</b>	<b>Dec-23</b>	<b>% Chg YoY</b>
<b>Lending Area</b>			
Banco Security (standalone)	127,358	166,294	30.6%
Factoring Security	13,051	14,302	9.6%
<b>Asset Management Area</b>			
Valores Security	3,503	2,088	-40.4%
AGF Security	11,511	8,300	-27.9%
<b>Insurance Area</b>			
Vida Security	42,597	40,099	-5.9%
Securitizadora Security	916	200	-78.2%
Hipotecaria Security	642	1,006	56.7%
Inmobiliaria Security	-1,404	-3,994	184.5%
<b>Other Services</b>			
Travel Security	4,329	5,906	36.4%
<b>International Business</b>			
Protecta Security (S./ Th.)	31,157	50,801	63.0%
Travex Security (S./ Th.)	3,989	1,686	-57.7%
<b>Grupo Security Profit</b>	<b>130,321</b>	<b>196,562</b>	<b>50.8%</b>

## Grupo Security Indicators

MCH\$

	2018	2019	2020	2021	2022	2023
<b>Total Assets</b>	10,542,688	12,013,888	11,921,582	13,631,637	14,766,999	15,771,136
<b>Total Liabilities</b>	9,793,647	11,217,081	11,059,838	12,765,595	13,820,169	14,700,382
<b>Equity</b>	728,495	768,847	835,520	836,762	913,091	1,034,166
<b>Leverage</b>	30.55%	31.92%	26.27%	33.13%	34.82%	33.05%
<b>ROAE</b>	11.24%	10.84%	8.12%	10.82%	16.65%	20.19%
<b>ROAA</b>	0.8%	0.7%	0.5%	0.7%	1.0%	1.3%
<b>Market Book Value (times)</b>	1.48	0.94	0.64	0.58	0.76	1.00
<b>Closing price</b>	290.9	195.6	131.9	119.7	172.3	257.9

# Banco Security

## Results by Business Area

Banco Security MCH\$	Commercial Banking			Retail Banking			Treasury			Total		
	Dec-22	Dec-23	YoY %	Dec-22	Dec-23	YoY %	Dec-22	Dec-23	YoY %	Dec-22	Dec-23	YoY %
Net interest margin	162,851	192,644	18.3%	75,718	97,759	29.1%	103,657	125,880	21.4%	342,226	416,283	21.6%
Net fees	22,166	20,943	-5.5%	15,573	15,963	2.5%	(260)	(319)	22.7%	37,479	36,587	-2.4%
Financial and FX transactions & other income	5,596	12,056	115.4%	1,506	1,263	-16.1%	(6,499)	(970)	-85.1%	(13,120)	(702)	-94.7%
Provision for Credit Losses (PCL)	(45,830)	(52,472)	14.5%	(27,602)	(27,068)	-1.9%	(4,686)	630	-	(78,118)	(78,911)	1.0%
<b>Total operating income</b>	<b>144,783</b>	<b>173,170</b>	<b>19.6%</b>	<b>65,194</b>	<b>87,917</b>	<b>34.9%</b>	<b>92,213</b>	<b>125,221</b>	<b>35.8%</b>	<b>288,467</b>	<b>373,257</b>	<b>29.4%</b>
Operating expenses	(54,260)	(63,028)	16.2%	(62,479)	(71,460)	14.4%	(17,257)	(20,206)	17.1%	(143,928)	(167,563)	16.4%
<b>Net operating income</b>	<b>90,523</b>	<b>110,143</b>	<b>21.7%</b>	<b>2,715</b>	<b>16,457</b>	<b>506.2%</b>	<b>74,956</b>	<b>105,014</b>	<b>40.1%</b>	<b>144,539</b>	<b>205,694</b>	<b>42.3%</b>
<b>Profit attributable to equity holders</b>	<b>78,591</b>	<b>89,042</b>	<b>13.3%</b>	<b>2,423</b>	<b>13,304</b>	<b>449.1%</b>	<b>65,382</b>	<b>84,896</b>	<b>29.8%</b>	<b>127,358</b>	<b>166,287</b>	<b>30.6%</b>
Total loans (MCH\$)	5,815	5,710	-1.8%	1,458	1,607	10.2%						
Provisions / loans	2.50%	2.93%	43 p	1.63%	1.78%	14.9 p						
Non performing loans	2.16%	2.30%	14 p	1.05%	1.08%	3 p						
NPL Coverage	115.7%	127.4%	1173 p	155.9%	164.9%	899 p						

Bank's main business areas. The column "other" must also be considered to reach the final result since it includes items that are not allocated to these areas.

# Capital

In Ch\$ Millions	Dec-23	Sep-23	Dec-22	QoQ	YoY
Capital	325,041	325,041	325,041	0.0%	0.0%
Reserves	19,697	18,804	18,171	4.7%	8.4%
Other integral result	8,713	2,928	6,049	197.6%	44.0%
Retained earnings from prior periods	406,712	406,712	342,646	0.0%	18.7%
Profit for the year	176,670	141,609	142,366	24.8%	24.1%
Min. Div. Provision	-53,001	-42,483	-42,710	24.8%	24.1%
Non-controlling Interest	54	53	51	1.2%	6.5%
<b>Core Capital</b>	<b>883,885</b>	<b>853,106</b>	<b>791,615</b>	<b>3.6%</b>	<b>11.7%</b>
Deductions	20,055	17,378	17,148	15.4%	17.0%
<b>CET1</b>	<b>863,830</b>	<b>835,728</b>	<b>774,467</b>	<b>3.4%</b>	<b>11.5%</b>
AT1	-	39,501	39,222	-100.0%	-100.0%
<b>T1</b>	<b>863,830</b>	<b>875,228</b>	<b>813,689</b>	<b>-1.3%</b>	<b>6.2%</b>
T2	397,032	354,901	346,792	11.9%	14.5%
<b>Effective Equity</b>	<b>1,260,862</b>	<b>1,230,129</b>	<b>1,160,480</b>	<b>2.5%</b>	<b>8.6%</b>
Credit Risk	7,212,989	7,145,217	7,051,245	0.9%	2.3%
Operational Risk	650,677	628,079	580,313	3.6%	12.1%
Market Risk	126,183	126,822	212,757	-0.5%	-40.7%
<b>Risk-Weighted Assets (RWA)</b>	<b>7,989,850</b>	<b>7,900,119</b>	<b>7,844,315</b>	<b>1.1%</b>	<b>1.9%</b>
Minimum Regulatory Capital	639,188	632,009	627,545	1.1%	1.9%
CET1/RWA	10.81%	10.58%	9.87%	23 bps	94 bps
T1/RWA	10.81%	11.08%	10.37%	-27 bps	44 bps
Effective Equity / RWA	15.78%	15.57%	14.79%	21 bps	99 bps
Core Capital / Total Assets	7.81%	7.59%	7.50%	23 bps	32 bps

1. Considers valuation accounts and mark-to-market of accounting hedges. 2. Total assets calculated in accordance with chapter 21-30 of the RAN.

# Vida Security

In MCH\$	Individual		Family Protection		Group Insurance		Annuities		DSI		Total	
	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023
Gross written premiums	203,136	210,805	6,931	7,212	68,991	73,827	172,162	197,693	204	221	451,424	489,758
<b>Net premiums written</b>	<b>200,408</b>	<b>207,533</b>	<b>6,931</b>	<b>7,212</b>	<b>66,651</b>	<b>70,857</b>	<b>172,162</b>	<b>197,693</b>	<b>128</b>	<b>147</b>	<b>446,280</b>	<b>483,442</b>
Variation in technical reserves	198	- 18,704	- 98	- 90	- 475	906	-	-	2,376	343	2,001	- 17,546
Claims paid	-147,699	-202,994	- 1,780	- 1,746	- 40,601	- 50,145	38	-	10,768	613	-179,273	-254,272
Pensions paid	- 1,792	- 2,077	-	-	-	-	-258,286	-284,242	- 10,257	139	-270,335	-286,180
Underwriting expenses	- 11,741	- 14,346	- 2,976	- 3,409	- 4,044	- 4,348	- 1,278	- 1,810	-	-	- 20,040	- 23,913
Medical expenses	- 20	- 32	- 1	- 0	- 5	- 3	- 0	- 0	-	-	- 26	- 36
Insurance impairment	43	- 2	-	-	46	1	-	-	-	-	90	- 1
<b>Contribution Margin</b>	<b>39,397</b>	<b>- 30,624</b>	<b>2,077</b>	<b>1,967</b>	<b>21,572</b>	<b>17,269</b>	<b>- 87,364</b>	<b>- 88,358</b>	<b>3,015</b>	<b>1,242</b>	<b>- 21,303</b>	<b>- 98,505</b>
CUI portfolio	- 22,186	6,853									- 22,186	6,853
Proprietary portfolio											138,787	187,575
<b>Investment income</b>											<b>116,601</b>	<b>194,429</b>
Administrative expenses											- 39,117	- 45,054
Exchange differences											- 1,045	- 18
Gain (loss) on indexed assets and liabilities											- 24,470	- 14,229
Other income and expenses											44	883
Income tax expense											11,886	2,593
<b>Profit for the period</b>											<b>42,597</b>	<b>40,099</b>