

Grupo Security reports 134% increase in profit for first half of 2021

August 19, 2021

These positive results are based on strong business performances and the savings plan implemented by the company.

On Thursday, Grupo Security reported a significant increase in earnings for the first half of 2021, reaching profit of MCH \$40,542 for the period ended June 30, 2021. This figure represents 134% growth with respect to the first half of last year when profit was MCH \$17,328. Meanwhile, mobile LTM profit was MCH \$88,361, an all-time high for the Group.

According to the CEO of Grupo Security, Renato Peñafiel, "We are extremely satisfied with our performance this period. These figures translate into earnings per share of CH \$21.9, or 45% above June last year." Along with this, Peñafiel explained that "the 12-month dividend yield reached 6.5%. With the June 2021 results, the Group's price/earnings ratio is 6.2 and its market/book ratio is 0.63. Both values are among the lowest since our IPO."

Peñafiel added, "These numbers are the product of a strong performance from the company's different business areas, as well as the effect of the expense savings plan implemented by Grupo Security since last year. This plan includes ongoing efficiency efforts as well as structural adjustments that have been made at the Group's main businesses. Total consolidated expenses for 6M21 fell 9.9% YoY, with administrative expenses 11% lower than last year and payroll expenses down MCH \$5,972, including more than MCH \$4,000 in termination benefits at Banco Security and its subsidiaries."

As for the company's transformation plan, Renato Peñafiel explained that "its objective is to strengthen its businesses' long-term profitability and adapt to the changes in the environment. We have built a governance structure. On August 25th, the company will hold an Extraordinary Shareholders' Meeting to approve a share buyback program. Renato Peñafiel indicated, "In light of the good results obtained and the savings and transformation plans we have in place, we are confident that this program is an attractive investment for Grupo Security, since the current stock price does not reflect its intrinsic value." and efficiencies, thus ensuring that we achieve our set objectives. We hope that the boost in productivity from these projects generates greater revenue over the next few years," he said.

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Among its subsidiaries, Banco Security reported profit of MCH \$30,694, which represents 49.6% of profit from related companies. This was despite increased LLP expenses of MCH \$13,750 and termination benefits paid out. Vida Security also performed very well, reporting profit of MCH \$23,608 for 6M21 thanks to improved investment returns. The company ranked third in market share as of the end of the first half of the year with 6.7%, equivalent to total premiums of MCH \$151,735. In addition, the travel business is in the midst of a recovery process after the enormous impact of the pandemic on the tourism industry in 2020, while Inmobiliaria Security continues to report positive results, with profit of MCH \$2,309 for 6M21 (-MCH \$514 for 6M20).