

## Intercorp Financial Services Inc. Fourth Quarter 2023 Earnings

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Lima, Peru, February 12, 2024. Intercorp Financial Services Inc. (Lima Stock Exchange/NYSE: IFS) announced today its unaudited results for the fourth quarter 2023. These results are reported on a consolidated basis under IFRS in nominal Peruvian soles.

### Intercorp Financial Services: FY23 revenues up 10% YoY, growth across all businesses

- 4Q23 earnings of S/ 286 million, up 47% QoQ
- Customer base growth continues across businesses
- Tight management of costs with 5% YoY decrease in 4Q23
- Sound capitalization levels
- Positive developments in digital and ESG indicators

### Banking: Defiant year in banking activity

- Soft banking activity after tightening of credit standards
- Stable NIM throughout the year with cost of funds stabilizing on rates outlook
- Banking expenses declined 6% YoY, C/I ratio at 36.2% in 4Q23
- CoR at 5.2% in 4Q23 and 4.3% in FY23, strong coverage
- Increasing market relevance in targeted banking products

### Insurance: FY23 earnings of S/ 292 million, ROE at 86.2%

- Full-year and quarterly results increased 14% and 76% YoY, respectively, mostly due to strong results from investments
- ROIP of 7.2% in 4Q23 compared to 6.0% in 3Q23 and 7.5% in 4Q22
- Market leader in annuities with a 26.4% share as of Nov23
- For periods prior to 2023, a reconstruction of results appropriate to the first adoption of IFRS17 has been performed for comparative purposes

### Wealth Management: Positive quarter due to investment portfolio recovery

- Significant QoQ increase in revenues driven by investment results
- Continued growth in AUM: 2.0% QoQ and 8.7% YoY
- Sequential recovery of fee income continues, adding up to quarterly growth in NII

### Payments: Revenues ramping up

- Payments acquirer fees increased 1.3% QoQ and 1.2% YoY
- Number of affiliated merchants and transactional volumes continue to expand
- Share of e-commerce transactions within Izipay grew from 15.8% to 16.2% YoY

## Intercorp Financial Services

### SUMMARY

#### 2023 Performance

Intercorp Financial Services' profits were S/ 1,079.3 million in 2023, a 35.7% decrease compared to 2022. The lower net profit was mainly a result of increases of more than two-fold in impairment loss on loans and 4.7% in other expenses. These factors were partially offset by increases of 7.6% in net interest and similar income, 3.6% in net fee income from financial services, 2.8% in other income, in addition to an improvement in insurance and translation results.

IFS's ROE was 11.3% in 2023, lower than the 19.1% registered in 2022.

<b>Intercorp Financial Services' P&amp;L Statement<sup>(1)</sup></b>			
S/ million	2022	2023	%chg 23/22
Interest and similar income	5,871.3	7,120.4	21.3%
Interest and similar expenses	-1,661.7	-2,592.4	56.0%
<b>Net interest and similar income</b>	<b>4,209.6</b>	<b>4,528.0</b>	<b>7.6%</b>
Impairment loss on loans, net of recoveries	-830.6	-1,981.8	n.m.
Recovery (loss) due to impairment of financial investments	-12.8	-7.5	-41.2%
<b>Net interest and similar income after impairment loss</b>	<b>3,366.3</b>	<b>2,538.7</b>	<b>-24.6%</b>
Fee income from financial services, net	1,137.4	1,178.5	3.6%
Other income	542.5	557.8	2.8%
Insurance results	-252.9	-178.4	-29.4%
Other expenses	-2,627.1	-2,750.2	4.7%
<b>Income before translation result and income tax</b>	<b>2,166.2</b>	<b>1,346.4</b>	<b>-37.8%</b>
Translation result	-25.5	8.4	n.m.
Income tax	-462.5	-275.6	-40.4%
<b>Profit for the period</b>	<b>1,678.1</b>	<b>1,079.3</b>	<b>-35.7%</b>
<b>Attributable to IFS' shareholders</b>	<b>1,668.0</b>	<b>1,072.7</b>	<b>-35.7%</b>
<b>EPS</b>	<b>14.45</b>	<b>9.33</b>	
<b>ROE</b>	<b>19.1%</b>	<b>11.3%</b>	
<b>ROA</b>	<b>1.9%</b>	<b>1.2%</b>	
<b>Efficiency ratio</b>	<b>36.4%</b>	<b>36.8%</b>	

(1) Figures for 2022 have been re-expressed for comparison purposes due to IFRS17 adoption.

Net interest and similar income grew S/ 318.4 million, or 7.6%, mainly due to an increase of S/ 414.8 million in our Banking business, partially offset by negative performances of S/ 85.9 million and S/ 19.2 million in our Insurance and Wealth Management businesses, respectively.

Impairment loss on loans, net of recoveries increased more than two-fold, explained by higher provision requirements in both retail and commercial loan books, associated with a deterioration of the macroeconomic outlook in Peru.

Growth of S/ 41.1 million in net fee income from financial services was mainly due to higher commissions across most products and services in our Banking business and higher fees from payments acquirer in our Payments business, where the number of merchants grew 25.0%. However, lower fees from funds management in our Wealth Management business partially compensated the positive performance.

Other income increased S/ 15.3 million, or 2.8%, reflecting a strong improvement in our Wealth Management business, attributed to mark-to-market valuation on proprietary investments, as well as positive performances in our Insurance and Banking businesses.

Insurance results, despite being negative, improved from S/ -252.9 million in 2022 to S/ -178.4 million in 2023.

The moderate increase in other expenses was mostly attributed to higher expenses in our Payments, Insurance and Banking businesses.

The efficiency ratio was 36.8% in 2023, compared to the 36.4% registered in 2022.

Intercorp Financial Services' Statement of financial position <sup>(1)</sup>					
S/ million	12.31.22	09.30.23	12.31.23	%chg 12.31.23 09.30.23	%chg 12.31.23 12.31.22
<b>Assets</b>					
Cash and due from banks and inter-bank funds	13,489.5	11,106.4	10,343.6	-6.9%	-23.3%
Financial investments	22,787.6	25,484.2	26,722.0	4.9%	17.3%
Loans, net of unearned interest	47,530.9	49,379.8	48,869.8	-1.0%	2.8%
Impairment allowance for loans	-2,027.9	-2,301.9	-2,349.4	2.1%	15.9%
Property, furniture and equipment, net	791.4	797.3	804.8	1.0%	1.7%
Other assets	4,907.1	4,893.3	5,232.1	6.9%	6.6%
<b>Total assets</b>	<b>87,478.6</b>	<b>89,359.0</b>	<b>89,622.9</b>	<b>0.3%</b>	<b>2.5%</b>
<b>Liabilities and equity</b>					
Deposits and obligations	48,530.7	49,074.9	49,188.2	0.2%	1.4%
Due to banks and correspondents and inter-bank funds	7,130.7	9,972.2	9,145.6	-8.3%	28.3%
Bonds, notes and other obligations	7,906.3	5,845.9	5,551.6	-5.0%	-29.8%
Insurance contract liabilities	11,227.8	11,551.5	12,205.6	5.7%	8.7%
Other liabilities	3,256.9	3,257.3	3,523.6	8.2%	8.2%
<b>Total liabilities</b>	<b>78,052.4</b>	<b>79,701.8</b>	<b>79,614.8</b>	<b>-0.1%</b>	<b>2.0%</b>
<b>Equity, net</b>					
Equity attributable to IFS' shareholders	9,372.5	9,601.4	9,950.2	3.6%	6.2%
Non-controlling interest	53.8	55.9	57.9	3.6%	7.7%
<b>Total equity, net</b>	<b>9,426.2</b>	<b>9,657.3</b>	<b>10,008.1</b>	<b>3.6%</b>	<b>6.2%</b>
<b>Total liabilities and equity net</b>	<b>87,478.6</b>	<b>89,359.0</b>	<b>89,622.9</b>	<b>0.3%</b>	<b>2.5%</b>

(1) Figures as of 12.31.22 and 09.30.23 have been re-expressed for comparison purposes due to IFRS17 adoption.

## 4Q23 Performance

Intercorp Financial Services' net profit was S/ 286.1 million in 4Q23, an increase of S/ 90.9 million QoQ, or 46.5%, but a decrease of S/ 162.8 million YoY, or 36.3%.

IFS's annualized ROE was 11.6% in 4Q23, above the 8.2% reported in 3Q23, but below the 19.5% registered in 4Q22.

Intercorp Financial Services' P&L statement <sup>(1)</sup>					
S/ million	4Q22	3Q23	4Q23	%chg QoQ	%chg YoY
Interest and similar income	1,684.0	1,849.0	1,805.0	-2.4%	7.2%
Interest and similar expenses	-535.4	-681.2	-681.5	0.0%	27.3%
<b>Net interest and similar income</b>	<b>1,148.5</b>	<b>1,167.8</b>	<b>1,123.5</b>	<b>-3.8%</b>	<b>-2.2%</b>
Impairment loss on loans, net of recoveries	-278.0	-581.2	-616.2	6.0%	n.m.
Recovery (loss) due to impairment of financial investments	-8.2	3.8	0.8	-79.4%	n.m.
<b>Net interest and similar income after impairment loss</b>	<b>862.3</b>	<b>590.4</b>	<b>508.1</b>	<b>-13.9%</b>	<b>-41.1%</b>
Fee income from financial services, net	323.2	290.5	287.8	-0.9%	-11.0%
Other income	136.9	105.3	224.4	n.m.	63.9%
Insurance results	-86.3	-28.8	-24.1	-16.1%	-72.0%
Other expenses	-730.3	-688.5	-691.2	0.4%	-5.4%
<b>Income before translation result and income tax</b>	<b>505.9</b>	<b>268.8</b>	<b>304.9</b>	<b>13.4%</b>	<b>-39.7%</b>
Translation result	48.8	-42.7	18.4	n.m.	-62.4%
Income tax	-105.8	-31.0	-37.2	20.0%	-64.9%
<b>Profit for the period</b>	<b>448.9</b>	<b>195.2</b>	<b>286.1</b>	<b>46.5%</b>	<b>-36.3%</b>
<b>Attributable to IFS' shareholders</b>	<b>446.2</b>	<b>193.8</b>	<b>284.9</b>	<b>47.0%</b>	<b>-36.1%</b>
<b>EPS</b>	<b>3.87</b>	<b>1.69</b>	<b>2.49</b>		
<b>ROE</b>	<b>19.5%</b>	<b>8.2%</b>	<b>11.6%</b>		
<b>ROA</b>	<b>2.0%</b>	<b>0.9%</b>	<b>1.3%</b>		
<b>Efficiency ratio</b>	<b>35.6%</b>	<b>36.6%</b>	<b>36.2%</b>		

(1) Figures for 4Q22 and 3Q23 have been re-expressed for comparison purposes due to IFRS17 adoption.

## Quarter-on-quarter performance

Profits increased S/ 90.9 million QoQ, or 46.5%, mainly due to a S/ 119.9 million increase in other income and a positive performance in translation result. These effects were partially compensated by a S/ 44.3 million lower net interest and similar income, and an increase of S/ 35.0 million in loan loss provisions.

Other income increased S/ 119.9 million QoQ, or more than two-fold, mainly explained by growth of S/ 65.4 million in our Insurance business, S/ 13.3 million in our Payments business, S/ 1.2 million in our Banking business and a positive reversion in our Wealth Management business associated with a recovery of global market trends.

Net interest and similar income decreased S/ 44.3 million QoQ, or 3.8%. This was due to lower average yields on loans and due from banks in our Banking business, as well as a S/ 19.4 million decrease in our Insurance business caused by a downward trend in inflation rates, partially offset by a S/ 1.3 million increase in our Wealth Management business, in turn related to higher dividends received from proprietary portfolio investments.

Insurance results improved from S/ -28.8 million in 3Q23 to S/ -24.1 million in 4Q23, as a result of higher insurance income and lower insurance expenses related to annuities.

Impairment loss on loans, net of recoveries, increased S/ 35.0 million QoQ, or 6.0%, explained by higher provision requirements in both commercial and retail loan portfolios of our Banking business.

Other expenses increased S/ 2.7 million QoQ, or 0.4%, mainly as a result of higher administrative expenses related to additional customer acquisition, as well as higher depreciation and amortization charges in our Payments business, partially offset by lower expenses in our Banking business, mainly as a result of tight management of expenses.

### Year-on-year performance

Profits decreased S/ 162.8 million YoY, or 36.3%, mainly due to an increase of S/ 338.2 million in impairment loss on loans, net of recoveries, in addition to decreases of S/ 35.4 million in net fee income from financial services, and S/ 25.0 million in net interest and similar income. These factors were partially offset by an S/ 87.5 million increase in other income, a S/ 39.1 million decrease in other expenses and a S/ 62.2 million improvement in insurance results.

Impairment loss on loans, net of recoveries increased S/ 338.2 million YoY, or more than two-fold, due to higher requirements in the retail and commercial loan portfolios of our Banking business.

Net fee income from financial services declined S/ 35.4 million YoY, or 11.0%, mainly attributed to lower commissions from credit card services, commissions from banking services, fees from collection services and higher fees paid to foreign banks in our Banking business. A higher service cost in our Payments business, as a result of increased transactional volumes, and a reduction in correspondent banking fees affected by a higher use of digital wallets, also contributed with the lower net fee income.

Net and similar income decreased S/ 25.0 million YoY, or 2.2%, attributed to a S/ 43.3 million decrease in our Insurance business, related to lower interest and similar income caused by a downward trend in inflation rates. This was partially compensated by a S/ 20.1 million YoY increase in our Banking business, mostly explained by higher returns on due from banks and loans.

Other income increased S/ 87.5 million YoY, or 63.9%, mainly due to positive developments in valuation gain from investment property, net gain on financial assets at fair value, and net gain on sale of financial investments in our Insurance business. A positive reversion of Inteligo's mark-to-market valuations on proprietary portfolio investments also helped the growth in other income.

Other expenses decreased S/ 39.1 million YoY, or 5.4%, mainly due to a S/ 32.6 million decrease in our Banking business, in turn related to lower salaries and employee benefits, administrative expenses, among other charges.

Insurance results improved S/ 62.2 million YoY, as a result of higher insurance income and lower insurance expenses.

## CONTRIBUTION BY SEGMENTS

The following table shows the contribution of Banking, Insurance, Wealth Management and Payments businesses to Intercorp Financial Services' net profit. The performance of each of the four segments is discussed in detail in the following sections.

Intercorp Financial Services' Profit by business					
S/ million	4Q22	3Q23	4Q23	%chg QoQ	%chg YoY
Banking	364.9	196.2	135.3	-31.0%	-62.9%
Insurance	78.2	35.5	137.4	n.m.	75.8%
Wealth Management	16.9	-17.7	24.5	n.m.	45.0%
Payments	11.7	7.4	4.1	-44.8%	-65.0%
Corporate and eliminations	-22.9	-26.3	-15.3	-41.8%	-33.2%
<b>IFS profit for the period</b>	<b>448.9</b>	<b>195.2</b>	<b>286.1</b>	<b>46.5%</b>	<b>-36.3%</b>

## Interbank

### SUMMARY

#### 2023 Performance

Interbank's profits were S/ 856.1 million in 2023, which represented a decrease of S/ 518.0 million YoY, or 37.7%.

The yearly performance was mainly attributed to increases of S/ 1,149.1 million in impairment loss on loans, net of recoveries, and S/ 19.1 million in other expenses. These factors were partially offset by increases of S/ 414.8 million in net interest and similar income, S/ 19.4 million in other income, and S/ 15.6 million in net fee income from financial services.

Interbank's ROE was 11.2% in 2023, representing a lower profitability compared to the 19.8% reported in 2022.

<b>Banking Segment's P&amp;L Statement</b>			
S/ million	2022	2023	%chg 23/22
Interest and similar income	4,774.4	6,076.0	27.3%
Interest and similar expense	-1,476.9	-2,363.8	60.0%
<b>Net interest and similar income</b>	<b>3,297.4</b>	<b>3,712.2</b>	<b>12.6%</b>
Impairment loss on loans, net of recoveries	-832.9	-1,982.0	n.m.
Recovery (loss) due to impairment of financial investments	-0.7	0.0	n.m.
<b>Net interest and similar income after impairment loss</b>	<b>2,463.8</b>	<b>1,730.2</b>	<b>-29.8%</b>
Fee income from financial services, net	797.7	813.3	2.0%
Other income	475.4	494.8	4.1%
Other expenses	-1,930.8	-1,949.9	1.0%
<b>Income before translation result and income tax</b>	<b>1,806.1</b>	<b>1,088.5</b>	<b>-39.7%</b>
Translation result	-22.8	-16.0	-30.0%
Income tax	-409.2	-216.4	-47.1%
<b>Profit for the period</b>	<b>1,374.1</b>	<b>856.1</b>	<b>-37.7%</b>
<b>ROE</b>	<b>19.8%</b>	<b>11.2%</b>	
<b>Efficiency ratio</b>	<b>40.4%</b>	<b>37.3%</b>	
<b>NIM</b>	<b>4.9%</b>	<b>5.5%</b>	
<b>NIM on loans</b>	<b>7.7%</b>	<b>8.3%</b>	

Net interest and similar income increased 12.6%, due to 27.3% higher interest and similar income, partially compensated by a 60.0% increase in interest and similar expense.

The higher interest and similar income was due to increases of more than two-fold in interest on due from banks and inter-bank funds, 25.4% in interest on loans, and 17.5% in interest on financial investments.

Interest on due from banks and inter-bank funds increased S/ 164.2 million, or more than two-fold, explained by a 190 basis point increase in the nominal average rate, from 1.3% in 2022 to 3.2% in 2023, partially offset by a 14.2% decrease in the average volume.

Interest on loans grew S/ 1,059.3 million, or 25.4%, due to increases of 180 basis points in the nominal average rate and 5.7% in the average volume.

The higher average rate on loans, from 9.4% in 2022 to 11.2% in 2023, was due to yield increases in the commercial and consumer portfolios, and mortgages to a lesser extent.

The higher average volume of loans was attributed to growth of 13.4% in retail loans, partially offset by a 3.9% decrease in commercial loans. In the retail portfolio, the higher average volume was mainly due to increases of 17.3% in consumer loans and 7.2% in mortgages. The reduction in commercial loans was attributed to decreases of 7.3% in working capital loans and 4.8% in trade finance loans, partially offset by growth of 16.4% in leasing operations.

Interest on financial investments increased S/ 78.1 million, or 17.5%, due to growth of 60 basis points in the average yield and 4.6% in the average volume. The higher average yield, from 4.2% in 2022 to 4.8% in 2023, was due to higher returns on CDBCR and corporate bonds, partially offset by lower returns on sovereign bonds. The higher average volume was a result of increases in balances of CDBCR and sovereign bonds, partially compensated by lower positions in global and corporate bonds.

As a result of the above, the nominal average yield on interest-earning assets expanded 170 basis points, from 7.2% in 2022 to 8.9% in 2023.

The 60.0% higher interest and similar expense was due to increases of more than two-fold in interest on due to banks and correspondents, and 83.9% in interest on deposits and obligations, partially compensated by a 30.4% decrease in interest on bonds, notes and other obligations.

Interest on due to banks and correspondents increased as a result of a 250 basis point increase in the average cost, from 2.9% in 2022 to 5.4% in 2023, as well as an 11.8% increase in the average volume. The higher average cost was due to higher rates in funding provided by correspondent banks abroad and BCRP, partially compensated by lower rates in inter-bank funds. The higher average volume was related to higher balances in funding from correspondent banks abroad, COFIDE and inter-bank funds, partially offset by lower funding provided by BCRP.

Interest on deposits increased S/ 756.4 million, or 83.9%, explained by a 160 basis point increase in the average cost, from 2.0% in 2022 to 3.6% in 2023, as a result of higher rates paid to institutional, commercial and retail deposits, associated with higher reference rates globally. The 3.0% increase in the average volume was explained by higher balances of institutional and retail deposits, partially compensated by lower balances of commercial deposits.

The lower interest on bonds, notes and other obligations was mostly explained by a 27.5% reduction in the average volume, attributable to the maturity and repayment of a senior international bond, as well as local subordinated bonds throughout the year.



The average cost of funding increased 150 basis points, from 2.5% in 2022 to 4.0% in 2023, in line with the higher average cost of deposits and on due to banks and correspondents.

As a result of the above, net interest margin was 5.5% in 2023, 60 basis points higher than the 4.9% reported in 2022.

Impairment loss on loans, net of recoveries increased S/ 1,149.1 million, or more than two-fold when compared to the previous year. The increase in provision expenses was mainly related to higher requirements in the retail and commercial loan books, associated with a deterioration of the macroeconomic outlook in Peru.

The S/ 15.6 million, or 2.0% increase in net fee income from financial services was mainly due to higher commissions across most products and services.

Other income grew S/ 19.4 million, or 4.1%, mainly due to an increase in net gain on valuation of securities.

Other expenses increased S/ 19.1 million, or 1.0%, mainly as a result of higher expenses in technology, as well as marketing expenses related to credit cards.

The efficiency ratio was 37.3% in 2023, an improvement compared to the 40.4% registered in 2022.

Results before translation result and income tax were S/ 1,088.5 million in 2023, a decrease of 39.7% compared to the result registered in 2022. This effect was partially offset by a lower effective tax rate.

As a result of the above, profits for the period were S/ 856.1 million, lower compared to the net profit of S/ 1,374.1 million registered in 2022.

#### 4Q23 Performance

Interbank's profits were S/ 135.3 million in 4Q23, a decrease of S/ 60.9 million, or 31.0%, and a reduction of S/ 229.6 million YoY, or 62.9%. The quarterly performance was mainly attributed to an increase of S/ 35.0 million in impairment loss on loans, net of recoveries, a S/ 26.5 million decrease in net interest and similar income, as well as a higher effective tax rate. These factors were partially offset by a decrease of S/ 15.3 million in other expenses, a S/ 1.2 million increase in other income and a S/ 0.9 million growth in net fee income from financial services.

The annual performance in net profit was explained by growth of S/ 338.0 million in impairment loss on loans, net of recoveries, as well as decreases of S/ 11.8 million in net fee income from financial services and S/ 9.3 million in other income. These effects were partially compensated by a S/ 32.6 million decrease in other expenses and a S/ 20.1 million increase in net interest and similar income, as well as a lower effective tax rate.

Interbank's ROE was 6.8% in 4Q23, below the 10.2% and 20.2% registered in 3Q23 and 4Q22, respectively.

Banking Segment's P&L Statement					
S/ million	4Q22	3Q23	4Q23	%chg QoQ	%chg YoY
Interest and similar income	1,396.4	1,590.9	1,556.0	-2.2%	11.4%
Interest and similar expense	-479.5	-627.3	-619.0	-1.3%	29.1%
<b>Net interest and similar income</b>	<b>916.9</b>	<b>963.5</b>	<b>937.0</b>	<b>-2.8%</b>	<b>2.2%</b>
Impairment loss on loans, net of recoveries	-278.2	-581.2	-616.2	6.0%	n.m.
Recovery (loss) due to impairment of financial investments	-0.4	-0.0	-0.2	n.m.	-42.4%
<b>Net interest and similar income after impairment loss</b>	<b>638.3</b>	<b>382.3</b>	<b>320.6</b>	<b>-16.1%</b>	<b>-49.8%</b>
Fee income from financial services, net	211.4	198.7	199.6	0.5%	-5.6%
Other income	130.7	120.2	121.4	1.0%	-7.1%
Other expenses	-507.8	-490.5	-475.2	-3.1%	-6.4%
<b>Income before translation result and income tax</b>	<b>472.7</b>	<b>210.6</b>	<b>166.3</b>	<b>-21.0%</b>	<b>-64.8%</b>
Translation result	-15.5	6.8	-5.9	n.m.	-62.1%
Income tax	-92.2	-21.2	-25.1	18.7%	-72.8%
<b>Profit for the period</b>	<b>364.9</b>	<b>196.2</b>	<b>135.3</b>	<b>-31.0%</b>	<b>-62.9%</b>
<b>ROE</b>	<b>20.2%</b>	<b>10.2%</b>	<b>6.8%</b>		
<b>Efficiency ratio</b>	<b>37.9%</b>	<b>36.5%</b>	<b>36.2%</b>		
<b>NIM</b>	<b>5.4%</b>	<b>5.6%</b>	<b>5.5%</b>		
<b>NIM on loans</b>	<b>8.2%</b>	<b>8.5%</b>	<b>8.2%</b>		

## INTEREST-EARNING ASSETS

Interbank's interest-earning assets reached S/ 66,092.5 million as of December 31, 2023, a slight reduction of 0.7% QoQ, but an increase of 2.2% YoY.

The quarterly decrease in interest-earning assets was explained by reductions of 4.8% in cash and due from banks and inter-bank funds, and 1.0% in loans, partially offset by an increase of 4.0% in financial investments.

The YoY growth in interest-earning assets was attributed to increases of 24.8% in financial investments and 2.9% in loans, partially compensated by a 19.6% decrease in cash and due from banks and inter-bank funds.

Interest-earning assets					
S/ million	12.31.22	09.30.23	12.31.23	%chg 12.31.23 09.30.23	%chg 12.31.23 12.31.22
Cash and due from banks and inter-bank funds	11,348.4	9,579.5	9,123.4	-4.8%	-19.6%
Financial investments	9,586.3	11,508.2	11,964.2	4.0%	24.8%
Loans	43,725.3	45,482.2	45,004.8	-1.0%	2.9%
<b>Total interest-earning assets</b>	<b>64,660.1</b>	<b>66,569.9</b>	<b>66,092.5</b>	<b>-0.7%</b>	<b>2.2%</b>

Loan portfolio					
S/ million	12.31.22	09.30.23	12.31.23	%chg 12.31.23 09.30.23	%chg 12.31.23 12.31.22
Performing loans					
Retail	23,339.5	25,186.0	24,785.9	-1.6%	6.2%
Commercial	20,252.3	20,028.9	19,869.8	-0.8%	-1.9%
<b>Total performing loans</b>	<b>43,591.8</b>	<b>45,214.9</b>	<b>44,655.8</b>	<b>-1.2%</b>	<b>2.4%</b>
Restructured and refinanced loans	322.9	403.8	462.0	14.4%	43.1%
Past due loans	1,365.8	1,571.4	1,652.2	5.1%	21.0%
<b>Total gross loans</b>	<b>45,280.5</b>	<b>47,190.1</b>	<b>46,769.9</b>	<b>-0.9%</b>	<b>3.3%</b>
Add (less)					
Accrued and deferred interest	472.3	593.9	584.2	-1.6%	23.7%
Impairment allowance for loans	-2,027.5	-2,301.7	-2,349.3	2.1%	15.9%
<b>Total direct loans, net</b>	<b>43,725.3</b>	<b>45,482.2</b>	<b>45,004.8</b>	<b>-1.0%</b>	<b>2.9%</b>

The evolution of performing loans continued to be affected by the disbursement and maturity or prepayment of commercial loans under the Reactiva Peru Program. As of December 31, 2023, these performing loans amounted S/ 625.8 million, compared to balances of S/ 773.2 million as of September 30, 2023 and S/ 2,020.3 million as of December 31, 2022.

Performing loans declined 1.2% QoQ, as retail loans decreased 1.6% and commercial loans 0.8%. Excluding the effect of the Reactiva Peru Program in the comparing periods, total performing loans and commercial loans would have also decreased 0.9% and 0.1% QoQ, respectively.

Retail loans decreased 1.6% due to a 3.3% reduction in consumer loans, partially offset by a 1.3% increase in mortgages. Consumer loans decreased due to lower balances of cash loans and credit cards, partially offset by 2.5% growth in payroll deduction loans.

The quarterly reduction in commercial loans was a result of lower working capital loans, in addition to lower trade finance loans in the corporate segment, as well as lower working capital loans in the SME and mid-sized segment. These effects were partially compensated by higher leasing operations in the corporate and mid-sized segment, as well as higher trade financial loans in the mid-sized segment.

Performing loans grew 2.4% YoY explained by a 6.2% increase in retail loans, partially offset by a 1.9% reduction in commercial loans. Excluding the effect of the Reactiva Peru Program in the comparing periods, performing loans and commercial loans would have increased 5.9% and 5.6% YoY, respectively

The YoY growth in retail loans was due to increases of 6.5% in consumer loans and 5.7% in mortgages. The increase in consumer loans resulted from higher balances of payroll deduction loans and personal loans, partially compensated by lower balances of credit cards.

The annual reduction in commercial loans was mainly explained by lower balances of Reactiva Peru loans in the form of lower trade finance loans in the corporate segment, as well as lower working capital loans across all segments. These factors were partially offset by higher leasing operations in the corporate and mid-sized segment.

As of 4Q23, 3Q23 and 4Q22, Interbank's rescheduled portfolio of Reactiva Peru loans amounted to S/ 730.5 million, S/ 896.0 million and S/ 1,476.4 million, respectively,

representing 94.8% of total balances of Reactiva Peru loans in 4Q23, 94.7% in 3Q23 and 64.6% in 4Q22.

It is worth mentioning that these loans are guaranteed in large part by the Peruvian government. As of December 31, 2023, Interbank activated the guarantee coverage for an amount of S/ 807.2 million.

Breakdown of retail loans					
S/ million	12.31.22	09.30.23	12.31.23	%chg 12.31.23 09.30.23	%chg 12.31.23 12.31.22
<b>Consumer loans:</b>					
Credit cards & other loans	9,689.5	10,599.6	9,951.0	-6.1%	2.7%
Payroll deduction loans <sup>(1)</sup>	4,629.1	5,172.5	5,301.7	2.5%	14.5%
<b>Total consumer loans</b>	<b>14,318.7</b>	<b>15,772.1</b>	<b>15,252.7</b>	<b>-3.3%</b>	<b>6.5%</b>
Mortgages	9,020.8	9,413.9	9,533.2	1.3%	5.7%
<b>Total retail loans</b>	<b>23,339.5</b>	<b>25,186.0</b>	<b>24,785.9</b>	<b>-1.6%</b>	<b>6.2%</b>

(1) Payroll deduction loans to public sector employees.

## FUNDING STRUCTURE

Funding structure					
S/ million	12.31.22	09.30.23	12.31.23	%chg 12.31.23 09.30.23	%chg 12.31.23 12.31.22
Deposits and obligations	44,597.9	45,652.6	46,053.6	0.9%	3.3%
Due to banks and correspondents and inter-bank funds	6,756.6	9,522.5	8,789.0	-7.7%	30.1%
Bonds, notes and other obligations	6,571.5	4,508.6	4,253.2	-5.7%	-35.3%
<b>Total</b>	<b>57,926.0</b>	<b>59,683.8</b>	<b>59,095.8</b>	<b>-1.0%</b>	<b>2.0%</b>
<b>% of funding</b>					
Deposits and obligations	77.0%	76.4%	77.9%		
Due to banks and correspondents and inter-bank funds	11.7%	16.0%	14.9%		
Bonds, notes and other obligations	11.3%	7.6%	7.2%		

Interbank's funding base was still influenced by the funds provided by the Central Bank, associated with the bank's involvement in the Reactiva Peru Program. As of December 31, 2023, the balance of such special funding was S/ 540.2 million, compared to S/ 690.2 million as of September 30, 2023 and S/ 1,909.4 million as of December 31, 2022.

The bank's total funding base declined 1.0% QoQ, compared to the 0.7% decrease of interest-earnings assets. This was explained by reductions of 7.7% in due to banks and correspondents and inter-bank funds, 5.7% in bonds, notes and other obligations, partially offset by a 0.9% increase in deposits and obligations. Excluding the effect of the Reactiva Peru Program's funds, the bank's total funding base would have also decreased 0.7% QoQ, while due to banks and correspondents and inter-bank funds would have decreased 6.6%.

The quarterly reduction in due to banks and correspondents and inter-bank funds was mainly the result of lower long-term funding provided by the Central Bank, as well as lower inter-bank funds. These effects were partially compensated by higher long-term and short-term funding provided by correspondent banks abroad, as well as higher short-term funding provided by COFIDE.

The QoQ decline in bonds, notes and other obligations was mainly attributable to the maturity and repayment of a subordinated local bond for US\$ 50.0 million in December 2023, as well as the effect of a lower exchange rate over the balances of dollar-denominated obligations.

The quarterly growth in deposits and obligations was mainly due to increases of 4.0% in commercial deposits and 2.5% in retail deposits, partially offset by a 10.8% reduction in institutional deposits.

The bank's total funding base grew 2.0% YoY, similar to the 2.2% increase of interest-earning assets. This was explained by increases of 30.1% in due to banks and correspondents and inter-bank funds, 3.3% in deposits and obligations, partially offset by a 35.3% decrease in bonds, notes and other obligations. Excluding the effect of the Reactiva Peru Program's funds, the bank's total funding base and due to banks and correspondents and inter-bank funds would have increased 4.5% and 70.2% YoY, respectively.

The YoY increase in due to banks and correspondents and inter-bank funds was mainly the result of higher long-term funding provided by correspondent banks abroad, higher short-term and long-term funding from COFIDE, as well as higher short-term inter-bank funds. These factors were partially compensated by lower long-term funding provided by the Central Bank.

The annual increase in deposits was mainly attributed to increases of 4.3% in retail deposits, 3.4% in institutional deposits and 0.9% in commercial deposits.

The annual decrease in bonds, notes and other obligations was mainly attributable to the maturity and repayment of a senior international bond for US\$ 485.0 million in early 2023, as well as local subordinated bonds for S/ 150.0 million and US\$ 50.0 million, in January and December 2023, respectively.

As of December 31, 2023, the proportion of deposits and obligations to total funding was 77.9%, higher than the 77.0% reported as of December 31, 2022. Likewise, the proportion of institutional deposits to total deposits remained stable in the comparing periods, at 12.7%.

Breakdown of deposits					
S/ million	12.31.22	09.30.23	12.31.23	%chg 12.31.23 09.30.23	%chg 12.31.23 12.31.22
By customer service:					
Retail	23,670.0	24,079.9	24,683.7	2.5%	4.3%
Commercial	14,864.8	14,420.9	15,002.6	4.0%	0.9%
Institutional	5,650.5	6,553.5	5,844.8	-10.8%	3.4%
Other	412.6	598.3	522.5	-12.7%	26.6%
<b>Total</b>	<b>44,597.9</b>	<b>45,652.6</b>	<b>46,053.6</b>	<b>0.9%</b>	<b>3.3%</b>
By type:					
Demand	12,020.7	12,458.8	12,474.3	0.1%	3.8%
Savings	20,911.8	16,854.2	17,756.3	5.4%	-15.1%
Time	11,659.1	16,324.7	15,816.4	-3.1%	35.7%
Other	6.2	14.9	6.6	-55.8%	6.4%
<b>Total</b>	<b>44,597.9</b>	<b>45,652.6</b>	<b>46,053.6</b>	<b>0.9%</b>	<b>3.3%</b>

## NET INTEREST AND SIMILAR INCOME

Net interest and similar income					
S/ million	4Q22	3Q23	4Q23	%chg QoQ	%chg YoY
Interest and similar income	1,396.4	1,590.9	1,556.0	-2.2%	11.4%
Interest and similar expense	-479.5	-627.3	-619.0	-1.3%	29.1%
<b>Net interest and similar income</b>	<b>916.9</b>	<b>963.5</b>	<b>937.0</b>	<b>-2.8%</b>	<b>2.2%</b>
<b>NIM</b>	<b>5.4%</b>	<b>5.6%</b>	<b>5.5%</b>	<b>-10 bps</b>	<b>10 bps</b>

Interest and similar income					
S/ million	4Q22	3Q23	4Q23	%chg QoQ	%chg YoY
<b>Interest and similar income</b>					
Due from banks and inter-bank funds	64.6	80.1	74.2	-7.3%	14.9%
Financial investments	134.8	136.4	143.1	4.9%	6.2%
Loans	1,197.0	1,374.4	1,338.7	-2.6%	11.8%
<b>Total Interest and similar income</b>	<b>1,396.4</b>	<b>1,590.9</b>	<b>1,556.0</b>	<b>-2.2%</b>	<b>11.4%</b>
Average interest-earning assets	67,534.0	68,470.1	68,656.7	0.3%	1.7%
Average yield on assets (annualized)	8.3%	9.3%	9.1%	-20 bps	80 bps

Interest and similar expense					
S/ million	4Q22	3Q23	4Q23	%chg QoQ	%chg YoY
<b>Interest and similar expense</b>					
Deposits and obligations	-313.1	-435.9	-431.4	-1.0%	37.8%
Due to banks and correspondents and inter-bank funds	-78.6	-129.0	-126.8	-1.7%	61.4%
Bonds, notes and other obligations	-87.8	-62.5	-60.8	-2.7%	-30.8%
<b>Total Interest and similar expense</b>	<b>-479.5</b>	<b>-627.3</b>	<b>-619.0</b>	<b>-1.3%</b>	<b>29.1%</b>
Average interest-bearing liabilities	59,068.2	59,379.2	59,389.8	0.0%	0.5%
Average cost of funding (annualized)	3.2%	4.2%	4.2%	0 bps	100 bps

### QoQ Performance

Net interest and similar income decreased 2.8% QoQ due to a 2.2% reduction in interest and similar income, partially compensated by a 1.3% decrease in interest and similar expense.

The lower interest and similar income was attributed to decreases of 7.3% in interest on due from banks and inter-bank funds and 2.6% in interest on loans, partially offset by a 4.9% increase in interest on financial investments.

Interest on due from banks and inter-bank funds declined S/ 5.9 million QoQ, or 7.3%, explained by a 10 basis point decrease in the nominal average rate, from 3.3% in 3Q23 to 3.2% in 4Q23, as well as a 3.7% reduction in the average volume.

Interest on loans decreased S/ 35.7 million QoQ, or 2.6%, as a result of a 30 basis point decrease in the average yield, partially offset by a 0.6% increase in the average loan portfolio.

The lower average rate on loans, from 11.6% in 3Q23 to 11.3% in 4Q23, was the result of a 70 basis point decrease in retail loans and a 20 basis point decrease in commercial loans.

The higher average volume of loans was attributed to growth of 4.8% in commercial loans and 0.3% in retail loans. In the commercial portfolio, average volumes increased 9.0% in leasing operations, partially compensated by decreases of 2.9% in working capital loans and 1.4% in trade finance loans. In the retail portfolio, average volumes increased 1.5% in mortgages, but decreased 0.4% in consumer loans.

Interest on financial investments grew S/ 6.7 million QoQ, or 4.9%, due to increases of 2.4% in the average volume and 10 basis points in the average yield, from 4.8% in 3Q23 to 4.9% in 4Q23.

The nominal average yield on interest-earning assets decreased 20 basis points QoQ, from 9.3% in 3Q23 to 9.1% in 4Q23, in line with the lower returns on loans and due from banks.

The lower interest and similar expense was due to decreases of 2.7% in interest on bonds, notes and other obligations, 1.7% in interest on due to banks and correspondents and inter-bank funds, and 1.0% in interest on deposits and obligations.

The decrease in interest on bonds, notes and other obligations was mostly attributed to a 1.1% reduction in the average volume, associated with the maturity and repayment of a subordinated local bond for US\$ 50.0 million in December 2023.

Interest on due to banks and correspondents decreased S/ 2.2 million QoQ, or 1.7%, explained by a 1.7% decrease in the average volume, while the average cost remained stable at 5.5%. The lower average volume was explained by lower long-term funding provided by the Central Bank, as well as lower inter-bank funds.

The quarterly reduction in interest on deposits and obligations was due to a marginally lower average cost, at 3.8% in 4Q23, while the average volume remained relatively stable. By currency, average balances of soles-denominated deposits grew 1.8%, while average dollar-denominated deposits decreased 2.0%.

The average cost of funding remained stable at 4.2% in 4Q23, as a consequence of the relatively stable cost of all components of interest-bearing liabilities.

As a result of the above, net interest margin was 5.5% in 4Q23, 10 basis points lower than the 5.6% reported in 3Q23.

### YoY Performance

Net interest and similar income grew 2.2% YoY due to a 11.4% increase in interest and similar income, partially offset by growth of 29.1% in interest and similar expense.

The higher interest and similar income was due to increases of 14.9% in interest on due from banks and inter-bank funds, 11.8% in interest on loans and 6.2% in interest on financial investments.

Interest on due from banks and inter-bank funds grew S/ 9.6 million YoY, or 14.9%, explained by growth of 90 basis points in the average yield, from 2.3% in 4Q22 to 3.2%

in 4Q23, despite a 16.8% reduction in the average volume. The lower average volume was due to lower deposits at the Central Bank.

Interest on loans increased S/ 141.7 million YoY, or 11.8%, explained by growth of 80 basis points in the average yield and 4.6% in the average volume.

The increase in the average rate on loans, from 10.5% in 4Q22 to 11.3% in 4Q23, was mainly due to higher yields on commercial, mortgage and consumer loans to a lesser extent.

The higher average volume of loans was attributed to growth of 10.8% in retail loans, partially offset by a 2.3% reduction in commercial loans. In the retail portfolio, average volumes grew due to increases of 13.7% in consumer loans and 6.1% in mortgages. In the commercial portfolio, the lower average volume was mainly attributed to decreasing volumes in trade finance loans and working capital loans, partially offset by higher leasing operations.

Interest on financial investments increased S/ 8.3 million YoY, or 6.2%, due to growth of 8.6% in the average volume, partially offset by a 10 basis point decrease in the average yield, from 5.0% in 4Q22 to 4.9% in 4Q23. Growth in the average volume was explained by higher positions in CDBCR and sovereign bonds, partially compensated by lower average balances of corporate and global bonds. The reduction in the average yield was the result of lower returns on CDBCR.

The nominal average yield on interest-earning assets increased 80 basis points, from 8.3% in 4Q22 to 9.1% in 4Q23, in line with the higher returns on due from banks and loans.

The higher interest and similar expense was due to increases of 61.4% in interest on due to banks and correspondents and inter-bank funds, 37.8% in interest on deposits and obligations, while interest on bonds, notes and other obligations decreased 30.8%.

Interest on due to banks and correspondents grew S/ 48.2 million YoY, or 61.4%, as a result of increases of 24.7% in the average volume and 120 basis point in the average cost, from 4.3% in 4Q22 to 5.5% in 4Q23. The higher average volume was explained by higher funding provided by correspondent banks abroad and COFIDE.

Interest on deposits and obligations increased S/ 118.3 million YoY, or 37.8%, explained by a 100 basis point increase in the average cost, from 2.8% in 4Q22 to 3.8% in 4Q23, in addition to a 1.8% growth in the average volume. By currency, average balances of soles-denominated deposits grew 4.5% while average dollar-denominated deposits decreased 3.1%.

The lower interest on bonds, notes and other obligations was mainly explained by a 34.4% decrease in the average volume, attributable to the maturity and repayment of a senior international bond for US\$ 485.0 million in early 2023, as well as local subordinated bonds for S/ 150.0 million in January 2023 and US\$ 50.0 million in December 2023.

The average cost of funding increased 100 basis points, from 3.2% in 4Q22 to 4.2% in 4Q23, as a consequence of the higher cost of due to banks and correspondents, as well as deposits.



As a result of the above, net interest margin was 5.5% in 4Q23, 10 basis points higher than the 5.4% reported in 4Q22.

## IMPAIRMENT LOSS ON LOANS, NET OF RECOVERIES

Impairment loss on loans, net of recoveries increased 6.0% QoQ and more than two-fold YoY.

The quarterly performance was explained by higher provision requirements in the commercial and retail loan book. In the commercial portfolio, the increase in provisions was driven by higher requirements across all segments. In the retail portfolio, the increase in provisions was mainly driven by higher requirements in credit cards and consumer loans.

The annual increase in provisions was explained by higher requirements in the retail loan book and commercial loan book. Higher requirements in the retail loan book were mostly related to consumer loans, partially offset by lower requirements in credit cards. The increase in commercial loan provisions was due to higher requirements in the SME, corporate and mid-sized segment.

As a result of the above, the annualized ratio of impairment loss on loans to average loans was 5.2% in 4Q23, higher than the 5.0% and the 2.5% reported in 3Q23 and 4Q22, respectively.

Impairment loss on loans, net of recoveries					
S/ million	4Q22	3Q23	4Q23	%chg QoQ	%chg YoY
Impairment loss on loans, net of recoveries	-278.2	-581.2	-616.2	6.0%	n.m.
Impairment loss on loans/average gross loans	2.5%	5.0%	5.2%	20 bps	270 bps
S3 NPL ratio (at end of period)	2.6%	3.1%	3.2%	10 bps	60 bps
S3 NPL coverage ratio (at end of period)	173.5%	160.6%	156.8%	-380 bps	-1670 bps
Impairment allowance for loans	2,027.5	2,301.7	2,349.3	2.1%	15.9%

The Stage 3 NPL ratio increased 10 basis points QoQ and 60 basis points YoY, to 3.2% in 4Q23. The quarterly growth was due to a 50 basis point increase in retail loans' NPL, while the NPL ratio for commercial loans decreased 30 basis points. The higher Stage 3 NPL ratio YoY was explained by a 100 basis point increase in retail loans' NPL, as well as a stable performance in the commercial loans' NPL.

Furthermore, the S3 NPL coverage ratio was 156.8% as of December 31, 2023, lower than the 160.6% reported as of September 30, 2023, and the 173.5% registered as of December 31, 2022.

## FEE INCOME FROM FINANCIAL SERVICES, NET

Net fee income from financial services increased S/ 0.9 million QoQ, or 0.5%, mainly explained by higher fees from maintenance and mailing of accounts, transfer fees and commissions on debit card services, commissions from banking services, as well as lower expenses. These factors were partially offset by lower commissions from credit card services and fees from collection services.

Net fee income from financial services decreased S/ 11.8 million YoY, or 5.6%, mainly due to lower commissions from credit card services, commissions from banking

services, fees from collection services and higher fees paid to foreign banks. These effects were partially compensated by higher fees from maintenance and mailing of accounts, transfer fees and commissions on debit card services, as well as lower expenses related to the sale of insurance.

Fee income from financial services, net					
S/ million	4Q22	3Q23	4Q23	%chg QoQ	%chg YoY
<b>Income</b>					
Commissions from credit card services	121.0	114.4	112.8	-1.4%	-6.7%
Commissions from banking services	84.9	77.9	80.3	3.1%	-5.4%
Maintenance and mailing of accounts, transfer fees and commissions on debit card services	73.1	76.1	78.8	3.6%	7.8%
Fees from indirect loans	17.7	17.3	17.8	3.2%	0.5%
Collection services	16.1	14.2	13.8	-2.8%	-14.0%
Other	9.4	10.6	7.0	-33.9%	-25.5%
<b>Total income</b>	<b>322.2</b>	<b>310.4</b>	<b>310.6</b>	<b>0.1%</b>	<b>-3.6%</b>
<b>Expenses</b>					
Insurance	-21.8	-17.2	-16.8	-2.9%	-23.2%
Fees paid to foreign banks	-5.9	-6.9	-6.8	-1.1%	14.4%
Other	-83.0	-87.7	-87.5	-0.2%	5.5%
<b>Total expenses</b>	<b>-110.7</b>	<b>-111.8</b>	<b>-111.0</b>	<b>-0.7%</b>	<b>0.3%</b>
<b>Fee income from financial services, net</b>	<b>211.4</b>	<b>198.7</b>	<b>199.6</b>	<b>0.5%</b>	<b>-5.6%</b>

## OTHER INCOME

Other income grew S/ 1.2 million QoQ, mainly explained by higher net gain on foreign exchange transactions and on financial assets at fair value through profit or loss, partially compensated by lower net gain on sale of financial investments.

Other income decreased S/ 9.3 million YoY mainly explained by lower contribution of extraordinary concepts, as well as lower net gain on foreign exchange transactions and on financial assets at fair value through profit or loss. These effects were partially offset by lower net loss on sale of financial investments.

Other income					
S/ million	4Q22	3Q23	4Q23	%chg QoQ	%chg YoY
Net gain on foreign exchange transactions and on financial assets at fair value through profit or loss	108.7	95.1	102.5 <sup>(1)</sup>	7.8%	-5.6%
Net gain on sale of financial investments	-9.8	1.0	-1.8	n.m.	-82.0%
Other	31.7	24.0	20.6	-14.3%	-35.1%
<b>Total other income</b>	<b>130.7</b>	<b>120.2</b>	<b>121.4</b>	<b>1.0%</b>	<b>-7.1%</b>

(1) Includes S/ 88.8 million of net gain on foreign exchange transactions and S/ 13.7 million of net gain (loss) on financial assets at fair value through profit or loss (derivatives).

## OTHER EXPENSES

Other expenses decreased S/ 15.3 million QoQ, or 3.1%, and S/ 32.6 million YoY, or 6.4%.

The quarterly decrease in other expenses was mainly explained by lower salaries and employee benefits, administrative expenses, partially offset by higher depreciation and amortization charges.

The annual decrease was the result of lower salaries and employee benefits, administrative expenses, among other charges. These effects were partially compensated by higher depreciation and amortization charges.

The efficiency ratio was 36.2% in 4Q23, an improvement compared to the 36.5% reported in 3Q23 and the 37.9% registered in 4Q22.

S/ million	Other expenses			%chg QoQ	%chg YoY
	4Q22	3Q23	4Q23		
Salaries and employee benefits	-155.6	-149.4	-138.7	-7.2%	-10.9%
Administrative expenses	-253.9	-250.1	-247.2	-1.2%	-2.7%
Depreciation and amortization	-67.6	-69.0	-69.5	0.8%	2.9%
Other	-30.6	-22.0	-19.9	-9.7%	-35.1%
<b>Total other expenses</b>	<b>-507.8</b>	<b>-490.5</b>	<b>-475.2</b>	<b>-3.1%</b>	<b>-6.4%</b>
<b>Efficiency ratio</b>	<b>37.9%</b>	<b>36.5%</b>	<b>36.2%</b>	<b>-30 bps</b>	<b>-170 bps</b>

## REGULATORY CAPITAL

The ratio of regulatory capital to risk weighted assets (RWA) was 15.5% as of December 31, 2023, above the 15.0% reported as of September 30, 2023 and the 15.1% registered as of December 31, 2022.

In 4Q23, risk-weighted assets (APR) decreased 1.2% QoQ due to lower capital requirements for credit risk and market risk, partially compensated by higher requirements for operational risk. Lower RWA for credit risk were attributed to lower RWA for loans, due to a decrease in these, as well as lower RWA for other assets and financial investments.

Total regulatory capital increased 1.6% QoQ, mainly attributed to the increase in profits for the year, as well as a lower unrealized loss (UL) of available for sale investments, when compared with 3Q23.

The annual performance of the total capital ratio was due to a 1.8% decrease in RWA, as well as 0.6% growth in regulatory capital. The decrease in RWA was due to lower capital requirements for credit risk and market risk in a lesser extent, partially offset by higher capital requirements for operational risk. Lower RWA for credit risk were due to lower RWA for other assets and financial investments, partially compensated by higher RWA for loans.

The YoY performance in regulatory capital was mainly a result of the additional capitalization of 2022 results and profits for the period. These effects were partially compensated by the recognition of the entire UL as a deduction and not only as the excess over the profits for the period, as it was stipulated before, as well as a lower capital treatment of local subordinated debt and the deduction of intangible assets, due to the implementation of the new SBS regulation on solvency.

Also, it is worth mentioning that, in December 2022, the SBS issued the Official Document No. 03952-2022, by which it established that, from March 1, 2023, the minimum regulatory capital ratio requirement would remain at 8.5% and would follow an adequation schedule until March 2024, date in which the minimum regulatory capital ratio requirement will reach 10.0%. However, in June 2023, the SBS issued a modification of the resolution published in December 2022, by which it modifies the

adequation schedule until September 2024, new date in which the minimum regulatory capital ratio requirement will reach 10.0%.

As of December 31, 2023, Interbank's total capital ratio of 15.5% was significantly higher than the global requirements plus buffers and capital assigned to cover additional risks, by disposition of the SBS. The minimum regulatory requirement was 9.0% as of December 31, 2023. Additionally, Core Equity Tier 1 (CET1) was 11.8% under the new methodology required by the SBS, compared to the 11.2% registered as of September 30, 2023 and the 12.0% reported as of December 31, 2022, the latter being calculated under the previous methodology. It is important to mention that under the new SBS regulation, CET1 is the main component of the Tier I capital ratio.

Regulatory capital					
S/ million	12.31.22	09.30.23	12.31.23	%chg 12.31.23 09.30.23	%chg 12.31.23 12.31.22
Tier I capital	7,016.4	7,195.9	7,461.7	3.7%	6.3%
Tier II capital	2,738.4	2,460.5	2,349.8	-4.5%	-14.2%
Total regulatory capital	9,754.8	9,656.4	9,811.5	1.6%	0.6%
Risk-weighted assets (RWA)	64,690.1	64,277.5	63,494.9	-1.2%	-1.8%
<b>Total capital ratio</b>	<b>15.1%</b>	<b>15.0%</b>	<b>15.5%</b>	<b>50 bps</b>	<b>40 bps</b>
<b>Tier I capital / RWA</b>	<b>10.8%</b>	<b>11.2%</b>	<b>11.8%</b>	<b>60 bps</b>	<b>100 bps</b>
<b>CET1<sup>(1)</sup></b>	<b>12.0%</b>	<b>11.2%</b>	<b>11.8%</b>	<b>60 bps</b>	<b>-20 bps</b>

(1) Under the new SBS regulation on solvency, in effect from January 1<sup>st</sup>, 2023 onwards, CET1 is part of the Total capital ratio, in line with Basel III guidelines.

## Interseguro

### SUMMARY

#### 2023 Performance

Interseguro adopted IFRS17 requirements starting January 1st, 2023. As permitted by this regulation, for periods prior to 2023, we hereby present a reconstruction of results appropriate to the first adoption of IFRS17 for comparative purposes.

Interseguro's profits reached S/ 292.1 million in 2023, a S/ 36.6 million or 14.3% increase compared to the previous year.

The full-year performance was mainly due to a S/ 77.0 million increase in other income, mostly explained by gains on financial assets at fair value, in addition to a S/ 74.5 million improvement in insurance results. These factors were partially offset by a decrease of S/ 85.9 million in net interest and similar income, as well as an increase of S/ 32.4 million in other expenses.

<b>Insurance Segment's P&amp;L Statement<sup>(1)</sup></b>			
S/ million	2022	2023	%chg 23/22
Interest and similar income	940.9	851.6	-9.5%
Interest and similar expenses	-130.0	-126.7	-2.6%
<b>Net Interest and similar income</b>	<b>810.8</b>	<b>724.9</b>	<b>-10.6%</b>
Recovery (loss) due to impairment of financial investments	-0.0	-7.9	n.m.
<b>Net Interest and similar income after impairment loss</b>	<b>810.8</b>	<b>717.1</b>	<b>-11.6%</b>
Fee income from financial services, net	-7.2	-13.4	87.6%
Insurance results	-252.9	-178.4	-29.5%
Other income	45.9	122.9	n.m.
Other expenses	-342.2	-374.6	9.5%
<b>Income before translation result and income tax</b>	<b>254.5</b>	<b>273.6</b>	<b>7.5%</b>
Translation result	1.0	18.4	n.m.
<b>Profit for the period</b>	<b>255.5</b>	<b>292.1</b>	<b>14.3%</b>
<b>ROE</b>	<b>92.4%</b>	<b>86.2%</b>	
<b>Efficiency ratio</b>	<b>9.0%</b>	<b>13.0%</b>	

(1) Figures for 2022 have been re-expressed for comparison purposes due to IFRS17 adoption.

Net interest and similar income was S/ 724.9 million in 2023, a decrease of S/ 85.9 million compared to 2022, mainly explained by a S/ 89.9 million reduction in interest and similar income.

Loss due to impairment of financial investments was S/ -7.9 million, compared to a negligible impairment in the previous year.

Other income was S/ 122.9 million, a S/ 77.0 million increase compared to 2022, mainly due to higher gains on financial assets at fair value.

Insurance results were S/ -178.4 million in 2023, a S/ 74.5 million improvement against 2022, mainly attributed to the effect of a downward trend in inflation rates over annuities.

Other expenses were S/ 374.6 million in 2023, a S/ 32.4 million increase when compared to the previous year, mainly explained by higher salaries and employee's benefits, as well as increased administrative expenses.

#### 4Q23 Performance

Interseguro's profits reached S/ 137.4 million in 4Q23, which represented an increase of S/ 101.9 million QoQ and S/ 59.2 million YoY.

The quarterly growth was mainly due to increases of S/ 65.4 million in other income and S/ 55.2 million in translation result, partially offset by a S/ 19.4 million decrease in net interest and similar income.

The annual performance in net profit was mainly explained by improvements of S/ 62.2 million in insurance results and S/ 60.6 million in other income. However, these factors were partially offset by decreases of S/ 43.7 million in net interest and similar income, and S/ 27.8 million in translation result.

As a result, Interseguro's ROE was 138.9% in 4Q23, higher than the 48.1% reported in 3Q23 and the 89.9% registered in 4Q22.

Insurance Segment's P&L Statement <sup>(1)</sup>					
S/ million	4Q22	3Q23	4Q23	%chg QoQ	%chg YoY
Interest and similar income	245.1	212.5	196.9	-7.3%	-19.7%
Interest and similar expenses	-37.0	-28.7	-32.6	13.3%	-12.0%
<b>Net Interest and similar income</b>	<b>208.1</b>	<b>183.8</b>	<b>164.4</b>	<b>-10.6%</b>	<b>-21.0%</b>
Recovery (loss) due to impairment of financial investments	-4.3	3.3	0.9	-71.7%	n.m.
<b>Net Interest and similar income after impairment loss</b>	<b>203.8</b>	<b>187.1</b>	<b>165.3</b>	<b>-11.6%</b>	<b>-18.9%</b>
Fee income from financial services, net	-1.6	-2.5	-3.5	39.7%	n.m.
Insurance results	-86.3	-28.7	-24.1	-16.1%	-72.0%
Other income	15.2	10.4	75.8	n.m.	n.m.
Other expenses	-98.6	-93.4	-93.9	0.4%	-4.8%
<b>Income before translation result and income tax</b>	<b>32.5</b>	<b>72.8</b>	<b>119.5</b>	<b>64.2%</b>	<b>n.m.</b>
Translation result	45.7	-37.3	17.9	n.m.	-60.9%
<b>Profit for the period</b>	<b>78.2</b>	<b>35.5</b>	<b>137.4</b>	<b>n.m.</b>	<b>75.8%</b>
<b>ROE</b>	<b>89.9%</b>	<b>48.1%</b>	<b>138.9%</b>		
<b>Efficiency ratio</b>	<b>2.6%</b>	<b>12.9%</b>	<b>15.0%</b>		

(1) Figures for 4Q22 and 3Q23 have been re-expressed for comparison purposes due to IFRS17 adoption.

## RESULTS FROM INVESTMENTS

Results from Investments <sup>(1)</sup>					
S/ million	4Q22	3Q23	4Q23	%chg QoQ	%chg YoY
Interest and similar income	245.1	212.6	197.9	-6.9%	-19.3%
Interest and similar expenses	-22.7	-24.9	-18.8	-24.4%	-17.4%
<b>Net interest and similar income</b>	<b>222.4</b>	<b>187.8</b>	<b>179.1</b>	<b>-4.6%</b>	<b>-19.5%</b>
Recovery (loss) due to impairment of financial investments	-4.3	3.3	0.9	-71.7%	n.m.
<b>Net Interest and similar income after impairment loss</b>	<b>218.1</b>	<b>191.0</b>	<b>180.0</b>	<b>-5.8%</b>	<b>-17.4%</b>
Net gain (loss) on sale of financial investments	2.7	4.7	17.4	n.m.	n.m.
Net gain (loss) on financial assets at fair value through profit or loss	7.3	-47.6	24.2	n.m.	n.m.
Rental income	15.1	16.5	16.3	-1.6%	7.8%
Gain on sale of investment property				n.m.	n.m.
Valuation gain (loss) from investment property	-9.6	34.9	14.0	-59.8%	n.m.
Other <sup>(1)</sup>	-4.1	0.5	-5.5	n.m.	36.0%
<b>Other income</b>	<b>11.4</b>	<b>9.0</b>	<b>66.3</b>	<b>n.m.</b>	<b>n.m.</b>
<b>Results from investments</b>	<b>229.5</b>	<b>200.0</b>	<b>246.3</b>	<b>23.2%</b>	<b>7.3%</b>

(1) Only includes transactions related to investments.

## NET INTEREST AND SIMILAR INCOME

Net interest and similar income related to investments was S/ 179.1 million in 4Q23, a decrease of S/ 8.7 million QoQ, or 4.6%, and S/ 43.3 million YoY, or 19.5%.

The quarterly performance was mainly explained by a decrease of S/ 14.7 million in interest and similar income caused by a downward trend in inflation rates. This was partially offset by a decrease of S/ 6.1 million in interest and similar expenses.

The negative yearly performance was also attributed to lower interest and similar income, caused by a downward trend in inflation rates.

## RECOVERY (LOSS) DUE TO IMPAIRMENT OF FINANCIAL INVESTMENTS

Recovery due to impairment of financial investments was S/ 0.9 million in 4Q23, compared to a recovery of S/ 3.3 million in 3Q23 and to a loss of S/ -4.3 million in 4Q22.

## OTHER INCOME

Other income related to investments was S/ 66.3 million in 4Q23, an increase of S/ 57.3 million QoQ and S/ 54.9 million YoY.

The quarterly growth was mainly explained by a S/ 71.8 million improvement in net gain on financial assets at fair value. This effect was partially compensated by a S/ 20.9 million decrease in valuation gain from investment property.

The annual performance in other income was mainly due to positive developments in valuation gain from investment property of S/ 23.6 million, in net gain on financial assets at fair value of S/ 16.9 million, and in net gain on sale of financial investments of S/ 14.7 million.

## INSURANCE RESULTS

Insurance Results					
S/ million	4Q22	3Q23	4Q23	%chg QoQ	%chg YoY
Insurance Income	168.4	181.3	181.7	0.2%	7.9%
Insurance Expenses	-254.7	-210.1	-205.9	-2.0%	-19.2%
<b>Insurance Results</b>	<b>-86.3</b>	<b>-28.7</b>	<b>-24.1</b>	<b>-16.1%</b>	<b>-72.0%</b>

## INSURANCE INCOME

Insurance Income					
S/ million	4Q22	3Q23	4Q23	%chg QoQ	%chg YoY
Annuities	68.9	68.8	71.0	3.1%	3.1%
Individual Life	21.7	24.5	23.2	-5.1%	6.9%
Retail Insurance	77.8	88.0	87.5	-0.6%	12.5%
<b>Total Insurance Income</b>	<b>168.4</b>	<b>181.3</b>	<b>181.7</b>	<b>0.2%</b>	<b>7.9%</b>

Insurance income was S/ 181.7 million in 4Q23, an increase of S/ 0.4 million QoQ, or 0.2%, and S/ 13.3 million YoY, or 7.9%.

The quarterly performance was mainly explained by growth of S/ 2.2 million in annuities, partially offset by a decrease of S/ 1.3 million in individual life.

The yearly increase was explained by growth of S/ 9.7 million in retail insurance, S/ 2.1 million in annuities and S/ 1.5 million in individual life.

## INSURANCE EXPENSES

Insurance Expenses					
S/ million	4Q22	3Q23	4Q23	%chg QoQ	%chg YoY
Annuities	-267.4	-220.0	-203.0	-7.7%	-24.1%
Individual Life	-7.1	27.9	-5.5	n.m.	-22.4%
Retail Insurance	19.9	-18.0	2.7	n.m.	-86.5%
<b>Total Insurance Expenses</b>	<b>-254.7</b>	<b>-210.1</b>	<b>-205.9</b>	<b>-2.0%</b>	<b>-19.2%</b>

Insurance expenses were S/ 205.9 million in 4Q23, a decrease of S/ 4.2 million QoQ, or 2.0%, and S/ 48.8 million YoY, or 19.2%.

The quarterly performance was mainly explained by decreases in expenses of S/ 17.0 million in annuities and S/ 20.7 million in retail insurance, partially compensated by an increase in expenses of S/ 33.4 million in individual life.

The yearly decrease was explained by decreases in expenses of S/ 64.4 million in annuities and S/ 1.6 million in individual life, partially offset by an increase in expenses of S/ 17.2 million in retail insurance.



## OTHER EXPENSES

Other Expenses					
S/ million	4Q22	3Q23	4Q23	%chg QoQ	%chg YoY
Salaries and employee benefits	6.4	-26.0	-31.9	22.9%	n.m.
Administrative expenses	-11.1	-17.3	-23.9	37.7%	n.m.
Depreciation and amortization	-5.5	-4.8	-6.9	45.2%	26.4%
Expenses related to rental income	-0.2	-1.2	-1.8	53.9%	n.m.
Other	-88.2	-44.2	-29.4	-33.6%	-66.7%
<b>Other expenses</b>	<b>-98.6</b>	<b>-93.4</b>	<b>-93.9</b>	<b>0.4%</b>	<b>-4.8%</b>

Other expenses increased by S/ 0.5 million QoQ, or 0.4%, and decreased by S/ 4.7 million YoY, or 4.8%.

# Inteligo

## SUMMARY

### 2023 Performance

Inteligo's profits were \$/ 36.2 million in 2023, a positive performance compared to the loss of \$/ -141.4 million reported in 2022. This was mainly attributable to investment portfolio recovery, from reported losses of \$/ -244.5 million in 2022 to \$/ -40.2 million in 2023, due to a lower mark-to-market loss on proprietary portfolio investments.

Partially offsetting the annual improvement in other income, the company registered an 18.4% decrease in net interest and similar income, mainly as a result of higher interest expenses, and a 10.5% contraction in net fee income from financial services, due to lower fees from funds management.

From a business development perspective, Inteligo's prospection process continued to show positive results in terms of new account openings and assets under management growth in Private Wealth Management and mutual funds. Consequently, Inteligo's AUM grew 8.7% on a yearly basis.

Inteligo's ROE was 4.0% in 2023, a positive result compared to 2022.

Wealth Management Segment's P&L Statement			
S/ million	2022	2023	%chg 23/22
Interest and similar income	155.1	183.9	18.6%
Interest and similar expenses	-50.3	-98.4	95.5%
<b>Net interest and similar income</b>	<b>104.8</b>	<b>85.6</b>	<b>-18.4%</b>
Impairment loss on loans, net of recoveries	2.4	0.2	-92.8%
Recovery (loss) due to impairment of financial investments	-12.0	0.3	n.m.
<b>Net interest and similar income after impairment loss</b>	<b>95.2</b>	<b>86.1</b>	<b>-9.6%</b>
Fee income from financial services, net	163.3	146.2	-10.5%
Other income	-244.5	-40.2	-83.6%
Other expenses	-145.5	-153.6	5.6%
<b>Income before translation result and income tax</b>	<b>-131.5</b>	<b>38.5</b>	<b>n.m.</b>
Translation result	-7.1	0.8	n.m.
Income tax	-2.8	-3.1	10.4%
<b>Profit for the period</b>	<b>-141.4</b>	<b>36.2</b>	<b>n.m.</b>
<b>ROE</b>	<b>n.m</b>	<b>4.0%</b>	
<b>Efficiency ratio</b>	<b>n.m</b>	<b>78.9%</b>	

When compared to the previous year, Inteligo's net interest and similar income decreased 18.4% or \$/ 19.2 million, while net fee income from financial services declined \$/ 17.1 million or 10.5%.

Other income represented a loss of \$/ -40.2 million, a \$/ 204.3 million improvement when compared to the bigger loss reported in 2022, mainly attributable to better mark-to-market valuations on investments.

Other expenses increased by \$/ 8.1 million, or 5.6% in 2023, when compared with 2022.

## 4Q23 Performance

Inteligo's net profit was S/ 24.5 million in 4Q23, a positive development when compared to the loss reported in 3Q23 and an increase of S/ 7.6 million or 45.0% YoY.

The quarterly performance was mainly attributable to mark-to-market gains on proprietary portfolio investments. Other effects that explained the QoQ growth were increases of 6.4% in net interest and similar income, and 3.3% in net fee income from financial services, partially compensated by an increase of 30.6% in other expenses.

On an annual comparison, mark-to-market results on proprietary portfolio investments reverted from a negative of S/ -5.1 million in 4Q22 to a positive result of S/ 13.2 million in 4Q23. This was partially offset by decreases of 16.4% in net interest and similar income, and 2.1% in net fee income from financial services.

From a business development perspective, Inteligo's prospection process continued to show positive results in terms of new account openings and assets under management growth in Private Wealth Management and mutual funds. Consequently, Inteligo's AUM increased 2.0% QoQ and 8.7% YoY as of December 31, 2023.

Inteligo's ROE was 10.9% in 4Q23, positive compared to 3Q23 and higher than the 7.6% reported in 4Q22.

Wealth Management Segment's P&L Statement					
S/ million	4Q22	3Q23	4Q23	%chg QoQ	%chg YoY
Interest and similar income	41.9	43.6	49.0	12.4%	16.9%
Interest and similar expenses	-18.0	-24.8	-29.0	17.0%	60.9%
<b>Net interest and similar income</b>	<b>23.9</b>	<b>18.7</b>	<b>20.0</b>	<b>6.4%</b>	<b>-16.4%</b>
Impairment loss on loans, net of recoveries	0.2	0.0	0.0	-49.4%	-90.5%
Recovery (loss) due to impairment of financial investments	-3.5	0.6	0.1	-82.9%	n.m.
<b>Net interest and similar income after impairment loss</b>	<b>20.6</b>	<b>19.3</b>	<b>20.1</b>	<b>3.8%</b>	<b>-2.4%</b>
Fee income from financial services, net	37.4	35.4	36.6	3.3%	-2.1%
Other income	-5.1	-35.7	13.2	n.m.	n.m.
Other expenses	-38.5	-35.1	-45.9	30.6%	19.1%
<b>Income before translation result and income tax</b>	<b>14.3</b>	<b>-16.1</b>	<b>24.0</b>	<b>n.m.</b>	<b>67.8%</b>
Translation result	3.0	-0.6	1.3	n.m.	-57.7%
Income tax	-0.4	-1.0	-0.7	-25.5%	91.0%
<b>Profit for the period</b>	<b>16.9</b>	<b>-17.7</b>	<b>24.5</b>	<b>n.m.</b>	<b>45.0%</b>
<b>ROE</b>	<b>7.6%</b>	<b>n.m.</b>	<b>10.9%</b>		
<b>Efficiency ratio</b>	<b>67.8%</b>	<b>n.m.</b>	<b>64.2%</b>		

## ASSETS UNDER MANAGEMENT & DEPOSITS

AUM reached S/ 23,181.5 million in 4Q23, a S/ 460.9 million or 2.0% increase QoQ and a S/ 1,864.1 million or 8.7% increase YoY, mostly explained by inflows in mutual funds and Private Wealth Management.

Client deposits were S/ 3,311.7 million in 4Q23, a S/ 322.3 million or 8.9% reduction QoQ and a S/ 787.1 million or 19.2% decrease YoY, mainly driven by the adjustment of market rates.

## NET INTEREST AND SIMILAR INCOME

Net interest and similar income					
S/ million	4Q22	3Q23	4Q23	%chg QoQ	%chg YoY
<b>Interest and similar income</b>					
Due from banks and inter-bank funds	7.9	7.3	11.3	53.9%	42.4%
Financial Investments	9.1	12.5	14.2	13.6%	56.1%
Loans	24.9	23.8	23.5	-1.0%	-5.5%
<b>Total interest and similar income</b>	<b>41.9</b>	<b>43.6</b>	<b>49.0</b>	<b>12.4%</b>	<b>16.9%</b>
<b>Interest and similar expenses</b>					
Deposits and obligations	-16.8	-23.1	-27.0	16.8%	60.5%
Due to banks and correspondents	-1.2	-1.7	-2.1	19.1%	65.6%
<b>Total interest and similar expenses</b>	<b>-18.0</b>	<b>-24.8</b>	<b>-29.0</b>	<b>17.0%</b>	<b>60.9%</b>
<b>Net interest and similar income</b>	<b>23.9</b>	<b>18.7</b>	<b>20.0</b>	<b>6.4%</b>	<b>-16.4%</b>

Inteligo's net interest and similar income was S/ 20.0 million in 4Q23, a S/ 1.3 million, or 6.4% increase when compared with 3Q23, mainly explained by higher dividends received from proprietary portfolio investments and higher levels of excess liquidity during the quarter.

Net interest and similar income decreased S/ 3.9 million YoY, or 16.4%, as a result of a higher interest expense on deposits, which was attributed to the increases in the reference interest rate of the US Federal Reserve, partially offset by higher interest income, in both financial investments and due from banks.

## FEE INCOME FROM FINANCIAL SERVICES

Fee income from financial services, net					
S/ million	4Q22	3Q23	4Q23	%chg QoQ	%chg YoY
<b>Income</b>					
Brokerage and custody services	2.9	2.8	2.5	-8.7%	-12.1%
Funds management	34.8	33.0	34.4	4.1%	-1.4%
<b>Total income</b>	<b>37.7</b>	<b>35.8</b>	<b>36.9</b>	<b>3.1%</b>	<b>-2.2%</b>
<b>Expenses</b>					
Brokerage and custody services	-0.2	-0.2	-0.2	-2.8%	-1.4%
Others	-0.2	-0.2	-0.1	-22.6%	-28.2%
<b>Total expenses</b>	<b>-0.3</b>	<b>-0.3</b>	<b>-0.3</b>	<b>-12.7%</b>	<b>-15.4%</b>
<b>Fee income from financial services, net</b>	<b>37.4</b>	<b>35.4</b>	<b>36.6</b>	<b>3.3%</b>	<b>-2.1%</b>

Net fee income from financial services was S/ 36.6 million in 4Q23, an increase of S/ 1.2 million or 3.3% when compared to the previous quarter, mainly explained by higher fees from the wealth management segment.

On a YoY basis, net fee income from financial services decreased S/ 0.8 million, or 2.1%, mainly due to lower fees from funds management. This was explained by a lower frequency of client transactions, in turn driven by the persistent volatility in the financial markets and the high interest rates in money market products.

## OTHER INCOME

Other income					
S/ million	4Q22	3Q23	4Q23	%chg QoQ	%chg YoY
Net gain on sale of financial investments	-37.7	0.2	-3.5	n.m.	-90.7%
Net trading gain (loss)	33.6	-34.4	18.3	n.m.	-45.6%
Other	-1.1	-1.5	-1.6	4.9%	50.4%
<b>Total other income</b>	<b>-5.1</b>	<b>-35.7</b>	<b>13.2</b>	<b>n.m.</b>	<b>n.m.</b>

Inteligo's other income reached S/ 13.2 million in 4Q23, compared to losses of S/ -35.7 million in 3Q23 and S/ -5.1 million in 4Q22. This performance was mainly attributable to positive mark-to-market valuations on proprietary portfolio investments.

## OTHER EXPENSES

Other expenses					
S/ million	4Q22	3Q23	4Q23	%chg QoQ	%chg YoY
Salaries and employee benefits	-21.5	-20.7	-27.4	32.4%	27.9%
Administrative expenses	-12.6	-10.0	-13.5	35.2%	7.2%
Depreciation and amortization	-4.0	-3.7	-3.8	2.0%	-4.4%
Other	-0.5	-0.7	-1.1	67.2%	n.m.
<b>Total other expenses</b>	<b>-38.5</b>	<b>-35.1</b>	<b>-45.9</b>	<b>30.6%</b>	<b>19.1%</b>
<b>Efficiency ratio</b>	<b>67.8%</b>	<b>n.m.</b>	<b>64.2%</b>		

Other expenses reached S/ 45.9 million in 4Q23, an increase of S/ 10.8 million or 30.6% QoQ and of S/ 7.4 million or 19.1% YoY, mainly explained by higher salaries and employee benefits.

## Izipay

### SUMMARY

#### 2023 Performance

Izipay's profits were S/ 33.1 million in 2023, a decrease of S/ 18.1 million or 35.4% compared to the previous year.

The bottom-line performance was mainly explained by 2.0% growth in net fee income from financial services, in turn attributed to higher income from payments acquirer, as a result of increases in the number of merchants and monetary transactions of 25.0% and 12.6%, respectively. This was partially offset by a 12.9% increase in other expenses, mainly due to higher administrative expenses given the rise in business activity.

Izipay's ROE was 14.0% in 2023, lower than the 26.7% reported in 2022.

Payments' P&L statement <sup>(1)</sup>			
S/ million	2023	2023	%chg 23/23
Interest and similar income	1.6	9.3	n.m.
Interest and similar expenses	-1.8	-4.9	n.m.
<b>Net interest and similar income</b>	<b>-0.2</b>	<b>4.3</b>	<b>n.m.</b>
Fee income from financial services, net	338.9	345.6	2.0%
Payments acquirer	636.9	707.7	11.1%
Correspondent banking	44.8	36.4	-18.7%
Credit cards processor	31.4	30.5	-3.0%
Service Cost	-374.2	-429.0	14.6%
Other income	39.6	45.9	16.0%
Other expenses	-294.6	-332.7	12.9%
<b>Income before translation result and income tax</b>	<b>83.6</b>	<b>63.2</b>	<b>-24.5%</b>
Translation result	-0.6	-2.3	n.m.
Income tax	-31.8	-27.7	-12.8%
<b>Profit for the period</b>	<b>51.2</b>	<b>33.1</b>	<b>-35.4%</b>
<b>ROE</b>	<b>26.7%</b>	<b>14.0%</b>	
<b>Efficiency ratio</b>	<b>66.8%</b>	<b>78.3%</b>	

(1) Proforma for 1Q22

## 4Q23 Performance

Izipay's profits were S/ 4.1 million in 4Q23, which represented a decrease of 44.8% QoQ and 65.0% YoY.

The quarterly decrease in profits was attributed to increases in other expenses of S/ 13.3 million and in service cost of S/ 3.3 million, in addition to a negative reversion of translation result. These factors were partially offset by increases of S/ 13.3 million in other income and S/ 2.4 million in payment acquirer fees.

The annual performance in net profit was mainly explained by a decrease of 8.5% in net fee income from financial services, in turn related to lower correspondent banking's transactions that were affected by a higher use of digital wallets, in addition to a higher service cost due to increases in acquirer license fees. Other important effect that impacted the annual result was the growth in other expenses of 12.6%, or S/ 10.8 million, mainly associated with higher administrative expenses.

Izipay's ROE was 6.6% in 4Q23, lower than the 12.3% and 22.3% reported in 3Q23 and 4Q22, respectively.

Payments Segment's P&L statement					
S/ million	4Q22	3Q23	4Q23	%chg QoQ	%chg YoY
Interest and similar income	0.9	2.5	3.0	20.9%	n.m.
Interest and similar expenses	-0.4	-1.3	-1.2	-3.0%	n.m.
<b>Net interest and similar income</b>	<b>0.5</b>	<b>1.2</b>	<b>1.8</b>	<b>46.3%</b>	<b>n.m.</b>
Fee income from financial services, net	92.8	86.6	84.9	-2.0%	-8.5%
Payments acquirer	180.9	180.7	183.1	1.3%	1.2%
Correspondent banking	11.6	9.1	8.0	-12.5%	-31.1%
Credit cards processor	8.8	7.5	7.8	4.8%	-11.4%
Service Cost	-108.5	-110.7	-114.0	3.0%	5.0%
Other income	13.9	8.5	21.8	n.m.	56.9%
Other expenses	-85.8	-83.3	-96.6	16.0%	12.6%
<b>Income before translation result and income tax</b>	<b>21.4</b>	<b>13.0</b>	<b>11.9</b>	<b>-8.6%</b>	<b>-44.5%</b>
Translation result	-2.0	1.2	-1.5	n.m.	-22.9%
Income tax	-7.6	-6.7	-6.2	-7.4%	-18.7%
<b>Profit for the period</b>	<b>11.7</b>	<b>7.4</b>	<b>4.1</b>	<b>-44.8%</b>	<b>-65.0%</b>
<b>ROE</b>	<b>22.3%</b>	<b>12.3%</b>	<b>6.6%</b>		
<b>Efficiency ratio</b>	<b>70.6%</b>	<b>81.3%</b>	<b>82.0%</b>		

## FEE INCOME FROM FINANCIAL SERVICES, NET

Fee income from financial services, net					
S/ million	4Q22	3Q23	4Q23	%chg QoQ	%chg YoY
<b>Income</b>					
Payments acquirer	180.9	180.7	183.1	1.3%	1.2%
Correspondent banking	11.6	9.1	8.0	-12.5%	-31.1%
Credit cards processor	8.8	7.5	7.8	4.8%	-11.4%
<b>Total income</b>	<b>201.4</b>	<b>197.3</b>	<b>198.9</b>	<b>0.8%</b>	<b>-1.2%</b>
<b>Expenses</b>					
Service Cost	-108.5	-110.7	-114.0	3.0%	5.0%
<b>Total expenses</b>	<b>-108.5</b>	<b>-110.7</b>	<b>-114.0</b>	<b>3.0%</b>	<b>5.0%</b>
<b>Fee income from financial services, net</b>	<b>92.8</b>	<b>86.6</b>	<b>84.9</b>	<b>-2.0%</b>	<b>-8.5%</b>

Net fee income from financial services was S/ 84.9 million in 4Q23, a decrease of S/ 1.7 million or 2.0% QoQ, mainly explained by a 3.0% higher service cost due to increased transactional volumes, as well as a decrease in correspondent banking fees of 12.5%. These effects were partially compensated by increases of 1.3% in payments acquirer fees and 4.8% in income from credit cards processor.

On a YoY basis, net fee income from financial services decreased S/ 7.9 million, or 8.5%, mainly due to an increase of S/ 5.5 million in service cost, as a result of higher transactional volumes. Other effect that impacted the annual result was a reduction in correspondent banking fees of 31.1%, in turn due to a 23.4% decrease in such transactions that were affected by a higher use of digital wallets.

## OTHER EXPENSES

Other expenses					
S/ million	4Q22	3Q23	4Q23	%chg QoQ	%chg YoY
Salaries and employee benefits	-17.6	-19.1	-19.5	2.4%	11.0%
Administrative expenses	-46.6	-44.8	-54.0	20.6%	16.0%
Depreciation and amortization	-11.6	-14.4	-15.3	6.3%	32.8%
Other	-10.1	-5.0	-7.7	54.0%	-23.7%
<b>Total other expenses</b>	<b>-85.8</b>	<b>-83.3</b>	<b>-96.6</b>	<b>16.0%</b>	<b>12.6%</b>
<b>Efficiency ratio</b>	<b>70.6%</b>	<b>81.3%</b>	<b>82.0%</b>		

Other expenses reached S/ 96.6 million in 4Q23, an increase of S/ 13.3 million or 16.0% QoQ, explained by higher administrative expenses related to additional customer acquisition, as well as higher depreciation and amortization charges.

On a yearly basis, other expenses grew S/ 10.8 million or 12.6%, mainly as a result of an increase in administrative expenses driven by higher customer acquisition, in addition to higher depreciation charges as a result of growth in the operations.