

## Intercorp Financial Services Inc. Third Quarter 2022 Earnings

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Lima, Peru, November 9, 2022. Intercorp Financial Services Inc. (Lima Stock Exchange/NYSE: IFS) announced today its unaudited results for the third quarter 2022. These results are reported on a consolidated basis under IFRS in nominal Peruvian soles.

### Intercorp Financial Services: 3Q22 earnings of S/ 613 million, with recurring earnings of S/ 391 million

- Positive impact of S/ 223 million from revaluation of Izipay's acquisition at IFS
- 12% QoQ growth in revenues
- Operating leverage drives quarterly C/I ratio improvement, 40.1% in banking
- Solid capitalization levels
- Positive developments in digital indicators
- 2022 CSA score at 62 points, +9 pts vs 2021

### Banking: Another solid quarter in core banking activity

- Resilient banking activity and moderating consumer dynamics, growth across all revenue lines
- Shift in loan mix and repricing expand NIM further, up to 5.0%
- CoR builds up in line with shift in loan mix and new macro outlook, CoR at 1.9%
- Strong growth in retail deposits of 9% QoQ, driving market share up to 14.8%

### Insurance: Earnings grew 31% QoQ with ROE at 46.8%

- Gross premiums plus collections grew 11% QoQ
- Strong investment results, ROIP at 7.9% in 3Q22
- Recovery of market share in annuities, up to 33%

### Wealth Management: Performance still impacted by market trends

- Investment losses persist but at a lower level
- AUM restrained due to market trends, yet loans start to pick up
- Revenues recover due to lower losses in other income and higher NII

### Payments: Continuous strong growth in payments

- Acquirer fees grew 11% QoQ and 44% YoY
- Strong growth in number of merchants and transactional volumes
- Share of e-commerce transactions within Izipay grew from 13% to 18%

## Intercorp Financial Services

### SUMMARY

Intercorp Financial Services' Statement of financial position					
S/ million	09.30.21	06.30.22	09.30.22	%chg 09.30.22 06.30.22	%chg 09.30.22 09.30.21
<b>Assets</b>					
Cash and due from banks and inter-bank funds	20,330.7	12,504.0	12,941.6	3.5%	-36.3%
Financial investments	24,154.7	23,594.4	24,899.4	5.5%	3.1%
Loans, net of unearned interest	44,037.3	46,024.9	47,128.8	2.4%	7.0%
Impairment allowance for loans	-2,298.7	-2,044.5	-2,034.7	-0.5%	-11.5%
Property, furniture and equipment, net	795.0	843.6	787.6	-6.6%	-0.9%
Other assets	5,367.6	4,780.1	4,984.6	4.3%	-7.1%
<b>Total assets</b>	<b>92,386.6</b>	<b>85,702.5</b>	<b>88,707.3</b>	<b>3.5%</b>	<b>-4.0%</b>
<b>Liabilities and equity</b>					
Deposits and obligations	50,904.7	47,277.7	49,279.7	4.2%	-3.2%
Due to banks and correspondents and inter-bank funds	8,473.8	8,062.2	8,510.7	5.6%	0.4%
Bonds, notes and other obligations	8,640.3	7,905.4	8,192.9	3.6%	-5.2%
Insurance contract liabilities	11,412.0	10,351.7	10,037.6	-3.0%	-12.0%
Other liabilities	3,158.0	3,090.6	3,172.5	2.6%	0.5%
<b>Total liabilities</b>	<b>82,588.7</b>	<b>76,687.7</b>	<b>79,193.4</b>	<b>3.3%</b>	<b>-4.1%</b>
<b>Equity, net</b>					
Equity attributable to IFS' shareholders	9,750.0	8,965.8	9,462.7	5.5%	-2.9%
Non-controlling interest	47.9	49.0	51.2	4.5%	7.0%
<b>Total equity, net</b>	<b>9,797.9</b>	<b>9,014.8</b>	<b>9,513.9</b>	<b>5.5%</b>	<b>-2.9%</b>
<b>Total liabilities and equity net</b>	<b>92,386.6</b>	<b>85,702.5</b>	<b>88,707.3</b>	<b>3.5%</b>	<b>-4.0%</b>

Intercorp Financial Services' net profit was S/ 613.4 million in 3Q22, an increase of S/ 362.1 million QoQ, or more than two-fold, and S/ 61.9 million YoY, or 11.2%.

It is worth mentioning that IFS' results in 3Q22 were supported by extraordinary income of S/ 222.5 million from revaluation of Izipay's assets at IFS.

IFS's annualized ROE was 26.5% in 3Q22, above the 11.1% registered in 2Q22 and the 23.1% reported in 3Q21. Excluding the previously mentioned one-off, ROE would have resulted in 17.1% in 3Q22.

Intercorp Financial Services' P&L statement					
S/ million	3Q21	2Q22	3Q22	%chg QoQ	%chg YoY
Interest and similar income	1,170.5	1,392.1	1,547.1	11.1%	32.2%
Interest and similar expenses	-270.5	-360.3	-462.9	28.5%	71.1%
<b>Net interest and similar income</b>	<b>900.0</b>	<b>1,031.8</b>	<b>1,084.2</b>	<b>5.1%</b>	<b>20.5%</b>
Impairment loss on loans, net of recoveries	-112.1	-193.3	-209.6	8.5%	87.0%
Recovery (loss) due to impairment of financial investments	-8.5	0.3	-6.9	n.m.	-18.7%
<b>Net interest and similar income after impairment loss</b>	<b>779.4</b>	<b>838.8</b>	<b>867.7</b>	<b>3.4%</b>	<b>11.3%</b>
Fee income from financial services, net	199.1	293.6	316.3	7.7%	58.9%
Other income	377.1	-4.8	306.4	n.m.	-18.8%
Total premiums earned minus claims and benefits	-87.7	-60.8	-42.2	-30.5%	-51.9%
Net Premiums	254.9	233.9	271.5	16.1%	6.5%
Adjustment of technical reserves	-108.8	-75.3	-95.1	26.4%	-12.5%
Net claims and benefits incurred	-233.9	-219.4	-218.6	-0.4%	-6.5%
Other expenses	-585.6	-670.4	-687.6	2.6%	17.4%
<b>Income before translation result and income tax</b>	<b>682.3</b>	<b>396.4</b>	<b>760.5</b>	<b>91.9%</b>	<b>11.5%</b>
Translation result	-16.6	-23.5	-7.1	-69.7%	-57.1%
Income tax	-114.2	-121.6	-140.0	15.1%	22.6%
<b>Profit for the period</b>	<b>551.5</b>	<b>251.3</b>	<b>613.4</b>	<b>n.m.</b>	<b>11.2%</b>
<b>Attributable to IFS' shareholders</b>	<b>549.4</b>	<b>248.9</b>	<b>610.7</b>	<b>n.m.</b>	<b>11.2%</b>
<b>EPS</b>	<b>4.76</b>	<b>2.16</b>	<b>5.29</b>		
<b>ROE</b>	<b>23.1%</b>	<b>11.1%</b>	<b>26.5%</b>		
<b>ROA</b>	<b>2.4%</b>	<b>1.2%</b>	<b>2.8%</b>		
<b>Efficiency ratio</b>	<b>33.6%</b>	<b>40.6%</b>	<b>33.0%</b>		

## Quarter-on-quarter performance

Profits grew S/ 362.1 million QoQ, or more than two-fold, due to a recovery in other income across all businesses and an increase in net interest and similar income in our Banking and Wealth Management businesses, as well as higher net fee income from financial services in our Banking and Payments businesses. Moreover, improvements in the insurance underwriting result and in the consolidated translation result also contributed to higher earnings QoQ. These factors were partially offset by higher impairment loss on loans in our Banking business and higher other expenses.

Net interest and similar income grew S/ 52.4 million QoQ, or 5.1%, mainly explained by higher average yields across all interest-earning assets in our Banking business, as well as higher loan volumes and interest rates in our Wealth Management business. These effects were partially compensated by a reduction in interest and similar income in our Insurance business, mostly associated with sequentially lower inflation rates and dividends received.

Impairment loss on loans, net of recoveries increased S/ 16.3 million QoQ, or 8.5%, as a result of higher provision requirements in the commercial loan book, partially offset by lower provision requirements in the retail loan book, all in our Banking business.

Net fee income from financial services grew S/ 22.7 million QoQ, or 7.7%, mainly due to higher commissions from banking services, commissions from credit card services and fees from collection services in our Banking business, in addition to higher income from payments acquirer in our Payments business. These factors were partially offset by lower fees from funds management in our Wealth Management business, in addition to higher acquirer license fees within the service cost in our Payments business.

Other income not only recovered in all businesses, but also it was boosted by the extraordinary income resulting from the revaluation of Izipay's assets at IFS. The recovery was mainly explained by a lower mark-to-market loss in our Wealth Management business, an increase in net gain on financial assets at fair value through profit or loss in our Insurance and Banking businesses, as well as higher gain on foreign exchange transactions in our Banking business. These effects were partially compensated by lower valuation gain (loss) from investment property and rental income in our Insurance business.

Total premiums earned minus claims and benefits in our Insurance business were S/ -42.2 million in the quarter, an improvement of S/ 18.5 million QoQ. This resulted from S/ 37.5 million growth in net premiums and slightly lower net claims and benefits incurred, partially offset by an increase of S/ 19.8 million in adjustment on technical reserves.

Other expenses increased S/ 17.2 million QoQ, or 2.6%. This resulted from higher administrative expenses in our Banking and Payments businesses. These factors were partially offset by decreases in salaries and employee benefits in our Banking business, as well as in administrative expenses in our Insurance and Wealth Management businesses.

IFS' effective tax rate decreased, from 32.6% in 2Q22 to 18.6% in 3Q22, as a result of higher contribution to profits from tax-exempt businesses.

### Year-on-year performance

Profits increased S/ 61.9 million, or 11.2% YoY mainly due to growth in net interest and similar income across all businesses, as well as in net fee income from financial services due to the contribution of our Payments and Banking businesses. Moreover, an improvement in the insurance underwriting result also helped the increase in profits. These effects were partially compensated by higher other expenses in our Banking business and due to the addition of our new Payments business in the consolidated figures. Furthermore, higher impairment loss on loans in our Banking business and lower other income in our Wealth Management business also compensated the growth in profits.

Net interest and similar income grew S/ 184.2 million YoY, or 20.5%, mainly due to higher interest on all interest-earning assets in our Banking business, in addition to higher interest and similar income in our Insurance business, and higher interest income on loans and due from banks and inter-banks funds in our Wealth Management business.

Impairment loss on loans, net of recoveries grew S/ 97.5 million YoY, or 87.0%, mainly explained by higher provision requirements in the retail loan book as well as in the commercial loan book. Growth in provision expenses occurred mainly in credit cards.

Net fee income from financial services increased S/ 117.2 million YoY, or 58.9%, mainly due to the addition of our new Payments business in the consolidated figures, which reported higher income from payments acquirer due to higher transactional volumes, as well as higher commissions from credit card services, commissions from banking services, fees from collection services and fees from indirect loans in our Banking business. These factors were partially offset by a decrease in fees in our Wealth Management business, associated with lower fees from funds management due to

lower frequency of client transactions, in turn driven by the persistent volatility and uncertainty in the financial markets.

Other income declined S/ 70.7 million YoY, mainly attributable to a mark-to-market loss in net trading gain in our Wealth Management business. This was partially offset by higher other income in our Banking and Insurance businesses, and by the extraordinary income resulting from the revaluation of Izipay's assets at IFS.

On a yearly basis, total premiums earned minus claims and benefits in our Insurance business increased S/ 45.5 million due to S/ 16.6 million growth in net premiums, as well as reductions of S/ 15.3 million in net claims and benefits incurred, and S/ 13.7 million in adjustment of technical reserves.

Other expenses grew S/ 102.0 million YoY, or 17.4%, as the result of higher administrative expenses, salaries and employee benefits in our Banking business. Moreover, the addition of our new Payments business in the consolidated figures also contributed to the increase in other expenses. It is important to note that an important driver of expense growth was related to investments in IT and new business ventures, in addition to variable costs associated with a higher level of marketing and credit cards activity.

IFS' effective tax rate increased, from 17.2% in 3Q21 to 18.6% in 3Q22, as a result of a higher profit contribution from our Banking business.

### CONTRIBUTION BY BUSINESS

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

Intercorp Financial Services' Profit by business					
S/ million	3Q21	2Q22	3Q22	%chg QoQ	%chg YoY
Banking	299.1	321.2	365.6	13.8%	22.2%
Insurance	13.4	77.0	100.5	30.6%	n.m.
Wealth Management	183.7	-120.3	-41.0	-65.9%	n.m.
Payments	-	12.6	11.7	-6.4%	n.m.
Corporate and eliminations	55.2	-39.1	176.7	n.m.	n.m.
<b>IFS profit for the period</b>	<b>551.5</b>	<b>251.3</b>	<b>613.4</b>	<b>n.m.</b>	<b>11.2%</b>

## Interbank

### SUMMARY

Interbank's profits were S/ 365.6 million in 3Q22, which represented an increase of S/ 44.4 million QoQ, or 13.8%, and S/ 66.5 million YoY, or 22.2%. The quarterly result was mainly attributed to growth of S/ 51.5 million in net interest and similar income, S/ 22.9 million in net fee income from financial services and S/ 5.7 million in other income, in addition to a positive performance in translation result. These factors were partially offset by increases of S/ 16.2 million in impairment loss on loans and S/ 6.8 million in other expenses, in addition to a slightly higher effective tax rate.

The annual performance in net profit was mainly explained by growth of S/ 160.9 in net interest and similar income, S/ 46.9 million in net fee income from financial services and S/ 3.4 million in other income. These effects were partially compensated by increases of S/ 99.6 million in impairment loss on loans and S/ 19.3 million in other expenses, as well as a S/ 7.2 million lower translation result.

Interbank's ROE was 21.4% in 3Q22, higher than the 19.4% and 18.6% registered in 2Q22 and 3Q21, respectively.

Banking Segment's P&L Statement					
S/ million	3Q21	2Q22	3Q22	%chg QoQ	%chg YoY
Interest and similar income	907.0	1,107.4	1,260.6	13.8%	39.0%
Interest and similar expense	-225.9	-316.9	-418.6	32.1%	85.3%
<b>Net interest and similar income</b>	<b>681.1</b>	<b>790.5</b>	<b>842.0</b>	<b>6.5%</b>	<b>23.6%</b>
Impairment loss on loans, net of recoveries	-110.0	-193.4	-209.6	8.4%	90.6%
Recovery (loss) due to impairment of financial investments	-0.3	0.0	-0.3	n.m.	5.6%
<b>Net interest and similar income after impairment loss</b>	<b>570.9</b>	<b>597.1</b>	<b>632.1</b>	<b>5.9%</b>	<b>10.7%</b>
Fee income from financial services, net	166.1	190.1	213.0	12.1%	28.3%
Other income	116.3	114.0	119.7	5.0%	2.9%
Other expenses	-468.4	-480.9	-487.7	1.4%	4.1%
<b>Income before translation result and income tax</b>	<b>384.9</b>	<b>420.2</b>	<b>477.2</b>	<b>13.6%</b>	<b>24.0%</b>
Translation result	19.5	8.9	12.3	38.3%	-37.3%
Income tax	-105.3	-107.9	-123.9	14.8%	17.6%
<b>Profit for the period</b>	<b>299.1</b>	<b>321.2</b>	<b>365.6</b>	<b>13.8%</b>	<b>22.2%</b>
<b>ROE</b>	<b>18.6%</b>	<b>19.4%</b>	<b>21.4%</b>		
<b>Efficiency ratio</b>	<b>47.1%</b>	<b>42.3%</b>	<b>40.1%</b>		
<b>NIM</b>	<b>4.0%</b>	<b>4.9%</b>	<b>5.0%</b>		
<b>NIM on loans</b>	<b>7.0%</b>	<b>7.6%</b>	<b>7.8%</b>		

### INTEREST-EARNING ASSETS

Interbank's interest-earning assets reached S/ 66,346.1 million as of September 30, 2022, an increase of 4.6% QoQ, but a slight decrease of 0.6% YoY.

The quarterly growth in interest-earning assets was attributed to increases of 14.3% in financial investments, 4.4% in cash and due from banks and inter-bank funds, and 2.3% in loans. Growth in financial investments was mainly a result of higher balances of Central Bank Certificates of Deposits (CDBCR), global bonds and corporate bonds from non-financial institutions, partially offset by lower volumes of corporate bonds from

financial institutions and sovereign bonds. On the other hand, the increase in cash and due from banks and inter-bank funds resulted mainly from higher deposits and reserve funds at the Central Bank.

The YoY decrease in interest-earning assets was explained by a 36.1% reduction in cash and due from banks and inter-bank funds, partially compensated by increases of 28.8% in financial investments and 8.0% in loans. The decrease in cash and due from banks and inter-bank funds resulted mainly from lower deposits at the Central Bank, partially offset by higher reserve funds at the same institution. The increase in financial investments resulted from higher volumes of CDBCR and sovereign bonds, partially compensated by lower balances of corporate bonds and global bonds.

Interest-earning assets					
S/ million	09.30.21	06.30.22	09.30.22	%chg 09.30.22 06.30.22	%chg 09.30.22 09.30.21
Cash and due from banks and inter-bank funds	17,433.8	10,676.2	11,144.2	4.4%	-36.1%
Financial investments	9,337.6	10,525.3	12,025.9	14.3%	28.8%
Loans	39,985.8	42,218.9	43,176.0	2.3%	8.0%
<b>Total interest-earning assets</b>	<b>66,757.2</b>	<b>63,420.4</b>	<b>66,346.1</b>	<b>4.6%</b>	<b>-0.6%</b>

Loan portfolio					
S/ million	09.30.21	06.30.22	09.30.22	%chg 09.30.22 06.30.22	%chg 09.30.22 09.30.21
Performing loans					
Retail	19,281.7	22,001.5	22,405.6	1.8%	16.2%
Commercial	21,028.8	20,384.8	20,640.4	1.3%	-1.8%
<b>Total performing loans</b>	<b>40,310.5</b>	<b>42,386.3</b>	<b>43,046.0</b>	<b>1.6%</b>	<b>6.8%</b>
Restructured and refinanced loans	226.1	258.0	288.1	11.7%	27.4%
Past due loans	1,388.2	1,218.1	1,425.2	17.0%	2.7%
<b>Total gross loans</b>	<b>41,924.8</b>	<b>43,862.3</b>	<b>44,759.3</b>	<b>2.0%</b>	<b>6.8%</b>
Add (less)					
Accrued and deferred interest	357.3	400.7	451.1	12.6%	26.2%
Impairment allowance for loans	-2,296.3	-2,044.1	-2,034.3	-0.5%	-11.4%
<b>Total direct loans, net</b>	<b>39,985.8</b>	<b>42,218.9</b>	<b>43,176.0</b>	<b>2.3%</b>	<b>8.0%</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 September 30, 2022, these performing loans amounted S/ 2,657.3 million, compared to balances of S/ 3,337.8 million as of June 30, 2022 and S/ 5,249.0 million as of September 30, 2021.

Performing loans grew 1.6% QoQ, explained by increases of 1.8% in retail loans and 1.3% in commercial loans. Excluding the effect of the Reactiva Peru Program in the comparing periods, total performing loans and commercial loans would have grown 3.4% and 5.5% QoQ, respectively.

Retail loans grew 1.8% QoQ due to increases of 2.3% in mortgages and 1.5% in consumer loans. Growth in mortgage loans was explained by higher demand in both traditional and MiVivienda products. The increase in consumer loans resulted from higher balances of credit cards and cash loans, partially compensated by a slight decline in payroll deduction loans.

Growth in commercial loans was a result of higher trade finance loans and leasing operations, across all segments. This was partially offset by lower short and medium-term loans, also across all segments.

Performing loans grew 6.8% YoY explained by a 16.2% increase in retail loans, partially offset by a 1.8% reduction in commercial loans. Excluding the effect of the Reactiva Peru Program in the comparing periods, total performing loans and commercial loans would have increased 15.2% and 14.0% YoY, respectively.

The YoY growth in retail loans was due to increases of 20.9% in consumer loans and 9.7% in mortgages. The increase in consumer loans resulted from higher credit cards, partially offset by lower payroll reduction loans. Growth in mortgages was due to higher demand in both traditional and MiVivienda products.

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

In 3Q22, 2Q22 and 3Q21, Interbank's rescheduled portfolio of Reactiva Peru loans amounted to S/ 1,707.3 million, S/ 1,829.3 million and S/ 1,784.7 million, respectively, representing 58.1% of total balances of Reactiva Peru loans in 3Q22, 52.3% in 2Q22 and 32.4% in 3Q21.

It is worth mentioning that these loans are guaranteed in large part by the Peruvian government. As of September 30, 2022, Interbank activated the guarantee coverage for an amount of S/ 478.3 million.

Breakdown of retail loans					
S/ million	09.30.21	06.30.22	09.30.22	%chg 09.30.22 06.30.22	%chg 09.30.22 09.30.21
<b>Consumer loans:</b>					
Credit cards & other loans	6,577.6	8,774.4	8,998.9	2.6%	36.8%
Payroll deduction loans <sup>(1)</sup>	4,611.2	4,552.2	4,529.1	-0.5%	-1.8%
<b>Total consumer loans</b>	<b>11,188.8</b>	<b>13,326.6</b>	<b>13,528.0</b>	<b>1.5%</b>	<b>20.9%</b>
Mortgages	8,092.9	8,674.9	8,877.6	2.3%	9.7%
<b>Total retail loans</b>	<b>19,281.7</b>	<b>22,001.5</b>	<b>22,405.6</b>	<b>1.8%</b>	<b>16.2%</b>

(1) Payroll deduction loans to public sector employees.

## FUNDING STRUCTURE

S/ million	Funding structure			%chg	
	09.30.21	06.30.22	09.30.22	09.30.22	09.30.22
				06.30.22	09.30.21
Deposits and obligations	46,565.6	43,576.8	45,493.7	4.4%	-2.3%
Due to banks and correspondents and inter-bank funds	8,094.5	7,538.4	7,925.8	5.1%	-2.1%
Bonds, notes and other obligations	7,128.7	6,568.0	6,790.9	3.4%	-4.7%
<b>Total</b>	<b>61,788.7</b>	<b>57,683.2</b>	<b>60,210.4</b>	<b>4.4%</b>	<b>-2.6%</b>
% of funding					
Deposits and obligations	75.4%	75.5%	75.6%		
Due to banks and correspondents and inter-bank funds	13.1%	13.1%	13.1%		
Bonds, notes and other obligations	11.5%	11.4%	11.3%		

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 September 30, 2022, the balance of such special funding was S/ 2,598.7 million, compared to S/ 3,139.8 million as of June 30, 2022 and S/ 4,977.2 million as of September 30, 2021.

The bank's total funding base grew 4.4% QoQ, in line with growth of interest-earning assets. This was explained by increases of 5.1% in due to banks and correspondents and inter-bank funds, 4.4% in deposits and obligations, and 3.4% in bonds, notes and other obligations. Excluding the effect of the Reactiva Peru Program's funds, the bank's total funding base and the balance of due to banks and correspondents and inter-bank funds would have grown 5.6% and 21.1% QoQ, respectively.

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

The quarterly performance of deposits and obligations was mainly due to growth of 9.4% in retail deposits, partially offset by a decrease of 2.0% in institutional deposits while commercial deposits remained relatively stable.

The QoQ growth in bonds, notes and other obligations was mainly attributable to a 4.1% increase of the foreign exchange rate with respect to 2Q22.

The bank's total funding base decreased 2.6% YoY, compared to the 0.6% annual reduction in interest-earning assets. This was explained by decreases of 4.7% in bonds, notes and other obligations, 2.3% in deposits and obligations, and 2.1% in due to banks and correspondents and inter-bank funds. Excluding the effect of the Reactiva Peru Program's funds, the bank's total funding base and the balance of due to banks and correspondents and inter-bank funds would have increased 1.4% and 70.9% YoY, respectively.

The annual decrease in bonds, notes and other obligations was mainly attributable to a lower volume given the maturity of local subordinated bonds for S/ 137.9 million in June 2022, as well as a reduction of 3.7% of the foreign exchange rate with respect to 3Q21.

The YoY reduction in deposits and obligations was mainly explained by decreases of 12.9% in institutional deposits and 4.6% in commercial deposits, partially offset by an increase of 1.9% in retail deposits.

The annual decrease in due to banks and correspondents and inter-bank funds was mainly the result of a reduction in long-term funding provided by the Central Bank, associated with lower funds for the Reactiva Peru Program, as well as lower short-term funding provided by correspondent banks abroad. These effects were partially compensated by higher long-term funding from correspondent banks abroad and COFIDE.

As of September 30, 2022, the proportion of deposits and obligations to total funding was 75.6%, slightly higher than the 75.4% reported as of September 30, 2021. Likewise, the proportion of institutional deposits to total deposits decreased from 12.6% as of September 30, 2021 to 11.3% as of September 30, 2022.

Breakdown of deposits					
S/ million	09.30.21	06.30.22	09.30.22	%chg 09.30.22 06.30.22	%chg 09.30.22 09.30.21
By customer service:					
Retail	23,290.7	21,686.3	23,726.1	9.4%	1.9%
Commercial	17,054.2	16,298.1	16,278.2	-0.1%	-4.6%
Institutional	5,879.1	5,222.6	5,119.7	-2.0%	-12.9%
Other	341.6	369.8	369.6	-0.1%	8.2%
<b>Total</b>	<b>46,565.6</b>	<b>43,576.8</b>	<b>45,493.7</b>	<b>4.4%</b>	<b>-2.3%</b>
By type:					
Demand	14,309.2	13,162.5	13,688.9	4.0%	-4.3%
Savings	22,196.3	20,596.3	21,331.5	3.6%	-3.9%
Time	10,046.0	9,812.1	10,459.2	6.6%	4.1%
Other	14.1	5.9	14.1	n.m.	-0.5%
<b>Total</b>	<b>46,565.6</b>	<b>43,576.8</b>	<b>45,493.7</b>	<b>4.4%</b>	<b>-2.3%</b>

## NET INTEREST AND SIMILAR INCOME

Net interest and similar income					
S/ million	3Q21	2Q22	3Q22	%chg QoQ	%chg YoY
Interest and similar income	907.0	1,107.4	1,260.6	13.8%	39.0%
Interest and similar expense	-225.9	-316.9	-418.6	32.1%	85.3%
<b>Net interest and similar income</b>	<b>681.1</b>	<b>790.5</b>	<b>842.0</b>	<b>6.5%</b>	<b>23.6%</b>
<b>NIM</b>	<b>4.0%</b>	<b>4.9%</b>	<b>5.0%</b>	<b>10 bps</b>	<b>100 bps</b>

Interest and similar income					
S/ million	3Q21	2Q22	3Q22	%chg QoQ	%chg YoY
<b>Interest and similar income</b>					
Due from banks and inter-bank funds	8.2	15.0	41.3	n.m.	n.m.
Financial investments	66.1	103.2	122.1	18.3%	84.8%
Loans	832.7	989.2	1,097.2	10.9%	31.8%
<b>Total Interest and similar income</b>	<b>907.0</b>	<b>1,107.4</b>	<b>1,260.6</b>	<b>13.8%</b>	<b>39.0%</b>
Average interest-earning assets	68,814.6	65,097.2	66,922.4	2.8%	-2.7%
Average yield on assets (annualized)	5.3%	6.8%	7.5%	70 bps	220 bps

Interest and similar expense					
S/ million	3Q21	2Q22	3Q22	%chg QoQ	%chg YoY
<b>Interest and similar expense</b>					
Deposits and obligations	-89.7	-184.0	-269.8	46.6%	n.m.
Due to banks and correspondents and inter-bank funds	-35.7	-42.4	-57.6	35.9%	61.6%
Bonds, notes and other obligations	-100.5	-90.5	-91.2	0.8%	-9.2%
<b>Total Interest and similar expense</b>	<b>-225.9</b>	<b>-316.9</b>	<b>-418.6</b>	<b>32.1%</b>	<b>85.3%</b>
Average interest-bearing liabilities	61,285.0	57,139.5	58,946.8	3.2%	-3.8%
Average cost of funding (annualized)	1.5%	2.2%	2.8%	60 bps	130 bps

## QoQ Performance

Net interest and similar income grew 6.5% QoQ due to a 13.8% increase in interest and similar income, partially offset by 32.1% growth 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, 18.3% in interest on financial investments and 10.9% in interest on loans.

Interest on due from banks and inter-bank funds grew S/ 26.3 million QoQ, or more than two-fold, explained by a 100 basis point increase in the nominal average rate, partially offset by a 1.7% reduction in the average volume. The higher return was in line with higher policy rates globally.

Interest on financial investments increased S/ 18.9 million QoQ, or 18.3%, due to a 40 basis point increase in the average yield, from 3.9% in 2Q22 to 4.3% in 3Q22, in addition to 7.0% growth in the average volume. This was attributed to higher balances of CDBCR, partially offset by lower volumes of sovereign bonds and corporate bonds.

Interest on loans grew S/ 108.0 million QoQ, or 10.9%, as the result of a 70 basis point increase in the average yield, together with 2.9% growth in the average loan portfolio.

The higher average rate on loans, from 9.1% in 2Q22 to 9.8% in 3Q22, was explained by yield increases of 120 basis points in commercial loans and 30 basis points in retail loans. In the commercial portfolio, rates increased across all products, particularly working capital loans and trade finance. The yield increase in retail loans was due to higher rates on mortgages and consumer loans.

The higher average volume of loans was attributed to increases of 3.3% in retail loans and 2.5% in commercial loans. Consequently, the average balance of retail loans continued to be higher than that of the commercial portfolio. In the retail portfolio, average volumes increased 3.7% in consumer loans and 2.8% in mortgages. In the commercial portfolio, average volumes grew 17.9% in trade finance loans and 3.9% in leasing operations, while balances of short and medium-term loans slightly decreased.

The nominal average yield on interest-earning assets increased 70 basis points QoQ, from 6.8% in 2Q22 to 7.5% in 3Q22, in line with the higher returns on all components of interest-earning assets.

The higher interest and similar expense was due to increases of 46.6% in interest on deposits and obligations, 35.9% in interest on due to banks and correspondents, and 0.8% in interest on bonds, notes and other obligations.

The quarterly growth in interest on deposits and obligations was due to a 70 basis point increase in the average cost, from 1.7% in 2Q22 to 2.4% in 3Q22, in addition to 3.0% growth in the average volume. The increase in the average cost was due to higher rates paid to institutional deposits, commercial deposits and retail time deposits, following the additional rate hikes from the Central Bank. By currency, average balances of soles-denominated deposits grew 3.8% while average dollar-denominated deposits increased 1.6%.

Interest on due to banks and correspondents increased 35.9%, explained by growth of 70 basis points in the average cost and 4.7% in the average volume. The higher average volume was due to higher funding from the Central Bank, COFIDE and correspondent banks abroad.

The 0.8% growth in interest on bonds, notes and other obligations was mainly attributable to the effect of a higher average foreign exchange rate with respect to 2Q22.

The average cost of funding grew 60 basis points, from 2.2% in 2Q22 to 2.8% in 3Q22, as a consequence of the higher cost of deposits and due to banks.

As a result of the above, net interest margin was 5.0% in 3Q22, 10 basis points higher than the 4.9% reported in 2Q22.

#### YoY Performance

Net interest and similar income grew 23.6% YoY due to a 39.0% increase in interest and similar income, partially offset by 85.3% growth in interest and similar expense.

The higher interest and similar income was due to increases of more than five-fold in interest on due from banks and inter-bank funds, 84.8% in interest on financial investments and 31.8% in interest on loans.

Interest on due from banks and inter-bank funds grew S/ 33.1 million YoY, or more than five-fold, explained by growth of 130 basis points in the average yield, despite a 36.0% reduction in the average volume. The higher yield was attributed to the effect of a higher policy rate on the return of liquid assets, while the lower average volume was explained by lower deposits at the Central Bank.

Interest on financial investments increased S/ 56.0 million YoY, or 84.8%, due to growth of 150 basis points in the average yield and 18.2% in the average volume. The increase in the nominal average rate, from 2.8% in 3Q21 to 4.3% in 3Q22, was explained by higher returns on CDBCR, corporate bonds, global bonds and sovereign bonds. Growth in the average volume was the result of higher balances of CDBCR and sovereign bonds, partially offset by lower volumes of corporate bonds and global bonds.

Interest on loans grew S/ 264.5 million YoY, or 31.8%, explained by increases of 190 basis points in the average yield and 6.0% in the average volume.

On one hand, the increase in the average rate on loans, from 7.9% in 3Q21 to 9.8% in 3Q22, was mainly due to higher yields on commercial and retail loans. On the other hand, the higher average volume of loans was attributed to growth of 16.0% in retail loans, partially offset by a 3.2% reduction in commercial loans. In the retail portfolio, average volumes grew due to increases of 22.1% in consumer loans and 7.6% in mortgages. In the commercial portfolio, the lower average volume was mainly

attributed to decreasing volumes in working capital loans and leasing operations, despite a strong growth in trade finance loans.

The nominal average yield on interest-earning assets increased 220 basis points YoY, from 5.3% in 3Q21 to 7.5% in 3Q22, in line with the higher returns on all components of interest-earning assets.

Interest and similar expense grew 85.3% mainly due to increases of more than three-fold in interest on deposits and obligations, and 61.6% in interest on due to banks and correspondents, while interest on bonds, notes and other obligations decreased 9.2%.

Interest on deposits and obligations increased S/ 180.1 million YoY, or more than three-fold, mostly explained by a 160 basis point increase in the average cost, from 0.8% in 3Q21 to 2.4% in 3Q22. Partially offsetting this, the average volume of deposits declined 2.9% YoY. By currency, average balances of soles-denominated deposits decreased 6.4% while average dollar-denominated deposits increased 3.9%.

Interest on due to banks and correspondents grew S/ 21.9 million YoY, or 61.6%, following a 130 basis point increase in the average cost, from 1.7% in 3Q21 to 3.0% in 3Q22, partially compensated by a 7.9% decrease in the average volume. On one hand, the average cost increased in line with higher policy rates globally. On the other hand, the decrease in the average volume was mostly due to lower funding from correspondent banks abroad and the Central Bank.

Interest on bonds, notes and other obligations decreased due to the maturity of S/ 137.9 million subordinated bonds in the local market in June 2022, in addition to the effect of a 2.3% reduction of the average foreign exchange rate with respect to 3Q21.

The average cost of funding increased 130 basis points, from 1.5% in 3Q21 to 2.8% in 3Q22, as a consequence of the higher implicit cost of deposits and due to banks and correspondents.

As a result of the above, net interest margin was 5.0% in 3Q22, 100 basis points higher than the 4.0% reported in 3Q21.

## **IMPAIRMENT LOSS ON LOANS, NET OF RECOVERIES**

Impairment loss on loans, net of recoveries increased 8.4% QoQ and 90.6% YoY.

The quarterly performance was explained by higher provision requirements in the commercial loan book, partially offset by lower provision requirements in the retail loan book. In the commercial portfolio, the increase in provisions was mainly driven by higher requirements across all segments. Conversely, the decrease in provisions in the retail portfolio was explained by lower requirements in consumer loans.

The annual increase in provisions was mainly explained by higher requirements in the retail loan book as well as in the commercial loan book. Growth in provision requirements occurred mainly in credit cards.

As a result of the above, the annualized ratio of impairment loss on loans to average loans was 1.9% in 3Q22, higher than the 1.8% and 1.1% reported in 2Q22 and 3Q21, respectively.

Impairment loss on loans, net of recoveries					
S/ million	3Q21	2Q22	3Q22	%chg QoQ	%chg YoY
Impairment loss on loans, net of recoveries	-110.0	-193.4	-209.6	8.4%	90.6%
Impairment loss on loans/average gross loans	1.1%	1.8%	1.9%	10 bps	80 bps
S3 NPL ratio (at end of period)	2.7%	2.6%	2.5%	-10 bps	-20 bps
S3 NPL coverage ratio (at end of period)	210.2%	185.9%	182.4%	-350 bps	n.m.
Impairment allowance for loans	2,296.3	2,044.1	2,034.3	-0.5%	-11.4%

The Stage 3 NPL ratio decreased 10 basis points QoQ and 20 basis points YoY, to 2.5% in 3Q22. The quarterly reduction was due to a 10 basis point decrease in commercial loans' NPL, while the NPL ratio for the retail portfolio remained stable. The lower Stage 3 NPL ratio YoY was explained by a 40 basis point decrease in retail loans' NPL, while the NPL ratio for the commercial portfolio remained unchanged.

Furthermore, the S3 NPL coverage ratio was 182.4% as of September 30, 2022, lower than the 185.9% and 210.2% reported as of June 30, 2022 and as of September 30, 2021, respectively.

## FEE INCOME FROM FINANCIAL SERVICES, NET

Net fee income from financial services grew S/ 22.9 million QoQ, or 12.1%, mainly explained by higher commissions from banking services, commissions from credit card services and fees from collection services. These factors were partially offset by lower fees from maintenance and mailing of accounts, transfer fees and commissions on debit card services, and fees from indirect loans.

Net fee income from financial services increased S/ 46.9 YoY, or 28.3%, mainly due to higher commissions from credit card services, commissions from banking services, fees from collection services and fees from indirect loans. These effects were partially compensated by a decrease in fees from maintenance and mailing of accounts, transfer fees and commissions on debit card services.

Fee income from financial services, net					
S/ million	3Q21	2Q22	3Q22	%chg QoQ	%chg YoY
<b>Income</b>					
Commissions from credit card services	88.5	105.1	116.6	11.0%	31.8%
Commissions from banking services	73.1	76.7	92.9	21.1%	27.0%
Maintenance and mailing of accounts, transfer fees and commissions on debit card services	62.9	64.5	59.8	-7.3%	-5.0%
Fees from indirect loans	16.7	18.7	17.9	-4.5%	6.9%
Collection services	13.7	15.4	15.7	2.0%	14.5%
Other	15.9	14.7	13.6	-7.7%	-14.4%
<b>Total income</b>	<b>270.9</b>	<b>295.2</b>	<b>316.5</b>	<b>7.2%</b>	<b>16.8%</b>
<b>Expenses</b>					
Insurance	-25.5	-25.0	-25.0	-0.2%	-2.0%
Fees paid to foreign banks	-9.0	-6.4	-6.9	7.6%	-23.3%
Other	-70.3	-73.7	-71.6	-2.8%	1.9%
<b>Total expenses</b>	<b>-104.8</b>	<b>-105.1</b>	<b>-103.5</b>	<b>-1.6%</b>	<b>-1.2%</b>
<b>Fee income from financial services, net</b>	<b>166.1</b>	<b>190.1</b>	<b>213.0</b>	<b>12.1%</b>	<b>28.3%</b>

## OTHER INCOME

Other income grew S/ 5.7 million QoQ and S/ 3.4 million YoY. The quarterly and annual performances were mainly explained by a higher net gain on foreign exchange transactions and on financial assets at fair value through profit or loss, as well as a lower net loss on sale of financial investments.

Other income					
S/ million	3Q21	2Q22	3Q22	%chg QoQ	%chg YoY
Net gain on foreign exchange transactions and on financial assets at fair value through profit or loss	105.1	86.8	108.2 <sup>(1)</sup>	24.7%	3.0%
Net gain on sale of financial investments	-3.9	-4.9	-3.4	-30.3%	-11.7%
Other	15.1	32.1	14.9	-53.6%	-1.4%
<b>Total other income</b>	<b>116.3</b>	<b>114.0</b>	<b>119.7</b>	<b>5.0%</b>	<b>2.9%</b>

(1) Includes S/ 130.0 million of net gain on foreign exchange transactions and S/ -21.8 million of net gain (loss) on financial assets at fair value through profit or loss (derivatives).

## OTHER EXPENSES

Other expenses increased S/ 6.8 million QoQ, or 1.4%, and S/ 19.3 million YoY, or 4.1%

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

Other expenses increased YoY mainly as a result of higher administrative and personnel expenses, in addition to higher depreciation and amortization charges.

It is important to note that an important driver of expense growth was related to investments in IT and new business ventures, in addition to variable costs associated with a higher level of marketing and credit cards activity.

The efficiency ratio was 40.1% in 3Q22, an improvement compared to the 42.3% reported in 2Q22 and the 47.1% registered in 3Q21.

Other expenses					
S/ million	3Q21	2Q22	3Q22	%chg QoQ	%chg YoY
Salaries and employee benefits	-164.7	-171.3	-166.9	-2.6%	1.3%
Administrative expenses	-227.9	-226.7	-239.9	5.8%	5.3%
Depreciation and amortization	-61.4	-64.8	-63.7	-1.6%	3.8%
Other	-14.5	-18.1	-17.1	-5.5%	18.5%
<b>Total other expenses</b>	<b>-468.4</b>	<b>-480.9</b>	<b>-487.7</b>	<b>1.4%</b>	<b>4.1%</b>
<b>Efficiency ratio</b>	<b>47.1%</b>	<b>42.3%</b>	<b>40.1%</b>	<b>-220 bps</b>	<b>-700 bps</b>

## REGULATORY CAPITAL

The ratio of regulatory capital to risk-weighted assets (RWA) was 15.2% as of September 30, 2022, stable compared to the level reported as of June 30, 2022, but below the 16.3% registered as of September 30, 2021.

In 3Q22, RWA grew 3.8% QoQ due to higher capital requirements for credit risk, operational risk and market risk. The higher RWA for credit risk were attributed to an increase of RWA for loans and other assets, partially offset by lower RWA for financial investments. On the other hand, regulatory capital increased 3.5% QoQ attributed mainly to lower unrealized loss on investments available for sale compared to 2Q22, in addition to the effect of a higher foreign exchange rate on the balance of subordinated, dollar-denominated bonds.

The annual reduction in the total capital ratio was due to an 11.5% increase in RWA, partially offset by 4.2% growth in regulatory capital. The YoY increase in RWA was mostly due to higher capital requirements for credit risk and operational risk. Higher RWA for credit risk were attributed to growth of RWA for loans, in addition to a higher risk weight applied to intangible assets by disposition of the SBS, with impact on the bank's increasing digital investments.

Regulatory capital increased YoY mainly as a result of the addition of S/ 780.0 million in capital, reserves and earnings with capitalization agreement during the last twelve months. These effects were partially compensated by higher unrealized loss on investments available for sale and the maturity of local subordinated bonds for S/ 137.9 million in June 2022.

Also, it is worth mentioning that in June 2021, the SBS issued the Official Document No. 27358-2021 which refers to the Emergency Decree No. 037-2021, by which it established that, from April 2021 to March 2022, the minimum regulatory capital ratio requirement was reduced from 10% to 8%. Subsequently, the Decree N° 003-2022 stated that the minimum regulatory capital requirement must be maintained at 8% until August 2022 and then raised to 8.5% until March 2023, when the 10% minimum would be restored. As of the date of this report and as mentioned before, the minimum regulatory capital requirement climbed to 8.5%.

As of September 30, 2022, Interbank's capital ratio of 15.2% was significantly higher than its risk-adjusted minimum capital ratio requirement, established at 9.6%. As previously mentioned, the minimum regulatory capital ratio requirement was 8.5%, while the additional capital requirement for Interbank was 1.1% as of September 30, 2022. Furthermore, Core Equity Tier 1 (CET1) was 11.6% as of September 30, 2022, higher than the 11.1% registered as of June 30, 2022, but below the 12.0% reported as of September 30, 2021.

S/ million	Regulatory capital					
				%chg	%chg	
	09.30.21	06.30.22	09.30.22	09.30.22	06.30.22	09.30.21
Tier I capital	6,097.4	6,420.8	6,639.5	3.4%		8.9%
Tier II capital	3,034.7	2,768.6	2,873.0	3.8%		-5.3%
Total regulatory capital	9,132.1	9,189.4	9,512.4	3.5%		4.2%
Risk-weighted assets (RWA)	56,117.5	60,267.7	62,558.4	3.8%		11.5%
<b>Total capital ratio</b>	<b>16.3%</b>	<b>15.2%</b>	<b>15.2%</b>	<b>0 bps</b>		<b>-110 bps</b>
<b>Tier I capital / RWA</b>	<b>10.9%</b>	<b>10.7%</b>	<b>10.6%</b>	<b>-10 bps</b>		<b>-30 bps</b>
<b>CET1</b>	<b>12.0%</b>	<b>11.1%</b>	<b>11.6%</b>	<b>50 bps</b>		<b>-40 bps</b>

## Interseguro

### SUMMARY

Interseguro's profits reached S/ 100.5 million in 3Q22, which represented an increase of S/ 23.5 million QoQ and S/ 87.1 million YoY.

The quarterly growth was explained by an S/ 18.5 million improvement in the insurance underwriting result, mostly related to higher premiums earned, in addition to S/ 8.3 million lower other expenses and S/ 6.2 million higher other income. These factors were partially offset by decreases of S/ 6.3 million in net interest and similar income, S/ 2.0 million in translation result, and S/ 0.6 million in net fee income from financial services.

The annual performance in net profit was mainly explained by an improvement of S/ 45.5 million in the insurance underwriting result, as well as a S/ 19.0 million increase in net interest and similar income, and S/ 3.2 million higher other income. Moreover, a better translation result, a lower loss due to impairment of financial investments and a reduction in other expenses also contributed to the yearly growth in earnings.

As a result, Interseguro's ROE was 46.8% in 3Q22, an improvement compared to the 31.6% reported in 2Q22 and the 5.3% registered 3Q21, respectively.

Insurance Segment's P&L Statement					
S/ million	3Q21	2Q22	3Q22	%chg QoQ	%chg YoY
Interest and similar income	224.8	249.9	243.2	-2.7%	8.2%
Interest and similar expenses	-31.8	-31.6	-31.2	-1.3%	-2.0%
<b>Net Interest and similar income</b>	<b>193.0</b>	<b>218.3</b>	<b>212.0</b>	<b>-2.9%</b>	<b>9.9%</b>
Recovery (loss) due to impairment of financial investments	-8.3	-0.2	-0.7	n.m.	-92.1%
<b>Net Interest and similar income after impairment loss</b>	<b>184.7</b>	<b>218.2</b>	<b>211.4</b>	<b>-3.1%</b>	<b>14.4%</b>
Fee income from financial services, net	-2.1	-1.4	-2.0	43.2%	-2.1%
Other income	23.6	20.6	26.8	29.9%	13.4%
Total premiums earned minus claims and benefits	-87.7	-60.7	-42.2	-30.5%	-51.9%
Net premiums	254.9	234.0	271.5	16.0%	6.5%
Adjustment of technical reserves	-108.8	-75.3	-95.1	26.4%	-12.5%
Net claims and benefits incurred	-233.9	-219.4	-218.6	-0.4%	-6.5%
Other expenses	-90.9	-97.5	-89.2	-8.5%	-1.8%
<b>Income before translation result and income tax</b>	<b>27.7</b>	<b>79.2</b>	<b>104.7</b>	<b>32.3%</b>	n.m.
Translation result	-14.2	-2.2	-4.2	92.9%	-70.2%
Income tax	-	-	-	n.m.	n.m.
<b>Profit for the period</b>	<b>13.4</b>	<b>77.0</b>	<b>100.5</b>	<b>30.6%</b>	<b>n.m.</b>
<b>ROE</b>	<b>5.3%</b>	<b>31.6%</b>	<b>46.8%</b>		
<b>Efficiency ratio</b>	<b>13.7%</b>	<b>9.8%</b>	<b>8.8%</b>		

## RESULTS FROM INVESTMENTS

Results from Investments <sup>(1)</sup>					
S/ million	3Q21	2Q22	3Q22	%chg QoQ	%chg YoY
Interest and similar income	224.8	249.9	243.2	-2.7%	8.2%
Interest and similar expenses	-17.0	-19.2	-18.7	-2.7%	9.6%
<b>Net interest and similar income</b>	<b>207.8</b>	<b>230.7</b>	<b>224.6</b>	<b>-2.7%</b>	<b>8.1%</b>
Recovery (loss) due to impairment of financial investments	-8.3	-0.2	-0.7	n.m.	-92.1%
<b>Net Interest and similar income after impairment loss</b>	<b>199.5</b>	<b>230.6</b>	<b>223.9</b>	<b>-2.9%</b>	<b>12.2%</b>
Net gain (loss) on sale of financial investments	18.2	-4.7	-12.7	n.m.	n.m.
Net gain (loss) on financial assets at fair value through profit or loss	-25.9	-77.1	7.6	n.m.	n.m.
Rental income	15.1	36.6	15.1	-58.8%	-0.2%
Gain on sale of investment property	-	-	-	n.m.	n.m.
Valuation gain (loss) from investment property	12.6	59.7	-0.2	n.m.	n.m.
Other <sup>(1)</sup>	-1.7	-5.0	5.1	n.m.	n.m.
<b>Other income</b>	<b>18.4</b>	<b>9.4</b>	<b>14.9</b>	<b>59.0%</b>	<b>-18.9%</b>
<b>Results from investments</b>	<b>217.9</b>	<b>240.0</b>	<b>238.8</b>	<b>-0.5%</b>	<b>9.6%</b>

(1) Only includes transactions related to investments.

### NET INTEREST AND SIMILAR INCOME

Net interest and similar income related to investments was S/ 224.6 million in 3Q22, a decrease of S/ 6.1 million or 2.7% QoQ, but an increase of S/ 16.8 million or 8.1% YoY.

The quarterly performance was mainly explained by a reduction of S/ 6.7 million in interest and similar income, mostly associated with sequentially lower inflation rates and dividends received.

The yearly performance was mostly due to higher interest and similar income, mainly attributed to a larger fixed income portfolio and higher interest rates.

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

Loss due to impairment of financial investments was S/ -0.7 million in 3Q22, compared to a loss of S/ -0.2 million in 2Q22 and S/ -8.3 million in 3Q21.

Loss due to impairment of financial investments was relevant in 3Q21 due to an additional provision for impairment on fixed income investments that were downgraded amid the political uncertainty around Peru's new administration in such quarter.

### OTHER INCOME

Other income related to investments was S/ 14.9 million in 3Q22, an increase of S/ 5.5 million QoQ, but a decrease of S/ 3.5 million YoY.

The quarterly growth was mainly due to increases of S/ 84.7 million in net gain on financial assets at fair value through profit or loss, and S/ 10.1 million in other

transactions. These effects were partially compensated by reductions of S/ 59.9 million in valuation gain (loss) from investment property, S/ 21.5 million in rental income, and S/ 8.0 million in net gain (loss) on sale of financial investments.

The annual decrease was explained by a reduction of S/ 30.9 million in net gain (loss) on sale of financial investments and S/ 12.8 million in valuation gain (loss) from investment property, partially offset by increases of S/ 33.5 million in net gain (loss) on financial assets at fair value through profit or loss, and S/ 6.8 million in other transactions.

## TOTAL PREMIUMS EARNED MINUS CLAIMS AND BENEFITS

Total Premiums Earned Minus Claims And Benefits					
S/ million	3Q21	2Q22	3Q22	%chg QoQ	%chg YoY
Net premiums	254.9	234.0	271.5	16.0%	6.5%
Adjustment of technical reserves	-108.8	-75.3	-95.1	26.4%	-12.5%
Net claims and benefits incurred	-233.9	-219.4	-218.6	-0.4%	-6.5%
<b>Total premiums earned minus claims and benefits</b>	<b>-87.7</b>	<b>-60.7</b>	<b>-42.2</b>	<b>-30.5%</b>	<b>-51.9%</b>

Total premiums earned minus claims and benefits were S/ -42.2 million in 3Q22, representing an improvement of S/ 18.5 million QoQ and S/ 45.5 million YoY.

The quarterly result was explained by S/ 37.5 million growth in net premiums, partially offset by an increase of S/ 19.8 million in adjustment of technical reserves. Net claims and benefits incurred remained relatively stable QoQ.

The annual performance was explained by S/ 16.6 million growth in net premiums, as well as reductions of S/ 15.3 million in net claims and benefits incurred, and S/ 13.7 million in adjustment of technical reserves.

## NET PREMIUMS

Net Premiums by Business Line					
S/ million	3Q21	2Q22	3Q22	%chg QoQ	%chg YoY
Annuities	144.5	109.2	132.6	21.4%	-8.2%
D&S	0.0	0.0	0.0	45.5%	0.0%
Individual Life	47.1	51.1	57.4	12.3%	21.8%
Retail Insurance	63.3	73.6	81.5	10.7%	28.8%
<b>Net Premiums</b>	<b>254.9</b>	<b>234.0</b>	<b>271.5</b>	<b>16.0%</b>	<b>6.5%</b>

Net premiums were S/ 271.5 million in 3Q22, representing an increase of S/ 37.5 million, or 16.0% QoQ, and S/ 16.6 million, or 6.5% YoY.

The quarterly result was mainly due to growth of S/ 23.4 million in annuities, S/ 7.9 million in retail insurance, and S/ 6.3 million in individual life premiums. It is worth mentioning that the higher premiums in retail insurance were mainly related to growth of S/ 5.9 million in Mandatory Traffic Accident (SOAT) and S/ 3.9 million in credit life insurance.

The annual performance in net premiums was explained by increases of \$/ 18.2 million in retail insurance and \$/ 10.3 million in individual life, partially offset by a decrease of \$/ 11.9 million in annuities. It is worth mentioning that the higher premiums in retail insurance were mostly attributed to growth of \$/ 37.4 million in credit life insurance, partially offset by reductions of \$/ 13.8 million in SOAT and \$/ 6.9 million in card protection.

## ADJUSTMENT OF TECHNICAL RESERVES

Adjustment of Technical Reserves by Business Line					
\$/ million	3Q21	2Q22	3Q22	%chg QoQ	%chg YoY
Annuities	-85.7	-60.6	-64.6	6.6%	-24.6%
Individual Life	-14.6	-9.4	-22.9	n.m.	57.3%
Retail Insurance	-8.6	-5.3	-7.6	44.5%	-11.0%
<b>Adjustment of technical reserves</b>	<b>-108.8</b>	<b>-75.3</b>	<b>-95.1</b>	<b>26.4%</b>	<b>-12.5%</b>

Adjustment of technical reserves was \$/ 95.1 million in 3Q22, an increase of \$/ 19.8 million QoQ, but a decrease of \$/ 13.7 million YoY.

The quarterly growth was explained by \$/ 13.5 million higher reserve requirements for individual life, in addition to increases of \$/ 4.0 million in technical reserves for annuities, and \$/ 2.3 million in retail insurance.

The annual performance in adjustment of technical reserves was explained by a reduction of \$/ 21.1 million in annuities, mostly attributed to lower sales, partially offset by an \$/ 8.3 million increase in individual life.

## NET CLAIMS AND BENEFITS INCURRED

Net Claims and Benefits Incurred by Business Line					
\$/ million	3Q21	2Q22	3Q22	%chg QoQ	%chg YoY
Annuities	-186.6	-184.9	-185.8	0.5%	-0.5%
D&S	-0.8	-0.0	-0.0	-91.9%	n.m.
Individual Life	-7.0	-2.9	-2.8	-5.2%	-60.6%
Retail Insurance	-39.4	-31.6	-30.0	-5.1%	-23.8%
<b>Net claims and benefits incurred</b>	<b>-233.9</b>	<b>-219.4</b>	<b>-218.6</b>	<b>-0.4%</b>	<b>-6.5%</b>

Net claims and benefits incurred reached \$/ 218.6 million in 3Q22, representing decreases of \$/ 0.8 million QoQ and \$/ 15.3 million YoY.

The quarterly performance was the result of a \$/ 1.6 million decrease in retail insurance claims, partially offset by growth of \$/ 0.9 million in annuity benefits.

The annual performance was explained by reductions of \$/ 9.4 million in retail insurance claims, mostly attributed to a reduction of \$/ 21.4 million in SOAT claims, partially offset by growth of \$/ 13.2 million in credit life insurance claims. In addition, a decrease of \$/ 4.2 million in individual life claims also contributed to explain the annual performance.

## OTHER EXPENSES

Other Expenses					
S/ million	3Q21	2Q22	3Q22	%chg QoQ	%chg YoY
Salaries and employee benefits	-26.5	-16.1	-16.2	0.3%	-39.1%
Administrative expenses	-16.4	-16.1	-14.5	-9.8%	-11.6%
Depreciation and amortization	-6.4	-6.4	-5.7	-12.2%	-11.3%
Expenses related to rental income	-1.5	-3.8	-3.2	-14.9%	n.m.
Other	-40.0	-55.1	-49.7	-9.8%	24.1%
<b>Other expenses</b>	<b>-90.9</b>	<b>-97.5</b>	<b>-89.2</b>	<b>-8.5%</b>	<b>-1.8%</b>

Other expenses decreased S/ 8.3 million QoQ, or 8.5%, and S/ 1.7 million YoY, or 1.8%.

The quarterly reduction was mainly due to decreases of S/ 1.6 million in administrative expenses and S/ 0.7 million in depreciation and amortization charges, in addition to S/ 5.4 million lower other expenses, explained by a reduction of S/ 8.8 million in varied items, partially offset by an increase of S/ 3.4 million in third-party commissions.

The annual performance in other expenses was mainly due to decreases of S/ 10.3 million in salaries and employee benefits, and S/ 1.9 million in administrative expenses. These effects were partially compensated by increases of S/ 6.7 million in third-party commissions within other expenses, and S/ 1.7 million in expenses related to rental income.

# Inteligo

## SUMMARY

Inteligo's bottom-line result in 3Q22 was \$/ -41.0 million, a lower negative result compared to the previous quarter, but still a negative development compared to earnings in the same quarter of the previous year.

The quarterly performance was explained by a lower mark-to-market loss on proprietary portfolio investments. Other effects that contributed to the quarterly result were a 28.7% increase in net interest and similar income, as well as a 4.6% decrease in other expenses. These factors were partially offset by a \$/ 6.0 million loss due to impairment of financial investments and a 10.0% decrease in net fee income from financial services.

The annual performance was mainly attributable to a negative development in other income due to a loss in net trading gain in 3Q22 compared to 3Q21. A decrease of 20.0% in net fee income from financial services and a \$/ 6.0 million loss due to impairment of financial investments also explained the negative result. These effects were partially compensated by an increase of 18.5% in net interest and similar income, as well as by a 5.8% decrease in other expenses.

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. However, these results were offset by outflows in mutual funds on a YoY basis and the lower mark-to-market valuation of assets under management. Consequently, Inteligo's AUM increased 2.7% QoQ, but decreased 6.8% YoY as of September 30, 2022.

Inteligo's ROE and efficiency ratio in 3Q22 were not meaningful due to the significant impact of the mark-to-market loss within other income.

Wealth Management Segment's P&L Statement					
S/ million	3Q21	2Q22	3Q22	%chg QoQ	%chg YoY
Interest and similar income	36.7	34.6	43.3	25.0%	17.9%
Interest and similar expenses	-10.6	-10.6	-12.4	16.6%	16.5%
<b>Net interest and similar income</b>	<b>26.1</b>	<b>24.0</b>	<b>30.9</b>	<b>28.7%</b>	<b>18.5%</b>
Impairment loss on loans, net of recoveries	0.1	0.5	-6.0	n.m.	n.m.
Recovery (loss) due to impairment of financial investments	-2.1	0.1	0.0	n.m.	-99.3%
<b>Net interest and similar income after impairment loss</b>	<b>24.1</b>	<b>24.7</b>	<b>24.9</b>	<b>1.0%</b>	<b>3.2%</b>
Fee income from financial services, net	50.4	44.8	40.3	-10.0%	-20.0%
Other income	146.6	-147.0	-68.1	-53.6%	n.m.
Other expenses	-36.8	-36.4	-34.7	-4.6%	-5.8%
<b>Income before translation result and income tax</b>	<b>184.4</b>	<b>-113.9</b>	<b>-37.6</b>	<b>67.0%</b>	<b>n.m.</b>
Translation result	2.0	-5.3	-1.8	-66.0%	n.m.
Income tax	-2.6	-1.1	-1.7	47.2%	-36.3%
<b>Profit for the period</b>	<b>183.7</b>	<b>-120.3</b>	<b>-41.0</b>	<b>-65.9%</b>	<b>n.m.</b>
<b>ROAE</b>	<b>56.7%</b>	<b>n.m.</b>	<b>n.m.</b>		
<b>Efficiency ratio</b>	<b>16.2%</b>	<b>n.m.</b>	<b>n.m.</b>		

## ASSETS UNDER MANAGEMENT & DEPOSITS

AUM reached S/ 21,992.2 million in 3Q22, a S/ 568.3 million or 2.7% increase QoQ, but a S/ 1,594.0 million or 6.8% decrease YoY, mostly explained by a lower exchange rate and outflows in mutual funds.

Client deposits were S/ 4,019.4 million in 3Q22, a S/ 76.1 million or 1.9% growth QoQ, but a S/ 698.2 million or 14.8% decrease YoY. The yearly reduction was mainly due to the conversion of cash positions from clients, received amid political uncertainty in Peru during 2021, to investments in securities during 2022.

## NET INTEREST AND SIMILAR INCOME

Net interest and similar income					
S/ million	3Q21	2Q22	3Q22	%chg QoQ	%chg YoY
<b>Interest and similar income</b>					
Due from banks and inter-bank funds	2.1	2.0	4.2	n.m.	n.m.
Financial Investments	18.5	16.3	17.8	9.1%	-3.7%
Loans	16.1	16.3	21.3	30.6%	32.0%
<b>Total interest and similar income</b>	<b>36.7</b>	<b>34.6</b>	<b>43.3</b>	<b>25.0%</b>	<b>17.9%</b>
<b>Interest and similar expenses</b>					
Deposits and obligations	-9.5	-8.4	-10.3	23.8%	9.1%
Due to banks and correspondents	-1.1	-2.3	-2.0	-10.4%	n.m.
<b>Total interest and similar expenses</b>	<b>-10.6</b>	<b>-10.6</b>	<b>-12.4</b>	<b>16.6%</b>	<b>16.5%</b>
<b>Net interest and similar income</b>	<b>26.1</b>	<b>24.0</b>	<b>30.9</b>	<b>28.7%</b>	<b>18.5%</b>

Inteligo's net interest and similar income was S/ 30.9 million in 3Q22, a S/ 6.9 million, or 28.7% increase when compared with 2Q22, mainly explained by higher loan volumes and interest rates. This effect was mainly driven by the increase in the reference rate of the FED during this quarter.

Net interest and similar income increased S/ 4.8 million YoY, or 18.5%, as a result of the higher interest income on loans and due from banks and inter-banks funds.

## FEE INCOME FROM FINANCIAL SERVICES

Fee income from financial services, net					
S/ million	3Q21	2Q22	3Q22	%chg QoQ	%chg YoY
<b>Income</b>					
Brokerage and custody services	2.6	2.5	2.4	-2.6%	-6.1%
Funds management	48.3	42.8	38.3	-10.5%	-20.7%
<b>Total income</b>	<b>50.8</b>	<b>45.3</b>	<b>40.7</b>	<b>-10.1%</b>	<b>-19.9%</b>
<b>Expenses</b>					
Brokerage and custody services	-0.2	-0.2	-0.2	-14.8%	-30.7%
Others	-0.2	-0.3	-0.2	-22.5%	30.4%
<b>Total expenses</b>	<b>-0.4</b>	<b>-0.5</b>	<b>-0.4</b>	<b>-19.5%</b>	<b>-4.4%</b>
<b>Fee income from financial services, net</b>	<b>50.4</b>	<b>44.8</b>	<b>40.3</b>	<b>-10.0%</b>	<b>-20.0%</b>

Net fee income from financial services was S/ 40.3 million in 3Q22, a decrease of S/ 4.5 million, or 10.0% when compared to the previous quarter, mainly explained by lower fees from the wealth management segment.

On a YoY basis, net fee income from financial services decreased S/ 10.1 million, or 20.0%, mainly due to lower fees from funds management and the wealth management segment. This was explained by a lower frequency of client transactions, in turn driven by the persistent volatility and uncertainty in the financial markets.

## OTHER INCOME

Other income					
S/ million	3Q21	2Q22	3Q22	%chg QoQ	%chg YoY
Net gain on sale of financial investments	8.8	-6.8	-5.5	-19.1%	n.m.
Net trading gain (loss)	141.5	-140.8	-61.9	-56.0%	n.m.
Other	-3.7	0.6	-0.7	n.m.	-80.7%
<b>Total other income</b>	<b>146.6</b>	<b>-147.0</b>	<b>-68.1</b>	<b>-53.6%</b>	<b>n.m.</b>

Inteligo's other income (loss) reached S/ -68.1 million in 3Q22, compared to a loss of S/ -147.0 million in 2Q22, an improvement but still negative results mainly attributable to a mark-to-market loss, in turn associated with negative global market trends. The YoY reversion in net trading gain also explained the negative performance in other income when compared with 3Q21.

## OTHER EXPENSES

Other expenses					
S/ million	3Q21	2Q22	3Q22	%chg QoQ	%chg YoY
Salaries and employee benefits	-21.9	-21.1	-20.6	-2.2%	-5.8%
Administrative expenses	-10.4	-11.3	-10.1	-10.1%	-2.6%
Depreciation and amortization	-3.9	-3.7	-3.7	1.0%	-5.2%
Other	-0.6	-0.4	-0.2	-33.7%	-61.9%
<b>Total other expenses</b>	<b>-36.8</b>	<b>-36.4</b>	<b>-34.7</b>	<b>-4.6%</b>	<b>-5.8%</b>
<b>Efficiency ratio</b>	<b>16.2%</b>	<b>n.m.</b>	<b>n.m.</b>		

Other expenses reached S/ 34.7 million in 3Q22, a decrease of S/ 1.7 million or 4.6% QoQ, mainly due to lower personnel and administrative expenses.

On a yearly basis, other expenses decreased S/ 2.1 million, or 5.8% YoY, mainly as a result of S/ 1.3 million lower personnel expenses and S/ 0.3 million lower administrative expenses.

## Izipay

### SUMMARY

Izipay's profits were S/ 11.7 million in 3Q22, which represented a decrease of 6.4% QoQ and 22.6% YoY.

In 3Q22, quarterly growth in net fee income from financial services was paired with higher administrative expenses related to further customer acquisition.

The annual performance in net profit was mainly explained by 11.0% growth in net fee income from financial services, in turn related to higher income from payments acquirer where the number of merchants and monetary transactions grew 65.0% and 41.0%, respectively. These developments came together with a 22.2% increase in other expenses, mainly due to higher administrative expenses given the sharp rise in business activity.

Izipay's ROE was 23.6% in 3Q22, lower than the 26.9% and 41.2% reported in 2Q22 and 3Q21, respectively.

Payments P&L Statement <sup>(1)</sup>					
S/ million	3Q21	2Q22	3Q22	%chg QoQ	%chg YoY
Interest and similar income	0.0	0.2	0.5	n.m.	n.m.
Interest and similar expenses	-0.6	-0.5	-0.4	-18.7%	-37.4%
<b>Net interest and similar income</b>	<b>-0.6</b>	<b>-0.3</b>	<b>0.1</b>	<b>n.m.</b>	<b>n.m.</b>
Fee income from financial services, net	76.5	81.0	84.9	4.8%	11.0%
Payments acquirer	116.1	151.0	167.6	11.0%	44.3%
Correspondent banking	11.3	10.7	12.1	13.3%	7.2%
Credit cards processor	7.6	7.5	7.5	0.2%	-2.0%
Service Cost	-58.6	-88.2	-102.3	16.0%	74.6%
Other income	10.1	8.5	8.6	1.6%	-14.5%
Other expenses	-62.6	-70.5	-76.5	8.5%	22.2%
<b>Income before translation result and income tax</b>	<b>23.4</b>	<b>18.8</b>	<b>17.1</b>	<b>-8.8%</b>	<b>-26.8%</b>
Translation result	-0.2	1.7	2.6	48.3%	n.m.
Income tax	-8.1	-8.0	-8.0	-0.1%	-1.2%
<b>Profit for the period</b>	<b>15.2</b>	<b>12.6</b>	<b>11.7</b>	<b>-6.4%</b>	<b>-22.6%</b>
<b>ROE</b>	<b>41.2%</b>	<b>26.9%</b>	<b>23.6%</b>		
<b>Efficiency ratio</b>	<b>53.3%</b>	<b>67.2%</b>	<b>69.7%</b>		

(1) Proforma for 3Q21

## FEE INCOME FROM FINANCIAL SERVICES, NET

Fee income from financial services, net					
S/ million	3Q21	2Q22	3Q22	%chg QoQ	%chg YoY
<b>Income</b>					
Payments acquirer	116.1	151.0	167.6	11.0%	44.3%
Correspondent banking	11.3	10.7	12.1	13.3%	7.2%
Credit cards processor	7.6	7.5	7.5	0.2%	-2.0%
<b>Total income</b>	<b>135.1</b>	<b>169.2</b>	<b>187.2</b>	<b>10.7%</b>	<b>38.6%</b>
<b>Expenses</b>					
Service Cost	-58.6	-88.2	-102.3	16.0%	74.6%
<b>Total expenses</b>	<b>-58.6</b>	<b>-88.2</b>	<b>-102.3</b>	<b>16.0%</b>	<b>74.6%</b>
<b>Fee income from financial services, net</b>	<b>76.5</b>	<b>81.0</b>	<b>84.9</b>	<b>4.8%</b>	<b>11.0%</b>

Net fee income from financial services was S/ 84.9 million in 3Q22, an increase of S/ 3.9 million QoQ, or 4.8%, mainly driven by higher income from payments acquirer, partially offset by higher acquirer license fees within the service cost, as a result of increased transactional volumes of foreign-issued cards.

On a YoY basis, net fee income from financial services grew S/ 8.4 million, or 11.0%, mainly explained by higher transactional volumes in the acquirer business that resulted in an increase of 44.3% in income from payments acquirer. This was partially offset by growth in service costs, associated with a higher level of business activity.

## TOTAL OTHER EXPENSES

Other expenses					
S/ million	3Q21	2Q22	3Q22	%chg QoQ	%chg YoY
Salaries and employee benefits	-13.6	-17.1	-17.6	3.0%	29.8%
Administrative expenses	-25.7	-33.2	-38.6	16.1%	50.2%
Depreciation and amortization	-6.5	-9.6	-9.0	-5.7%	38.3%
Other	-16.8	-10.5	-11.2	6.4%	-33.2%
<b>Total other expenses</b>	<b>-62.6</b>	<b>-70.5</b>	<b>-76.5</b>	<b>8.5%</b>	<b>22.2%</b>
<b>Efficiency ratio</b>	<b>53.3%</b>	<b>67.2%</b>	<b>69.7%</b>		

Other expenses reached S/ 76.5 million in 3Q22, an increase of S/ 6.0 million or 8.5% QoQ, mostly due to higher administrative expenses related to customer acquisition.

On a yearly basis, other expenses grew S/ 13.9 million or 22.2% YoY, mainly as a result of higher administrative expenses due to an increase of customer acquisition, as well as higher salaries and benefits to employees.