











**Corporate Presentation** 



# AGENDA



ILC at a Glance

Key Highlights

1. Flexible Companies with a Leading Position Across All Industries Where They Participate

2. ILC's Financial Position

3. Industry Leading ESG Practices Guiding ILC's Day to Day Operations

l. Closing Remarks

Appendix

#### ILC AT A GLANCE



#### Institutional Investor

2° Largest in the Andean Region: AUM US\$66.8bn

(AFP Habitat, Americana & Confuturo)

#### **Health Sector**

Largest Healthcare Network and Insurer in Chile

#### Risk Ratings

International: BBB+ / BBB

**S&P Global** FitchRatings

Local: AA+

Feller.Rate

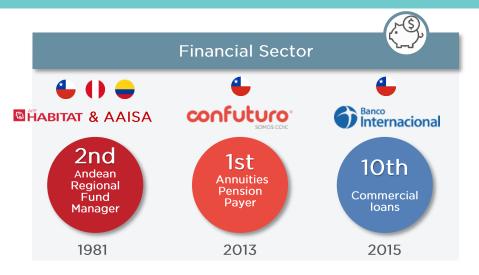
ICR Chile

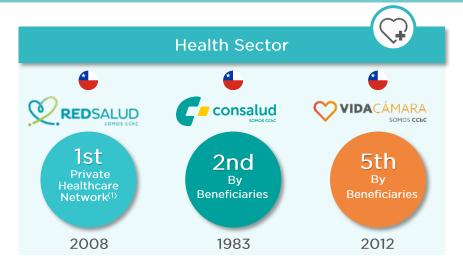
# Net Income & ROAE (June 2022, LTM)

Net Income Ch\$102.7 bn.

ROAE 12.2%

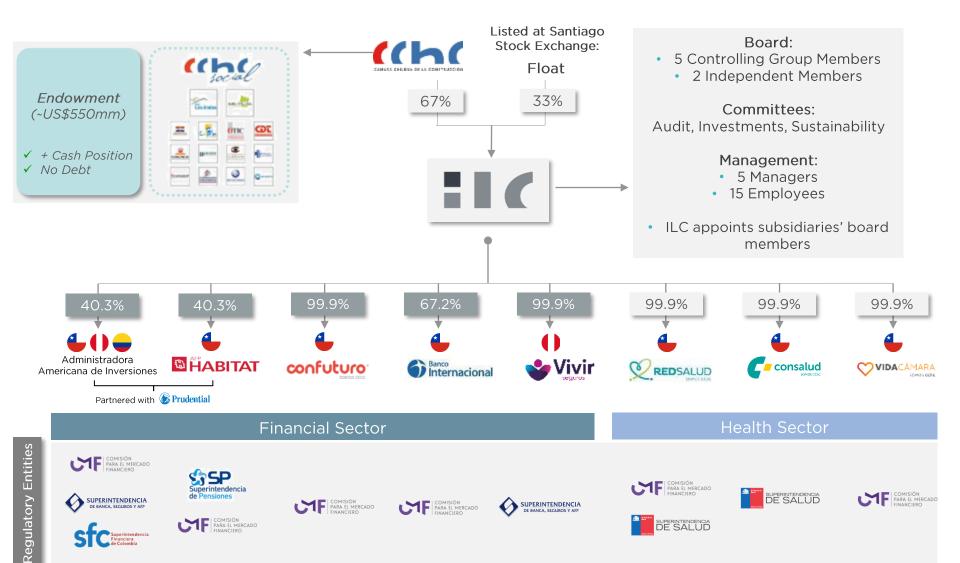
### Leading Position in Financial and Health Sectors





# ILC: LEAN STRUCTURE UNDER STRONG REGULATORY SUPERVISION FOR ALL OUR BUSINESSES





# ILC: ACTIVE ROLE IN MANAGING OUR INVESTMENTS AND SERVING AT THE **OUR STAKEHOLDERS**







Appointment of **Subsidiary Board Members**  ILC's Senior Mgmt. participates in selected subsidiaries' Boards and Committees

Strategy and M&A



Annual Group Strategic Plan

**M&A** Activity

Relevant Capex **Decisions** 

Group-Level Sustainability Plan

Subsidiary Level Strategy: Core Committees

Financing & Dividend Policy



**Debt Structure** 

Cashflow Mgmt. Control & Capital Allocation

General Public Holding Activities



**Budget &** Performance Analysis

Accounting

Investor Relations

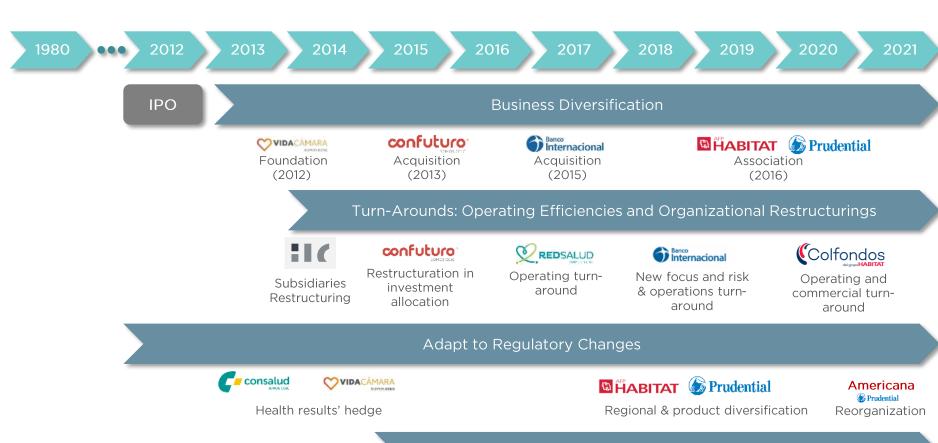
Meeting Regulatory Requirements

Compliance

Source: Inversiones La Construcción (ILC).

### ILC: 40 YEARS TRACK RECORD





#### Sustainability













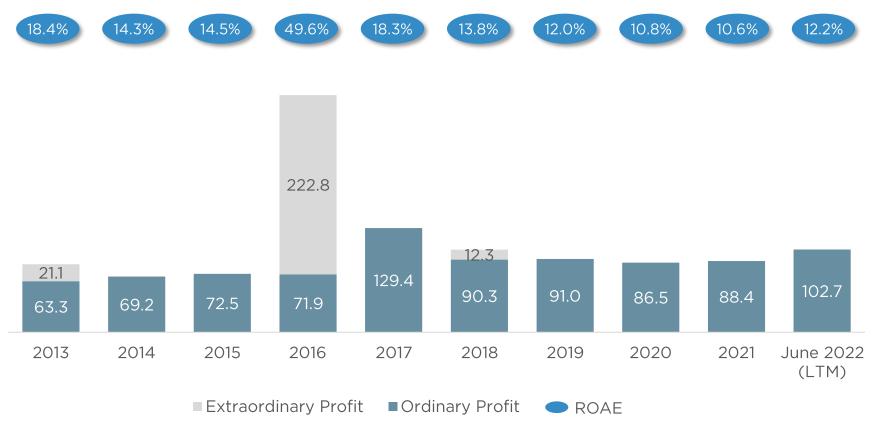


## HIGHLY STABLE EARNINGS



### Evolution of ILC's Profit







# AGENDA



ILC at a Glance

Key Highlights

1. Flexible Companies with a Leading Position Across All Industries Where They Participate

2. ILC's Financial Position

3. Industry Leading ESG Practices Guiding ILC's Day to Day Operations

. Closing Remarks

Appendix

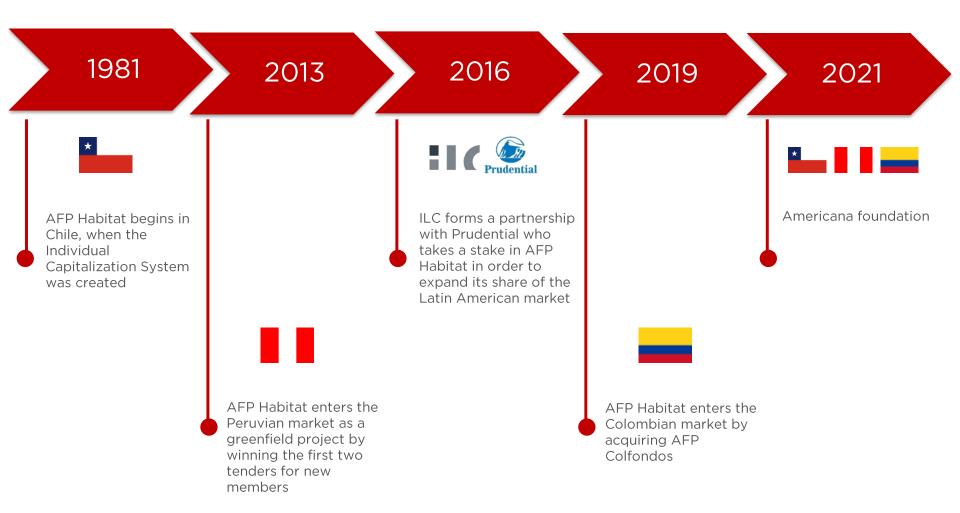




#### III 1

## HISTORY OF AFP HABITAT





#### $\Pi^{2}$

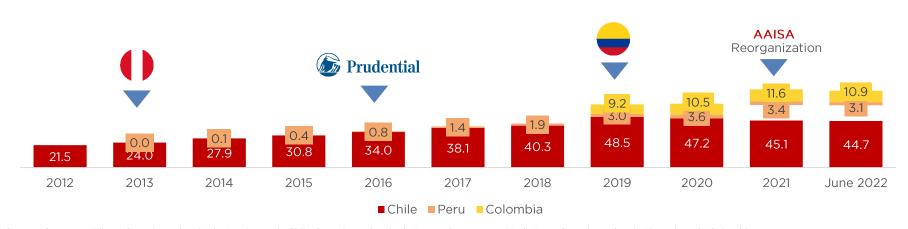
#### GEOGRAPHICAL AND BUSINESS DIVERSIFICATION



### Contributors Evolution (Million People)

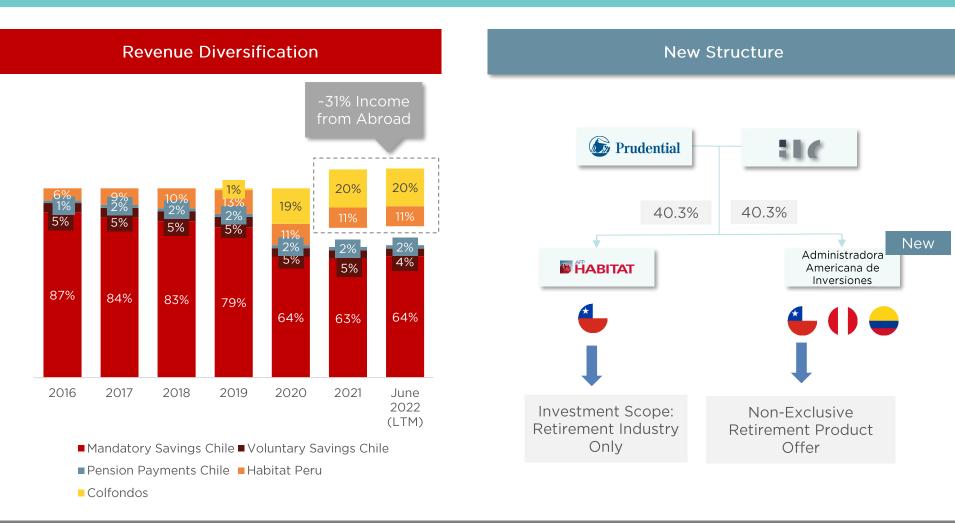


#### Assets Under Management (US\$bn)



# AFP HABITAT'S RESTRUCTURING PROCESS, INTERNATIONAL OPERATIONS GAINING RELEVANCE





#### Greater flexibility to expand geographic and product diversification

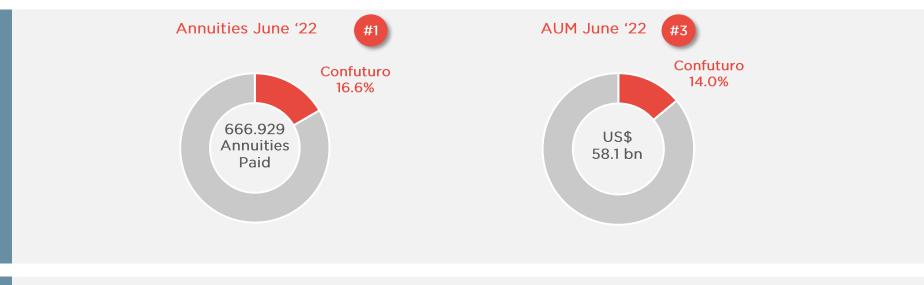




Market Share

# LEADING MARKET POSITION IN THE CHILEAN ANNUITIES BUSINESS WITH A FLEXIBLE APPROACH TOWARDS PREMIUMS





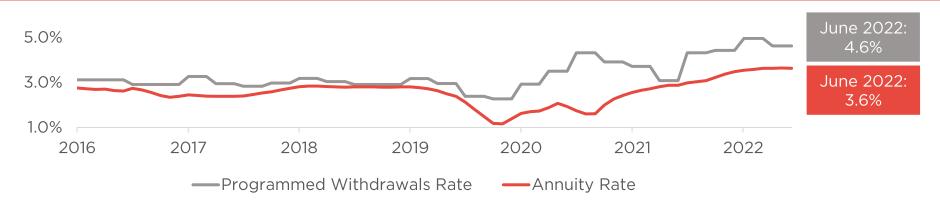


Confuturo is one of the most relevant players in Chile's annuities business; with a flexible approach towards premiums based on investment opportunities

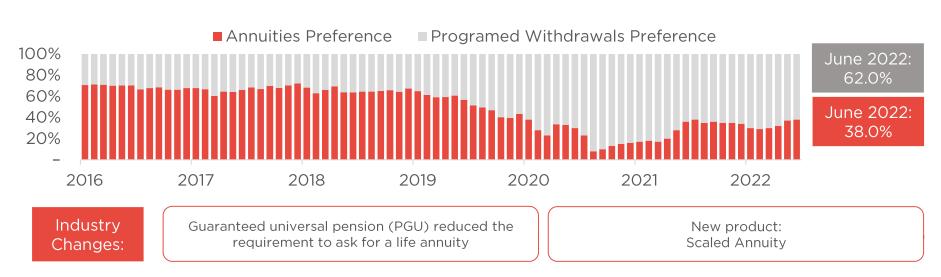
# NEW RETIREES: PROGRAMMED WITHDRAWAL VS ANNUITY







#### New Retirees Annuity vs Programed Withdrawals



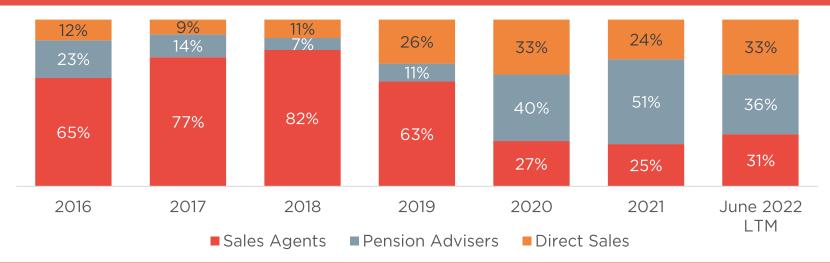
15

#### ш.

## **BUSINESS FLEXIBILITY & EFFICIENCY**







#### SG&As and SG&As over AuM

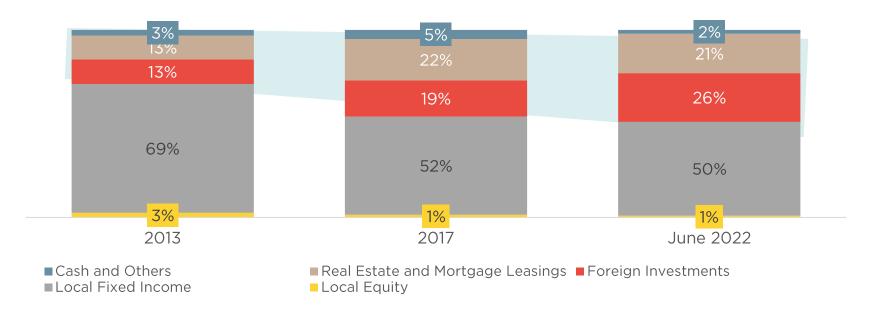


11 1 F

# INVESTMENT DIVERSIFICATION AND FLEXIBILITY: STRATEGY BASED ON ALTERNATIVES AND DISCIPLINED INVESTMENT STANDARDS



# Investment Portfolio Changes Over the Last Years



# Investment Alternatives Developed from 2016 up to date







# ASSET ALLOCATION DELIVERS RESULTS



### **Profit Evolution**

Ch\$ bn.







## MID-SIZED BANK WITH STRONG FOCUS IN CORPORATES



#### **Key Highlights**

- Fastest growing bank in the Chilean Banking Industry since 2015
- Since 2015, Banco Internacional has generated increasing results by implementing enhanced risk policies and reactivating commercial activity
- Strong focus on Small & Medium Companies, with a flexible approach and strict risk management policies

#### Selected Indicators (March 2022)

Total Loans US\$2,754 mm Commercial Loans US\$2,664 mm

Net Income US\$44.9 mm Shareholders' Equity US\$261.3 mm

Market Share<sup>(1)</sup> 1.8% Employees 689

## Recent Expansions & Innovations

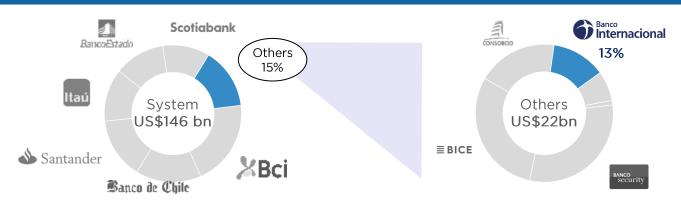
New businesses:





- Creation and implementation of 100% digital products for both clients and non-clients:
  - Term Deposits
  - Consumer Loans
  - Commercial Loans

#### Commercial Loans Market Share (%)



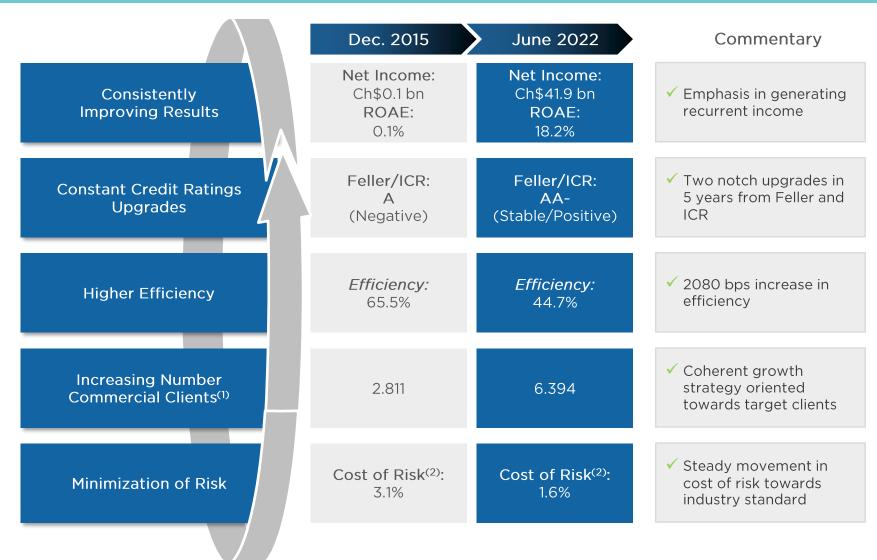
Banco
Internacional
is the 10<sup>th</sup>
largest bank
in Chile in
commercial
loans with a
1.8% market
share

#10

Source: Banco Internacional, Comisión para el Mercado Financiero (CMF). Note: CLP figures converted to USD using a FX rate of 932.1 CLP/USD. as of June 30, 2022. (1) Market share based on commercial loans.

# SUCCESSFUL TURNAROUND STRATEGY SINCE ILC's ACQUISITION IN 2015





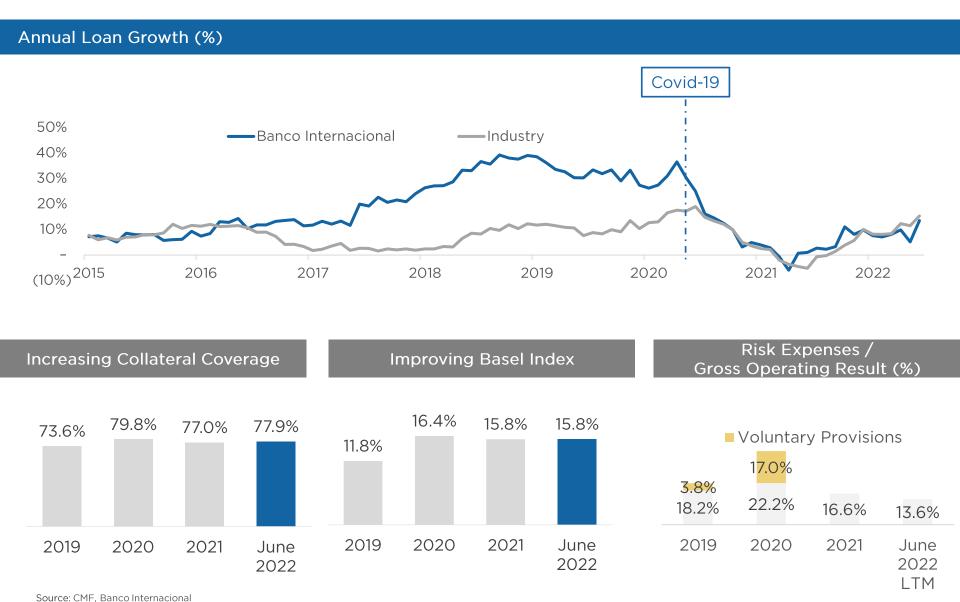
Source: CMF, Company.

<sup>(1)</sup> Commercial clients include large enterprises. SME's and Real Estate.

<sup>(2)</sup> Loan Loss Provisions / Average Gross Loans. Excludes voluntary provisions.

# Internacional

## FLEXIBILITY: FROM GROWTH TO RISK FOCUS



#### II 1

### **DIGITAL PRODUCTS**



### Recent Expansions & Innovations

- Creation and implementation of 100% digital products for both clients and non-clients:
  - Term Deposits
  - Commercial Loans
  - Consumer Loans



#### Consumer Loans for non-clients during 2021:

1<sup>st</sup> in the Industry offering this product

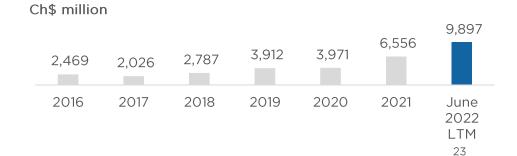
US\$ 2 million in loans

60% growth in consumer loans

48,502 quotes

More than 200 loans

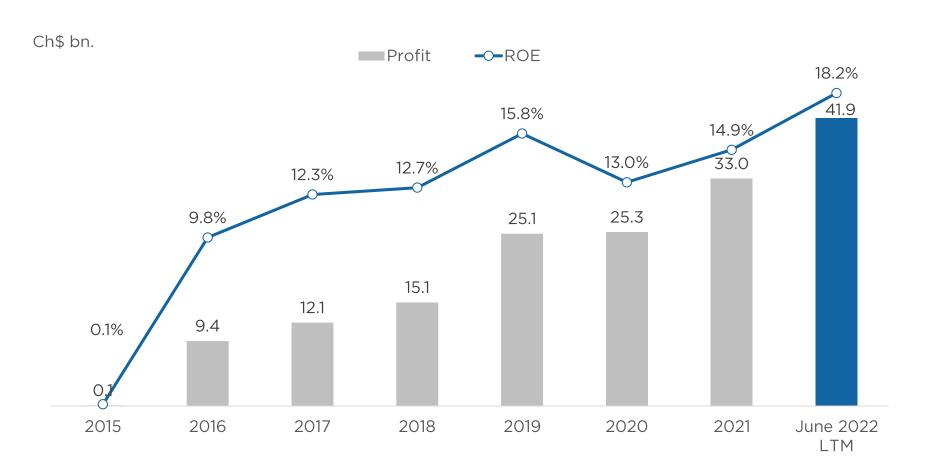
# Interest Income from Non-SMES Segment



# CONSISTENT RESULTS



# Profit & ROE (%) Evolution







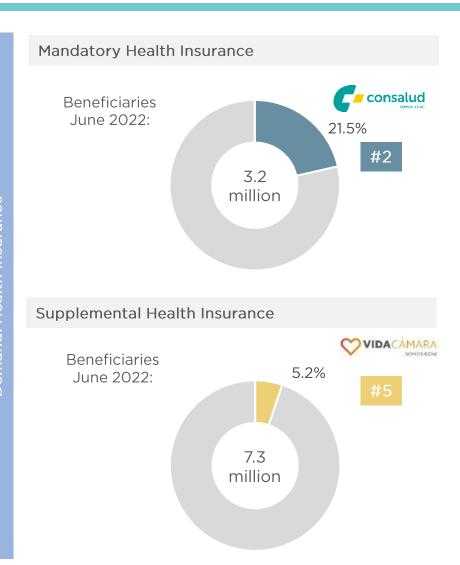




# ILC HEALTH SECTOR: LEADERSHIP POSITION







#### II 1

# REDSALUD: LARGEST PRIVATE HEALTHCARE NETWORK IN CHILE





#### **EBITDA and EBITDA Margin Evolution**

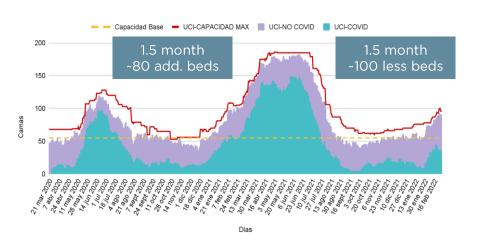


# FLEXIBILITY: STRUCTURAL ADVANCES & NEW SERVICE ALTERNATIVES



#### Structural Advances

### Shift in Beds and Medical Staff to Respond Covid-19



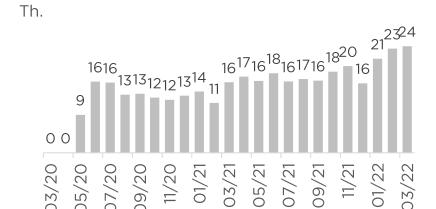
# Advances in the Implementation of New Systems





#### **New Service Alternatives**

#### Telemedicine - RedSalud



"Surgery in a Day" - RedSalud

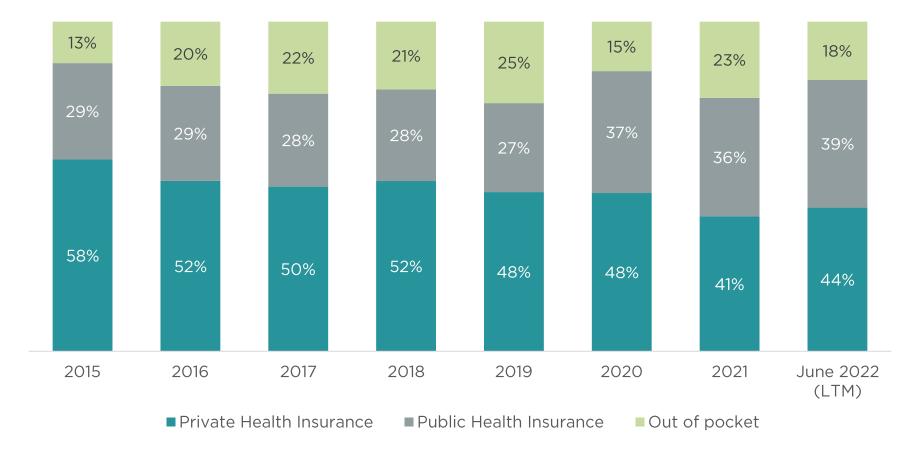


#### Ш.

# HIGHER EXPOSURE TO PUBLIC HEALTH INSURANCE



#### RedSalud Revenue Breakdown by Insurer



# HEALTHCARE INSURANCE: CONSALUD AND VIDA CAMARA





#### Health Insurance Companies: Total Beneficiaries



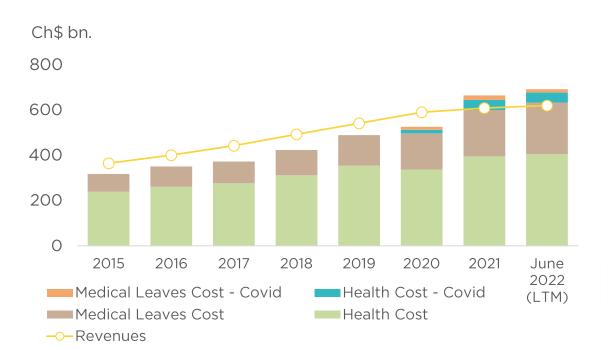
# COVID STILL PRESSURING MARGINS, SHADOWING OPERATIVE IMPROVEMENTS



- Covid-19 Pandemic Effects
  - No price adjustments 2020-2021
  - · Covid-19 impact on costs
  - Increased medical leaves due Covid-19

- Consalud's Covid-19 Total Costs: Ch\$ 109 bn.
  - Ch\$29.0 bn. in 2020
  - Ch\$64.8 bn. in 2021
  - Ch\$24.8 bn. as of June 2022

#### Consalud's Revenues & Cost Breakdown



#### Regulatory Changes in 2022

Chilean congress modified Law N°21.350 in June 2021

The modification includes:

- No price adjustments for Isapres in 2020 - 2021 because of COVID-19
- The right of Isapres to review prices annually
- Price adjustments with a cap set by the Health Superintendency
- The cap will be calculated as IRCSA variation (Índice Referencial de Costos de la Salud)

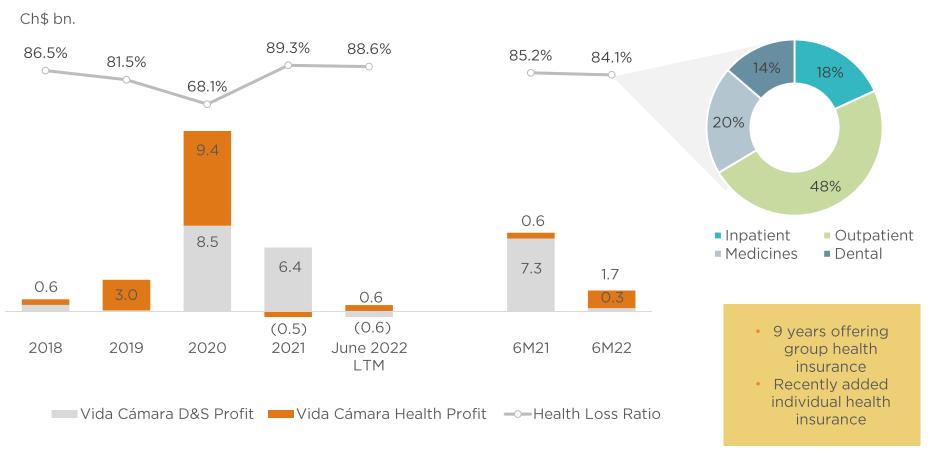
Others: GES premium adjustment in 2022

#### 11.

# END OF THE D&S TENDER



#### **Evolution of Profit & Loss Ratio**





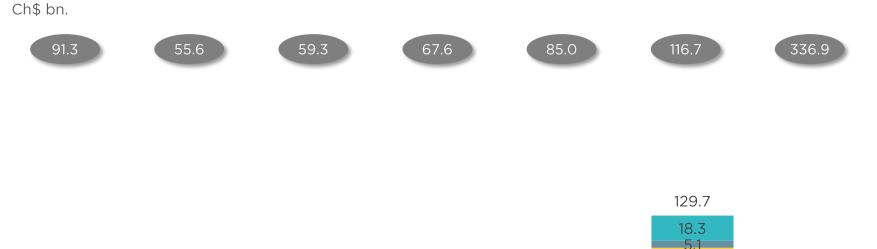


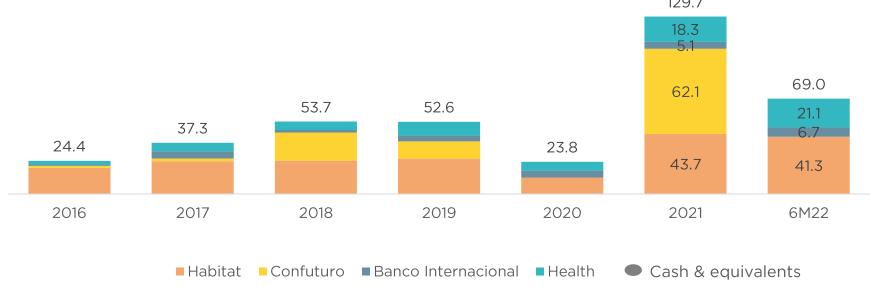
#### 11.2

# DIVERSIFIED BUSINESS PROFILE AND CASH FLOW GENERATION



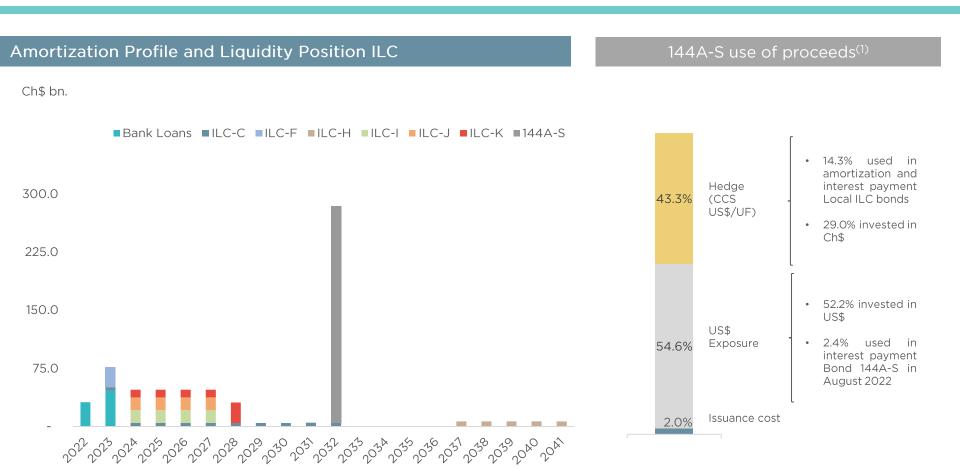
### Cash & Equivalents and Dividends Received by ILC





# MANAGEABLE AMORTIZATION PROFILE





2Q22 Figures: Cash & Cash Equivalents CLP\$336.9 bn.

Total Net Debt CLP\$314.3 bn. NFD / Equity 0.37x



	C'S	SU	STA	ANI	BILI	TY	MODEL
--	-----	----	-----	-----	------	----	-------

Stakeholders **Suppliers** Civil Society Clients **Employees** Investors State Sustainability Committee Sustainability Leader Governance Service Culture and Responsible Contributing to Inclusion and Access Public Debate **Ethics** Investment Global 3 Global Compact & Sustainable Development Goals (SDG) Organizations Dow Jones Sustainability Index (DJSI) SSIndex 5 Reporting GRI Value Reporting 6 Public-private initiatives designed in-house to support elderly with + 50 th direct beneficiaries Responsibility

> VALUE REPORTING FOUNDATION

SUSTAINABLE

Dow Jones Sustainability Indexes

#PORELAPULTOMAYOR

Social Bond Principles



# AGENDA



ILC at a Glance

Key Highlights

- 1. Flexible Companies with a Leading Position Across All Industries Where They Participate
- 2. ILC's Financial Position
- 3. Industry Leading ESG Practices Guiding ILC's Day to Day Operations

Closing Remarks

Appendix

## **KEY CREDIT HIGHLIGHTS**



1. Flexible Companies with a Leading Position Across All Industries Where They Participate



confuturo







2nd
Andean
Regional Fund

1st
Annuities
Pension Payer

1st
Private
Healthcare
Network

2nd
By
Beneficiaries

5th
By
Beneficiaries

2. Consistent History of Value Creation and Dividend Inflows Underpinned By Solid Earnings Generation

Highly Stable and Consistent Income Generation...

... Leading to a Persistent Stream of Dividend Inflows

3. Increasingly Diversified Business Profile Supports Stability and Predictability in Cash Flow Generation

Acquisitions & Expansions

Increased Stakes

Turnarounds



Diversified Income

4. Conservative and Consistent Approach Towards Leverage and Cash Flow Management Leading to a Solid Financial Position

Structural Liquidity
Buffer

Well Managed Amortization Profile Disciplined Cash Flow Management

5. Industry Leading ESG Practices Guiding ILC's Day to Day Operations

















# AGENDA



ILC at a Glance

Key Highlights

1. Flexible Companies with a Leading Position Across All Industries Where They Participate

2. ILC's Financial Position

3. Industry Leading ESG Practices Guiding ILC's Day to Day Operations

. Closing Remarks

Appendix

# ILC 6M22 VS 6M21



# Variation in ILC's Profit by Subsidiary

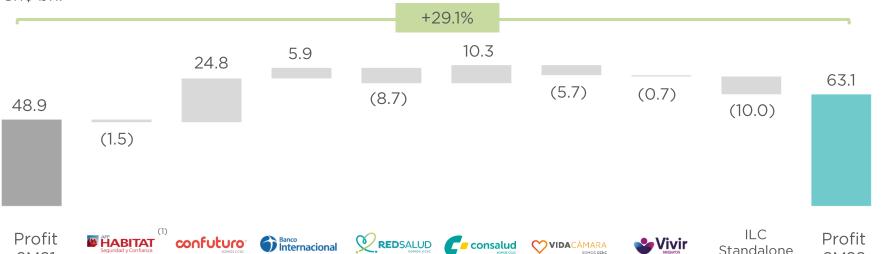
6M21	Ch\$ billion
Habitat	23.6
Inv. Confuturo	47.6
Banco Internacional	7.8
Red Salud	14.9
Consalud	(35.4)
Vida Cámara	7.8
Vivir Seguros	(2.9)
ILC Standalone <sup>(1)</sup> and Others	(14.6)
Profit 6M21	48.9

6M22	Ch\$ billion
Habitat & AAISA	22.1
Inv. Confuturo	72.4
Banco Internacional	13.8
Red Salud	6.1
Consalud	(25.1)
Vida Cámara	2.1
Vivir Seguros	(3.6)
ILC Standalone <sup>(2)</sup> and Others	(24.6)
Profit 6M22	63.1

Standalone

and Others





6M21

6M22

# SUMMARIZED FINANCIAL STATEMENTS AND SUBSIDIARIES FIGURES



Income Statement ILC		
Ch\$ million	6M22	6M21
Non-insurance Activity		
Operating result	(13,628)	(20,293)
Non operating result	(25,472)	(2,220)
Non-Insurance activity profit	(27,919)	(15,605)
Insurance Activity		
Operating result	79,698	76,238
Non operating result	(1,518)	(9,788)
Insurance activity profit	75,126	57,047
Banking Activity		
Operating result	25,709	16,264
Non operating result	-	-
Banking activity profit	25,640	13,306
Profit attributable to owners of the parent		
company	63,115	48,877
Profit attributable to non-controlling interest	9,732	5,871
Profit (Loss) for the period	72,847	54,748

Stateent of Cash Flow		
Ch\$ million	6M22	6M21
Non-insurance Activity		
Net cash from (used in) operating activities  Net cash from (used in) investing activities	49,515 1,052	10,311 (17,959)
Net cash from (used in) financing activities	148,287	(43,225)
Insurance Activity		
Net cash from (used in) operating activities Net cash from (used in) investing activities Net cash from (used in) financing activities	(189,943) 60,145 (82,182)	2,106 36,747 (44,693)
Banking Activity		
Net cash from (used in) operating activities Net cash from (used in) investing activities Net cash from (used in) financing activities	(60,763) (32,756) 2,787	43,605 120,932 67,774
Increase (decrease) on cash and cash equivalents	(103,857)	175,598
Effect of exchange rate fluctuations	42,830	(2,552)
Net increase (decrease) on cash and cash equivalents	(61,027)	173,046
Cash and cash equivalent at the beginning of the period	986,687	600,203
Cash and cash equivalent at the end of the period	925,660	773,249

Individual Results (June 2022 (LTM), Ch\$ million)	AFP Habitat	AAISA	Confuturo	Banco Internacional	Red Salud	Consalud	Vida Cámara
Revenue	212,276	35,017	761,109	121,283	593,780	632,702	70,602
EBITDA	N.A.	N.A.	N.A.	N.A.	69,397	N.A.	N.A.
Net Income	120,702	9,305	154,345	41,886	12,467	(72,192)	88
Assets	494,589	300,692	7,889,530	4,387,664	602,045	212,640	99,642
Liabilities	223,753	41,983	7,360,520	4,144,136	409,407	184,819	70,935
Equity	270,836	258,709	529,010	243,528	192,638	27,821	28,707
Net Financial Debt	64,578	(69,756)	N.A.	N.A.	255,047	16,569	(523)
% ownership ILC	40.3%	40.3%	99.9%	67.2%	99.9%	99.9%	99.9%

