



March 17<sup>th</sup>, 2020

Dear Shareholders,

We have completed the first 25 years of Quálitas life, a year in which the maturity of the company has given us results that are frankly outstanding, since we obtained profits 121% higher than that of 2018, closing with a net profit of \$ 5,358 million.

The written premium increased in the fourth quarter 12% and in the consolidated 5%, complying with the guidance that we publish to the market of between 5-7%. Although Mexico's economy is not growing, we continue to grow by having 9% more insured vehicles, which is equivalent to 346,000 additional units, ending the year with 4.2 million insured vehicles. We opened 33 new offices around the country and about 1,800 agents joined our national and international commercial network. At Quálitas we seek to be close to our policyholders and agents, offering personalized attention and the best service in the market in the 5 countries where we operate.

Regarding the earned premium, it increased 11% in the quarter and 10% in the accumulated, exceeding the guidance of between 7-9%. Driven by the change in the mix of our portfolio, decreasing our participation in the financial segment and increasing individual and fleet sales.

Also, I am very proud to share that we closed the year with an 86.5% combined ratio against 92.5% of last year. In part, this is due to the decline in vehicle theft, but also because all the efforts made to make our portfolio more profitable.

Over 25 years, at Quálitas we have traced our own path, adapting to change with innovation and talent to offer solutions to the challenges of today and tomorrow. For this reason, we are investing in technology and systems to reinforce excellence in service.

As for our other insurance subsidiaries, these are increasingly stronger, reaching accumulated profits of \$91 million pesos this year, which is more than 4 times what was reported in 2018.





In Peru, we have brand new offices, which we occupied in January of this year and went from having 10,500 insured units to more than 31,000 units. In addition to increasing our market share where we had 0.9% in the second quarter of 2019 and now we have 1.8% share in just nine months of operation. Today Quálitas Peru represents 0.5% of the Holding Company's written premiums.

On the other hand, we continue with the paperwork for the opening of the health and medical expenses business, and we hope to have the authorization to start all the processes to establish the subsidiary.

To finish, the issuer advanced 18 positions in the marketability index, going from position #46 in January 2019 to #28 in December. The daily average volume traded during the year was ~ \$ 2.3 million, an increase of 60% over the previous year. Above all, I am proud to confirm that we were the best performing issuer on the Mexican Stock Exchange delivering 92% profitability during 2019.

Quálitas is a solid company that maintains its vitality, insuring cars and caring for people. Our specialization is the basis of our success, which has allowed us to have the trust of millions of policyholders. Our business model ensures financial success, creating value to our agents, employees, investors and policyholders, guaranteeing our permanence over time. We will continue working and creating value and satisfaction to all interested parties.

Regards,

Joaquín Brockman Lozano

Executive President equivalent to General Director

Quálitas Controladora, S.A.B. de C.V.

