

4Q21 | FY 2021 Results

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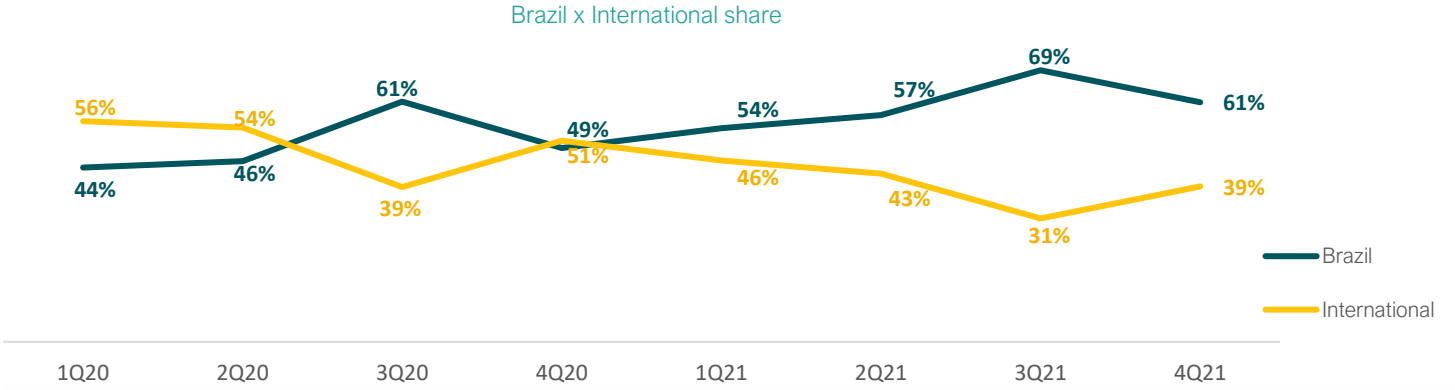
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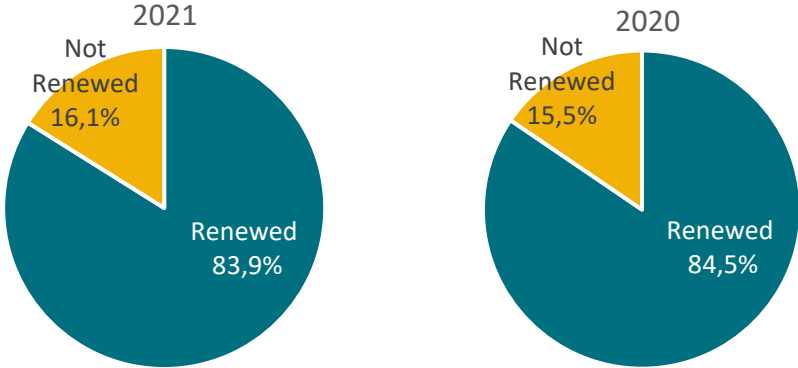
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Ações com Tag Along
Diferenciada **ITAG**

Current Strategy: grow with profitability

Larger share of written premiums in Brazil

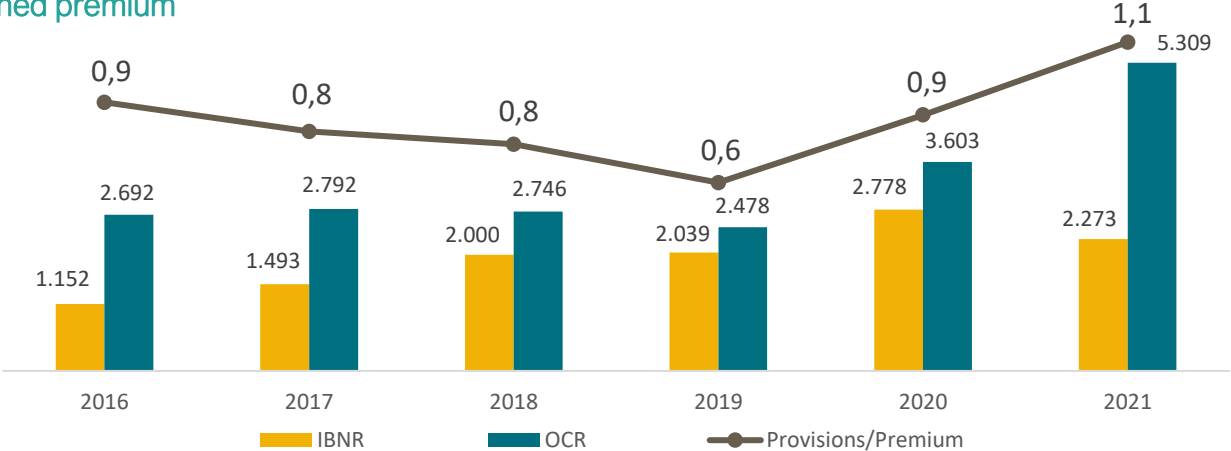


Renewal of contracts we wanted to retain

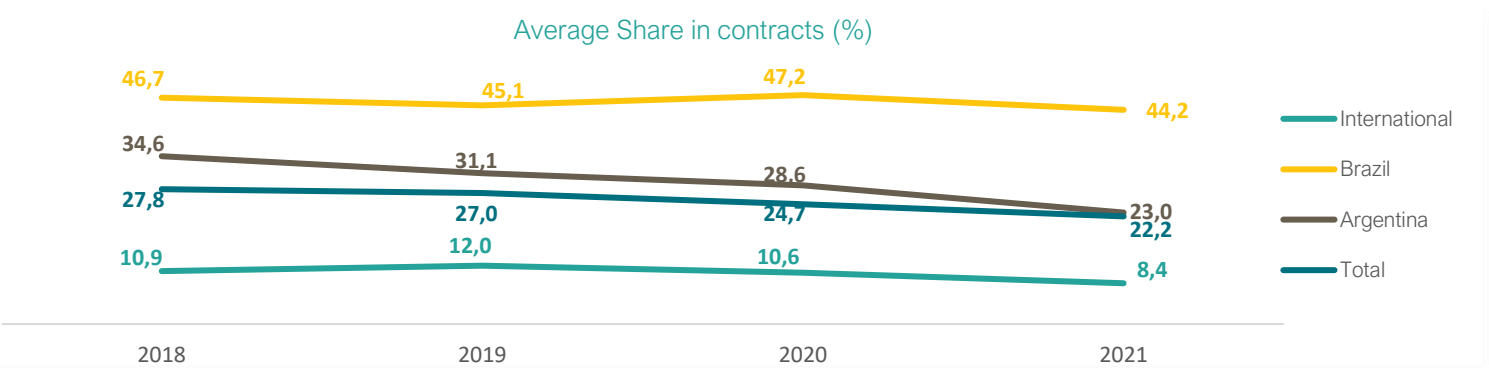


More conservative risk management

Larger reserves to earned premium



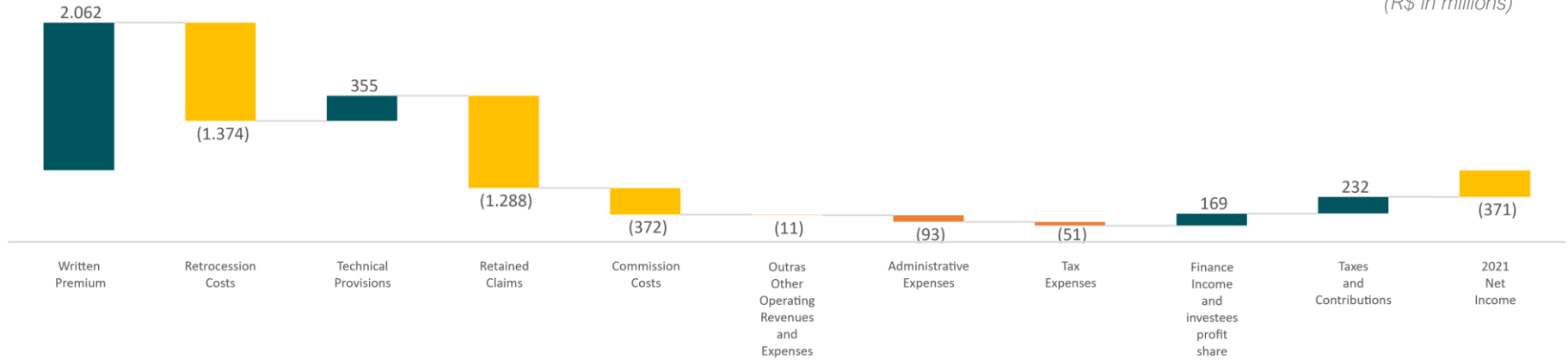
Greater dilution by contract, reducing exposure to each risk



Main Results

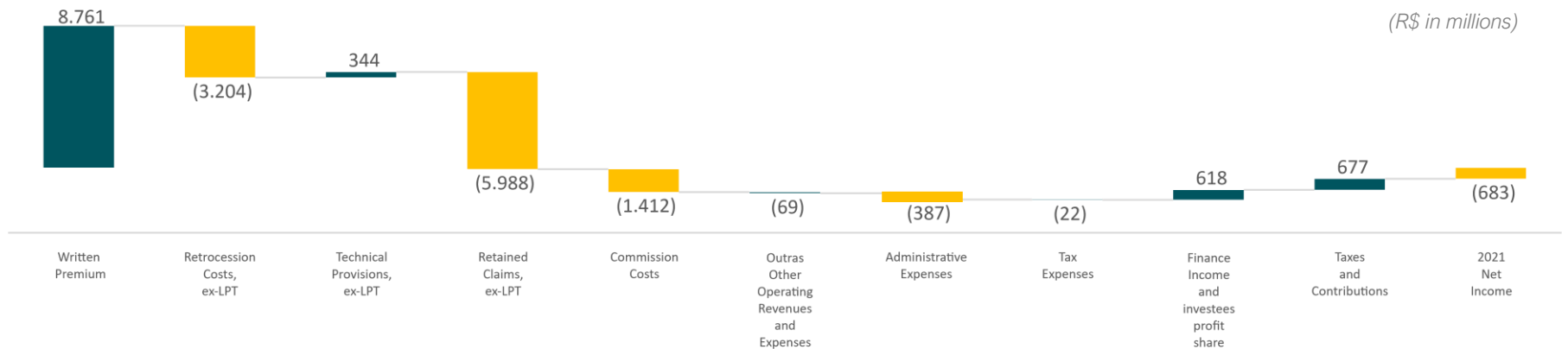
4Q21 income affected by retained claims

(R\$ in millions)



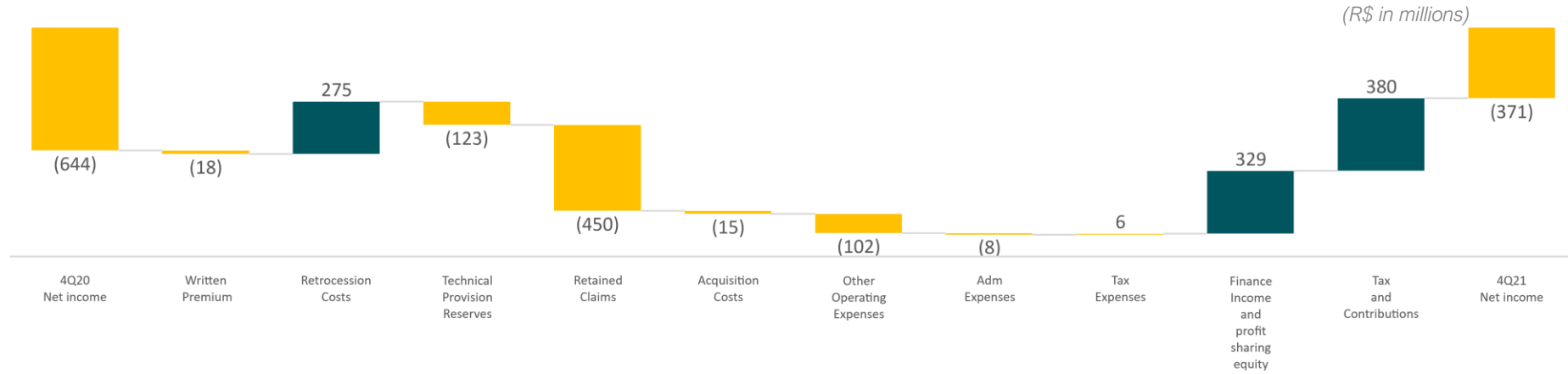
As well as 2021 net income

(R\$ in millions)

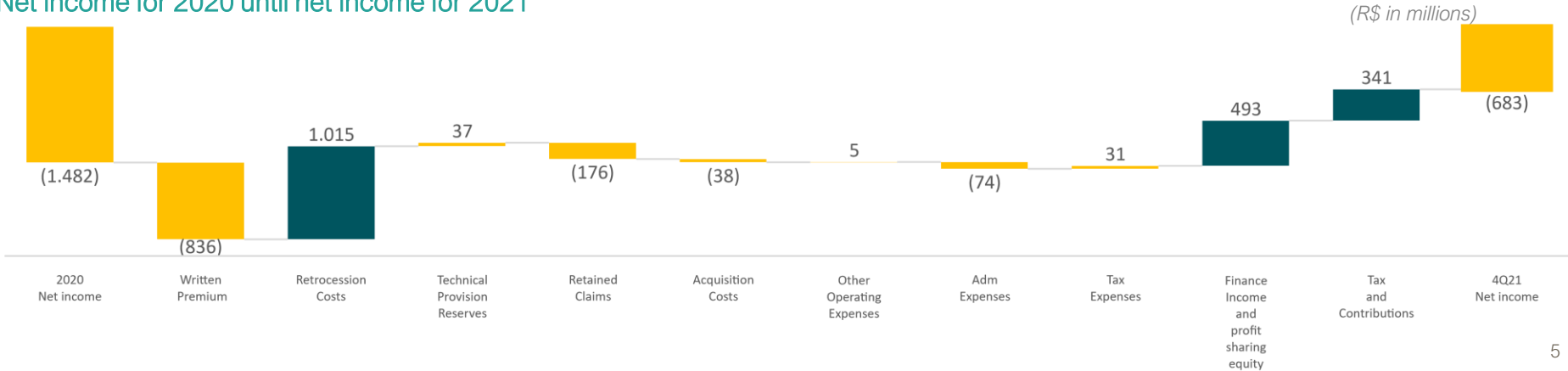


Main Results

Net income for 4Q20 until net income for 4Q21

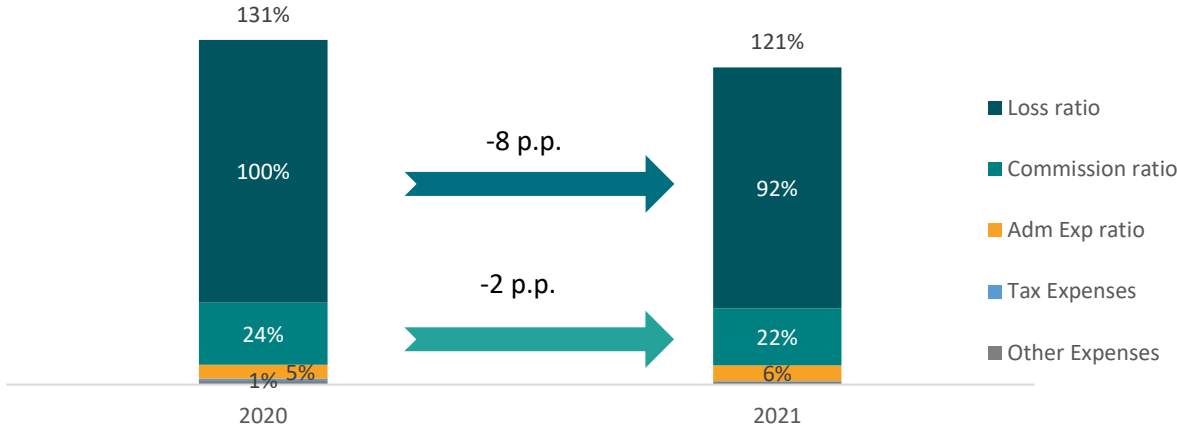


Net income for 2020 until net income for 2021

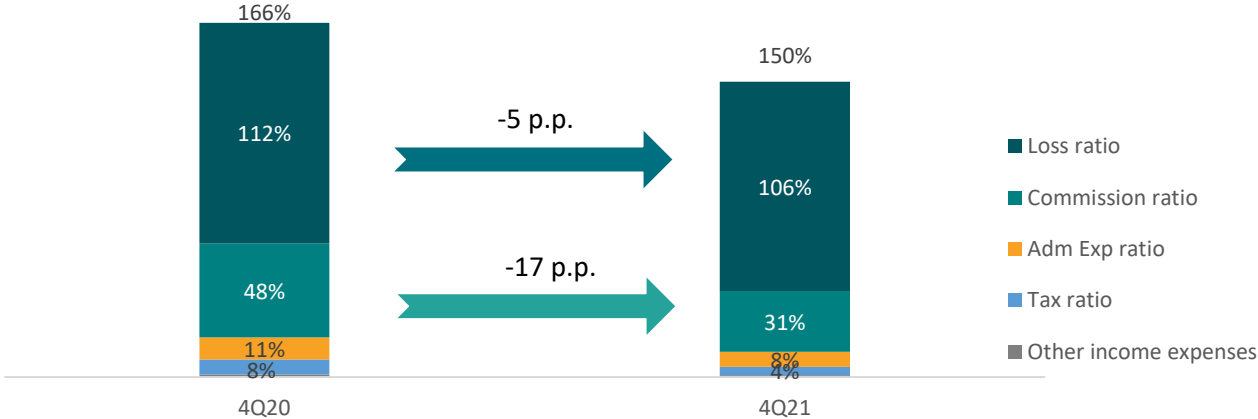


Main Results

2021: Combined ratio considering finance income better by 10 p.p.: loss ratio down by 8 p.p. and commission down by 2 p.p.



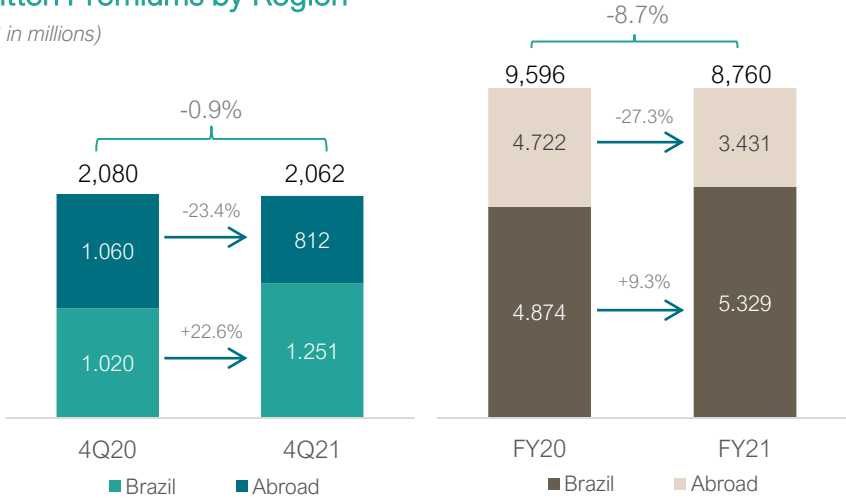
4Q21: Combined ratio considering finance income up by 16 p.p.: loss ratio down by 5 p.p. and commission down by 17 p.p.



Premium Development

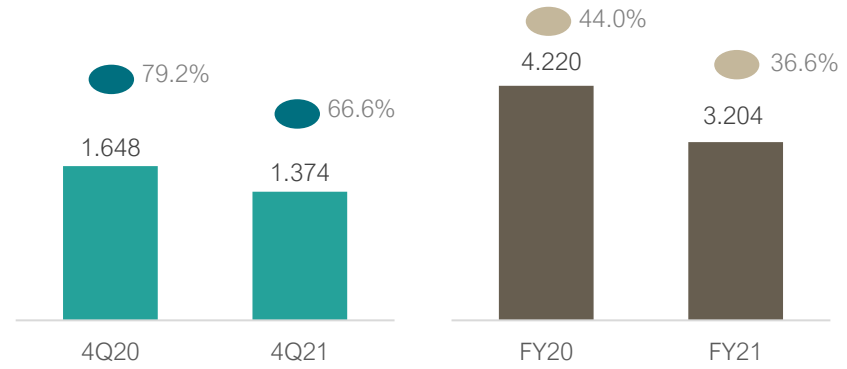
Written Premiums by Region

(R\$ in millions)

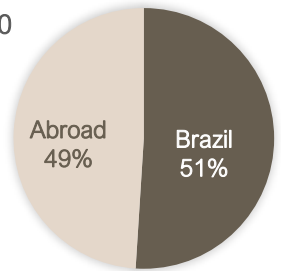


Retroceded Premium & Retrocession Ratio

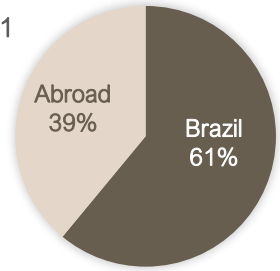
(R\$ in millions & %)



FY20

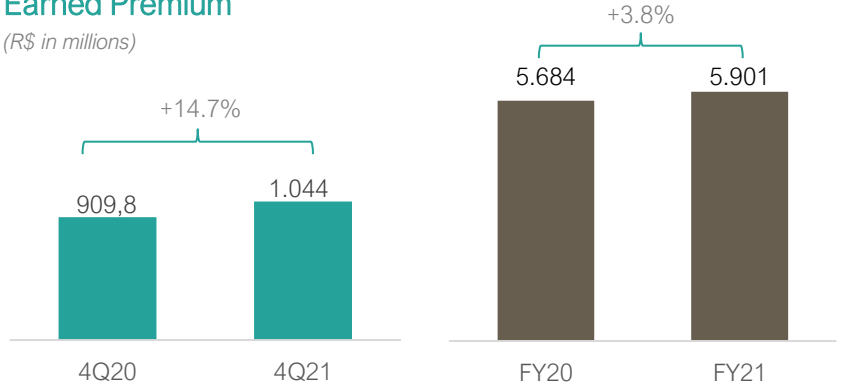


FY21



Earned Premium

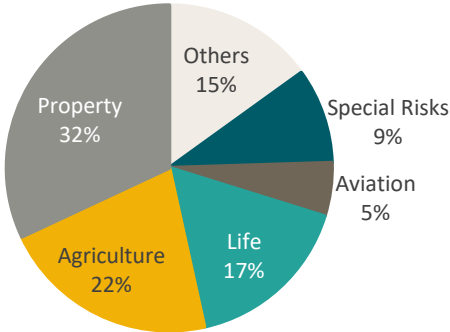
(R\$ in millions)



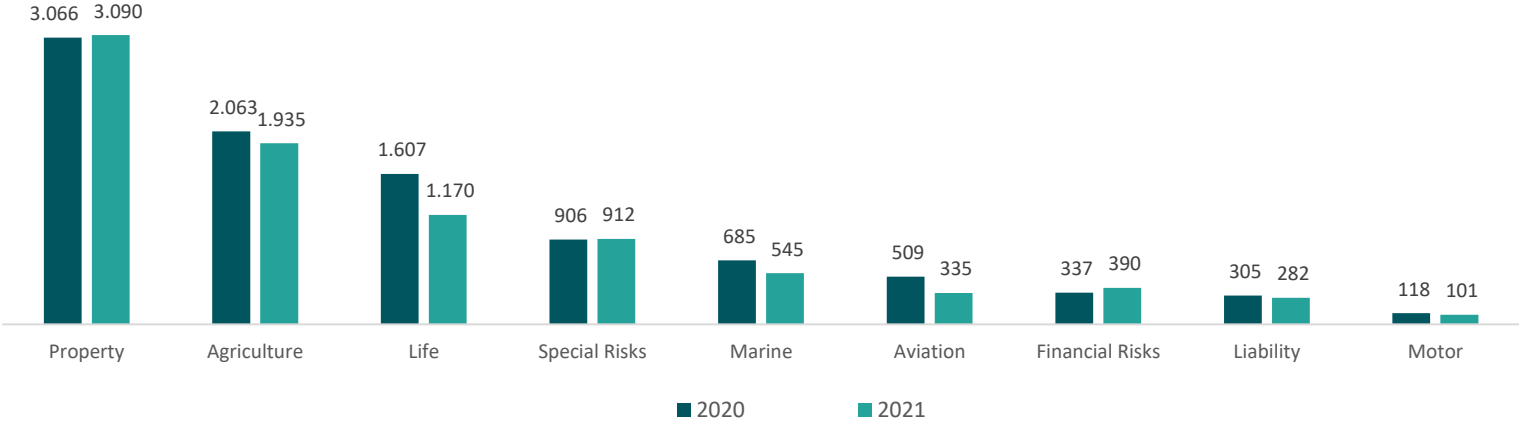
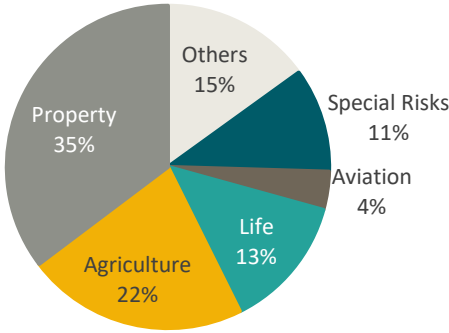
Diversification em 11 business lines

Written Premium by Business Line

2020 - R\$9.6 billion



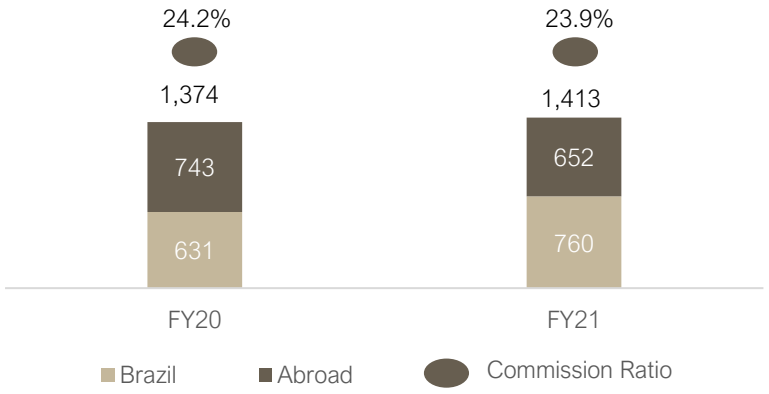
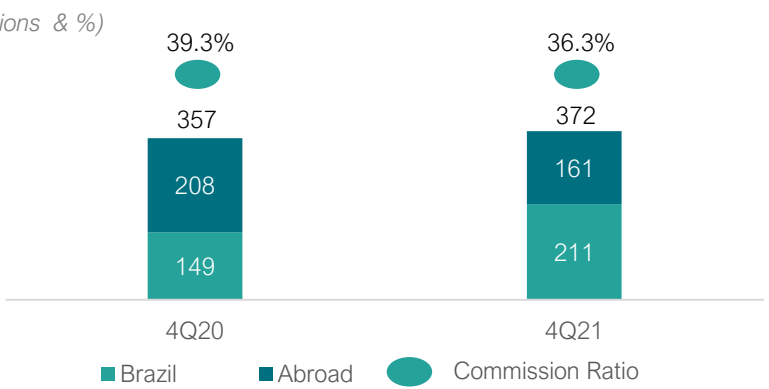
2021 - R\$8.8 billion



Acquisition Costs and Administrative Expenses

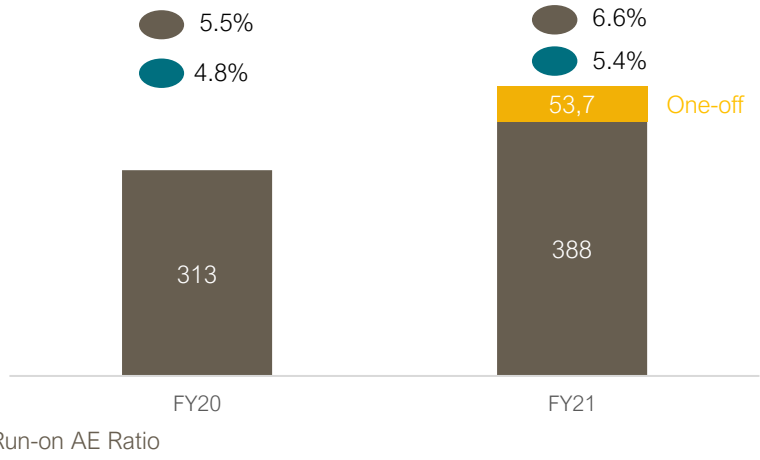
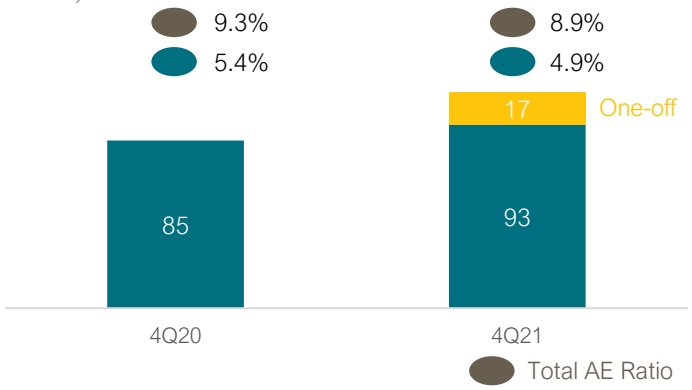
Acquisition Cost & Commission Ratio

(R\$ in millions & %)



Administrative Expense & AE Ratio

(R\$ in millions & %)

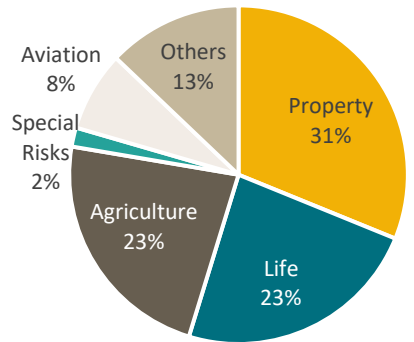
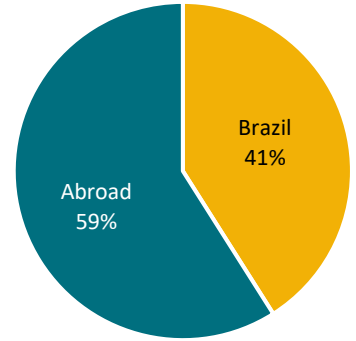


Claims still concentrated in UWY prior to 1H20

2021 RETAINED CLAIMS

Underwriting Year	Retained Claims	% Total	% Accumulated
Prior to 2014	242,893,415	4,06%	4.06%
2014	28,919,750	0.48%	4.54%
2015	60,658,603	1.01%	5.55%
2016	279,081,755	4.66%	10.21%
2017	131,381,017	2.19%	12.41%
2018	350,046,663	5.85%	18.25%
2019	1,152,467,387	19.25%	37.50%
2020 (1S)	2,237,393,653	37.36%	74.86%
2020 (2S)	584,333,726	9.76%	84.62%
2021	920,813,316	15.38%	100.00%
TOTAL	5,987,989,285	100.00%	

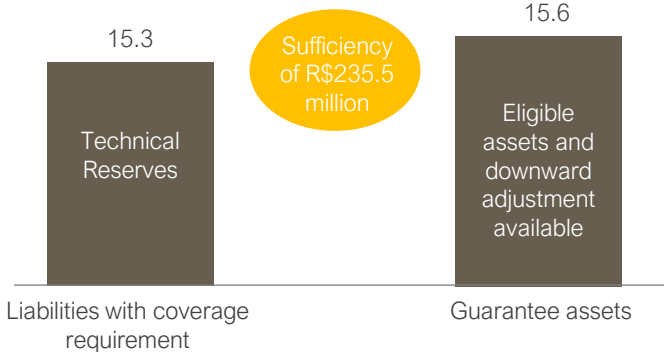
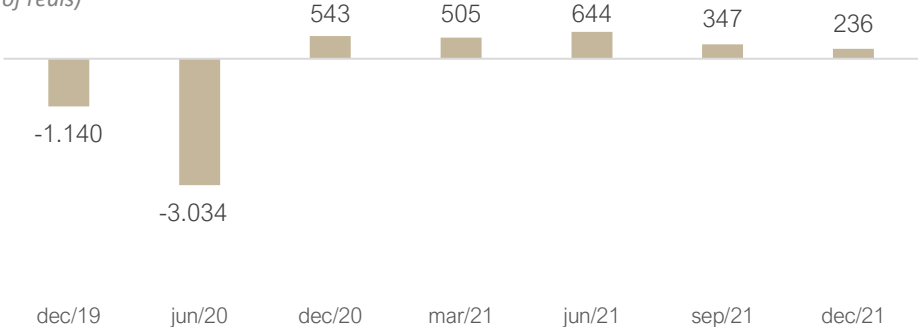
2021 Retained Claims Breakdown



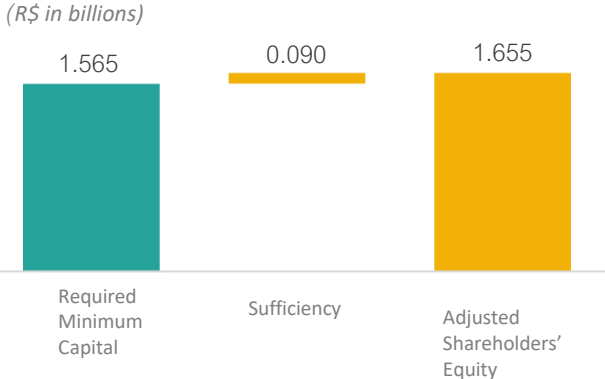
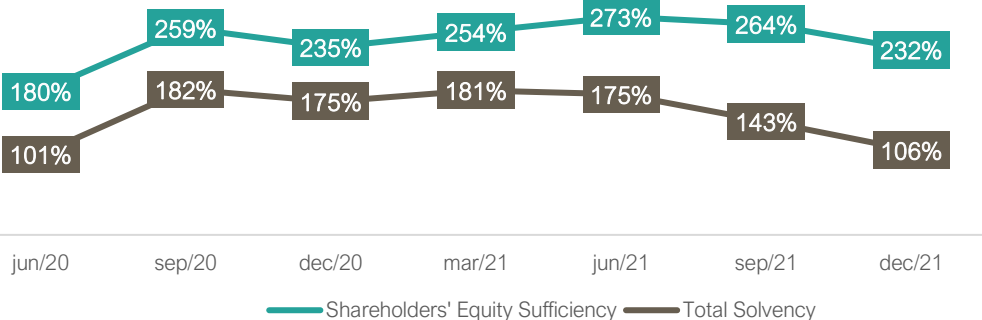
Coverage of Provisions and Required Minimum Capital

Technical Reserve Coverage at appropriate level

(in millions of reais)

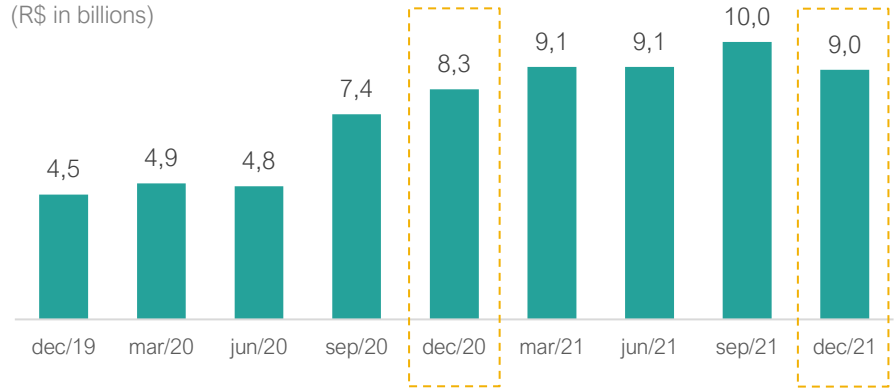


Solvency Sufficiency, however, still being impacted by the results of claims from previous underwriting years

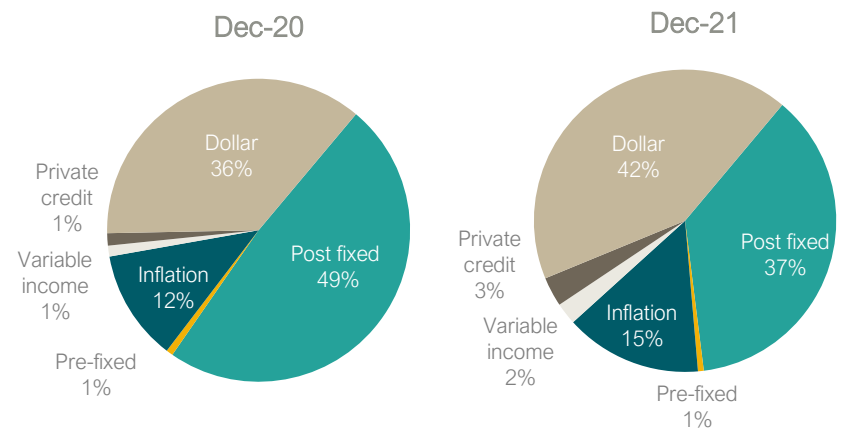


Development of Financial Assets

(R\$ in billions)

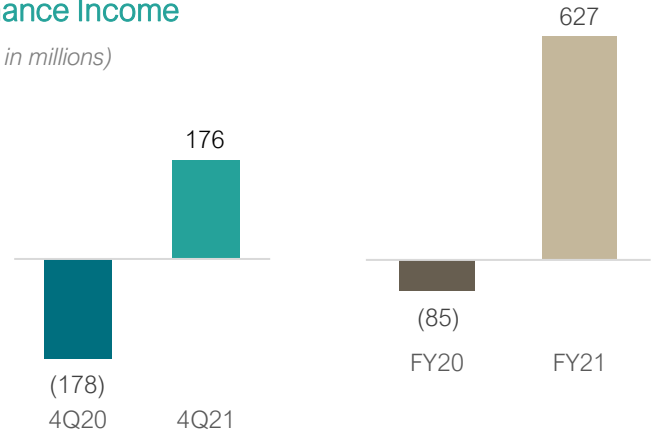


Breakdown of Financial Assets by Class (%)



Finance Income

(R\$ in millions)



- ✓ R\$22.7 billion in **Assets**;
- ✓ R\$3.6 billion in **Equity**; and
- ✓ **Financial Assets** of R\$9.0 billion.

Appropriate covenants

Attachments



Balance Sheets as at December 31

R\$ in thousands

Assets - R\$ Million	Dec 30, 2021	Dec. 31, 2020	Var. (Dec21/Dec20)	
			% Var.	Nominal Var.
Current Assets	13.990,3	15.395,6	-9,1%	(1.405,4)
Cash	38,8	14,6	166,3%	24,2
Investments	3.966,3	3.852,3	3,0%	114,0
Credits from reinsurance and retrocession transactions	4.105,1	5.764,4	-28,8%	(1.659,3)
Retrocession assets - technical provisions	5.599,8	5.093,4	9,9%	506,3
Premium - retrocession	1.201,5	1.352,8	-11,2%	(151,2)
Claims - retrocession	4.386,9	3.732,9	17,5%	654,0
Other provisions	11,3	7,8	46,3%	3,6
Bills and credits receivable	155,9	543,9	-71,3%	(388,1)
Bills and credits receivable	27,4	361,6	-92,4%	(334,1)
Tax and social security credits	128,4	182,3	-29,6%	(53,9)
Prepaid expenses	10,6	7,5	40,9%	3,1
Deferred acquisition costs	113,8	119,4	-4,7%	(5,6)
Non-current assets	8.684,2	7.094,8	22,4%	1.589,4
Long-term assets	8.424,0	6.844,7	23,1%	1.579,4
Investments	110,5	111,6	-1,0%	(1,1)
Property and equipment	64,5	72,6	-11,1%	(8,1)
Intangible assets	85,1	65,9	29,2%	19,2
Total assets	22.674,4	22.490,4	0,8%	184,0

Balance Sheets as at December 31

In thousands of reais

Liabilities and Shareholders' Equity -R\$ Million	Dec 30, 2021	Dec. 31, 2020	Var. (Dec21/Dec20)	
			% Var.	Nominal Var.
Current liabilities	17.351,8	16.437,3	5,6%	914,5
Accounts payable	156,0	301,2	-48,2%	(145,2)
Debts from reinsurance and retrocession transactions	2.051,7	2.569,7	-20,2%	(518,0)
Third-party deposits	108,0	317,4	-66,0%	(209,5)
Technical provisions - reinsurance and retrocession	15.036,1	13.249,0	13,5%	1.787,2
Property and casualty and group life insurance	15.036,1	13.249,0	13,5%	1.787,2
Non-current liabilities	1.688,3	1.638,3	3,1%	50,0
Long term liabilities	1.688,3	1.638,3	3,1%	50,0
Accounts payable	1.317,4	1.297,9	1,5%	19,6
Debts from reinsurance and retrocession transactions	0,8	0,8	0,0%	0,0
Technical provisions - reinsurance and retrocession	293,9	283,0	3,9%	10,9
Property and casualty and group life insurance	293,9	283,0	3,9%	10,9
Other debts	76,2	56,7	34,4%	19,5
Total liabilities	19.040,1	18.075,6	5,3%	964,5
Shareholders' Equity	3.634,4	4.414,8	-17,7%	(780,4)
Total liabilities and shareholders' equity	22.674,4	22.490,4	0,8%	184,0

Statements of profit or loss - Business view

In thousands of reais

(R\$ million)			Variation	Accumulated	
	4Q20	4Q21	(4Q21/ 4Q20)	12M20	12M21
Written Premium	2.080,4	2.062,2	-0,9%	9.596,1	8.760,5
<i>Local</i>	1.020,2	1.250,5	22,6%	4.874,2	5.329,2
<i>Abroad</i>	1.060,2	811,8	-23,4%	4.721,9	3.431,3
Retained Premium	432,1	688,6	59,4%	5.376,6	5.556,1
Earned Premium	909,8	1.043,5	14,7%	5.683,6	5.900,5
Retained Claim	(837,9)	(1.288,2)	53,7%	(5.812,4)	(5.988,0)
<i>OCR</i>	(716,0)	(1.777,6)	148,3%	(5.474,3)	(6.326,2)
<i>IBNR</i>	(122,0)	489,3	-501,3%	(338,1)	338,2
Underwriting Results	(194,1)	(627,9)	223,4%	(1.577,2)	(1.568,7)
Administrative Expenses	(84,5)	(92,6)	9,5%	(313,0)	(387,5)
Financial and Real Estate Investment	(160,3)	168,6	-205,2%	125,2	618,2
<i>Financial Investments</i>	(178,0)	175,9	-198,8%	(85,1)	627,2
<i>Real Estate Investment</i>	17,7	(7,3)	-141,4%	210,3	(9,0)
Net Income	(644,2)	(370,9)	-42,4%	(1.481,5)	(682,7)

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