



3Q21  
Earnings  
Conference Call

November 11th, 2021  
09:00 am (ET)



# Disclaimer

The forward-looking statements in the conference call , relating to Porto Seguro's businesses expectations as well as operational and financial projections and targets, are based on the beliefs and assumptions of Porto Seguro's management, and on currently available information.

It involves risks, uncertainties and assumptions related to future events and therefore depend on circumstances that may or may not occur in the time ahead.

Investors should understand that general economic conditions, industry conditions and other operating factors could also affect the future results of Porto Seguro and cause results to differ materially from those expressed in such forward-looking statements.

# Agenda

EARNINGS RELEASE  
CALL – 3Q21



**Executive Summary**

**Consolidated Revenues and Profitability**

**Insurance Vertical**

**Healthcare Vertical**

**Financial Businesses Vertical**

**Services Vertical**

**Financial Investment Results**

**ESG - Environmental, Social and Governance Factors**

# Executive Summary 3Q21

Double-digit revenue growth across all verticals in the quarter and in the accumulated of the year

Vertical Insurance: 8% expansion in the number of contracts (+900 thousand vs. 3Q20)

Vertical Health: 11% growth in the number of beneficiaries (+115 thousand vs. 3Q20)

Vertical Financial Business: 11% increase in the number of contracts (+347 thousand vs. 3Q20)

Vertical Services: 3.4 million assistances for homes and vehicles in the year

Loss Ratio and Combined Ratio returned to levels close to pre-pandemic

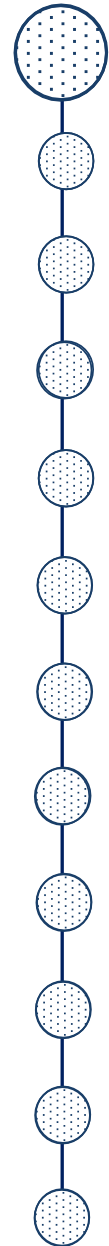
Delinquency in the Credit Operations Portfolio was below the market average

Return on financial investments equivalent to 127% of CDI in the quarter

Announcement of the acquisition of a majority stake in Atar

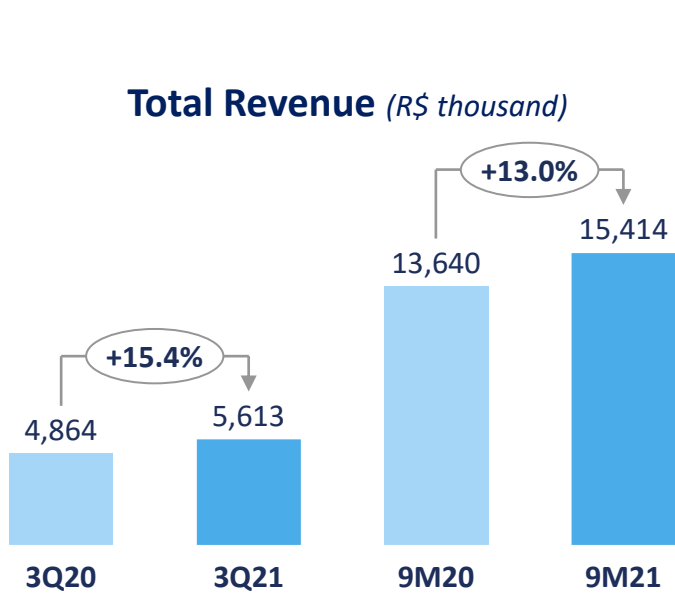
Announcement of a Joint Venture between Porto Seguro and Cosan for the creation of Mobitech

First place in the “Insurers” category in the “Top of Mind” award from Folha de São Paulo and “Marcas Mais” from Estadão

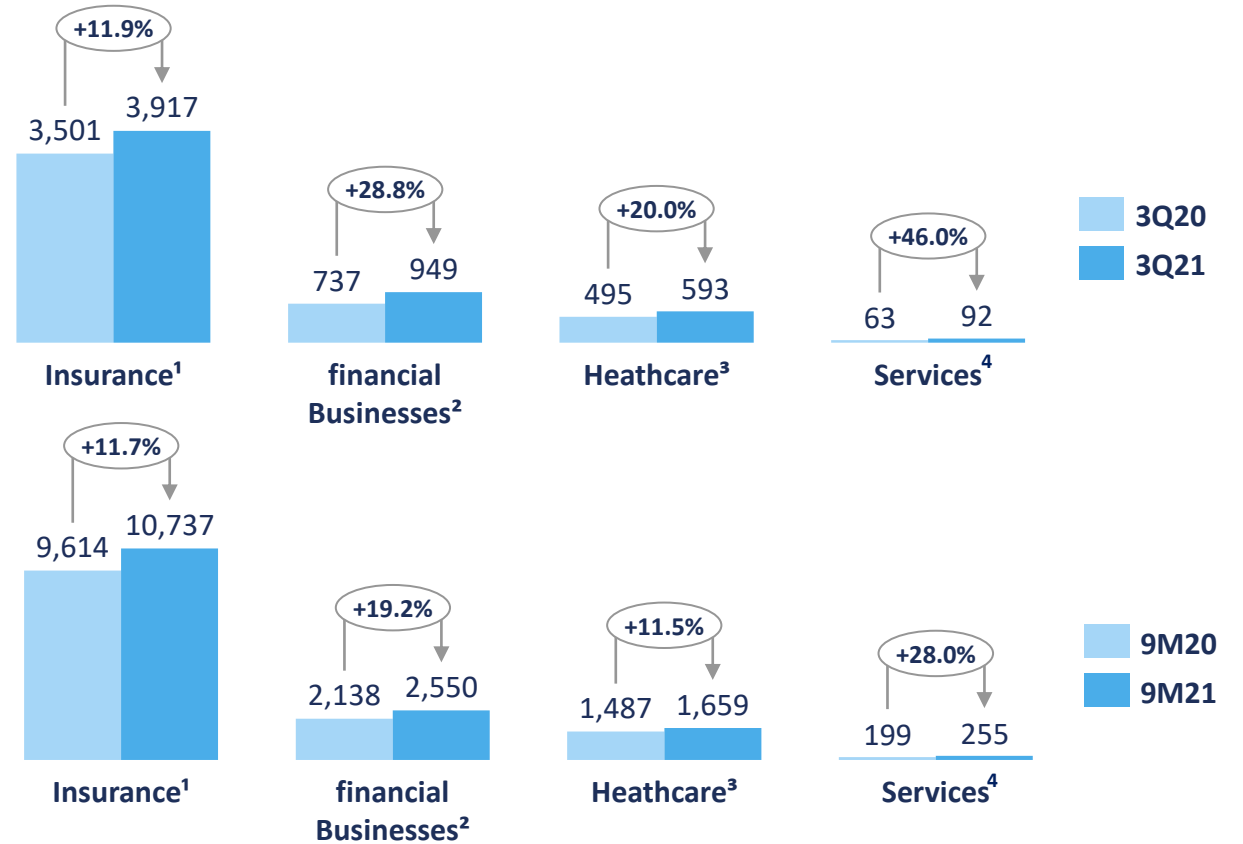


Revenues from all verticals grew double-digit in the quarter and year-to-date

**Total Revenue** (R\$ thousand)



**Revenue by Business Vertical** (R\$ million)

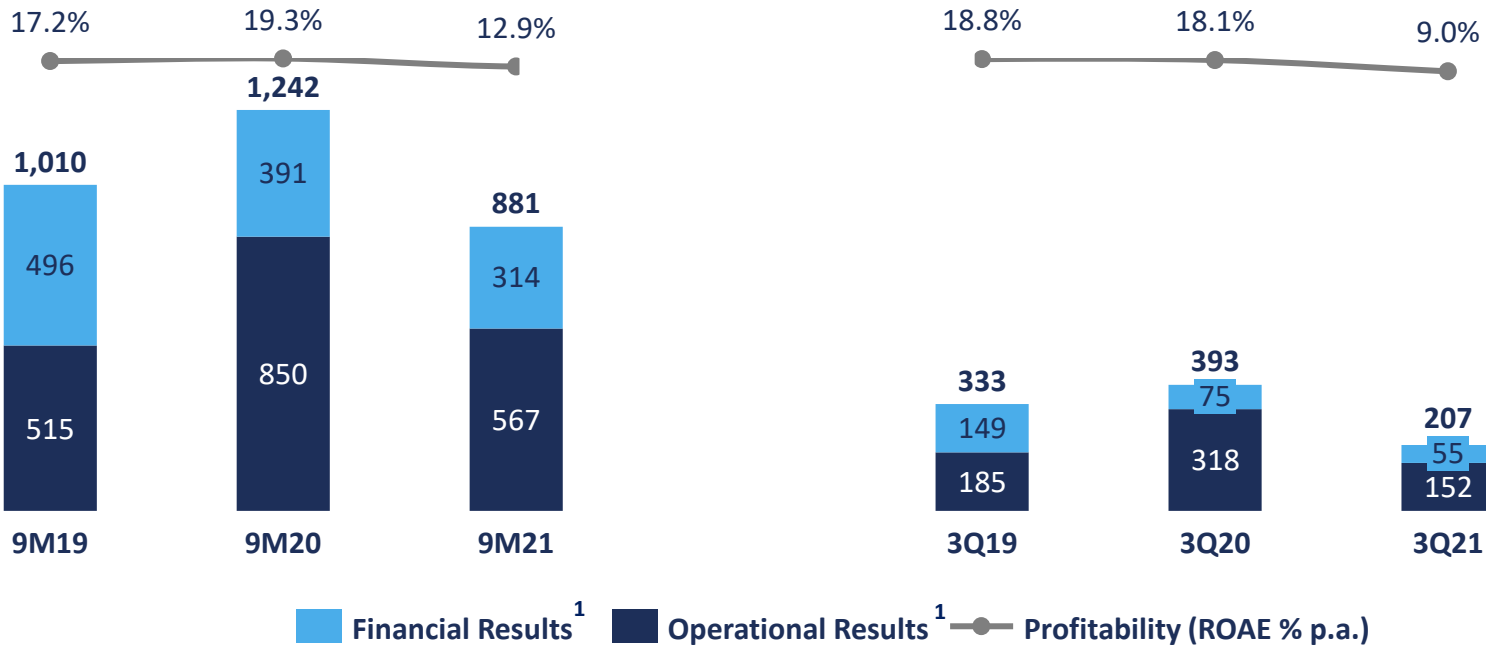


<sup>1</sup> Includes premiums and contributions from Auto, P&C, Live, Pension, Uruguai, Transportation, Rural and Responsibility insurances / <sup>2</sup> Includes premiums and revenues from Credit Card and Financing, Financial Risks, Consortium, Asset Management and Capitalization Securities / <sup>3</sup> Includes Corporate Health, Dental Insurance, Medical Services, Occupational Health and Portomed / <sup>4</sup> Includes "Carro Fácil", Porto Faz, Reppara!, Renova and Vehicle Monitoring, among other services

# Consolidated Profitability

Profitability in the first nine months of the year remained in double digits, showing resilience to face this period challenges

## Recurring Profitability (R\$ million)

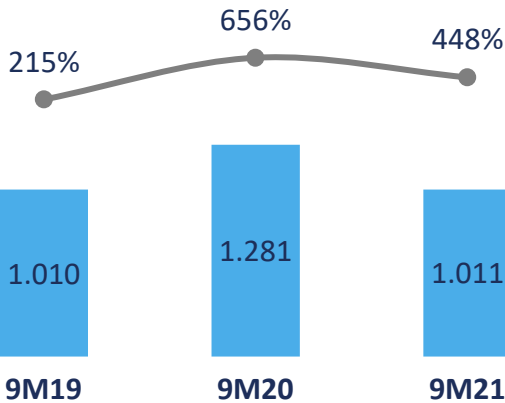


<sup>1</sup> The effective tax was applied to the financial result calculation, while for the operational result, it is the difference between the net income and the financial result net of taxes

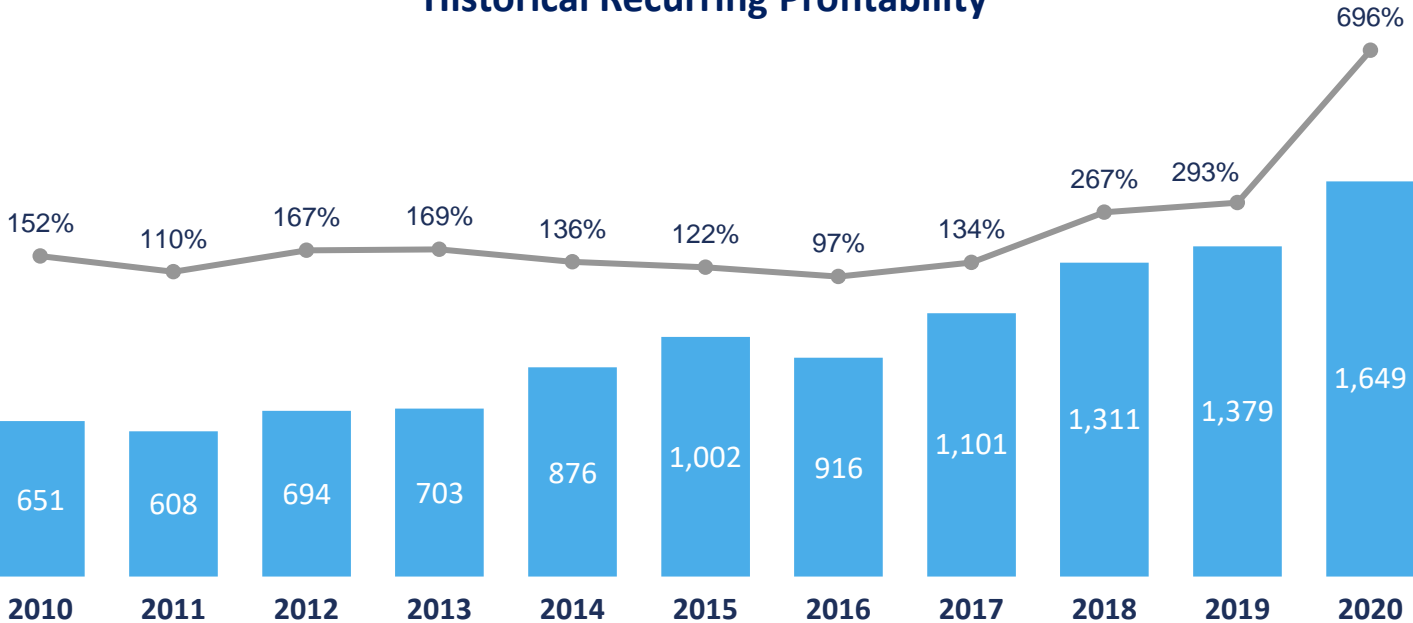
# Consolidated Effective Profitability

Porto Seguro has achieved consistent results, despite fluctuations in interest rates - the ROAE for the first nine months of 2021 was four and a half times higher than the annualized interest rate for the period (448% of the CDI)

### Profitability in 9M21



### Historical Recurring Profitability



■ Net Earnings (R\$ million) —● Profitability in % of CDI <sup>1</sup>

<sup>1</sup> Calculated by dividing the ROAE by the CDI rate  
Source: Porto Seguro and Central Bank of Brazil

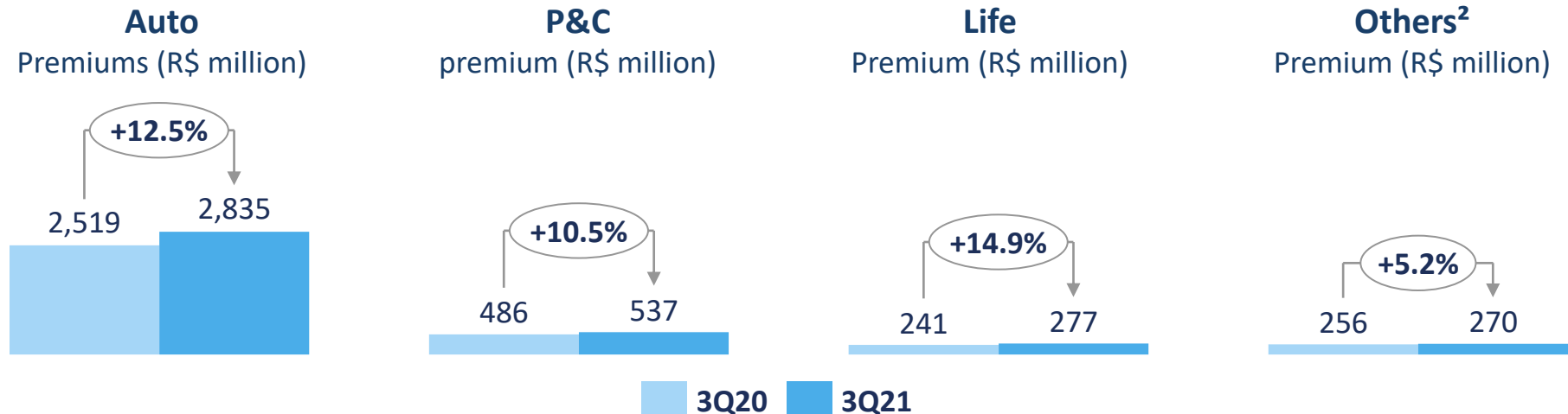
Insurance Vertical presented strong growth in life and insured items and expanded double-digit insurance premiums in 3Q21 (vs. 3Q20)

## Total Active Contracts



- **5.8 M** of insured vehicles: **+419 mil vehicles** of the insured fleet (+7.8% YoY)
- **2.6 M** of insured P&C items: **+183 k items** (+7.6% YoY)
- **4.1 M** insured members: **+301 k people** (+7.8% YoY)

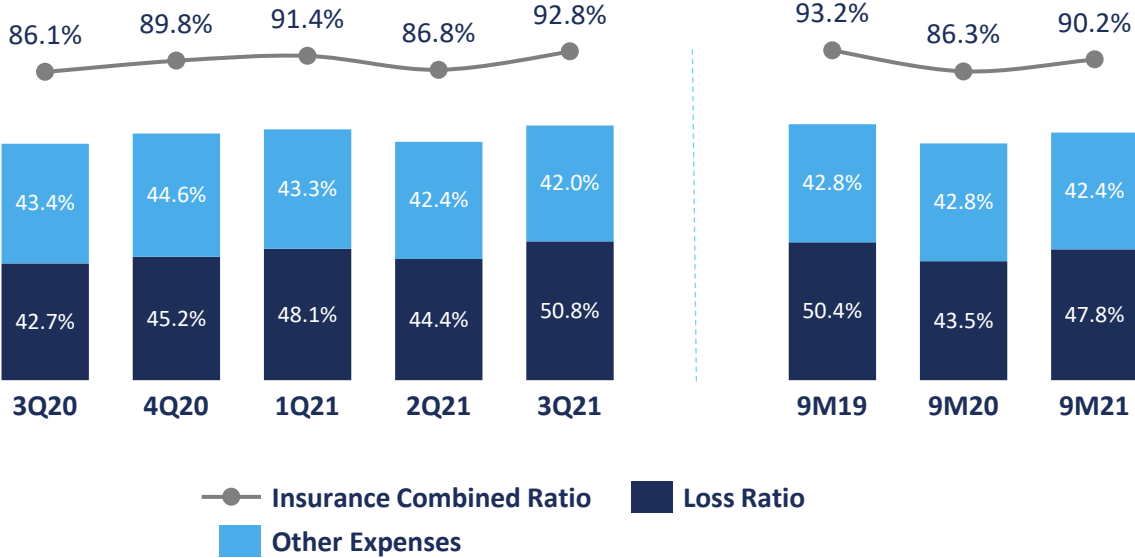
## Total Premiums and Contributions Insurance Vertical<sup>1</sup> (3Q21)



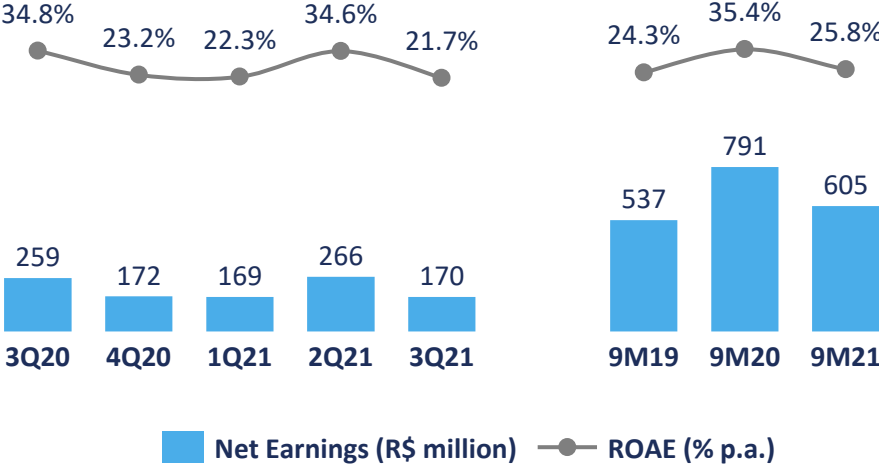
<sup>1</sup> Includes premiums and contributions from Auto, P&C, Life, Pension, Uruguai, Cargo, Rural and Responsibility insurances  
<sup>2</sup> Includes premiums and contributions from Pension, Uruguai, Cargo, Rural and Liability insurances and other operational insurance revenues

The Insurance vertical' profitability remained above 20% despite variations in claims

Insurance Vertical Combined Ratio



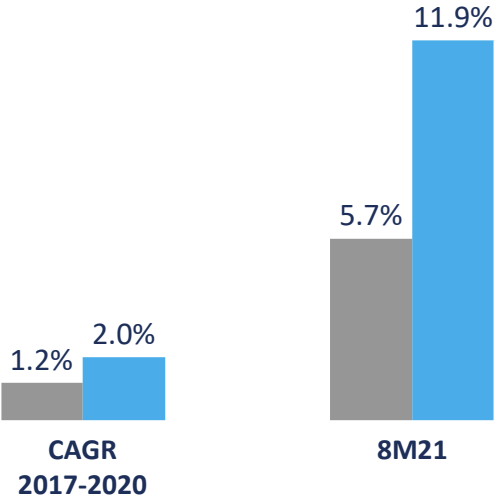
Profitability\*  
(R\$ million)



\* Excluding Pension Net Earnings

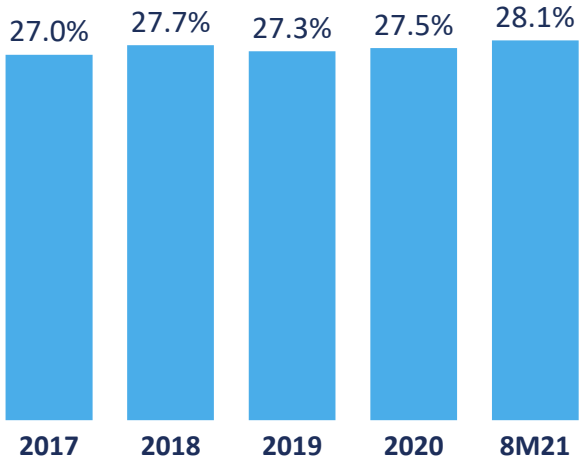
Auto Insurance grows market share and increases the loss ratio in relation to the market

Premiums Variation – Auto<sup>1</sup>  
(%)

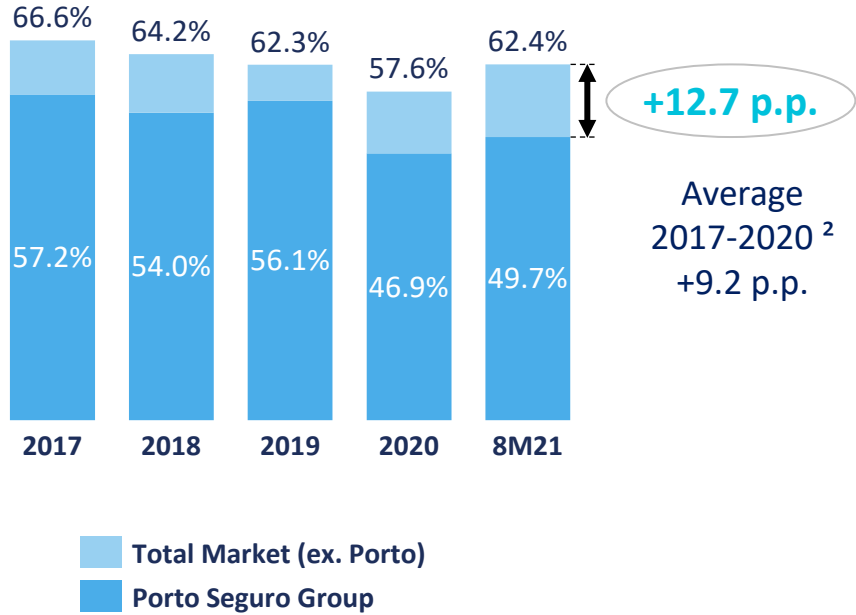


■ Total Market (ex. Porto)  
■ Porto Seguro Group

Market Share - Auto <sup>1</sup>



% of Loss Ratio – Auto<sup>1</sup>



■ Total Market (ex. Porto)  
■ Porto Seguro Group

<sup>1</sup> Data updated until August 2021 (Source: Susep);

<sup>2</sup> Simple average of the loss ratio for each year

We continued to show strong growth in our Healthcare operations, providing care to more than 1 million people. In addition, we are investing in technology, processes and dedicated leadership to become an even more relevant player in the segment

**1.1 M**  
+11.2% YoY

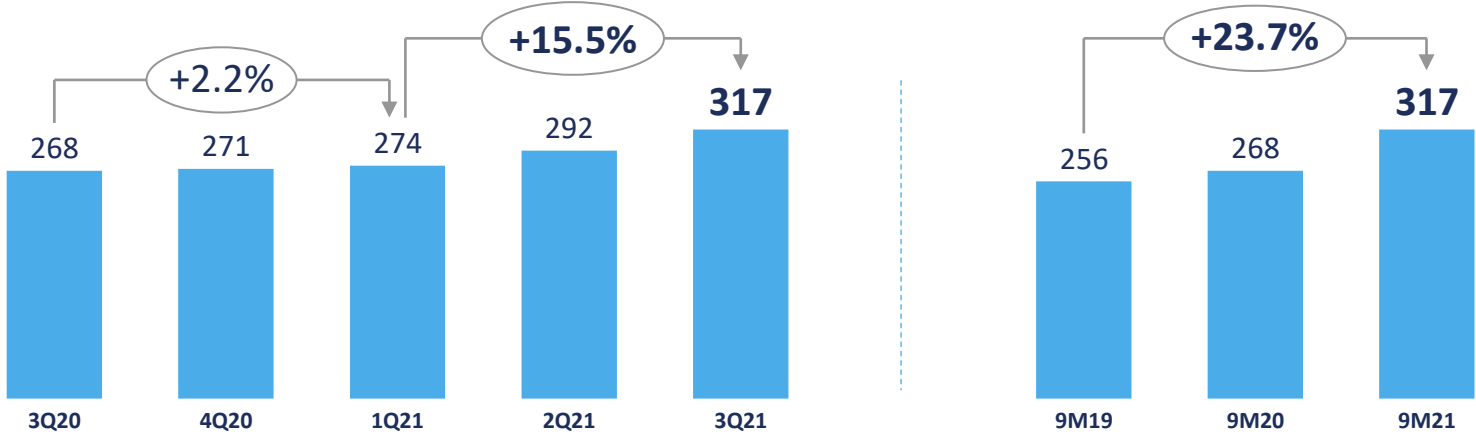
Group members covered  
Healthcare Vertical

- **317 K** Health insurance clients: +49 k members (+18.0% YoY)
- **660 K** Dental clients: +70 k members (+11.9% YoY)
- **5th** consecutive quarters growth in the number of members

**R\$593 M**  
+20.0% YoY

Total premiums and revenues  
Healthcare Vertical

**Members – Insurance** (thousand)

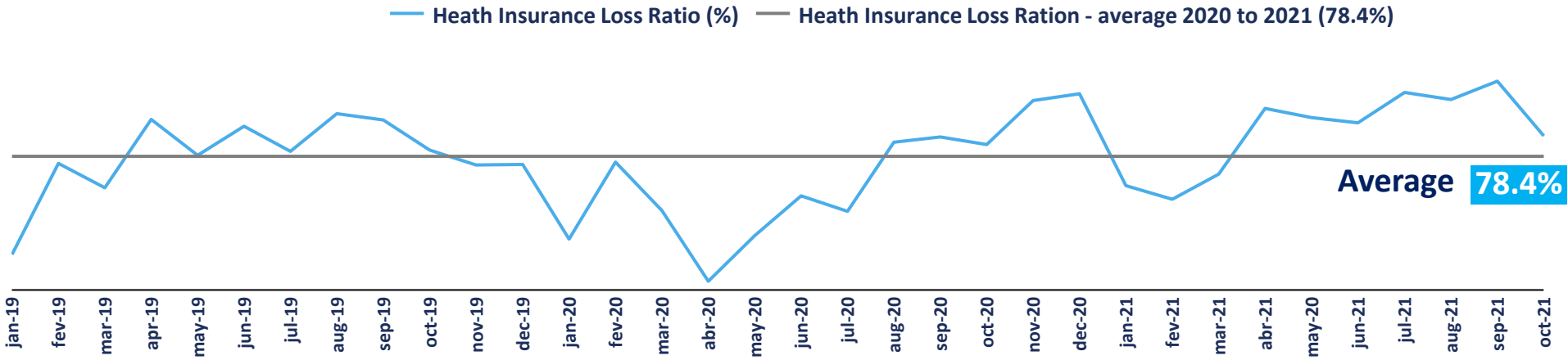


**+18.0%**  
Sep/21 vs. Sep/20

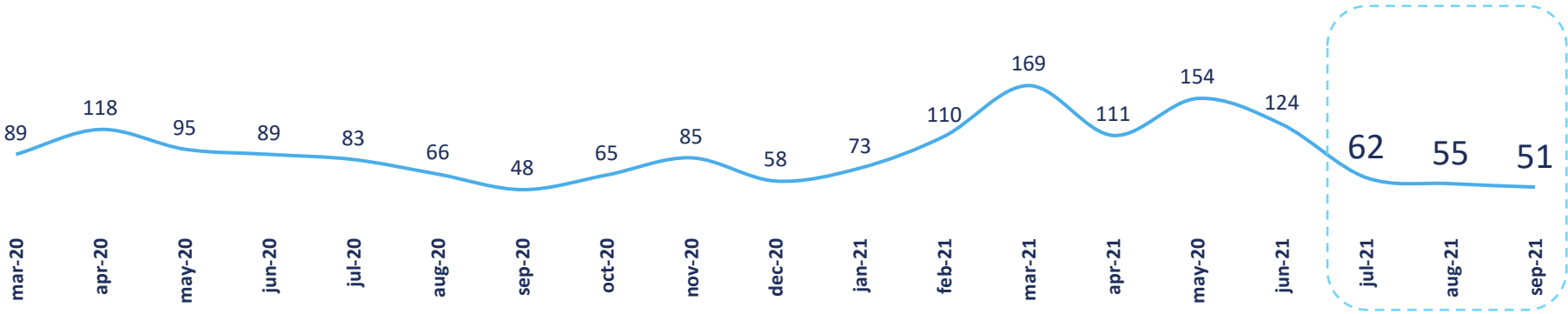
Members increased  
Healthcare Insurance

Health Insurance Loss Ratio was 78.4% from 2020 to 2021 (YTD), in line with 2019. A downward trend in Covid hospitalization suggest a possible gradual return of the loss ratio to levels below of recent quarters rates

## Health Insurance Loss Ratio



## Balance of Covid Patients (suspected or actually infected) (Health Insurance)

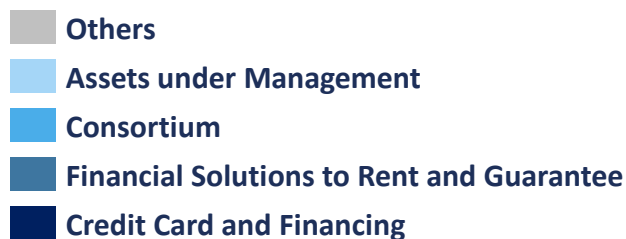


## Net Earnings (Insurance vertical)

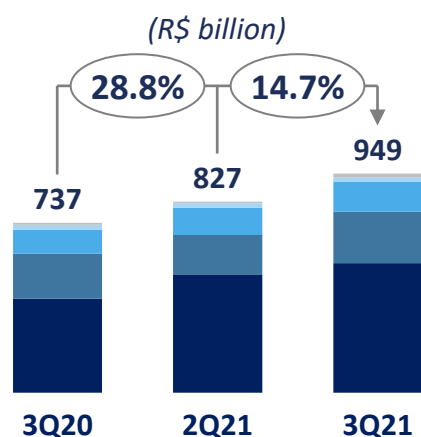


The Financial Business vertical presented a 28.8% revenue growth (3Q21 vs. 3Q20) and annualized profitability of 27.2% in 3Q21, as a result of the consistent results of the main products and services

## Contracts



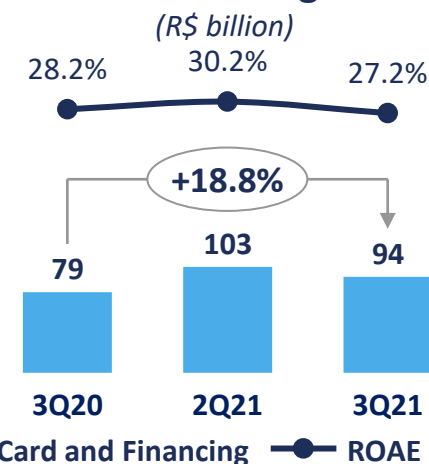
## Revenue



## Var YoY (%)



## Net Earnings



## CREDIT

### Credit Cards

**R\$ 10.1 B**

total volume  
of credit card transaction  
+35% YoY

**62.1 M** transactions

+36% YoY

**Financial Solutions to  
Rent and Guarantee**  
(ex. Capitalization)

**R\$ 19 B**

Risk under management  
+54% YoY

## ACCUMULATION / INVESTMENT

### Consortium

**R\$ 29.7 B**

Credit under Management  
+35% YoY

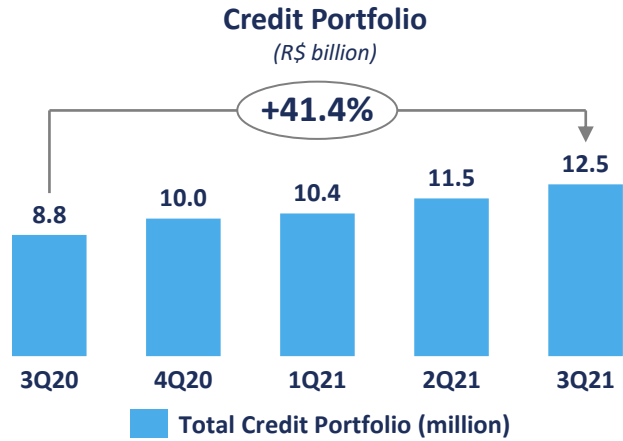
### Capitalization

**R\$ 1.2 B**

Assets under Management  
+27.6% YoY

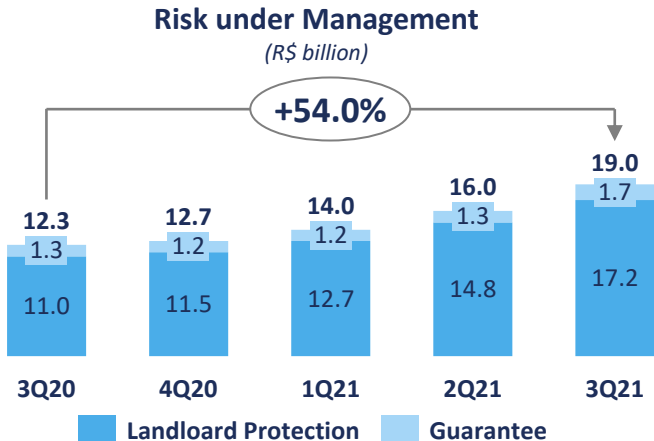
The credit business had relevant growth, with expansion of the credit operations and risk portfolios under management

## Financial Solutions to Credit



## Financial Solutions to Rent and Guarantee

(ex. Capitalization)



## HIGHLIGHTS

- Launch of the new Card app (SuperApp)
- Acceleration of payments via PIX
- Sales Force Platform

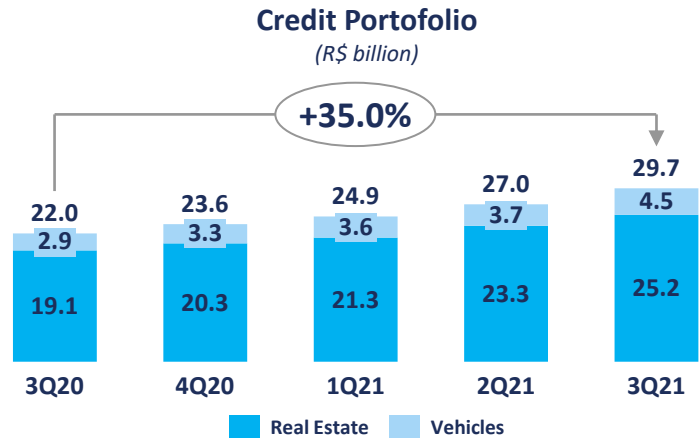
Cards ready to use **2.7 M** +8% YoY  
 Issued cards **210 K** +51% YoY  
 Total Transactions Amount **R\$ 10.1 B** +35% YoY  
 Credit Made Available **R\$ 499 M** +27,6% YoY

- Essential product launched in September 2020 already has more than 45 thousand active items
- Pre-launch of the Porto Seguro real estate ad portal
- 14.8% increase in the number of real estate partners (vs. 3Q20)

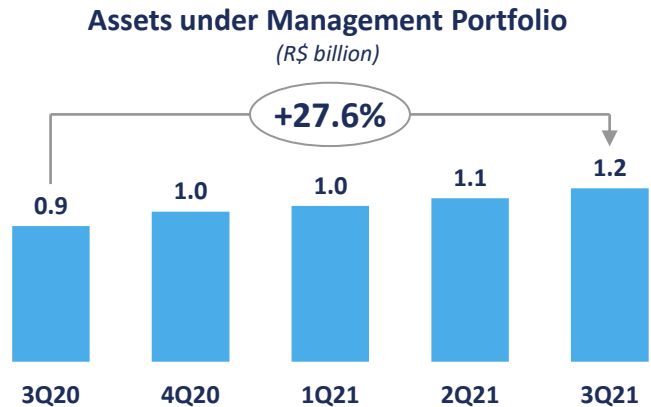
Landlord Protection Contracts **223 K** +30.4% YoY  
 Loss Ratio **37.3%** -4.3 p.p. YoY  
 Items Sold (Landlor Protection and Guarantee) **58 K** +101% YoY

The accumulation businesses enhanced its revenues substantially mainly as a result of the sales growth

## Consortium



## Capitalization



## HIGHLIGHTS

Credit Portfolio boosted by good sales volume, keeping delinquency below the market average

Shares Sold  
**20 K** +9% YoY

Credit Sold  
**R\$ 2.7 B** +8.9% YoY

Delinquency  
**8.9%** vs. 11,7% market  
(source: Bacen)

Increase in the sales volume and extension of the bonds average term

Current Bonds  
**69.6 K** +16.6% YoY

Volume  
**119.8 M** +17.9% YoY

The Services vertical presented a strong growth in revenue and number of contracts, leveraged by Carro Fácil, which expanded its revenues by 81%, and by Reppara!, with a 90% increase in the number of active contracts (vs. 3Q20)

### Subscription Contracts

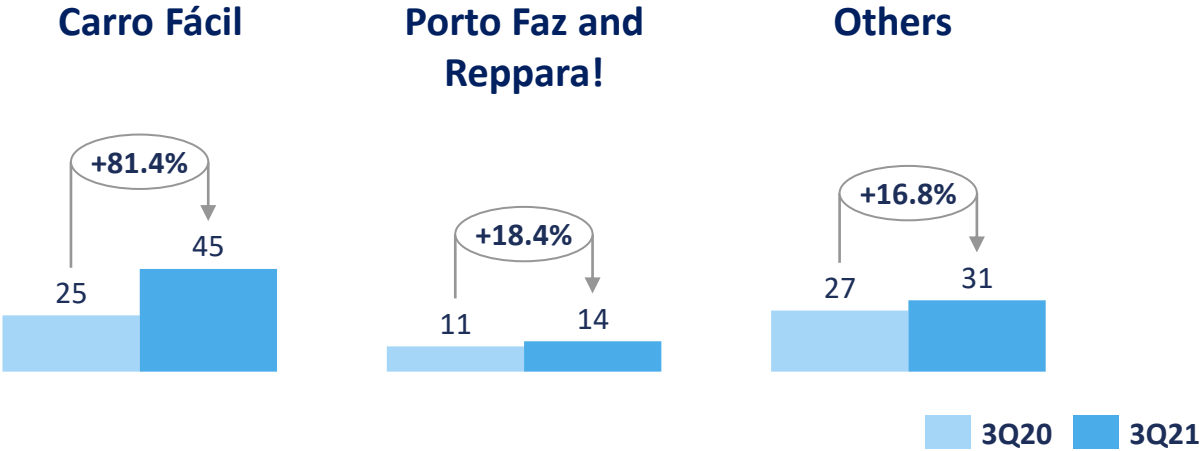


### Total Revenues

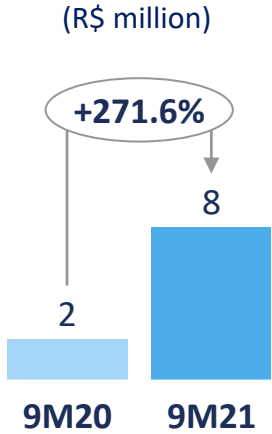


- **9.2 k** active contracts of Carro Fácil (+61.4% YoY)
- **13.1 k** active contracts of Reppara! (+89.9% YoY)

### QUARTERLY REVENUES (R\$ million)



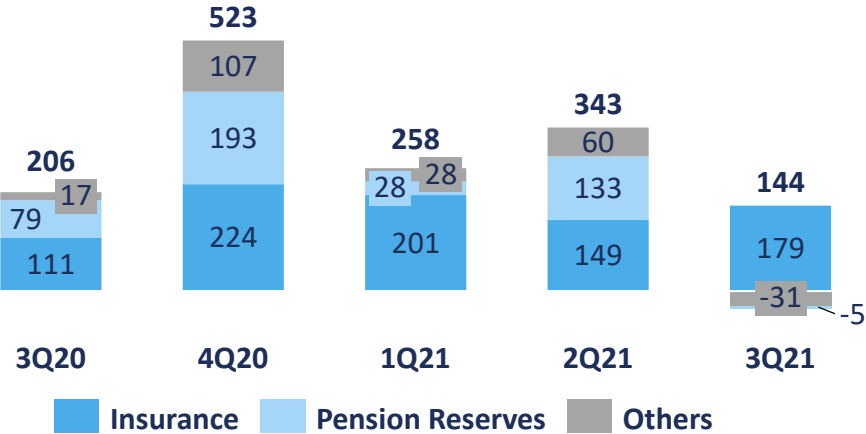
### Accumulated Net Earnings Services Vertical



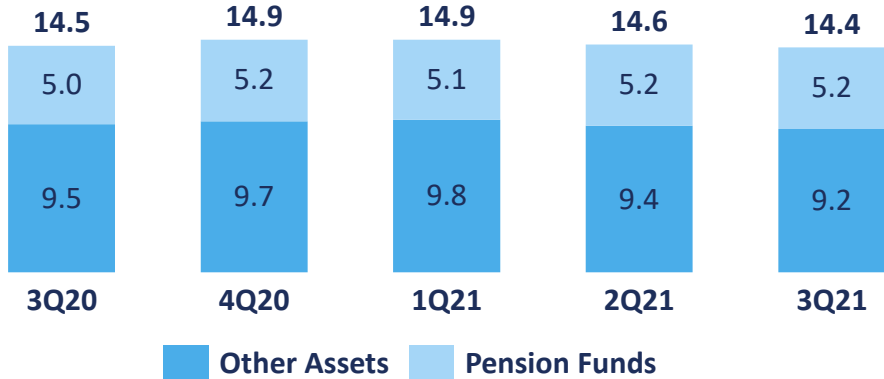
<sup>1</sup> Includes Carro Fácil, Porto Faz, Reppara, Renova, and Vehicle Monitoring among other services

The financial investments were favored by the positive performance of allocations of inflation-linked securities, partially offset by the performance of equities in recent months

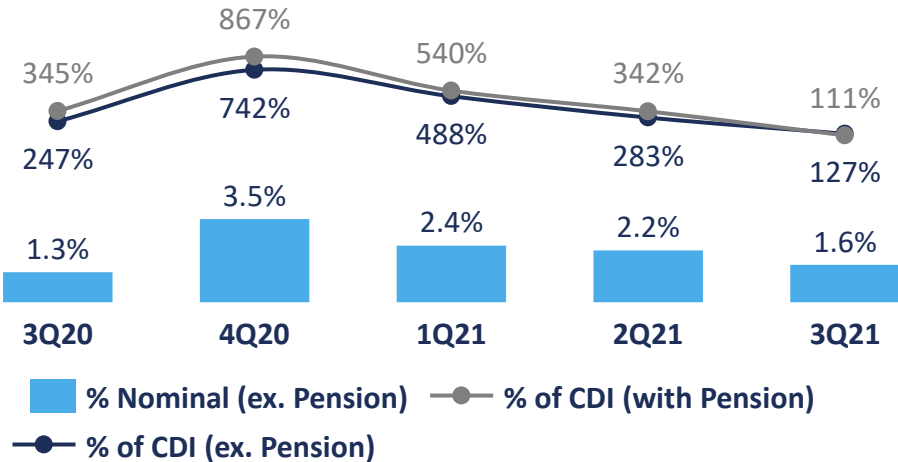
Financial Revenues (R\$ million)



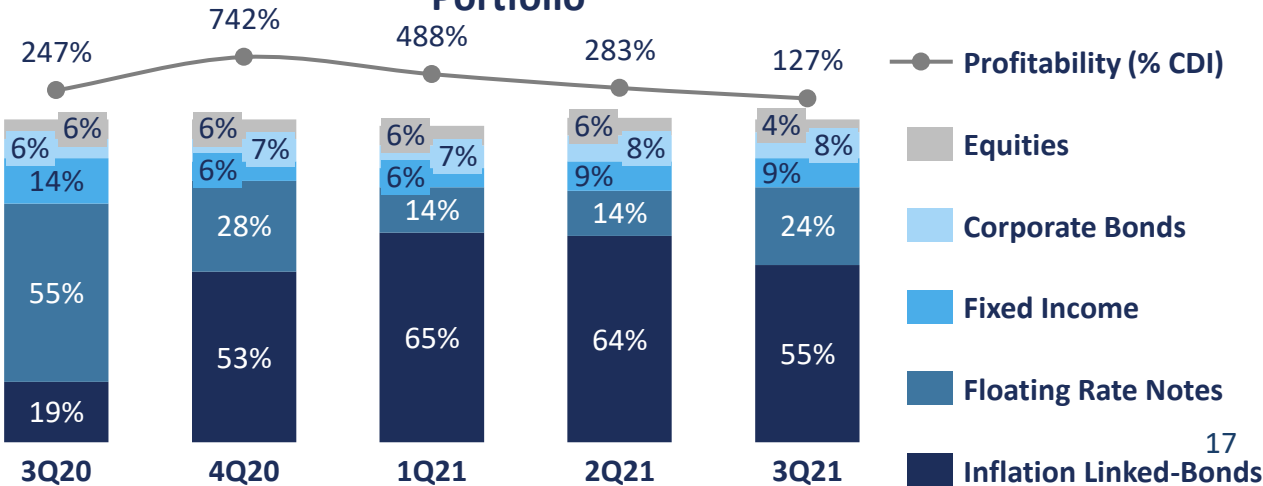
Investment Portfolio (R\$ billion)



Profitability



Breakdown and Profitability of the Investment Portfolio<sup>1</sup>



<sup>1</sup> Includes exposures in future markets securities

Regarding the ESG initiatives in the quarter, the highlight was the social programs aimed at educating

## PROFESSIONAL COURSES



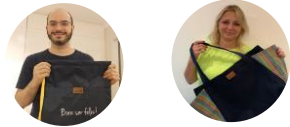
The professional training courses in the area of information technology, beauty and handicraft, maintained by Instituto Porto Seguro, resumed the activities attended in September with 43 students, with 120 hours/classes taught by the end of the quarter. In addition, in partnerships with corporate and business areas, the Institute presents two new features:

- Expansion of the training program for students indicated by Porto Seguro branches, in the existing course on administrative techniques, increasing the scope of the program and the employability of students at the end of the course, through the absorption of newly graduated students by the branches themselves;
- The beginning of the training program for students in the home appliances and hydraulic/electrical maintenance courses, in the layout assistant program for employability in Building Maintenance.

## ENTREPRENEURSHIP SCHOOL

In the third quarter, the Entrepreneurship School, a project of the Instituto Porto Seguro that offers free technical training in sewing and an incubator for income generation, launched its new product catalog, the “Bora Ser Feliz” (which means “Let’s Be Happy”) Collection, which has the production of 23 different gifts in plain and colorful prints developed by eight students. During the quarter, more than a thousand pieces were sold, with the revenue being reverted to income for the entrepreneurs.

The products can be purchased at Porto Seguro's virtual store:  
<https://www.lojavirtualportoseguro.com.br/instituto-porto-seguro>



## AÇÃO EDUCA PROGRAM



The “Ação Educa” program, maintained by the Instituto Porto Seguro, returned to physical operation in August, bringing back to the classrooms approximately 170 children in a situation of social vulnerability in the Campos Elíseos region, in São Paulo, around the headquarters of the Company.

This back to school was planned in compliance with all safety protocols against Covid-19, and it was still maintained the remote format for children who are still at home and for some reason is not yet ready to return to in-person classes.



3Q21

# Earnings Conference Call

August 11th, 2021

# Q&A

## **PORTO SEGURO IR TEAM**

**Roberto Santos** - CEO & IRO

**Emerson Faria** - Executive Manager

**Aleksandro Borges** - Coordinator

**Eduardo Marcelo** - Analyst

**Gustavo Scarnera** - Analyst

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