



Earnings Release Conference Call

3Q23

11/10/2023

09:30 a.m. (EDT)

 **Porto Seguro SA**

Results per Business Vertical Notice

Disclaimer

Any statements that may be made during this conference call, regarding Porto Seguro's business prospects, projections and operational and financial goals, constitute beliefs and assumptions of the Company's management, as well as currently available information.

Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions, as they refer to future events and, therefore, depend on circumstances that may or may not occur.

Investors should understand that general economic conditions, industry conditions and other operating factors may affect Porto Seguro's future performance and may lead to results that differ materially from those expressed in such forward-looking statements.

Agenda

Executive Summary

Consolidated Revenues and Profitability

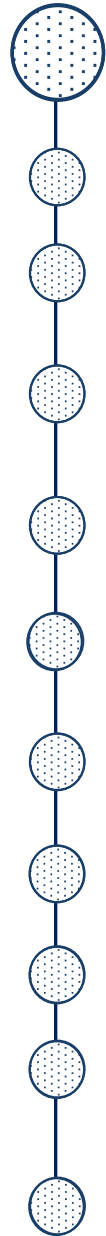
Porto Seguro

Porto Saúde

Porto Bank

Financial Investment Performance

ESG – Environmental, Social and Governance Factors



Executive Summary

Net Income for the quarter more than doubled (vs. 3Q22) and ROAE was above 20% in the period

Double-digit growth in revenue for the quarter (vs. 3Q22) and in the YTD (vs. 9M22)

Number of customers reached 15.8 million and number of businesses reached 25.6 million, with increase through organic business expansion and the incorporation of CDF customers

Growth of over 200 thousand vehicles in the insured fleet (3Q22) and relevant drop in Auto's loss ratio when compared to 3Q22

Increase of approximately 100 thousand beneficiaries and improvement in Health claims ratio

NPL on Credit Operations increased by 0.1 p.p. when compared to 2Q23, and remained 0.6 p.p. below the market average

Impact of the revaluation of Subscription Car assets

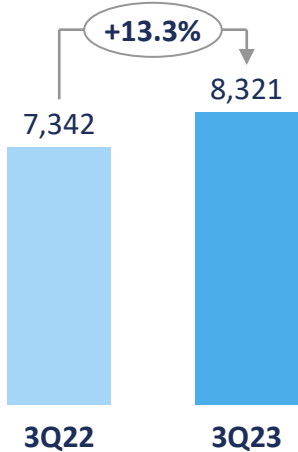
Improvement of 1.4 pp in the operating efficiency ratio (total administrative expenses/total revenue)

Return on financial investments (ex-Pension) of 79% of the CDI, managed by the treasury area

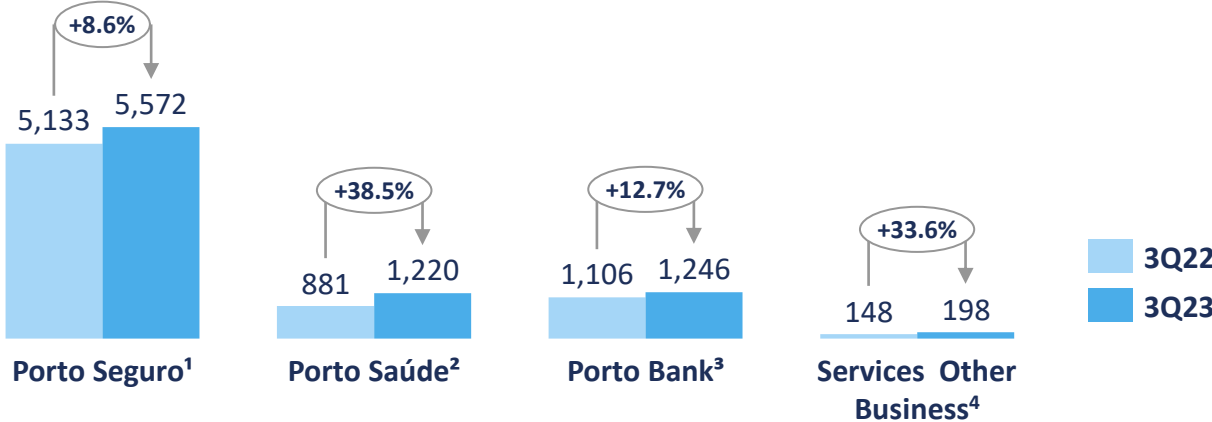
Porto elected one of the 10 best companies to work for by the GTPW ranking for the second consecutive year and recognized as the top of mind brand in the insurance category through the Folha Top of Mind award

3Q23 | Double-digit growth in total revenue through the expansion of all business verticals (vs. 3Q22)

Total Revenue (R\$ million)



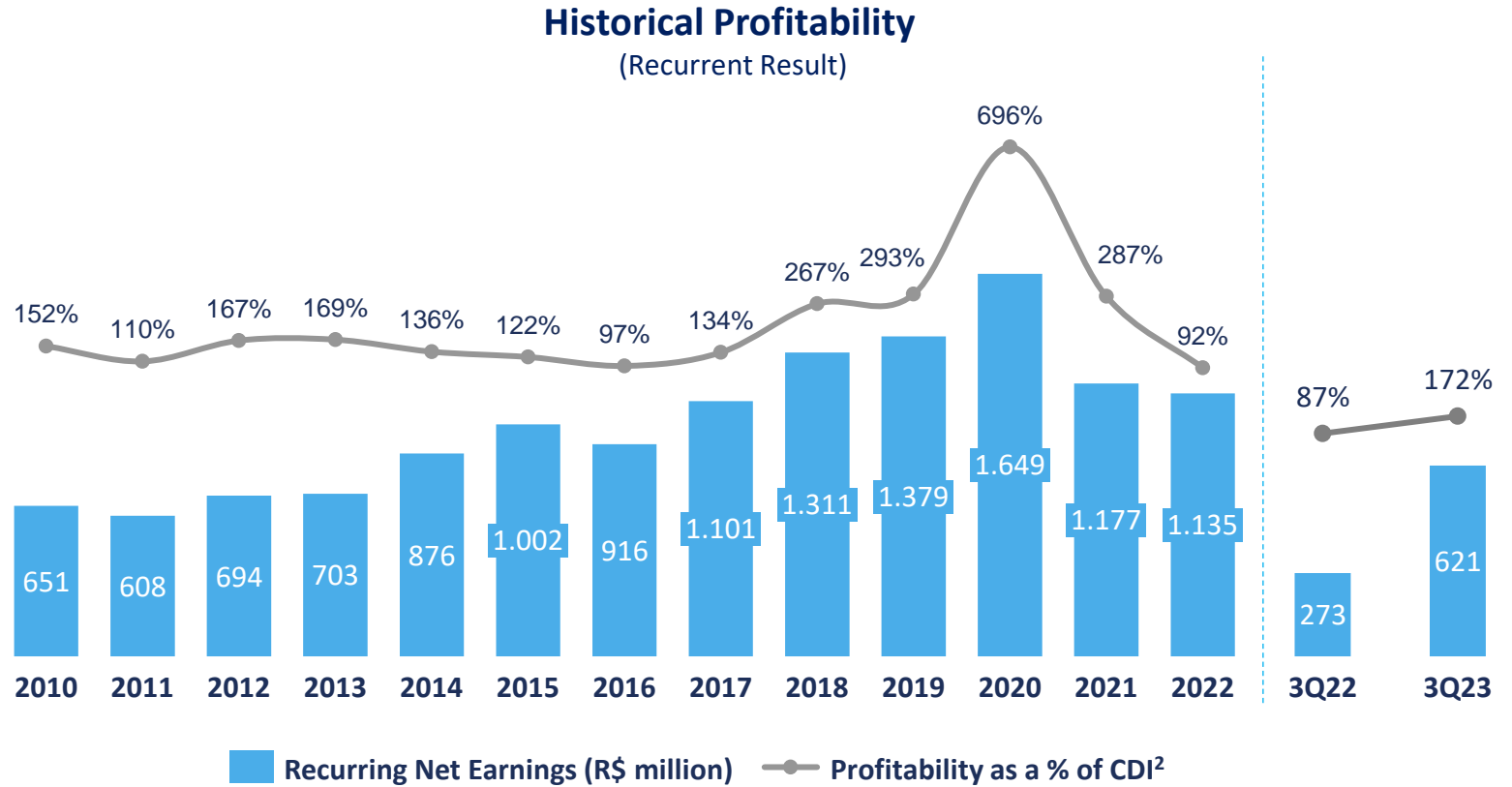
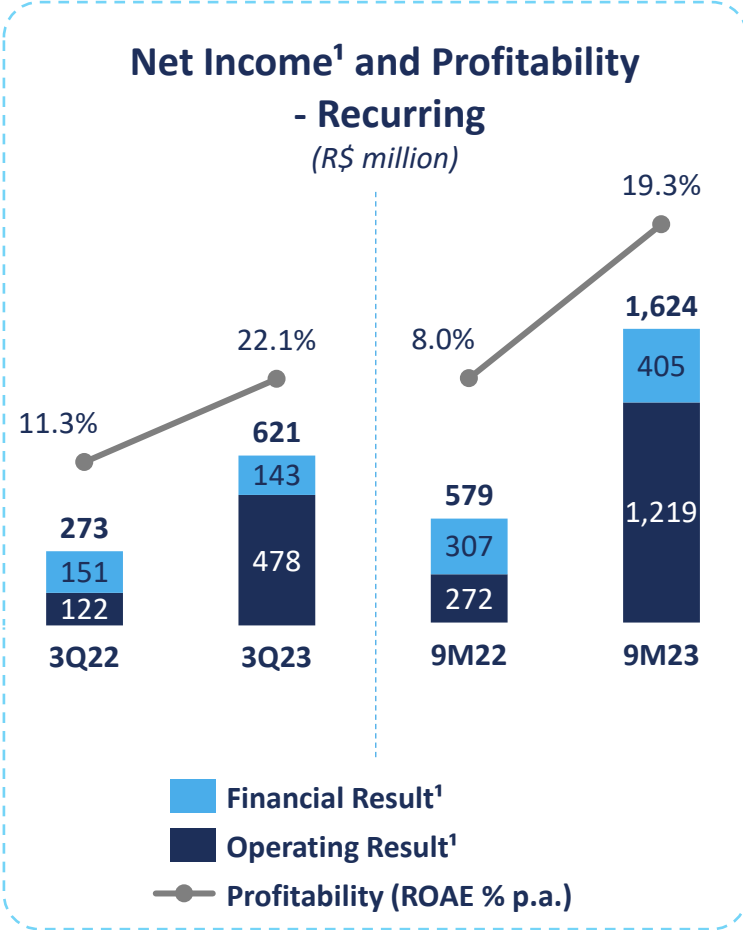
Revenue by Line of Business (R\$ million)



3Q22
3Q23

¹ Includes premiums and contributions from Auto, P&C, Life, Pension, Uruguay and other operating income / ² Consisting of Health Insurance, Dental Insurance, Occupational Health, Portomed and other operating revenues / ³ Includes premiums and income from Credit Card and Financing, Financial Risks, Consortium, Asset Management, Capitalization and other operating revenues / ⁴ Comprising Car Subscription, CDF, Porto Faz, Reppara, Renova and Vehicle Monitoring, among other services, other operating revenues and excluding revenues from Porto Assistência

3Q23 | Quarterly recurring Net Income more than doubled (vs. 3Q22) and ROAE reached a level significantly higher than the basic interest rate



¹ To calculate the financial result, the effective tax rate was applied, while to calculate the operating result, the difference between net income and the net financial result of the effective tax rate was considered
² Calculated by dividing ROAE by CDI
 Source: Porto Seguro, Central Bank of Brazil

3Q23 | Insurance Vertical¹ reached R\$ 5.6 billion in premiums and a loss ratio of 47.0% in the period – the Vertical’s main products recorded growth in premiums and a significant improvement in loss ratio (vs. 3Q22)

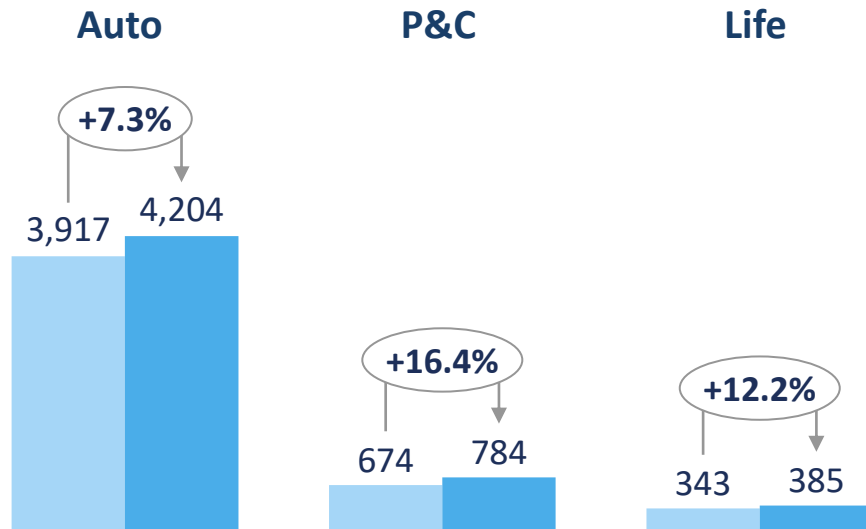
R\$ 5.57 bi
(+8.6% vs. 3Q22)

Insurance Vertical
Premiums

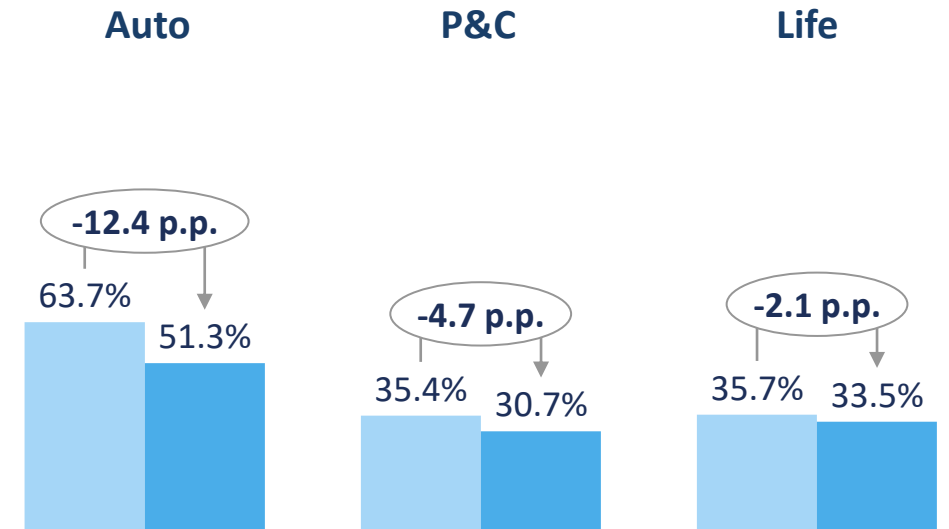
47.0%
(-10.5 p.p. vs. 3Q22)

Insurance Vertical
Loss Ratio

Quarterly Premiums – Main Products
(R\$ million)



Quarterly Loss Ratio – Main Products (%)

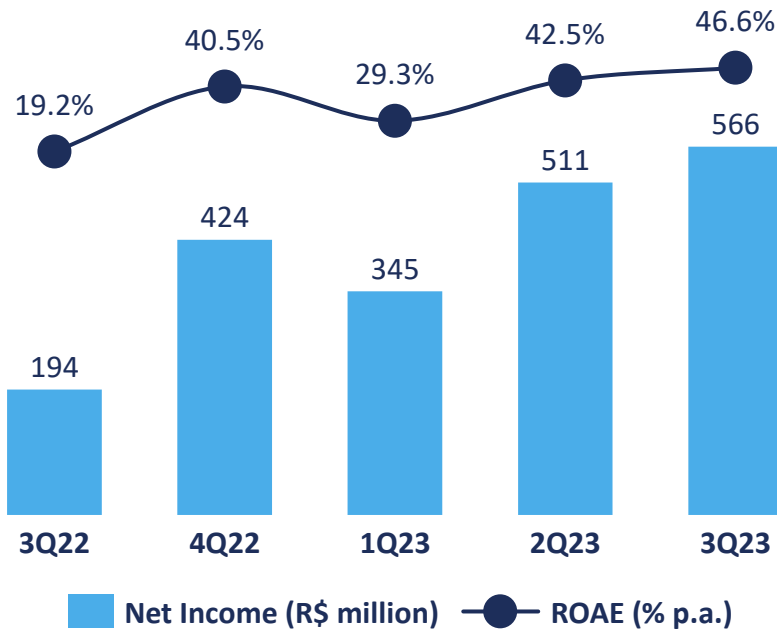


■ 3Q22 ■ 3Q23

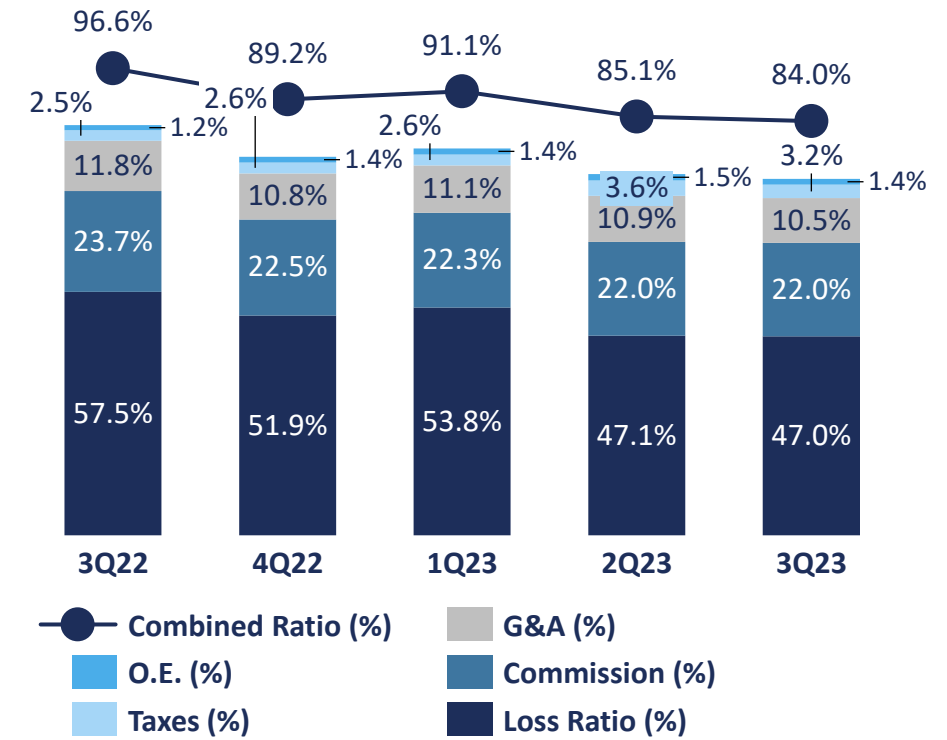
¹ Includes premiums and contributions from Auto, Property and Casualty, Life, Pension and Uruguay

3Q23 | At Porto Seguro Vertical, income in 3Q23 was approximately three times higher than that recorded in the same period of the previous year, while ROAE reached 46.6% in the period (+27.4 p.p. vs. 3Q22), mainly driven from the improvement in the loss ratio for the period

Net Income and Profitability
(R\$ million)



Porto Seguro Combined Ratio

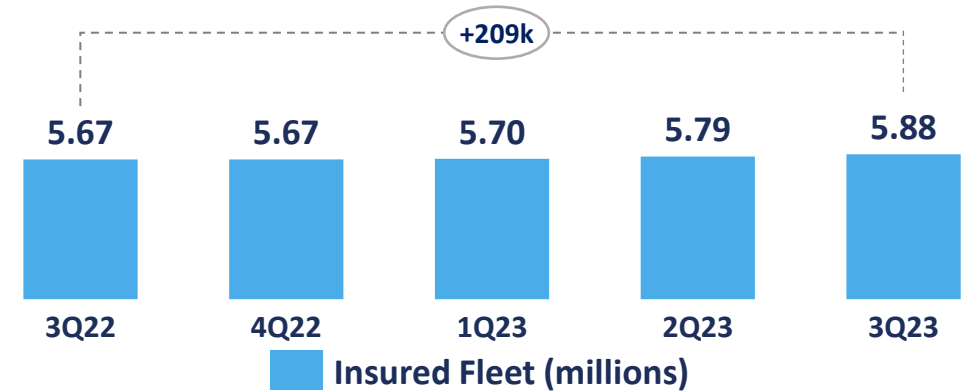


3Q23 | Growth of over 209 thousand vehicles in the insured fleet in the last 12 months and improvement in the Auto loss ratio for the fifth consecutive quarter (-0.4 p.p. vs. 2Q23 and -12.4 p.p. vs. 3Q22)

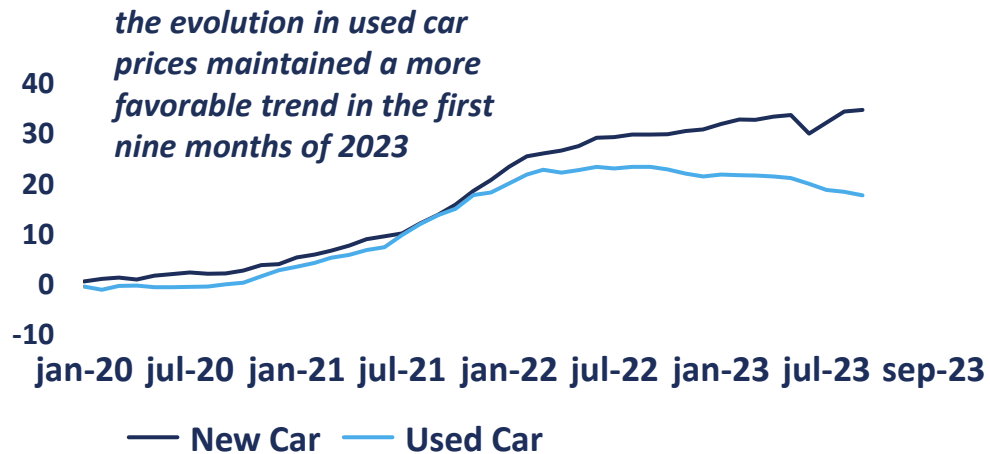
Auto Highlights

- Double-digit premium growth (+13.8% vs. 9M22)
- Increase of 209 thousand vehicles in the insured fleet (vs. 3Q22)
- Major improvement in the loss ratio (51.3%; -12.4 p.p. vs. 3Q22)

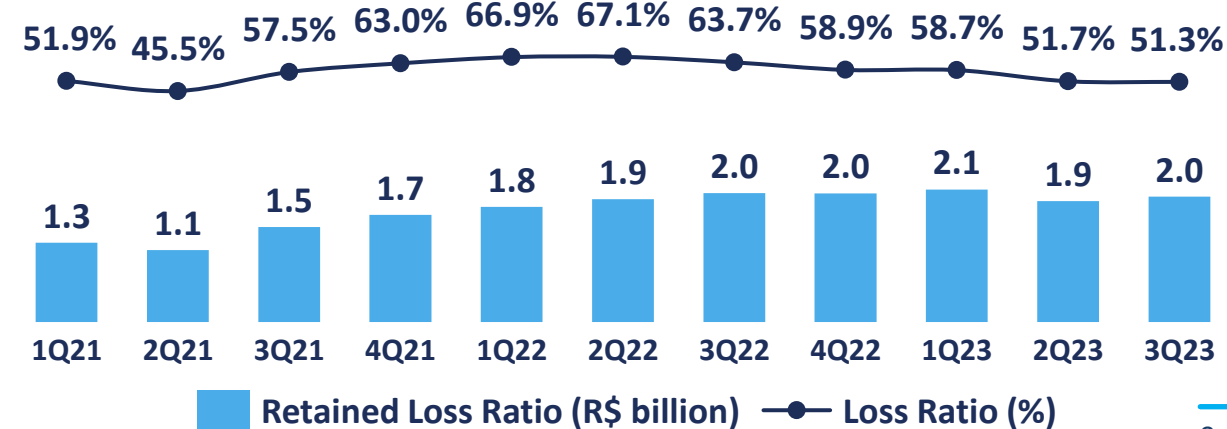
Insured Fleet Evolution



Increase (%) in New and Used Car Prices¹



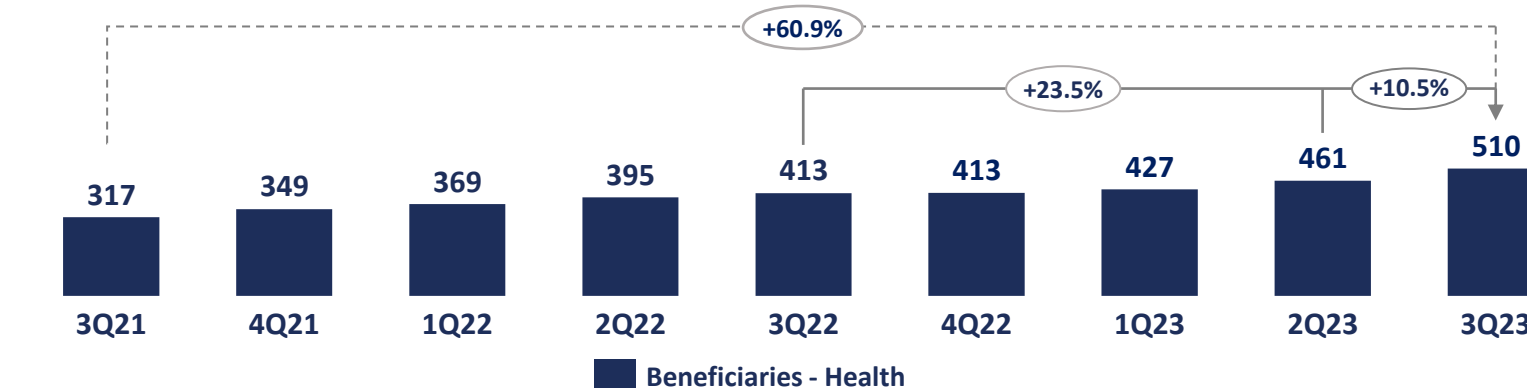
Auto Loss Ratio - Porto Group



3Q23 | Porto Saúde recorded consistent results in the quarter, reaching: Revenues and Premiums of R\$ 1.2 billion (+38.5% vs. 3Q22) and 510 thousand lives in health insurance (+23.5% vs. 3Q22)

Members - Health Insurance

In thousand



+97 K
(+23.5% vs. 3Q22)

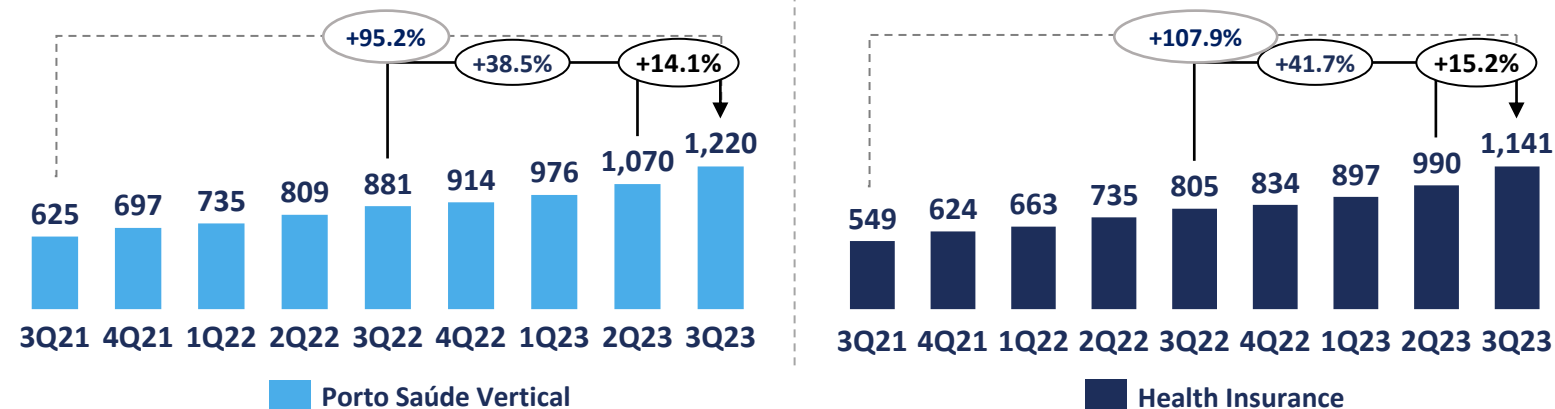
Lives in Health Insurance

R\$ 1.2 bi
(+38.5% vs. 3Q22)

Total Vertical Health Premiums and Revenues in 3Q23

Premiums and Revenue – Porto Saúde Vertical and Health Insurance

In R\$ MN

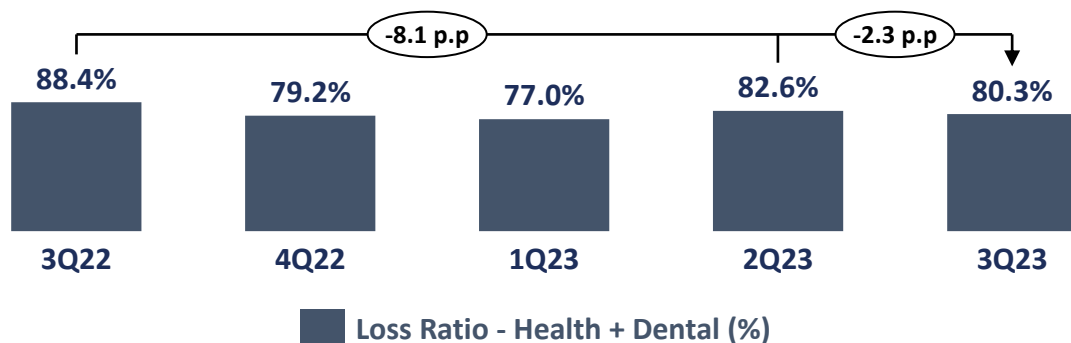


R\$ 37.5 MN

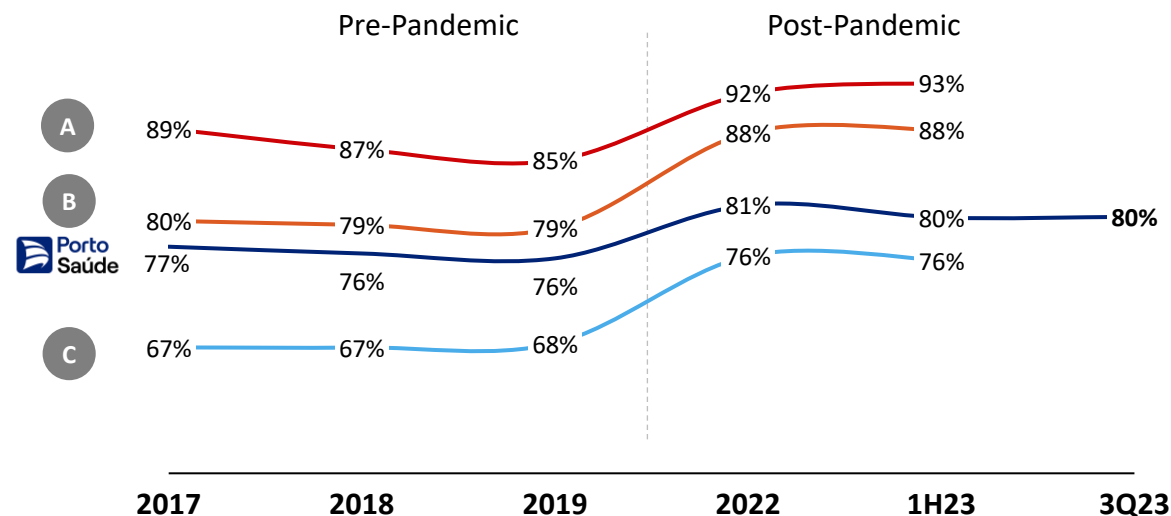
Net Income in 3Q23

3Q23 | The Health + Dental Insurance loss ratio in 3Q23 was 80.3%, showing an improvement of 8.1 p.p. compared to 3Q22 and 2.3 p.p. compared to the immediately previous quarter

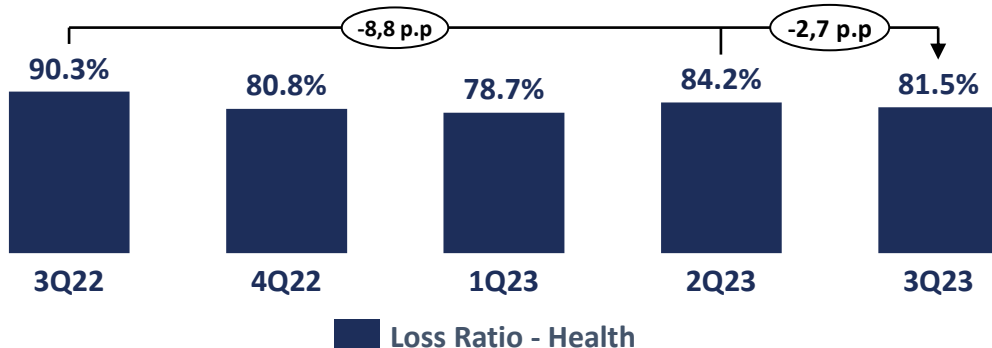
Health Loss Ratio + Dental and Health Insurance



Loss Ratio – Comparison with the market⁽¹⁾



Porto Saúde returns to loss ratio similar to pre-pandemic levels with loss ratio of approximately 80%, that is, faster than the market average.

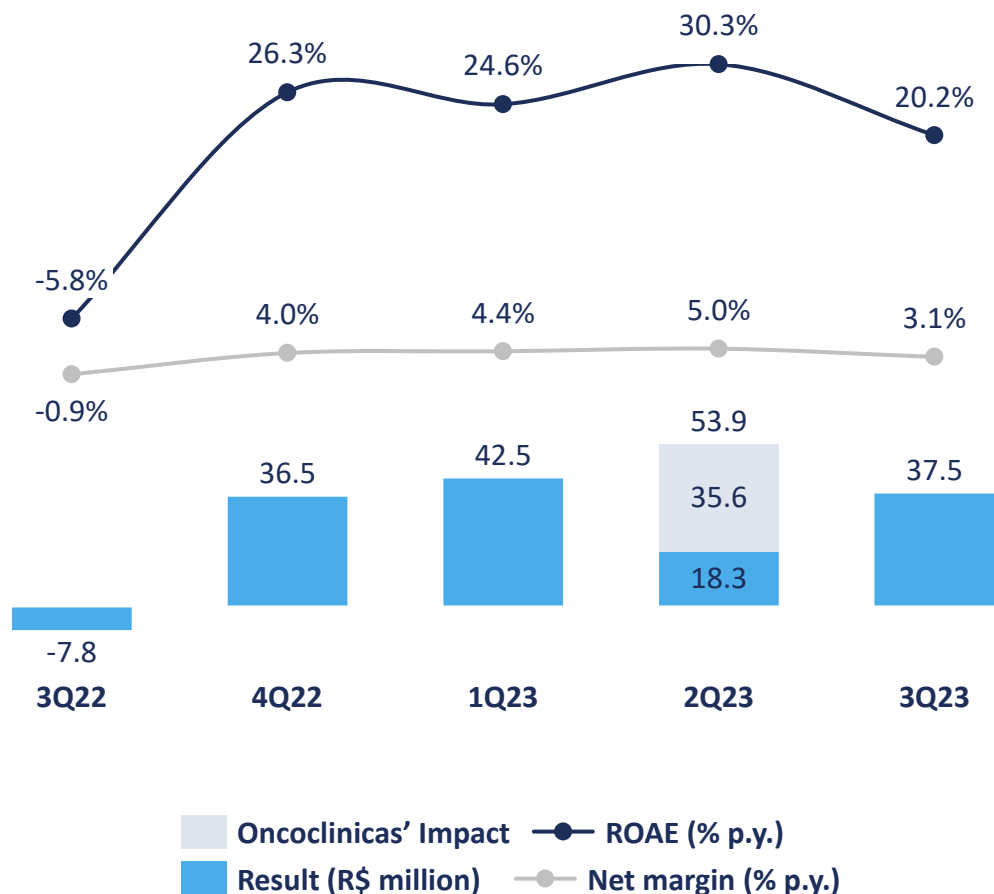


(1) Data disclosed in the companies' IRs or the regulator's website, when applicable. Loss rate considers variation in Incurred But Not Reported Provision, SUS Provision and other non-cash items. In the case of quarterly information not disclosed in IR, the value considers the available quarters. In case of consolidation of companies, claims calculated retroactively, using Health + Dental composition, when disclosed on a consolidated basis.

3Q23 | Vertical Saúde achieved a profit of R\$ 37.5 million in a challenging quarter, maintaining a positive ROAE of 20.2%. Accumulated recurring profit for 2023 reached R\$ 98.3 million, already exceeding the profit for 2022 (R\$ 86 million)

Result and Profitability – Porto Saúde

In R\$ MN; %



Vertical Saúde achieved a profit of R\$37.5 million in a challenging quarter (reversing a 7.8mm loss from 3Q22), and maintaining a positive ROAE of 20.2%.

Year-to-date, Vertical Saúde continues to post positive profitability of R\$ 133.9 million with ROAE of 24.1%.

The accumulated recurring profit for 2023 reached R\$98.3 million, already exceeding the profit for 2022 (R\$ 86 million).

3Q23 | In the quarter, we observed an improvement in the result, with revenue growth and positive impacts of risk management actions on the credit portfolio

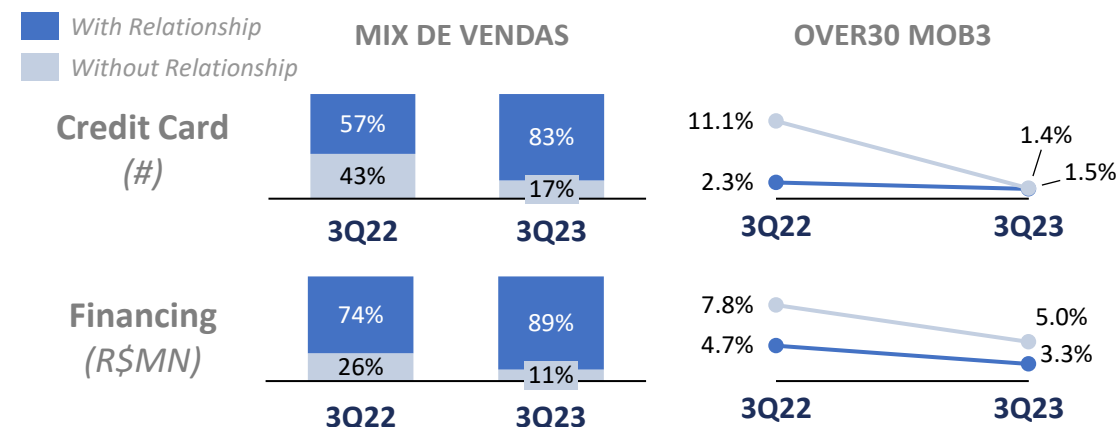
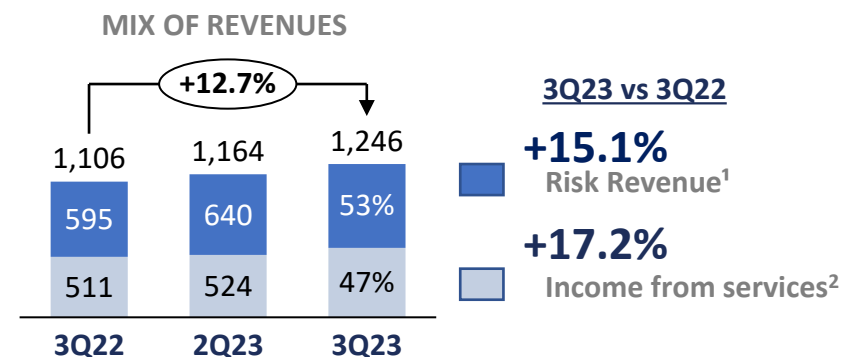


Notes: (1) Revenue considers premium issued for Landlord Protection and guarantee.

3Q23 | Our growth strategy, for accumulation products, continues to explore the potential of our addressable market and, for credit products, we continue to prioritize an audience with a relationship with the company

SALES EXPANSION

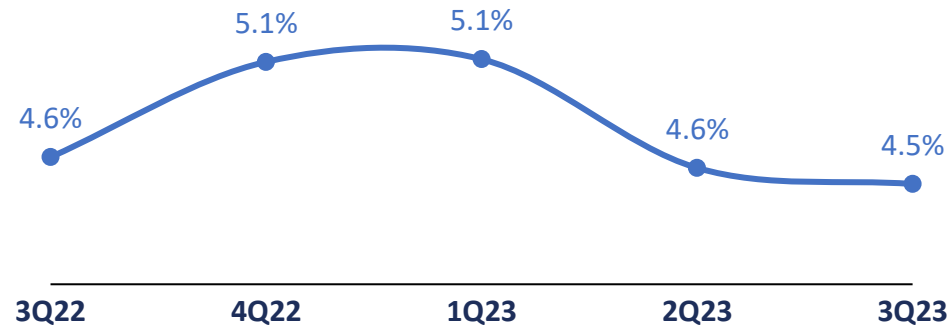
		<u>Δ YoY</u>	<u>3Q23</u>	<u>3Q22</u>
ACCUMULATION	Consortium (R\$ MN)	▲ +156%	12,861	5,029
	Capitalization (R\$ MN)	▲ +22.2%	312.4	255.6
CREDIT	Landlord Protection (R\$ MN)	▲ +8.3%	204.8	189.1
	Credit Card (#)	▼ -33.8%	179K	270.6K
	With Relationship	▼ -4.5%	148K	155K
	Without Relationship	▼ -73.3%	31K	116K
	Financing (R\$ MN)	▼ -16.5%	372.5	446.1

SALES MIX AND RISK BY RELATIONSHIP

DIVERSIFICATION OF INCOME


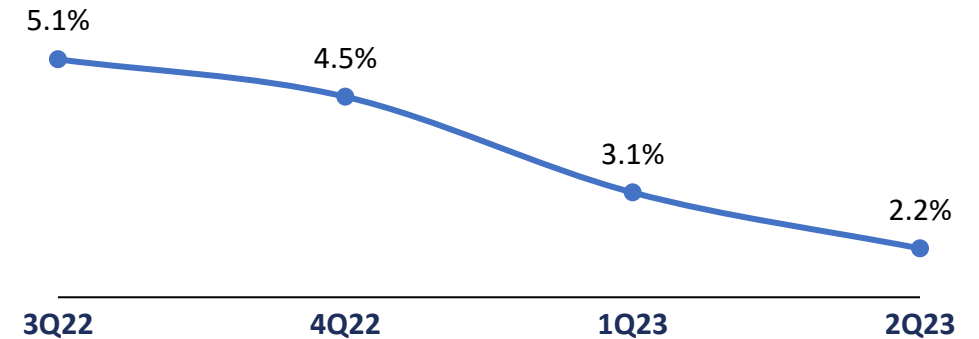
Notes: (1) Risk Revenue = award premium, revolving income, invoice installment, fine and arrears, financial investment, financial expense
 (2) Income from services = annual fee and credit card interchange, financing registration fee, consortium administration fee and capitalization

3Q23 | We observed the stabilization of NPL in this quarter, with new cycles demonstrating consistent credit quality, which contributes to the continued sustainable growth of the portfolio

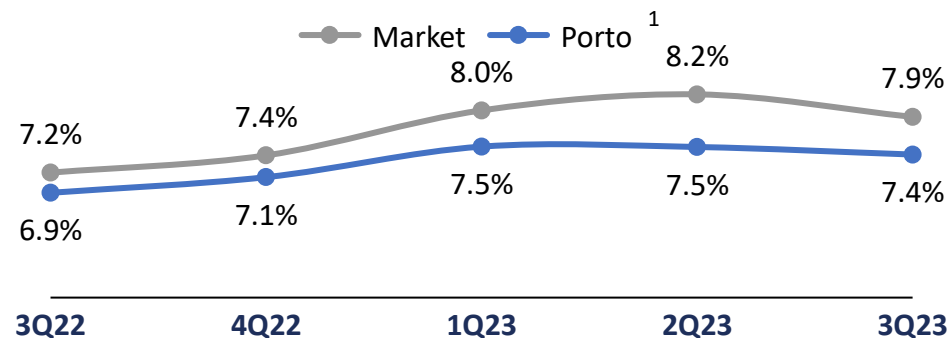
DELIQUENCY 15 TO 90 DAYS
(% of portfolio overdue from 15 to 90 days)



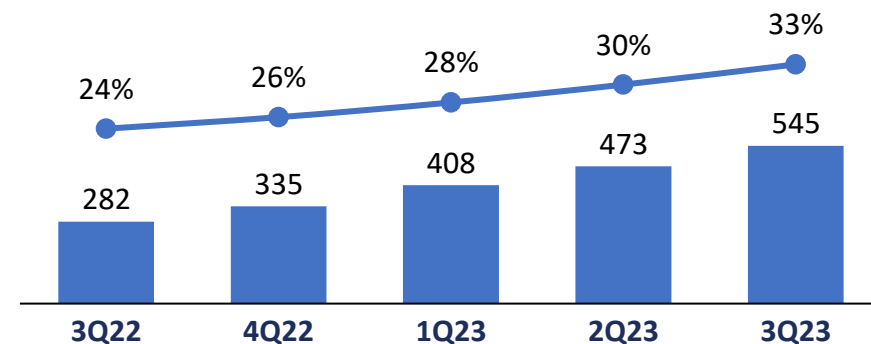
OVER30 MOB3



DELIQUENCY OVER 90 DAYS
(% of portfolio overdue over 90 days)



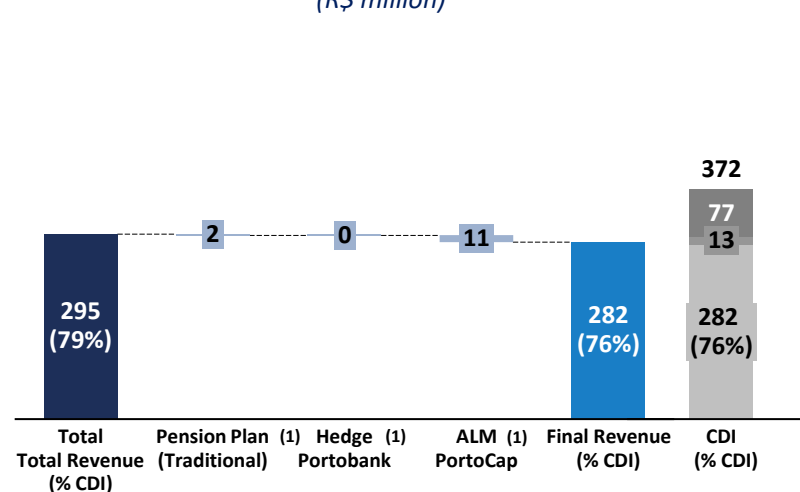
RENEGOTIATED PORTFOLIO (R\$MN)
(Renegotiated Portfolio / Delayed Portfolio - %)



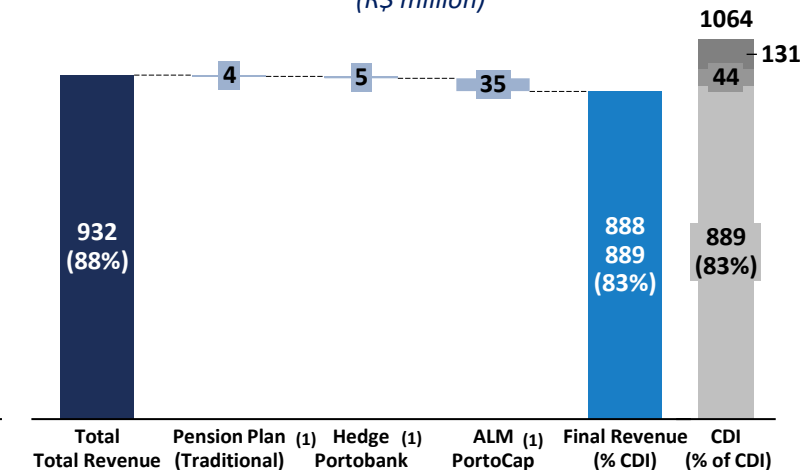
Note: (1) BACEN, weighted by the company's portfolio

3Q23 | Revenue from the financial investment portfolio (ex-Pension plans), managed by the treasury, was R\$ 295.2 million, which represents a yield of 2.55% in the quarter (79.4% of CDI)

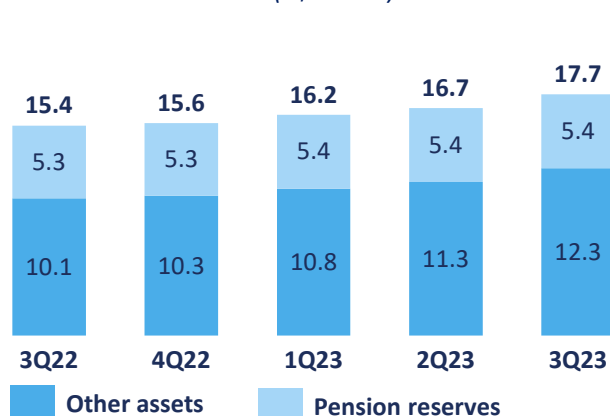
Breakdown of Nominal Portfolio – 3Q23
(R\$ million)



Breakdown of Nominal Portfolio – 9M23
(R\$ million)



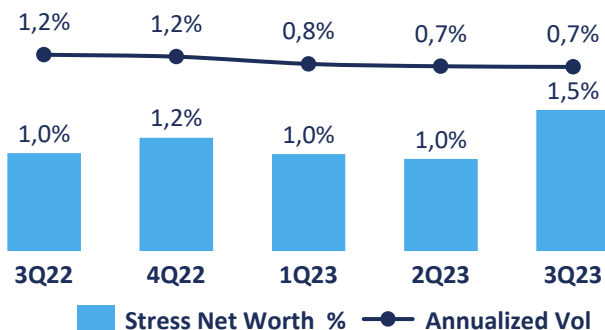
Investment portfolio
(R\$ billion)



Revenue and Profitability vs. CDI (ex. pension plans)

Revenue and Profitability vs. CDI (ex. pension plans)	3Q23	3Q22	Δ%	2Q23	Δ%	9M23	9M22	Δ%
Revenue from Financial Investments including ALM (R\$ million)	282.2	203.9	78.3	326.7	(44.5)	888.5	561.6	326.9
Revenue vs. CDI (R\$ Million)	(89.6)	(126.0)	36.4	(13.1)	(76.5)	(175.6)	(262.2)	86.6
CDI Return (%)	3.2%	3.3%	-	3.2%	-	9.9%	6.0%	-
Return on Porto Investments (%)	2.4%	2.1%	-	3.0%	-	8.3%	8.9%	-
Profitability of Investments as a % of CDI	75.8%	61.9%	-	96.2%	-	83.2%	67.6%	-

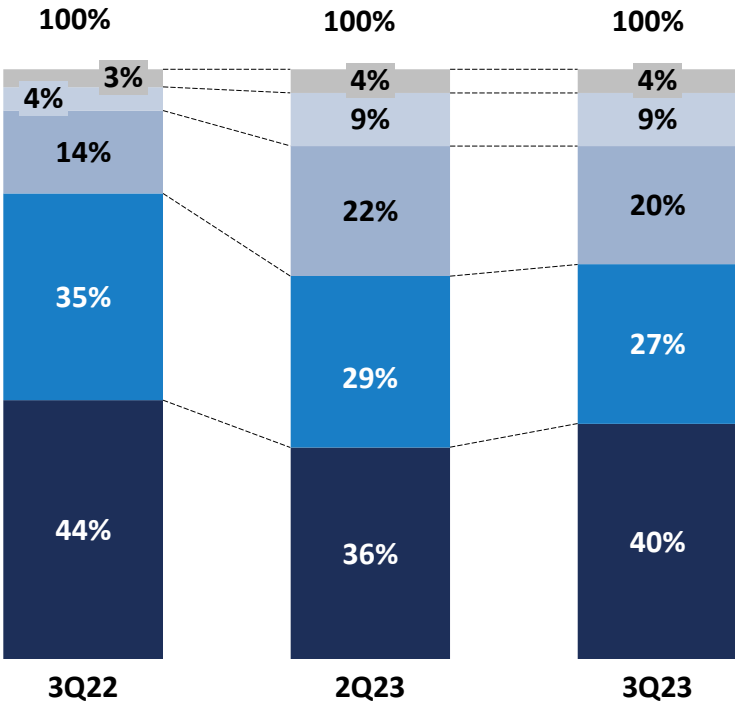
Risk indicators of Investment Portfolio



(1) Result generated on funds invested by the Company to mitigate the mismatch between assets and liabilities (ALM) of Traditional Pension operations (product whose sale was discontinued), Credit Operations (Porto Bank) and Capitalization (PortoCap).

3Q23 | The profitability in 3Q23 lower than the CDI is mainly explained by the maintenance of inflation-linked securities, while allocations in private credit securities contributed positively

Breakdown and profitability of Investment Portfolio



Return by Asset Class

	Benchmark	3Q23	2Q23	3Q22
Shares	IBOVESPA	-1.3%	15.9%	11.7%
Credit	JGP Index-CDI ¹⁾	5.0%	3.9%	3.8%
Floating rate				
Nominal interest ²⁾				
Actual interest ³⁾	Accumulated IPCA	0.6%	0.8%	-1.3%

1) Ratio that aims to reflect the price variation in the local DI Debentures market.
 2) Allocation mostly marked on the curve.
 3) Allocation mostly marked to market.

GREAT PLACE TO WORK 2023

Anyone who has a relationship with Porto knows that we are a passionate team, who is truly committed. The result of this is that, for the second year consecutively, we are among the 10 Best Companies to Work for in the Great Place To Work® Brazil ranking, in the Largest Companies category.

The mentioned recognition comes from the opinion of our own employees, and this is only possible since they all recognize and experience all our care, everyday, regardless of their time with us.

SUSTAINABLE DISPOSAL IN P&C

Porto designed and created the Sustainable Disposal project, which aims to appropriately dispose of electronic waste generated by our policyholders through a claim or disused materials, contributing to SDG 12 (Sustainable Development Goal) of conscious consumption.

From November 2022 to September 2023, Porto has already adequately disposed of 4.2 tons of this type of waste, accounting for approximately 765 electronic items collected and over 400 visits to policyholders.

Transforming this information into environmental impact, according to our partner in this project, we helped preserving 18,728.61 L of water, saving 22,219.29 KWh and stopped emitting 6.01 tons of carbon dioxide equivalent.

SUSTAINABILITY SEASON

Our learning processes through communication expand the dissemination of content such as: the means for active participation in improving the environment, guidelines on selective collection, good printing practices and electronics disposal, totaling around 1,723 within the scope of participation.

In the branches, as a way of increasing team engagement, “sustainability pills”, which are virtual meetings on the topic, are currently open to the general participation of employees in Brazil - in addition to our focal point of initiatives, the socio-environmental agents. As a result, the third pill carried out during this period recorded an increase of +355% (310 participants) compared to the last one (68 participants), thus advancing the educational process.





Earnings Release Conference Call 3Q23

11/10/2023

QUESTIONS AND ANSWERS

 **Porto Seguro SA**

PORTO SEGURO IR TEAM

Domingos Falavina - Investor Relations Officer

Aleksandro Borges - Manager

Rodolfo Silva - Consultant

Nelson Albertin - Analyst

Gustavo Scarnera - Analyst

CONTACT

Alameda Barão de Piracicaba, 740 – 11th Floor - São Paulo, SP

<https://ri.portoseguro.com.br>

gri@portoseguro.com.br



 **Porto Seguro SA**