



# Corporate **Presentation**

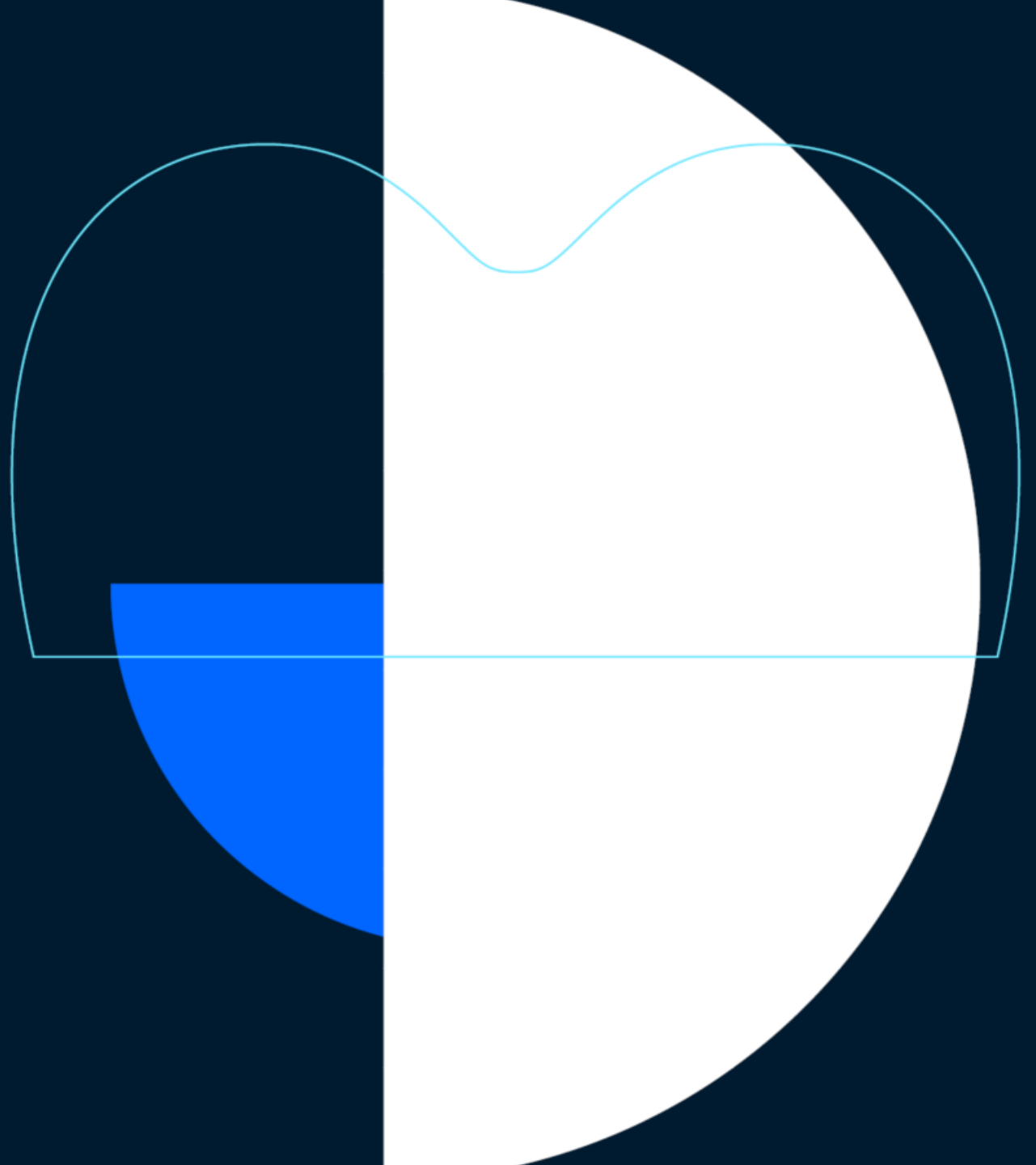
## **August/23**

New growth cycle and value innovation



# Index

- 1 About Odontoprev
- 2 Dental benefits: an incipient sector in Brazil
- 3 Inside Odontoprev: strategic competitive advantages
- 4 Financial and Operational Performance
- 5 Capital Markets



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About **Odontoprev**

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# About Odontoprev

Odontoprev, listed in São Paulo since 2006, is the leading dental benefits provider in Latin America, with more than 8 million beneficiaries. The dentist network is specialized, with an accredited network of 28 thousand professionals. The Company is a member of the Novo Mercado at B3, a constituent of the Bloomberg Gender-Equality-Index (GEI) 2023, with investors from more than 30 countries.

# Odontoprev's unique opportunity



- ✓ Largest dental benefits company in Latin America. 8.3 million clients;
- ✓ Asset-light model, proprietary dental IT platform and exclusive distribution channels;
- ✓ Zero debt, negative working capital needs, low capex requirements. Net cash position;
- ✓ Investor friendly capital allocation, recurrent cash dividends, high payout practice;
- ✓ Chairman # CEO, professional management team since foundation.
- ✓ 1 share = 1 vote. 100% tag-along rights.

# Net revenues. adjusted EBITDA and net income evolution since IPO

2006 – MAR23 CAGR



Net revenues

16%  
p.y.

Adjusted EBITDA

17%  
p.y.

Net income

23%  
p.y.

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# Dental **benefits**

an incipient sector in  
Brazil

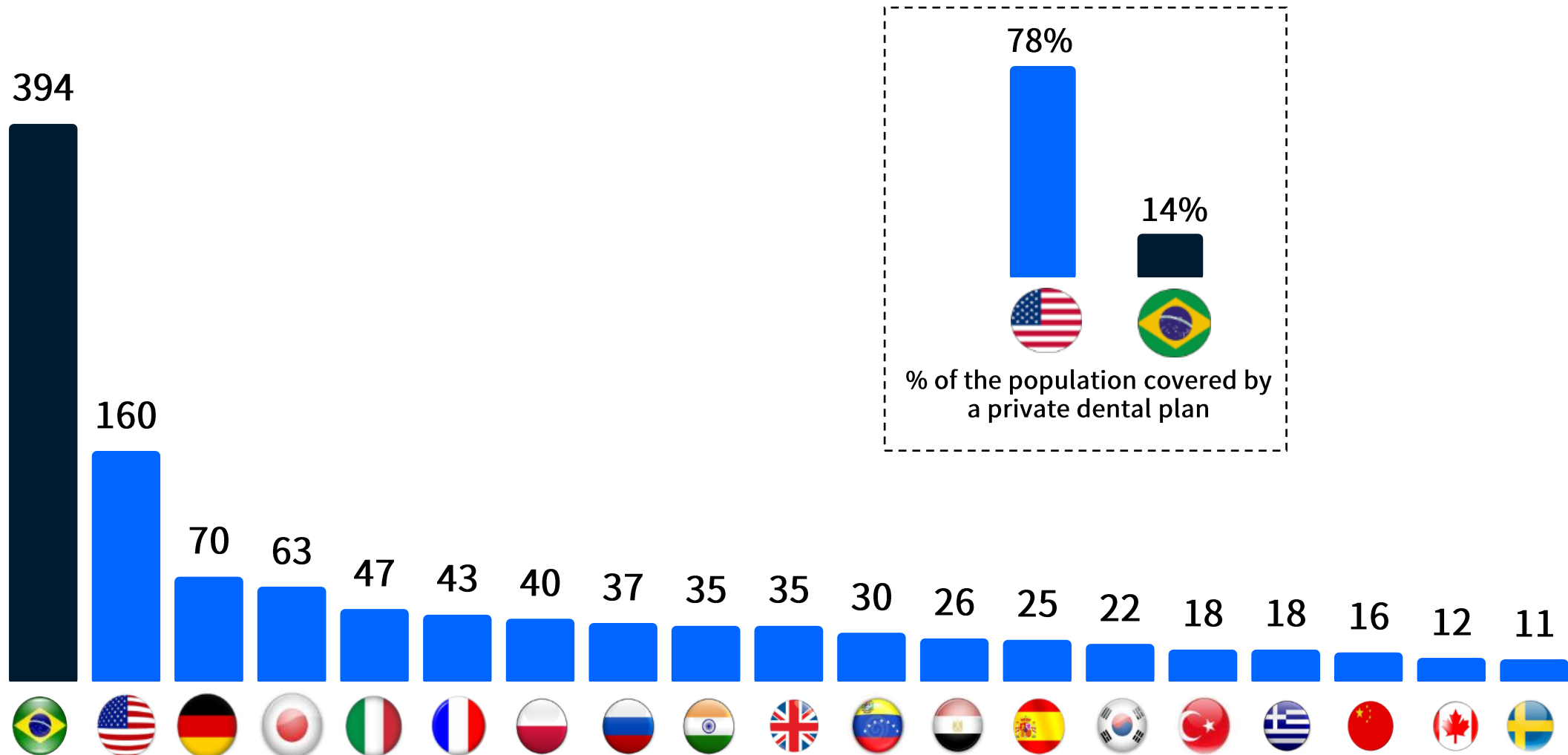
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# Brazil leads the global ranking of dentists

Number of dentists per country (thousand)



Source: FDI World Dental Federation – The Oral Health Atlas 2009. Federal Council of Dentistry– Brazil (October 2022) and Eurostat 2015-2016

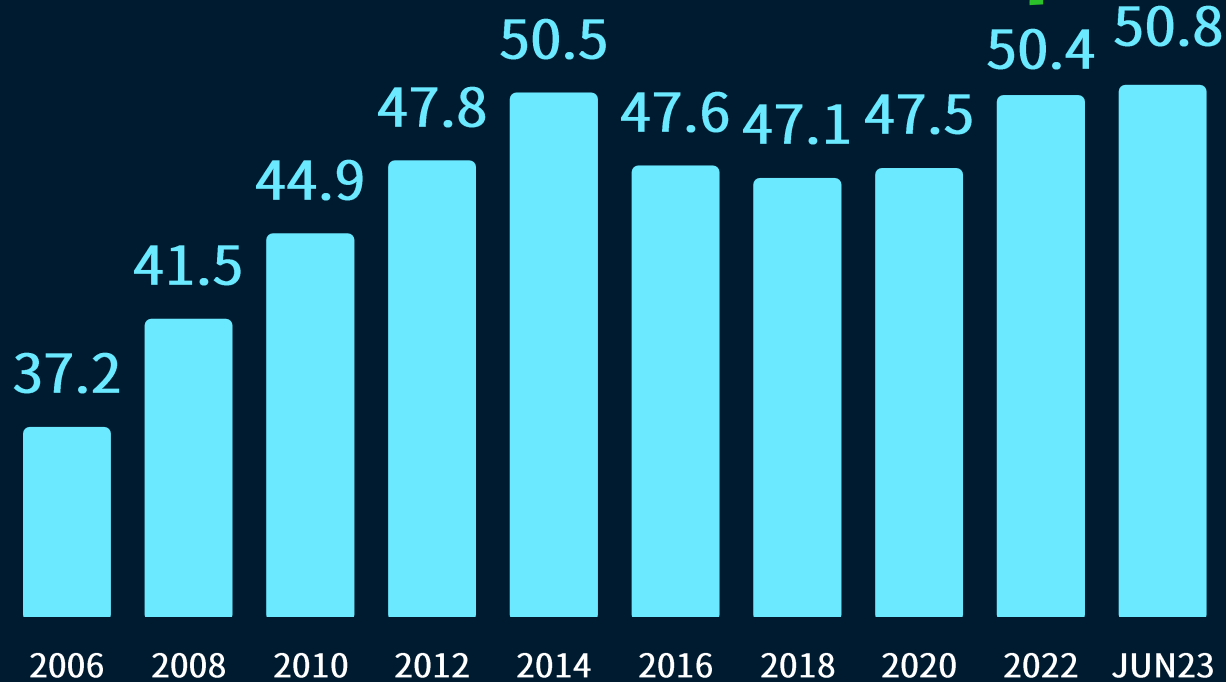
# Brazil: medical and dental plans membership growth



Million members

## Medical plans

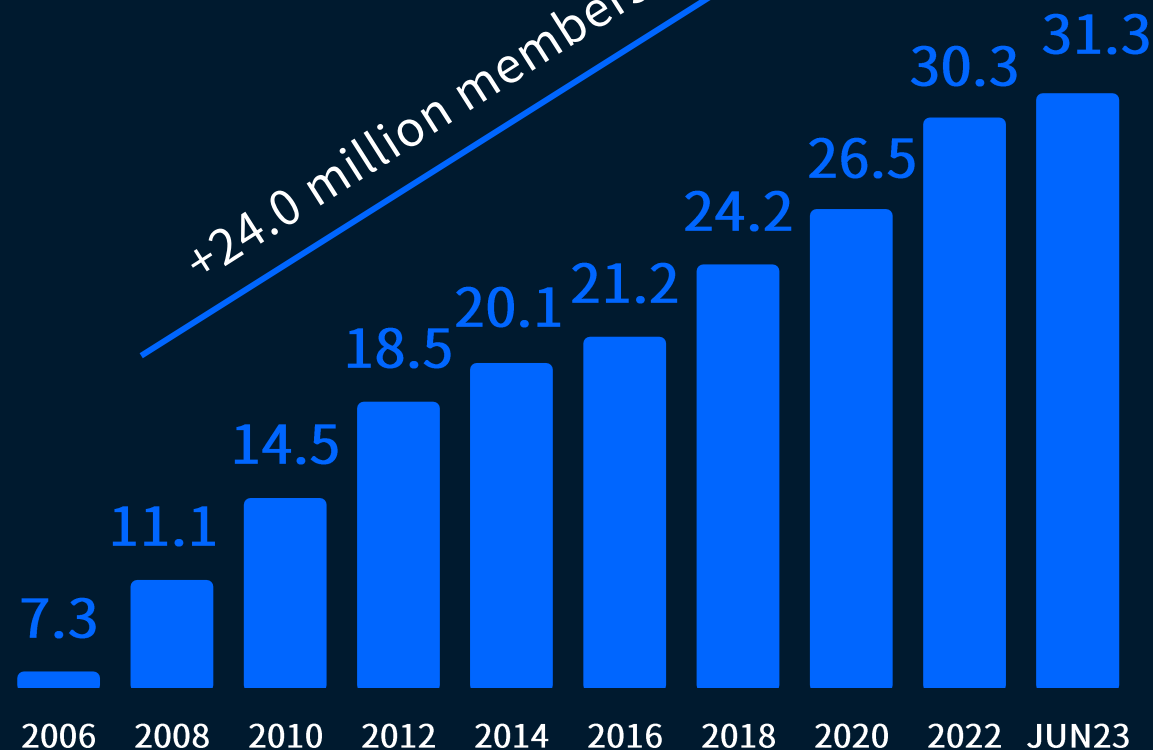
+362  
thousand  
members



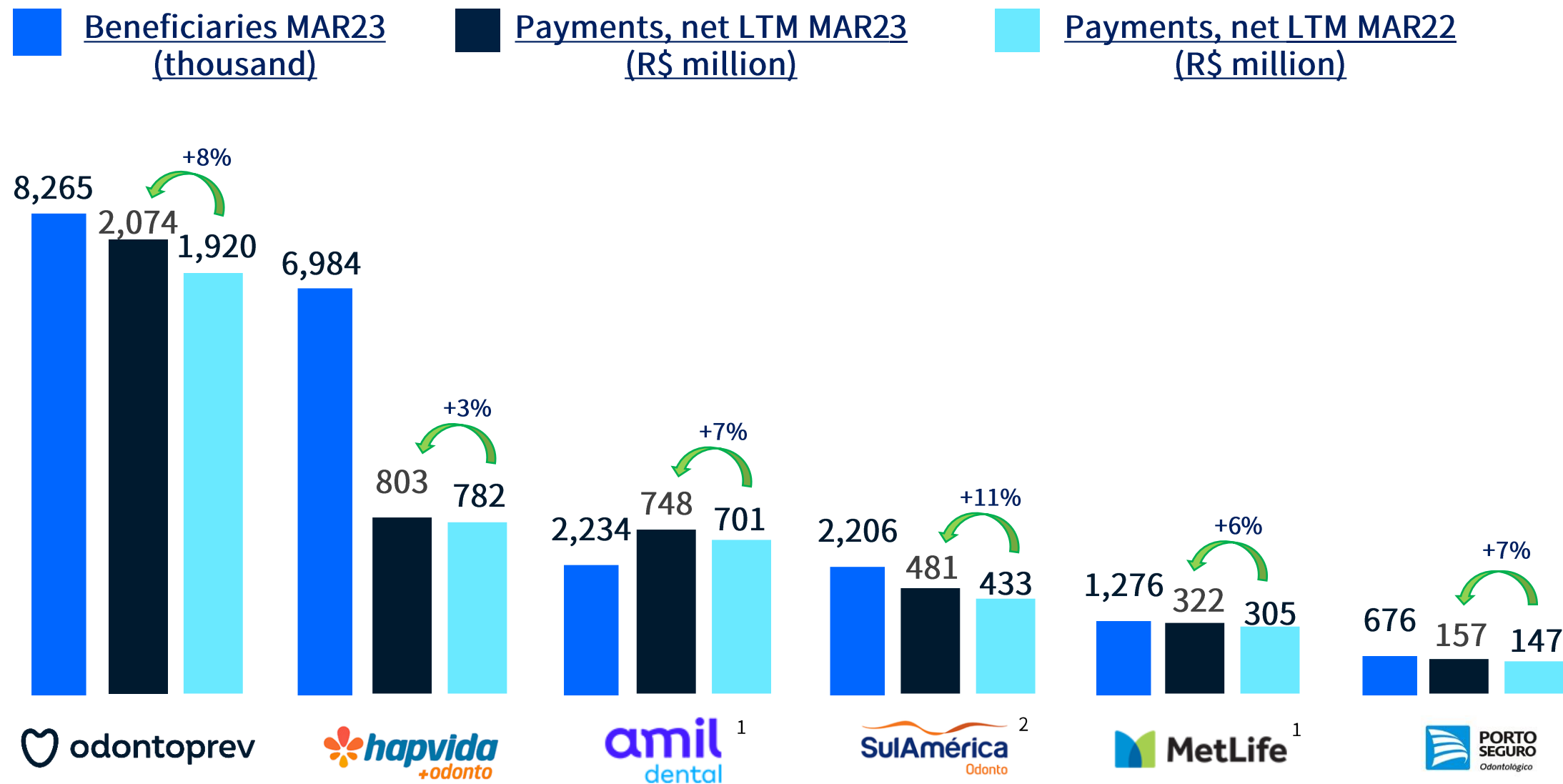
## Dental plans

+24.0 million members

+1,016  
thousand  
members



# Key dental care players, by number beneficiaries and payments, net

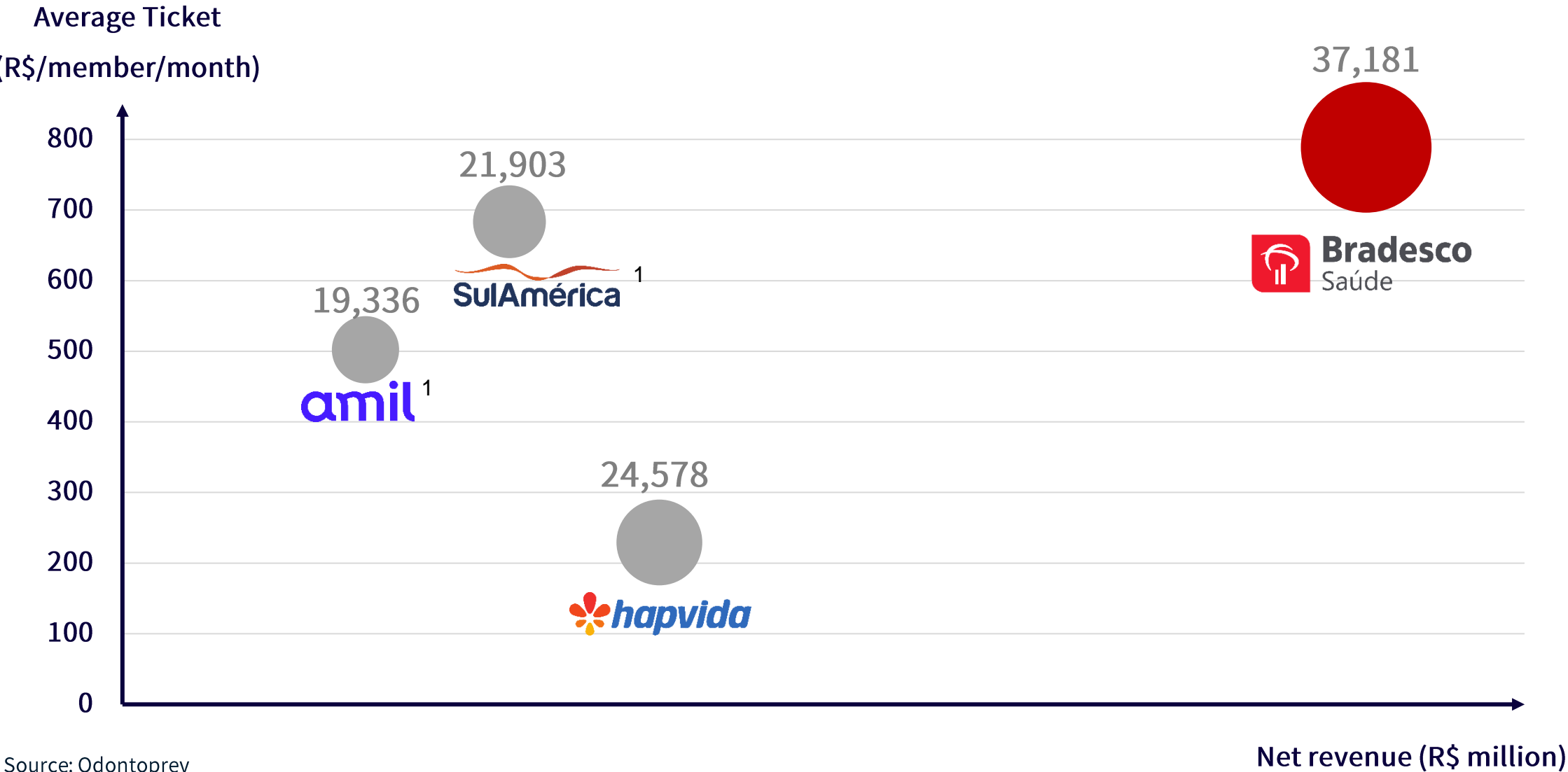


Source: Odontoprev and ANS<sup>1</sup>

<sup>2</sup> Consider 4Q22 and 1Q23 ANS

# APR22-MAR23 Medical players net revenue and average ticket

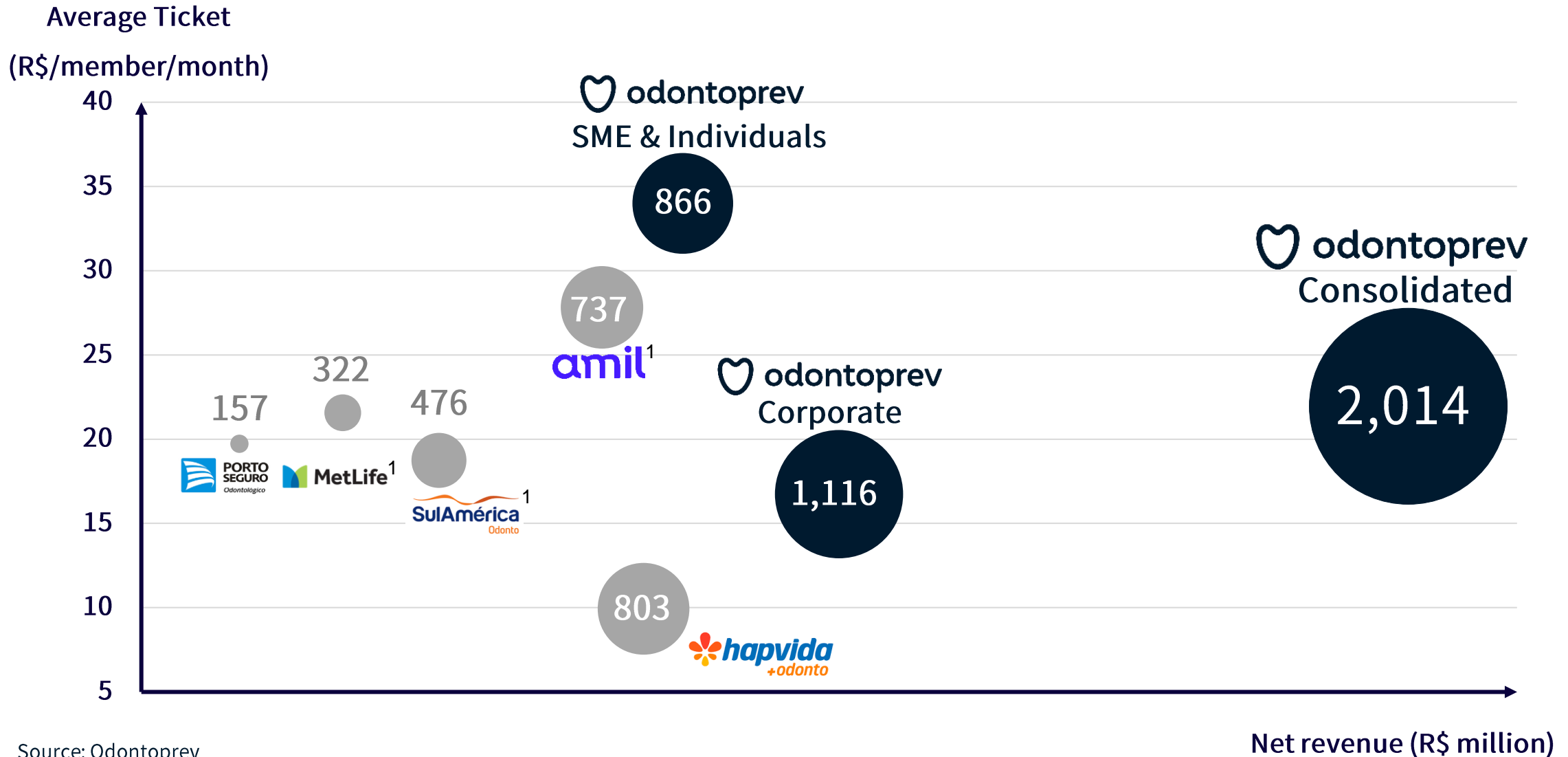
R\$ million



Source: Odontoprev  
<sup>1</sup>2022 ANS

# Dental plans: net revenue and average ticket profile

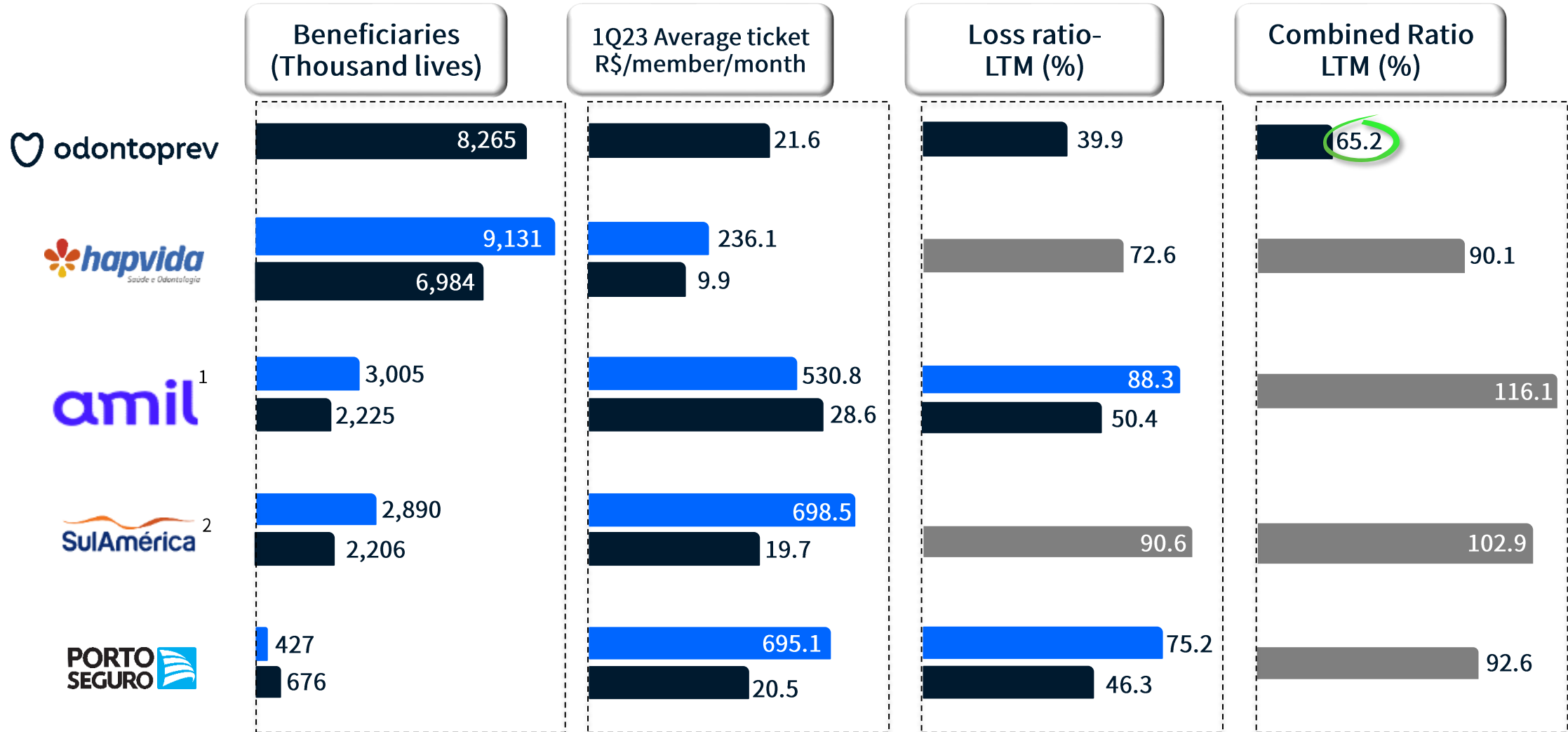
R\$ million - APR22-MAR23



Source: Odontoprev  
1 2022 ANS



# Key metrics of peer companies, APR22-MAR23




Source: Odontoprev and ANS  
<sup>1</sup> ANS: Beneficiaries 1Q23 | Other metrics 2022  
<sup>2</sup> Beneficiaries 1Q23 | Other metrics ANS 2022

■ Dental ■ Medical ■ Consolidated

Combined Ratio: cost of services + SG&A as % NOR



## Odontoprev competitive advantages X listed peers

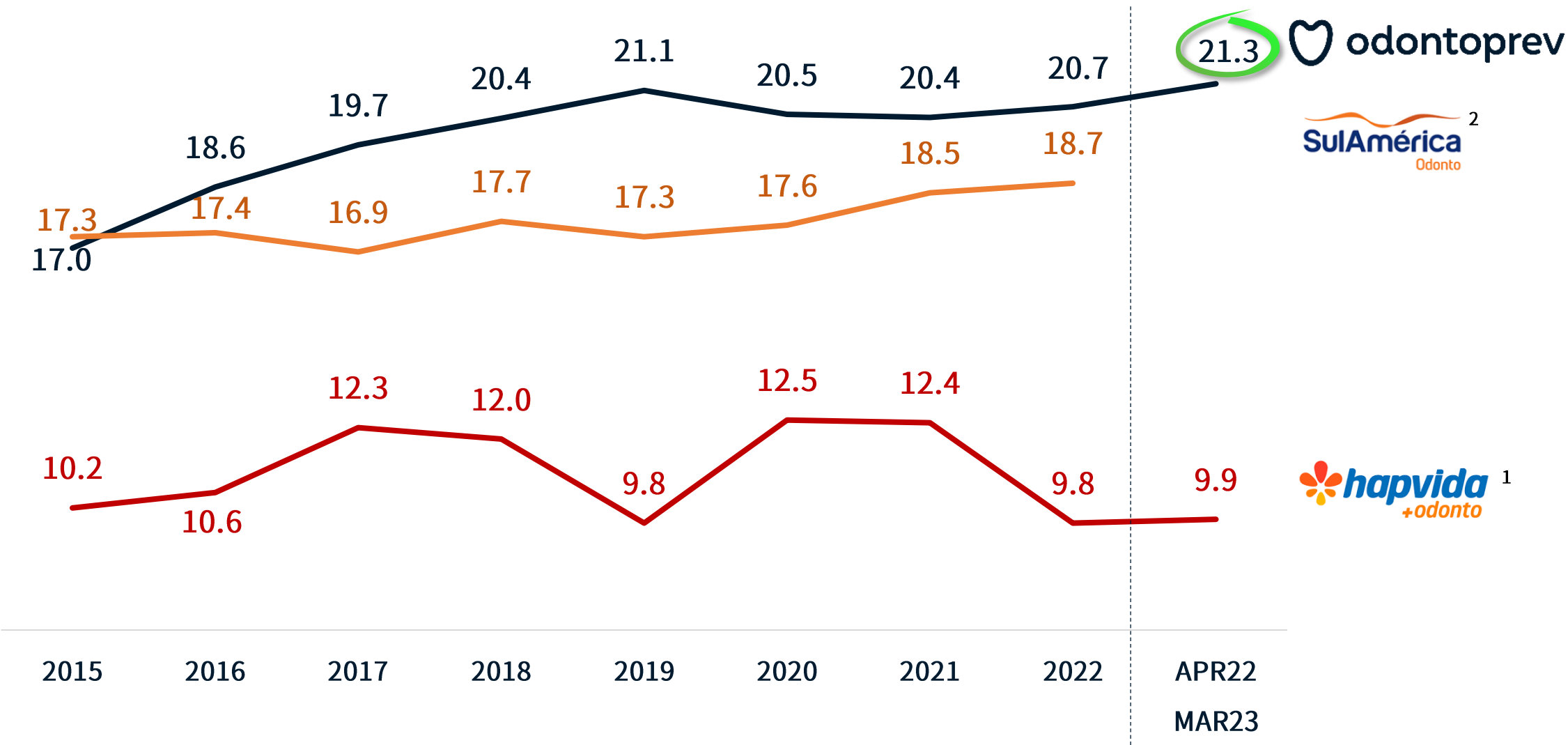
	 odontoprev	Peers
Dental focus	Yes	No
Strategy	Value driven	Volume/Cross-sell
Membership market-share	27%	73%
Revenue market-share	31%	69%
Dental as % of revenues	100%	<2%
1Q23 Average Ticket (R\$/member/month)	22	12 <sup>1</sup>

<sup>1</sup>4Q22

# Pricing power due to quality and better product mix



R\$/member/month



<sup>2</sup>

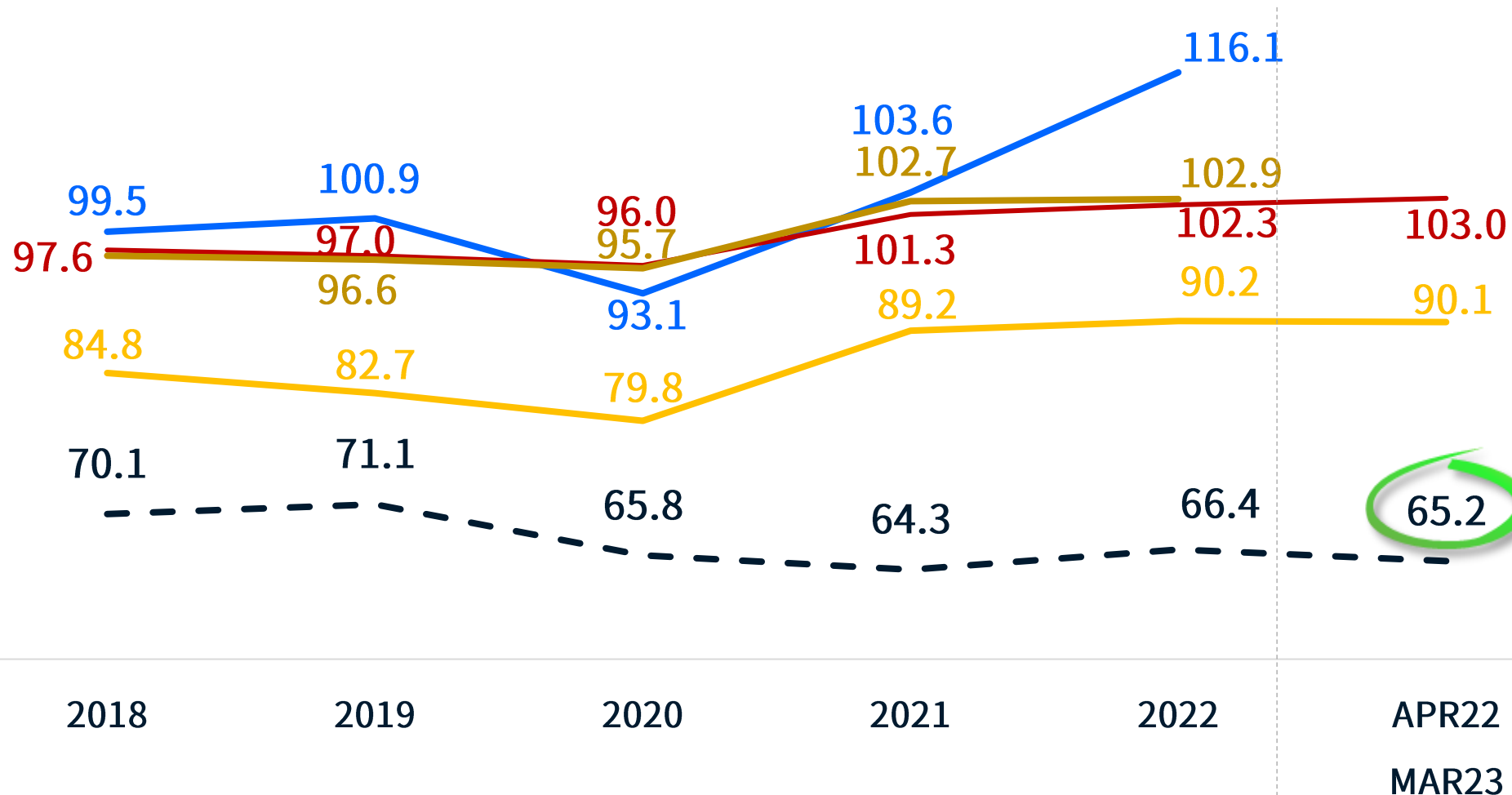
<sup>1</sup>

Source: Odontoprev

<sup>1</sup> Includes Interodonto since 2022; <sup>2</sup> ANS data since 2022

# Best-in-class cost structure implies superior returns

Combined Ratio: cost of services + SG&A as % NOR



amil<sup>1</sup>

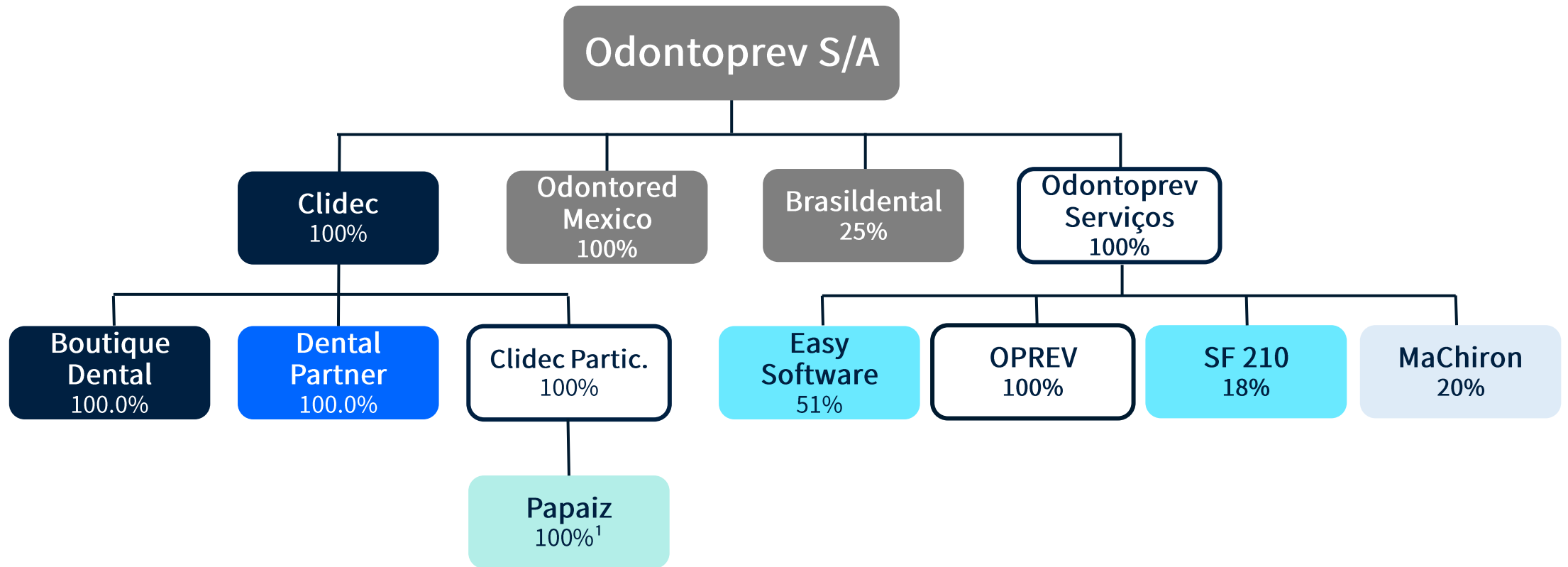
SulAmérica<sup>2</sup>

bradesco  
saúde

hapvida

odontoprev

# Focus on the dental value chain



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# Strategic **competitive advantages**

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# Key metrics since the 2006 IPO

2006 to MAR23 CAGR

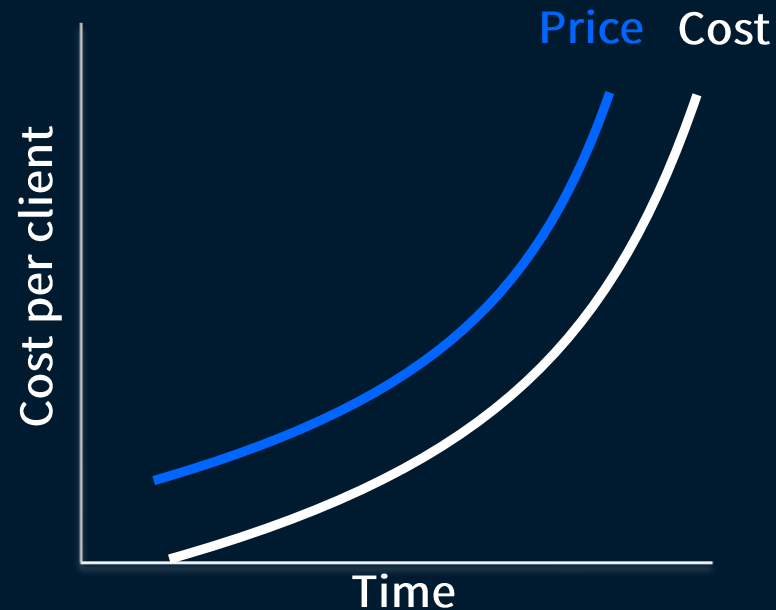


R\$ thousand, except when specified	2006	APR22 – MAR23	CAGR
Number of beneficiaries	1,492,058	8,264,584	11%
Net revenues	182,398	2,013,969	16%
Adjusted EBITDA	45,730	611,717	17%
Net income	16,911	460,350	23%

# Attractive cost dynamics and predictable cash flow generation

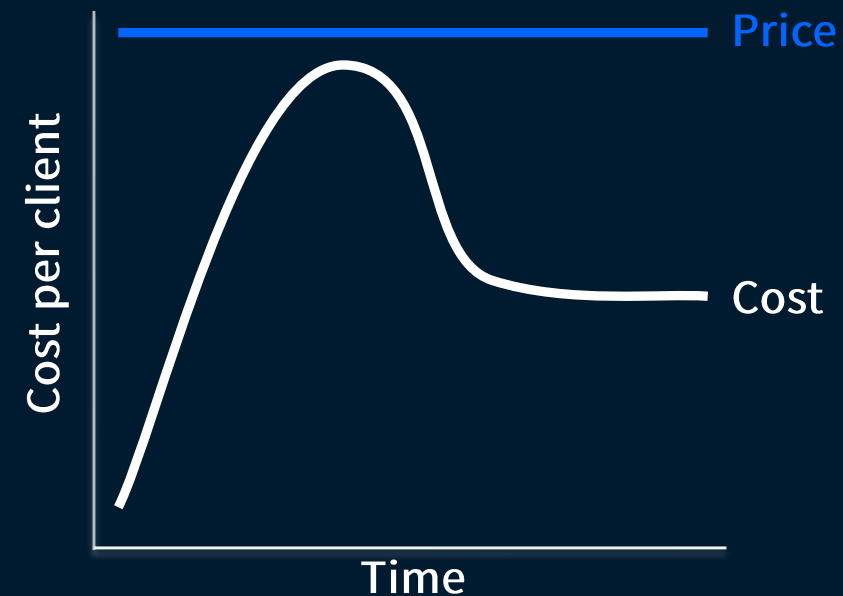


## Medical plans



- ✓ Cost increases due to medical inflation and technological progress
- ✓ Short-term contract: 1 year tenor

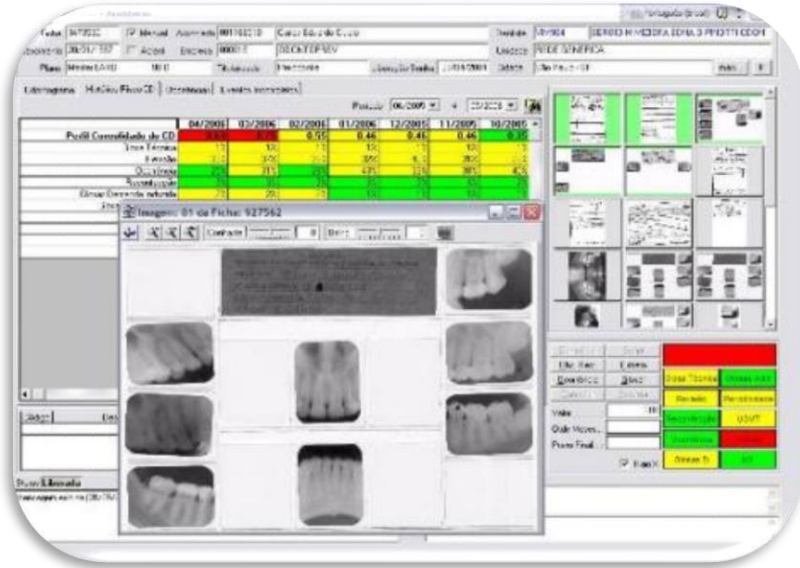
## Odontoprev plans



- ✓ Predictable cost evolution due to prevention
- ✓ Long-term contract: 2 year + duration

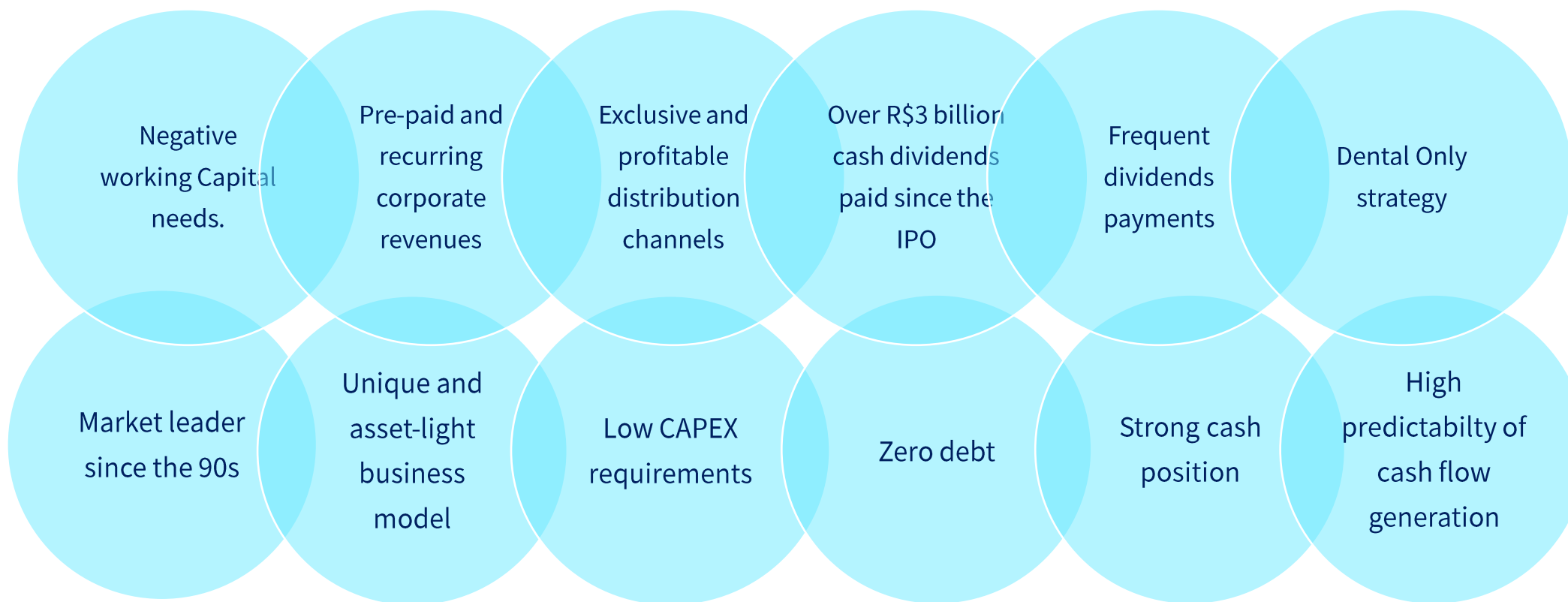


# Proprietary dental IT Platform allows high quality standards



- ✓ Complete electronic record of +8 million beneficiaries
- ✓ 3 decades of actuarial data
- ✓ Risk management and fraud prevention over 20,000 treatments/day

# Odontoprev's unique business model

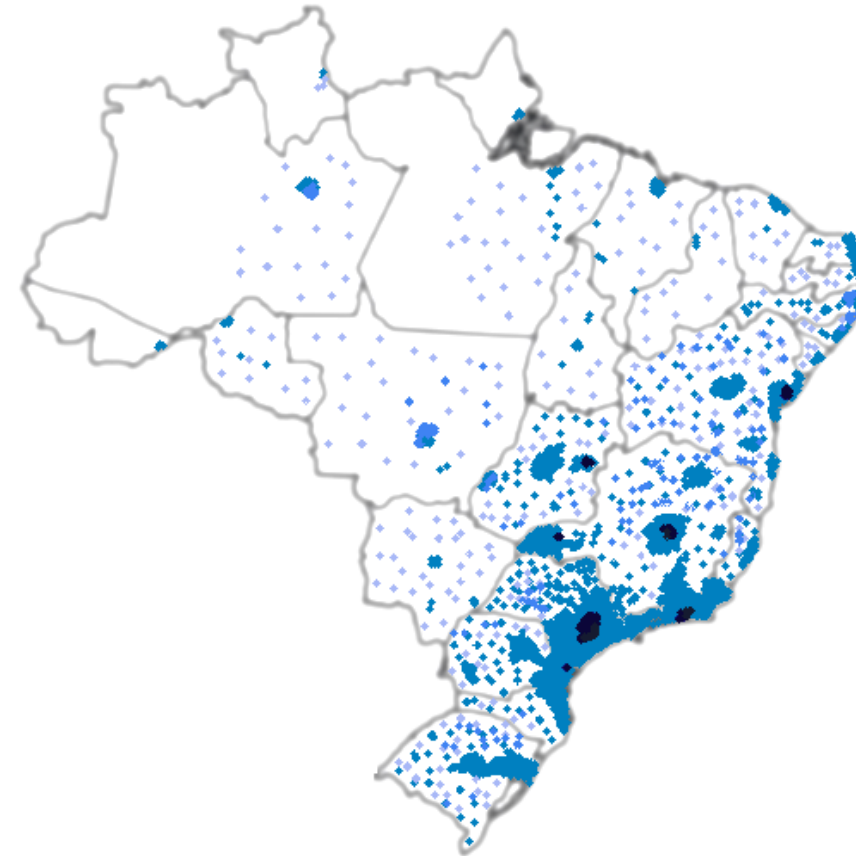




# Largest and best dentist network

28,000 dentists at 2,500 cities

- ✓ National distribution
- ✓ Differentiated academic background
- ✓ Continuous education



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Financial and  
**Operational**  
performance

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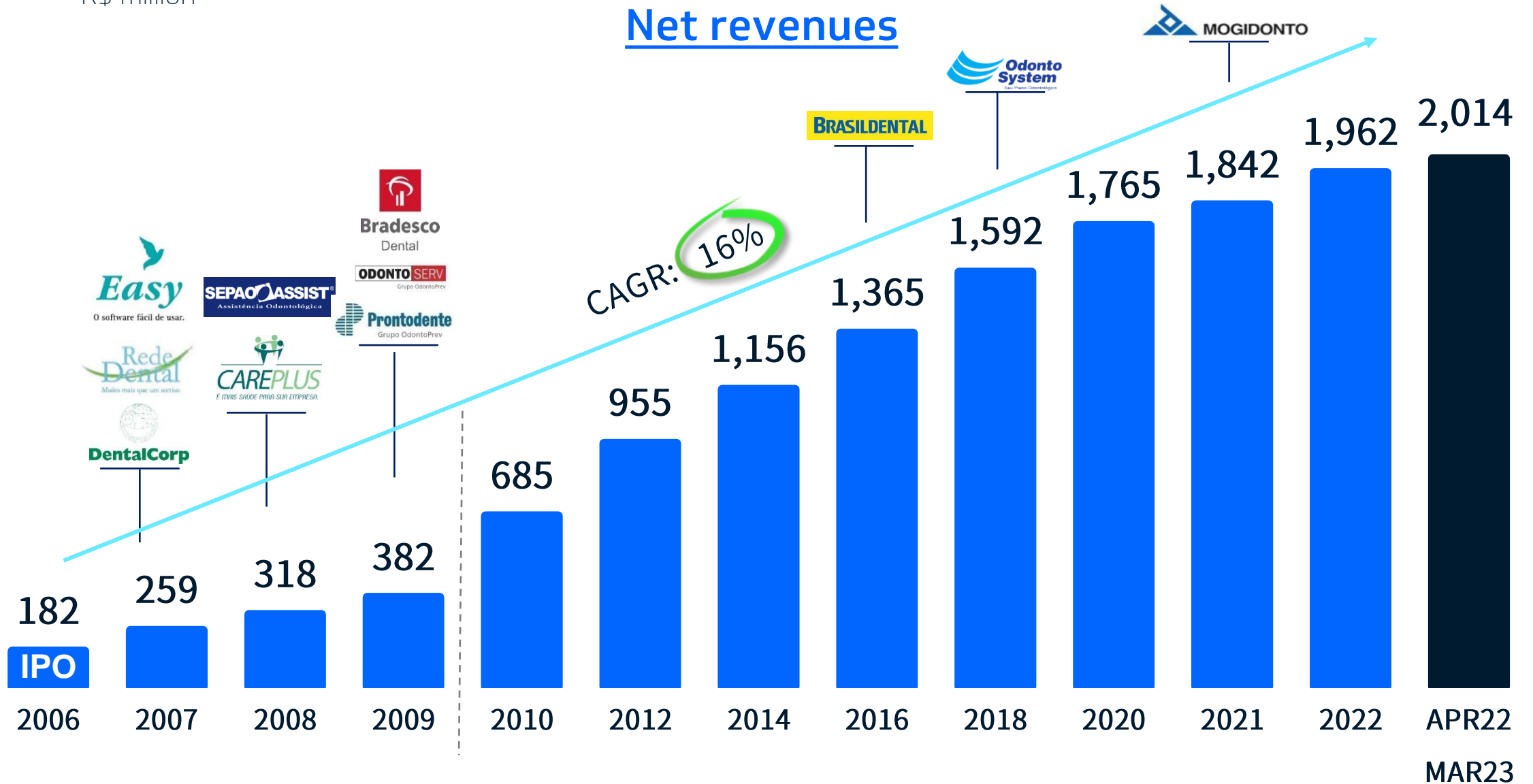
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# Odontoprev: 17 years of sustainable value creation since IPO

R\$ million

## Net revenues



APR22  
MAR23

# Efficiency and value innovation with new product mix

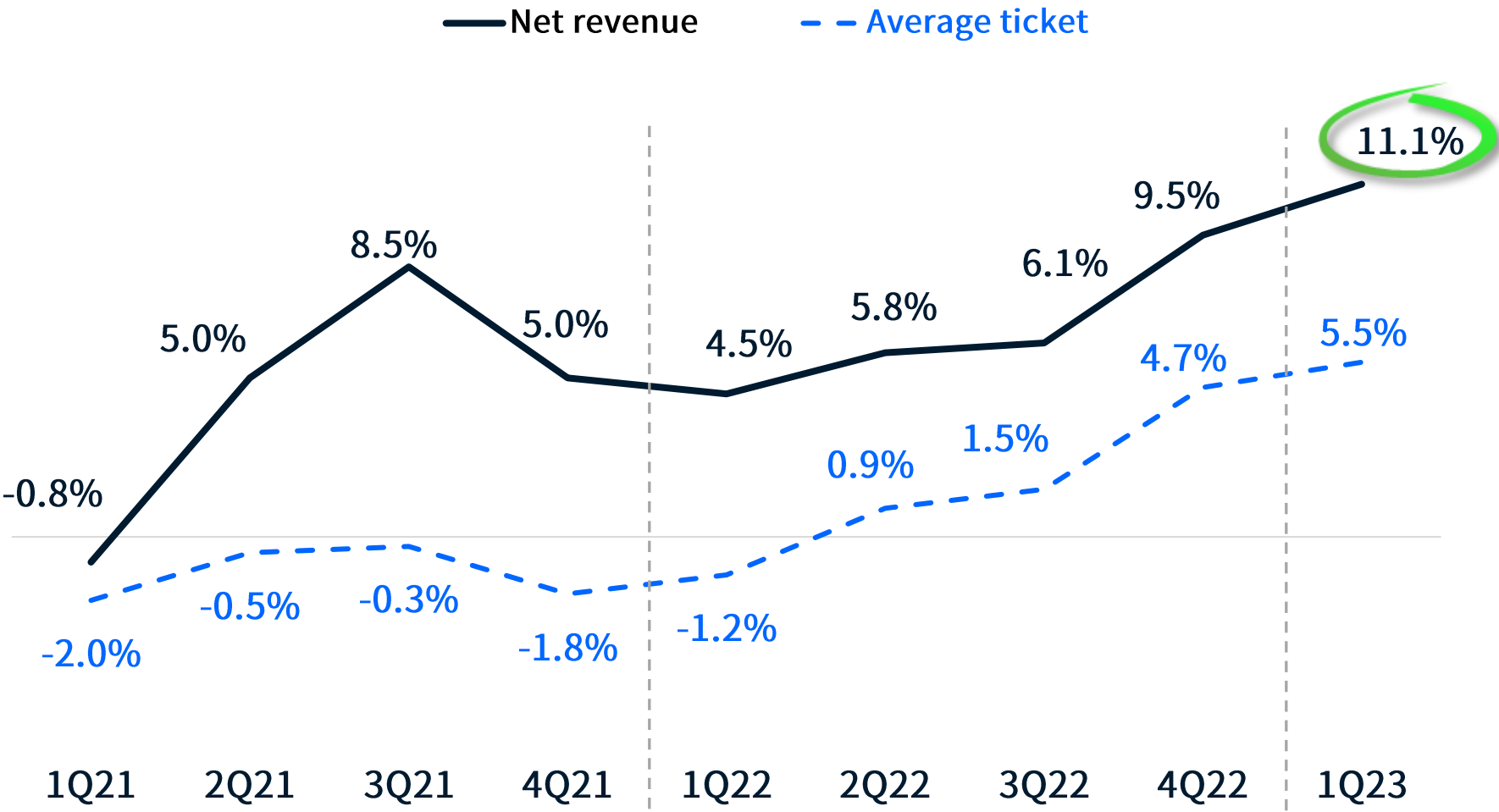


	2017-2019	2020 – LTM MAR23
Corporate revenues (% total)	61%	56%
Consolidated loss ratio (%)	45%	40%
Adj. EBITDA Mg. (%)	25%	30%
Net Income CAGR (%)	10%	16%
Net Cash (R\$ million)	560	913

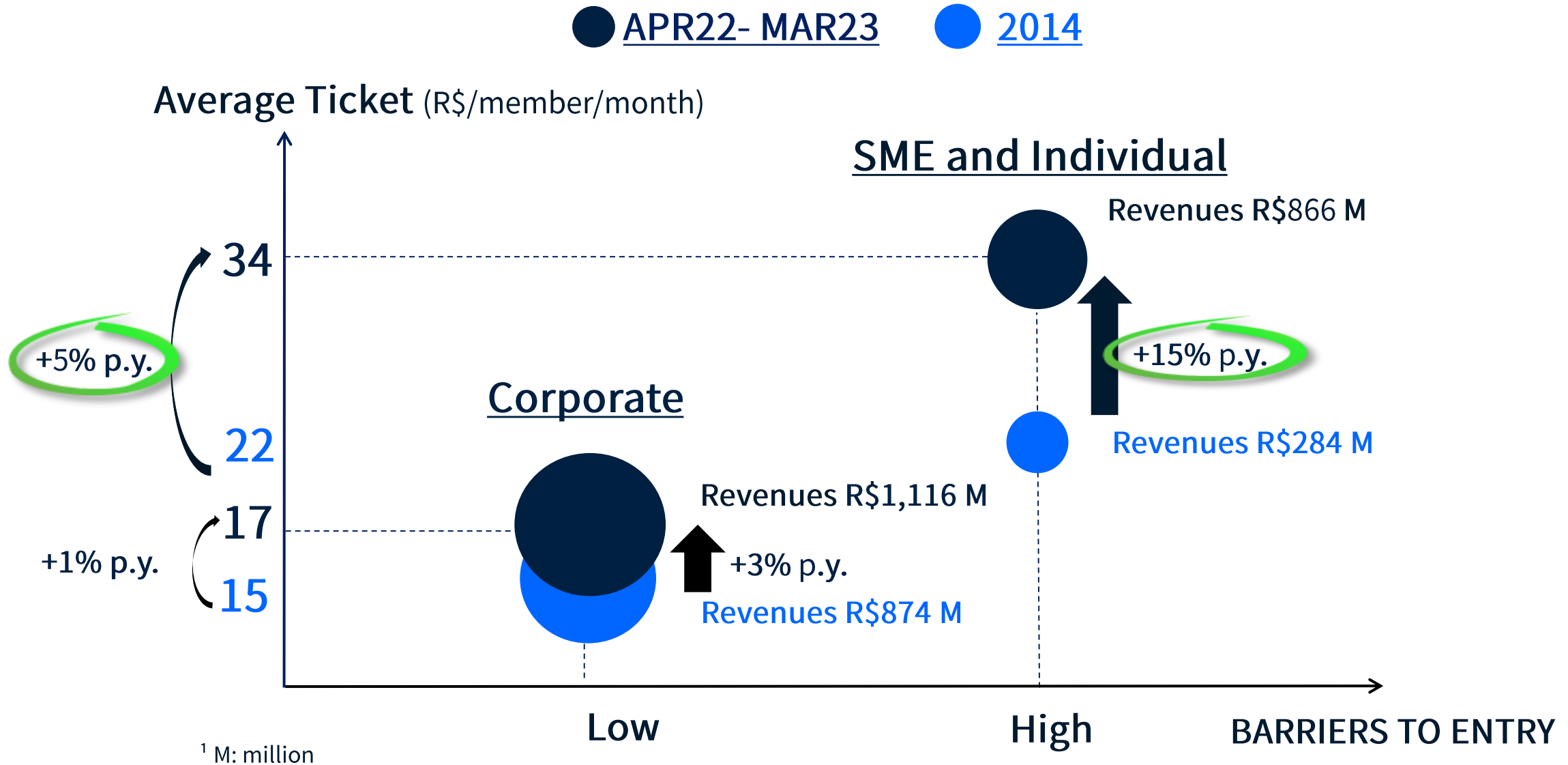
# Net revenues and average ticket annual growth



%

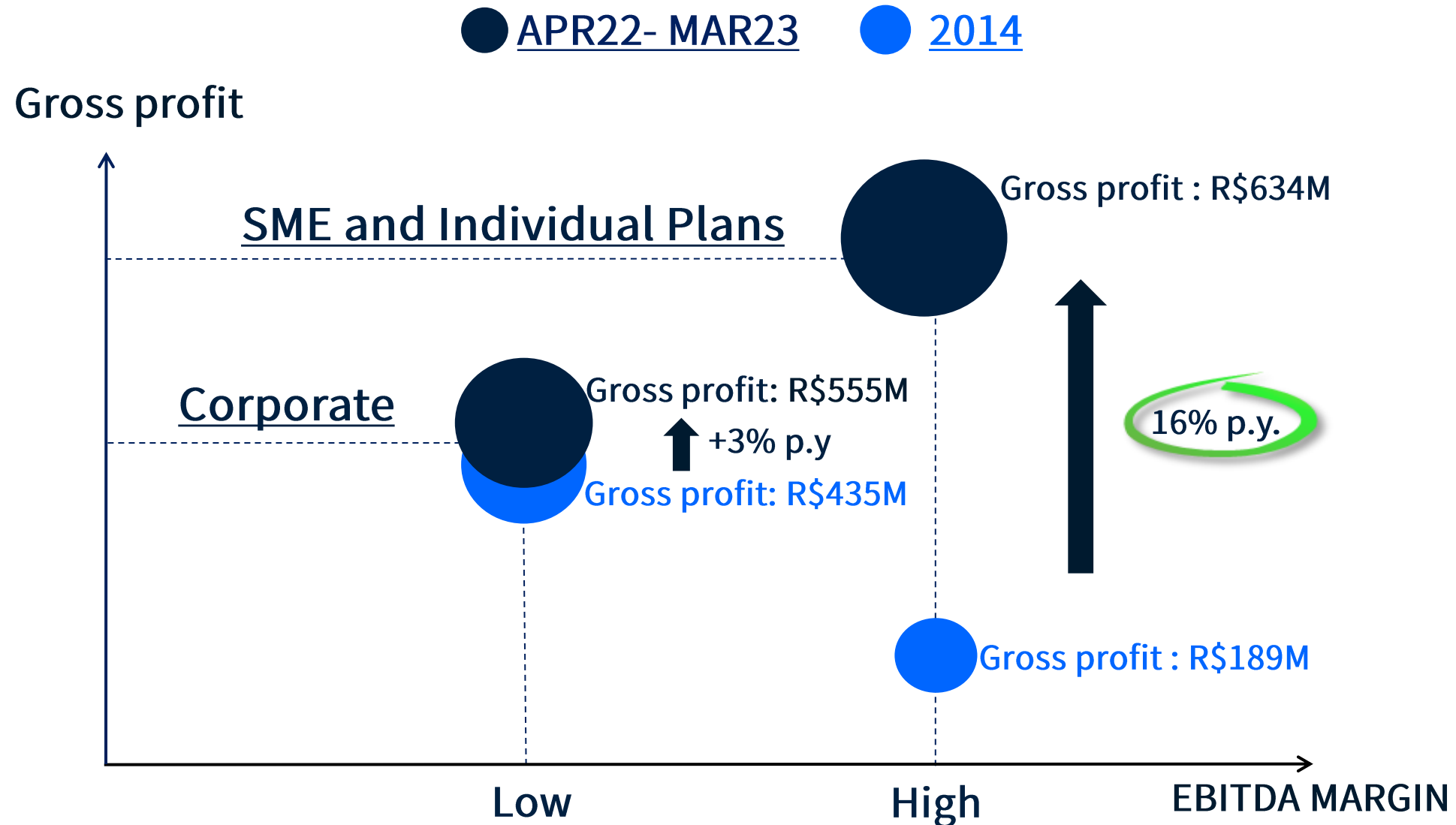


# Value innovation: SME and Individual plans revenue grows 15% p.y. since 2014



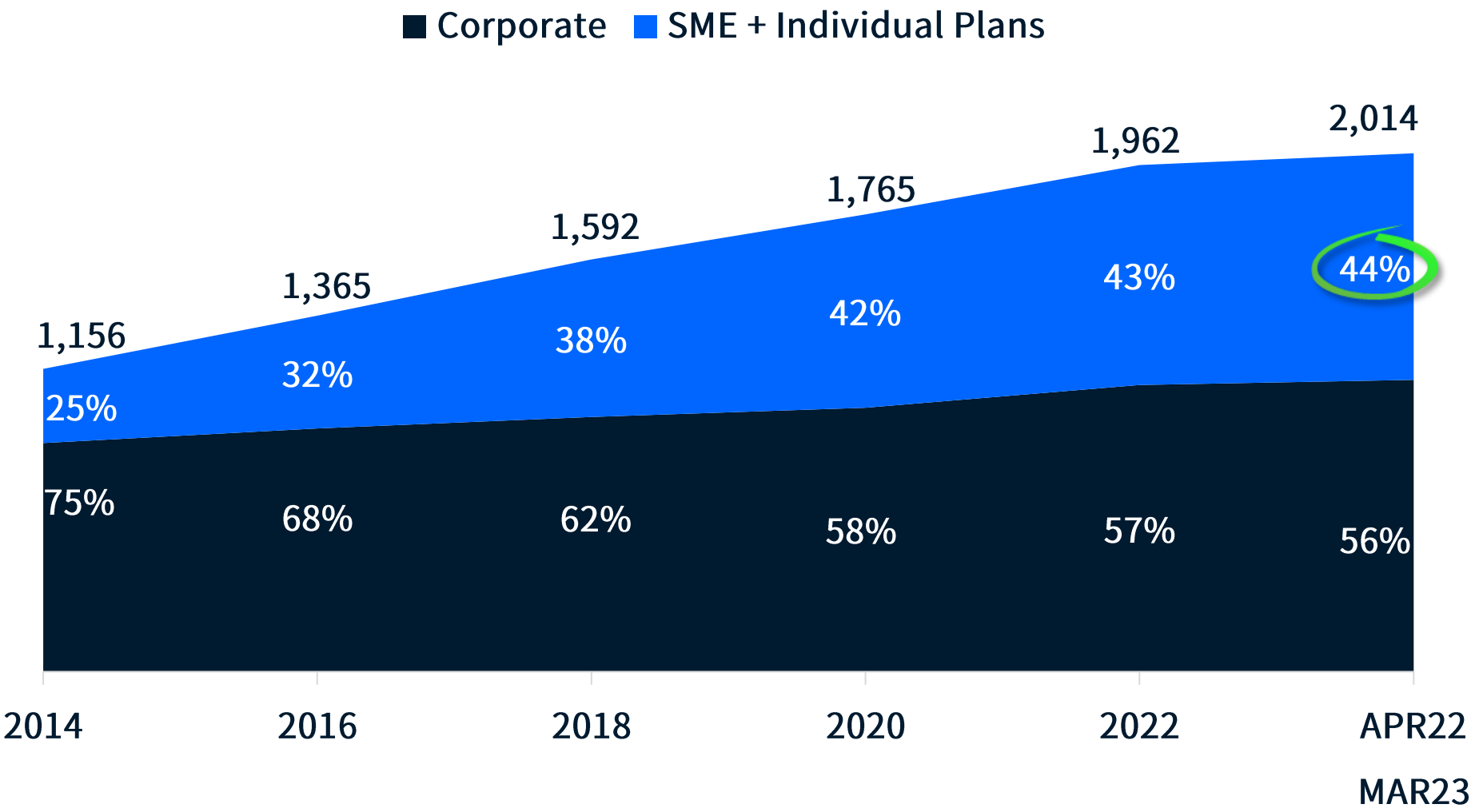
# SME and Individual plans represented 53% of the gross profit LTM

R\$ million



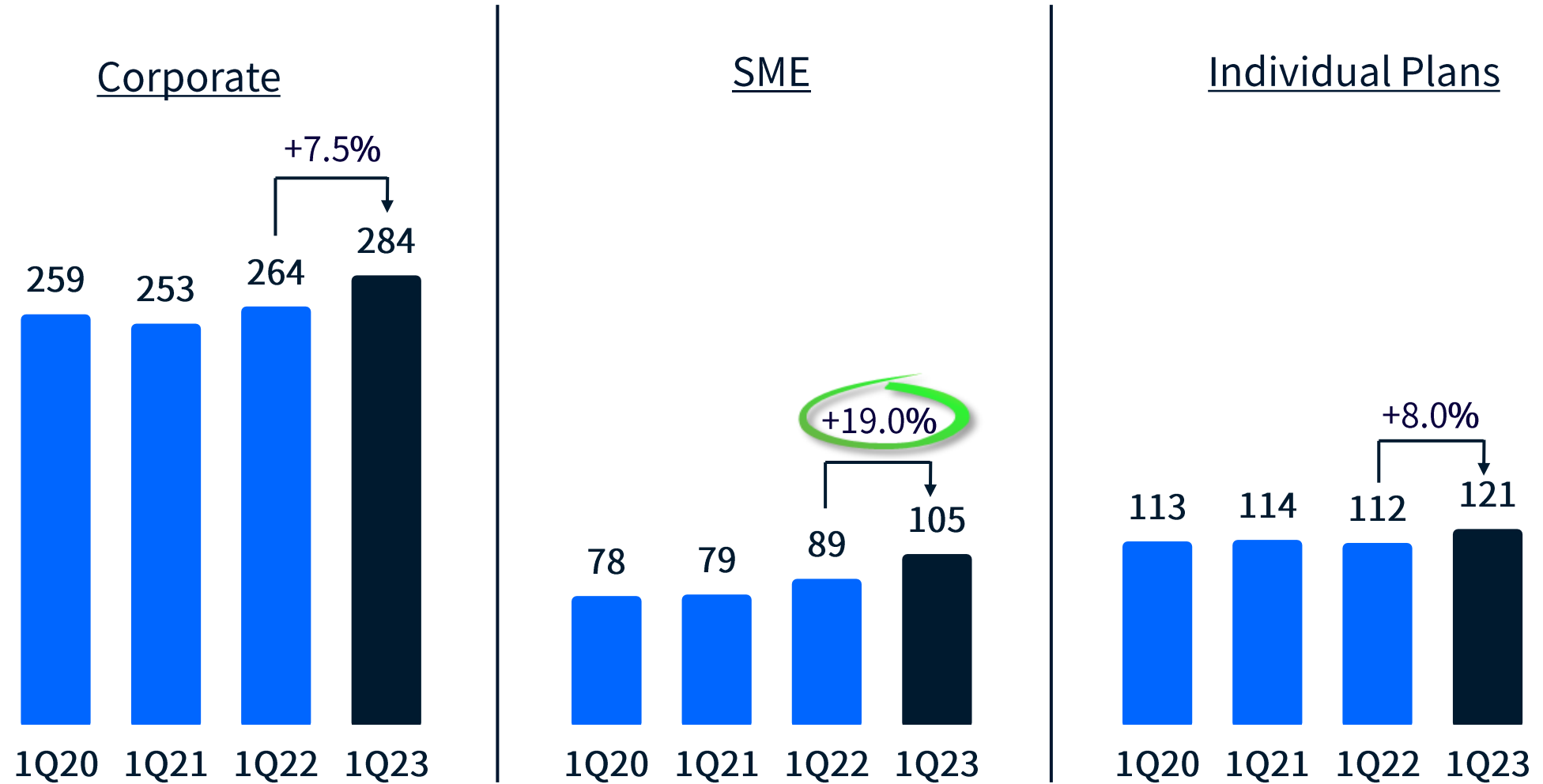
# Net revenues evolution per segment

R\$ million



# Quarterly net revenue per segment

R\$ million

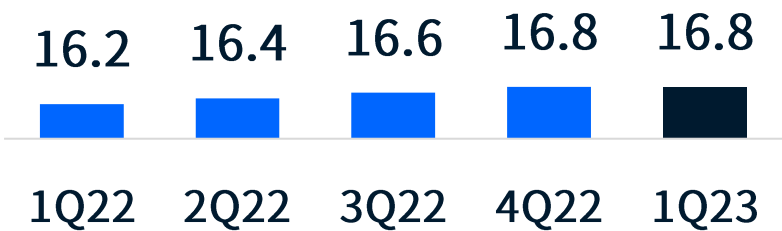


# Quarterly average ticket per business segment

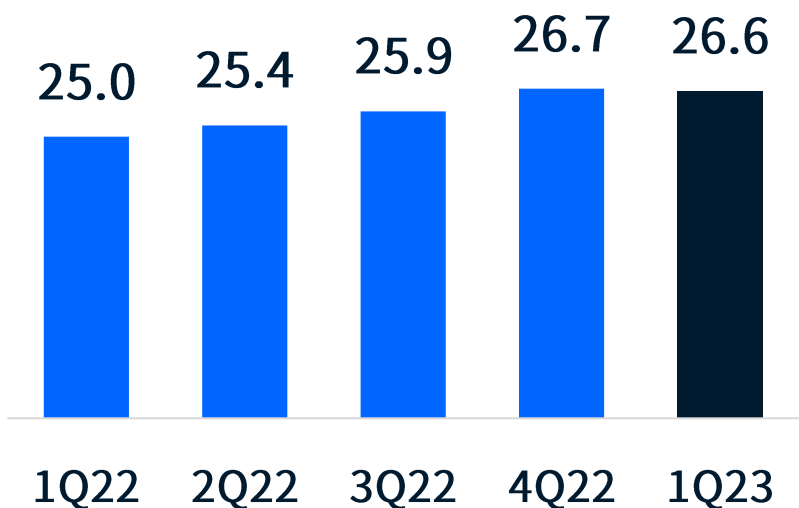
R\$ / member / month



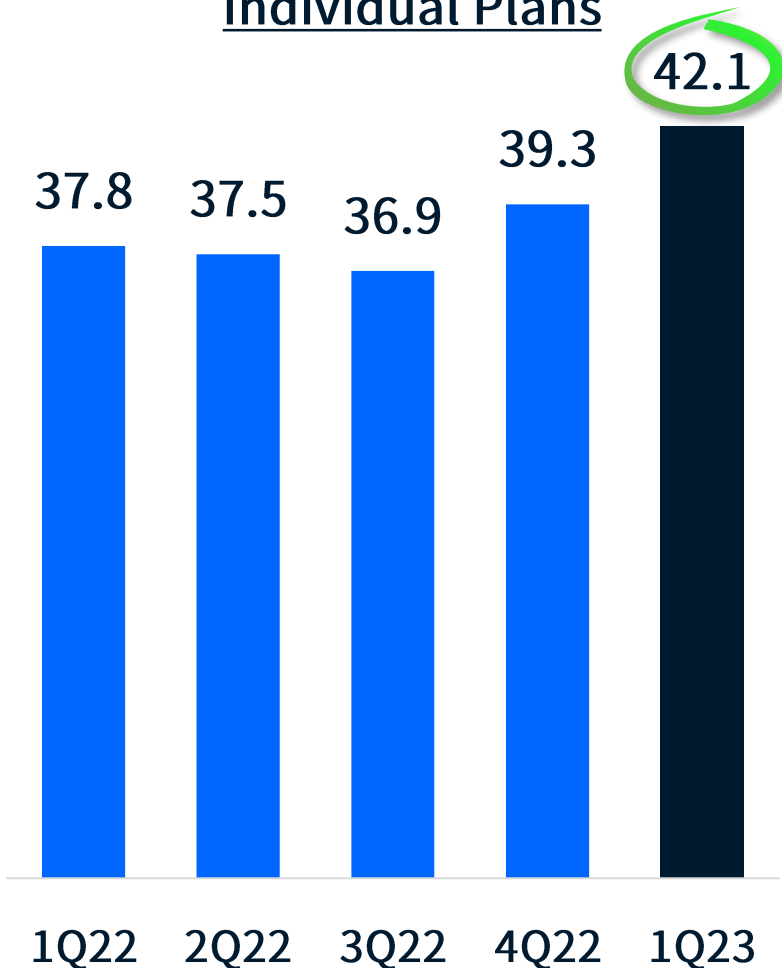
## Corporate



## SME



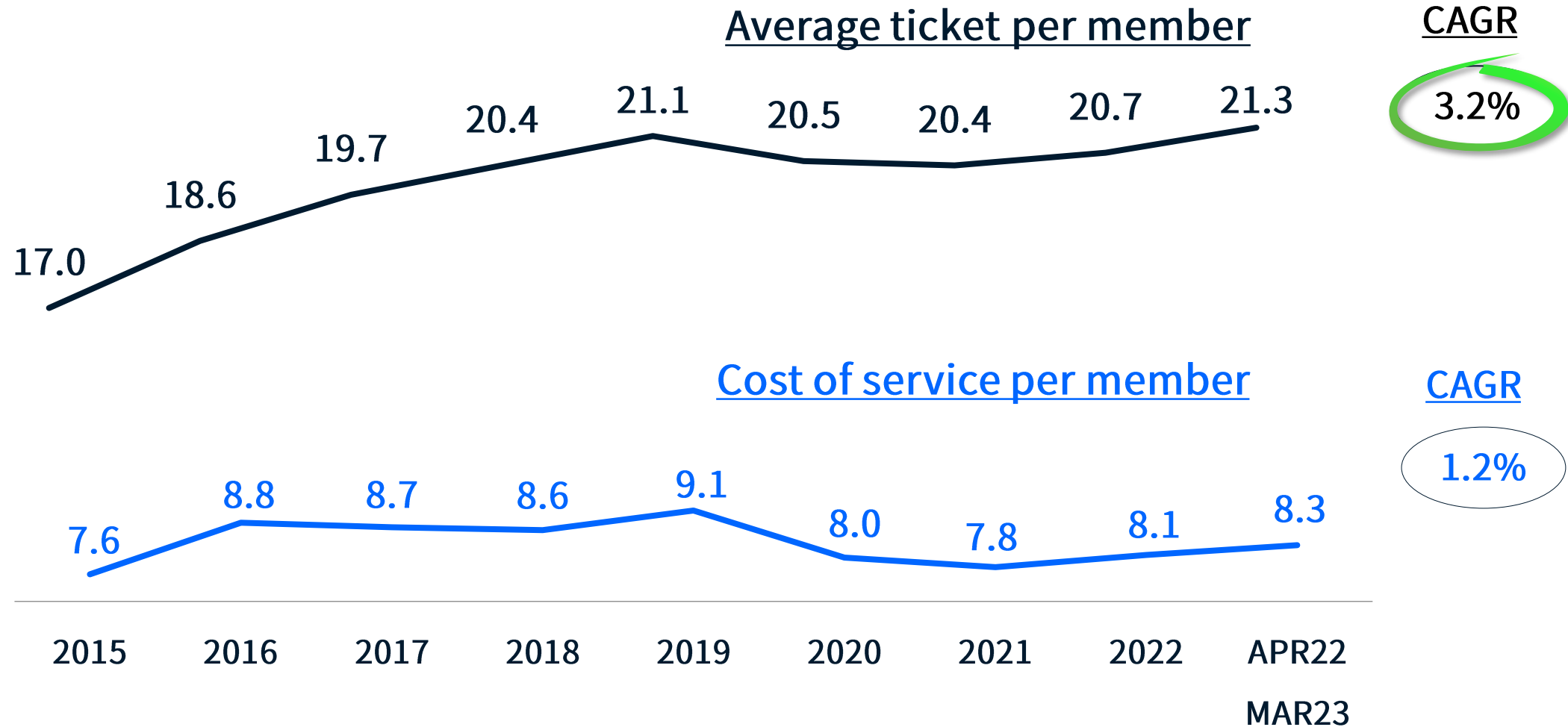
## Individual Plans





# Odontoprev average ticket growth X internal inflation

R\$/member/month





## Two business segments

	Corporate	Non-corporate
GDP impact	High	Low
Penetration	+50%	<5%
Growth Potential	Medium	High
Own distribution	Internal + brokers (shareholders)	Retail banks (shareholders)
1Q23 Average ticket (R\$/member/month)	R\$17	R\$34
Barriers to entry	Low	High

# Net additions seasonality

Thousand lives



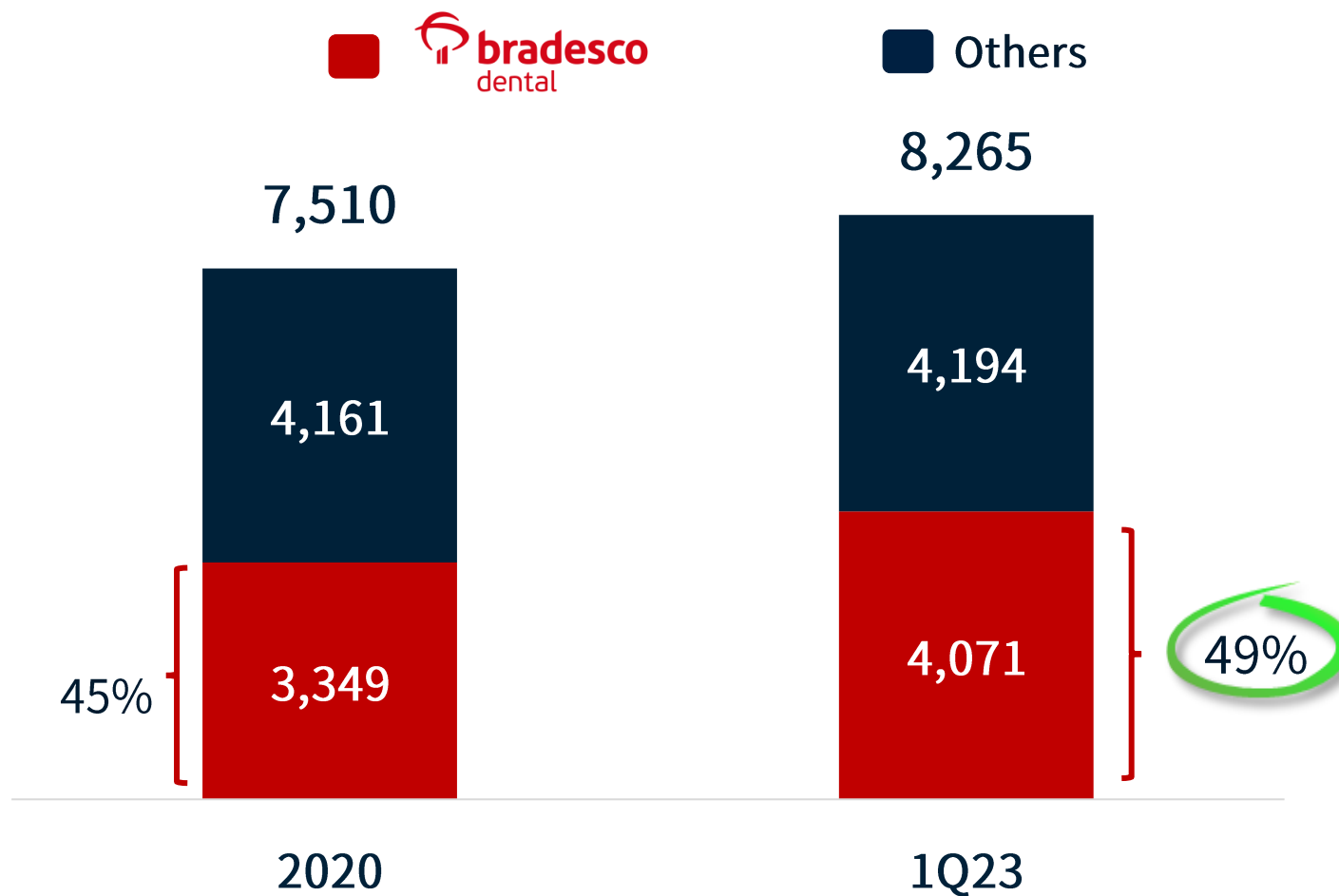
Historical average (2006-2022), by quarter	1Q <sup>1</sup>	2Q	3Q	4Q
Organic net additions (thousand members)	16	45	91	109

<sup>1</sup>Considers 1Q23

Historically, since the IPO, commercial activity in the 1Q has been seasonally slow, with an average net addition of 16 thousand new beneficiaries, below the level of other quarters during the year. Since 2016, there has been a net decline in beneficiaries in first 5 quarters.

# Bradesco Dental participation in the portfolio

Thousand lives

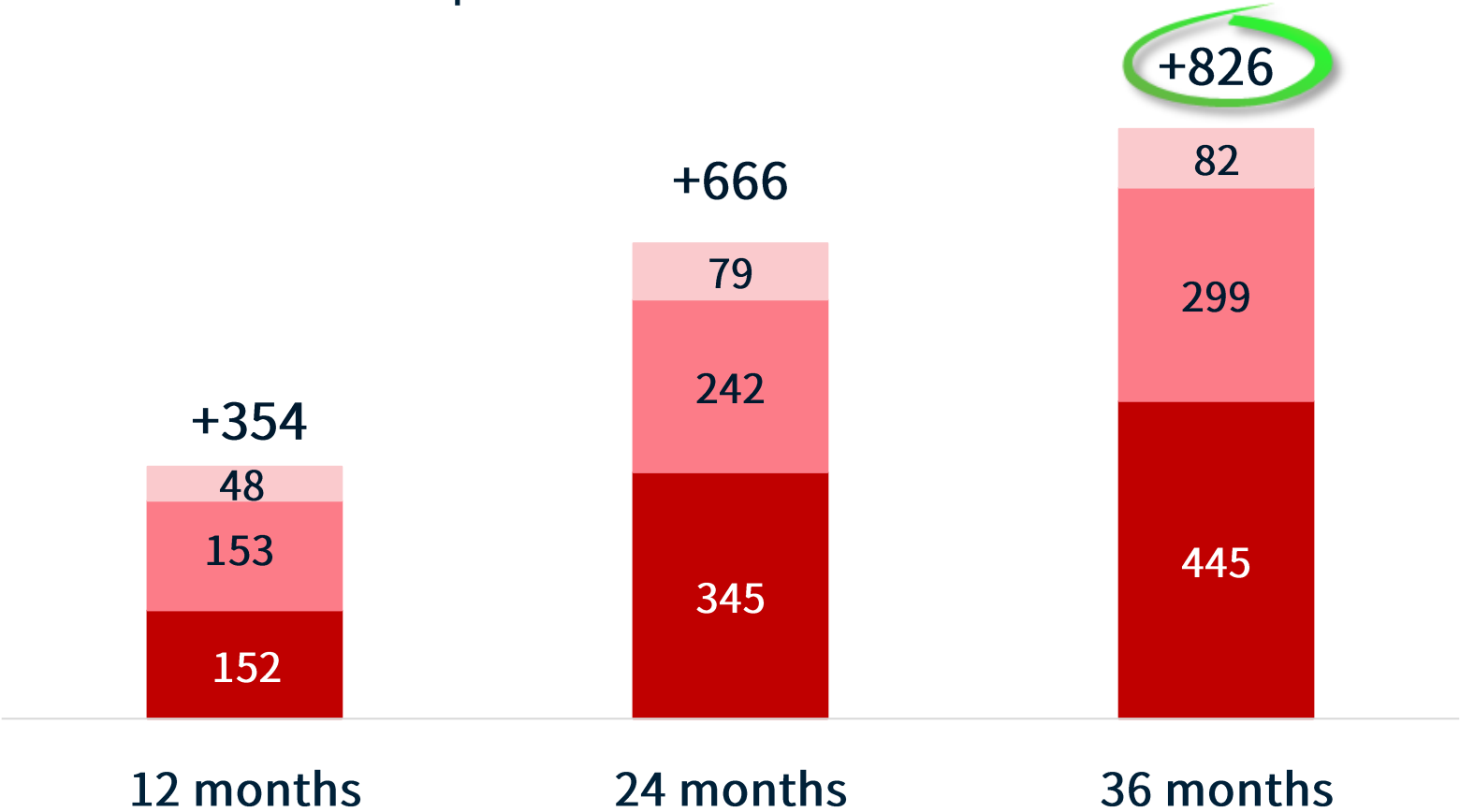


# Bradesco Dental net additions

Thousand lives



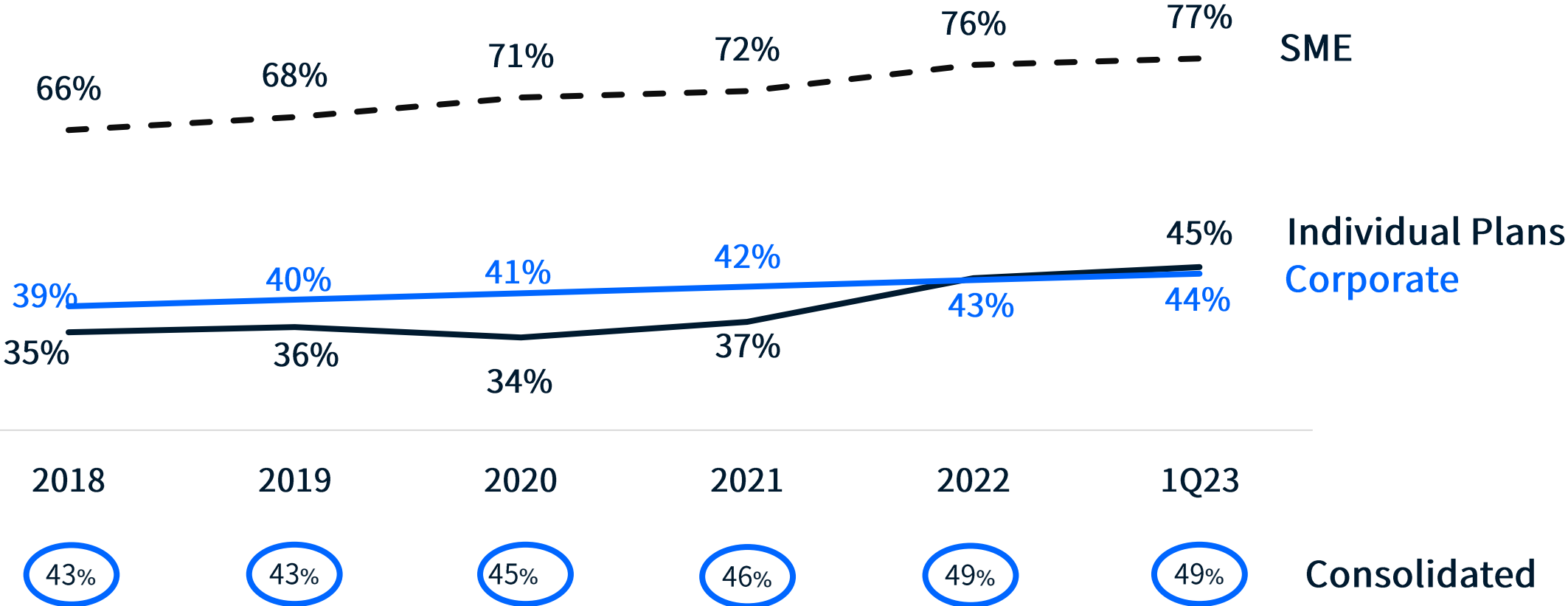
■ Corporative ■ SME ■ Individual Plans



# Bradesco Dental growth in the portfolio




% total portfolio



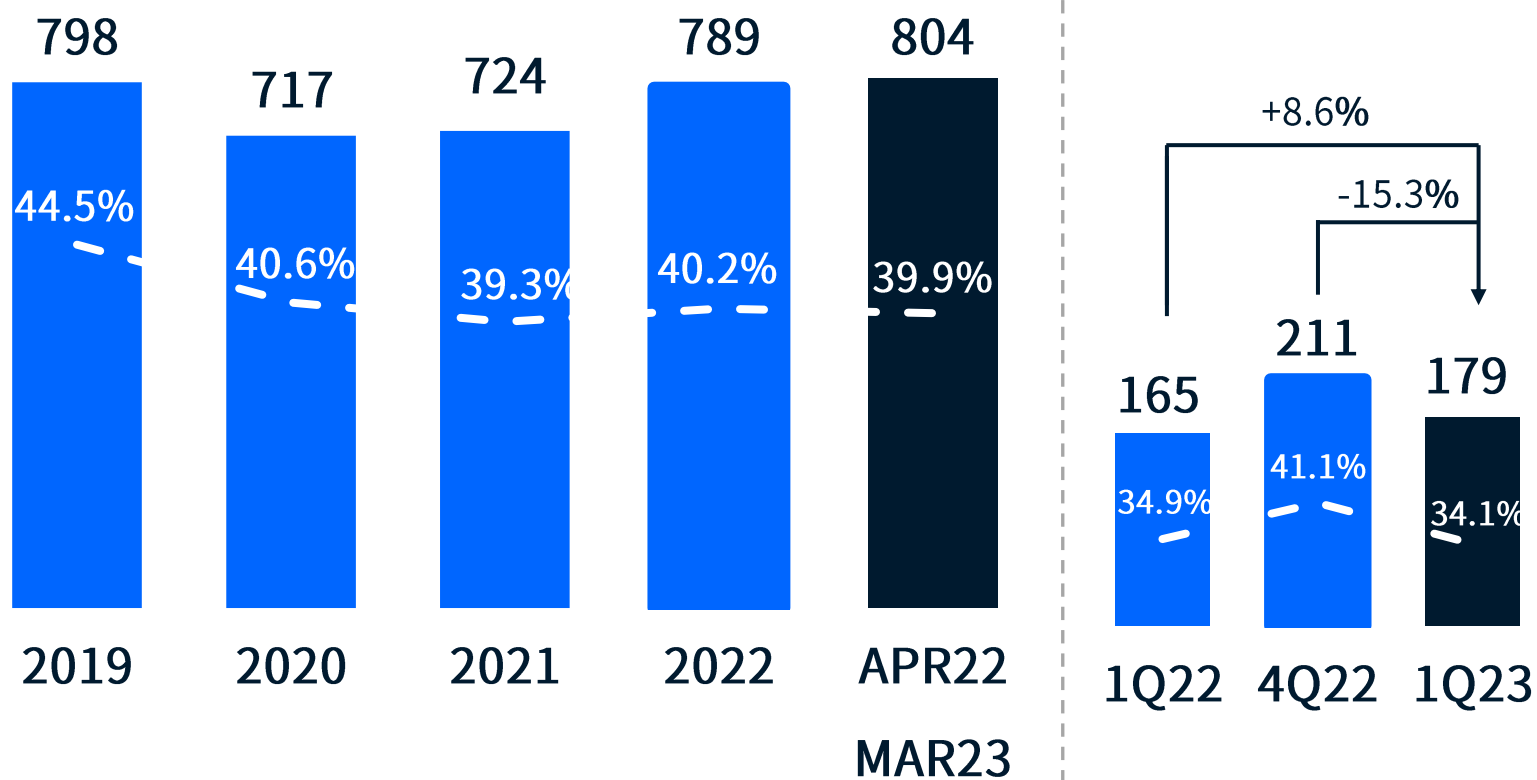
# Bank channels generate higher sales price and lower acquisition cost in Individual Plans



	Retailers	 & 
1Q23 average list price	R\$38 to R\$43	R\$46 to R\$60
Acquisition cost	35% to 45%	15% to 18%

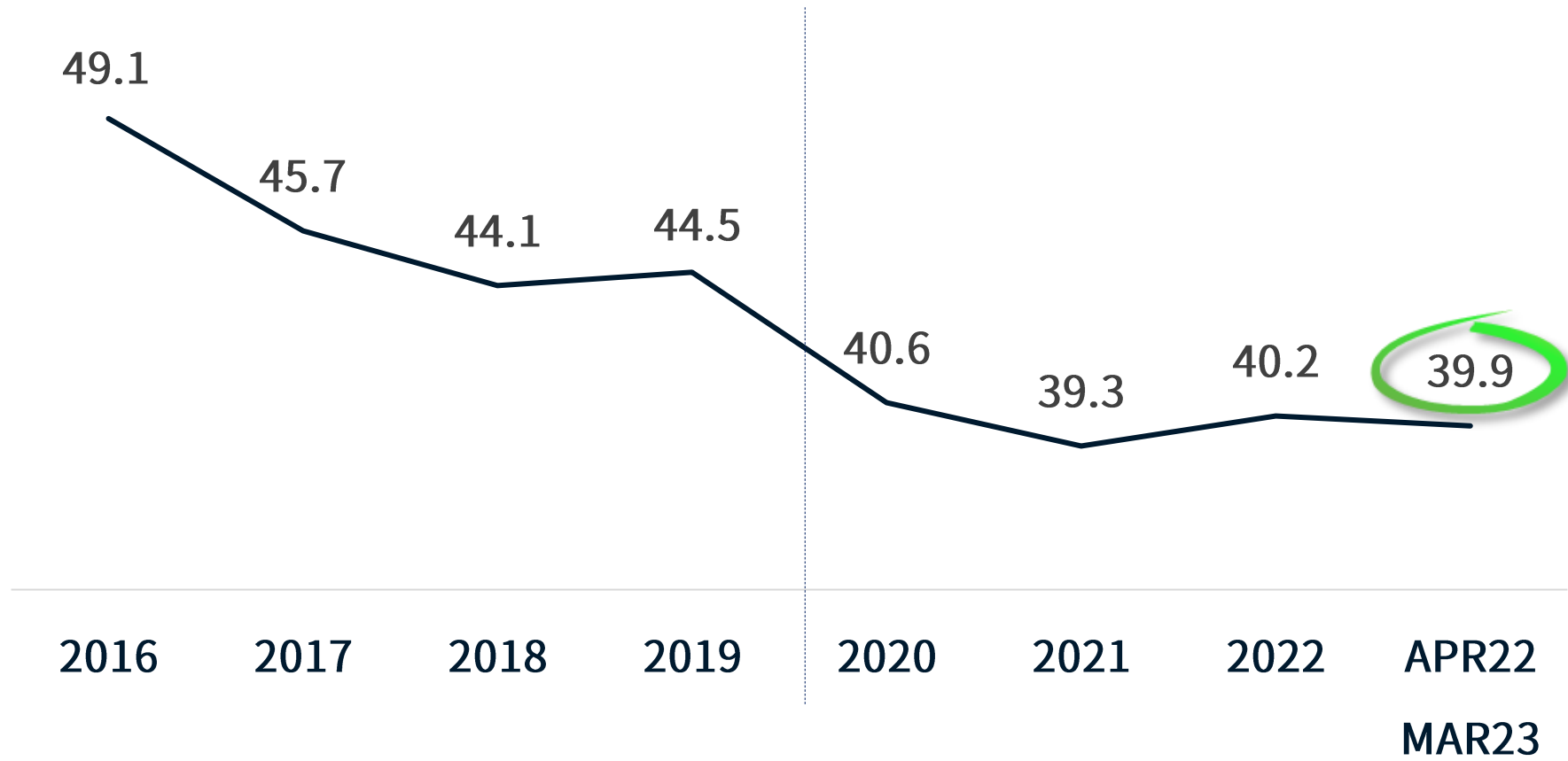
# Cost of Services

R\$ million and % NOR



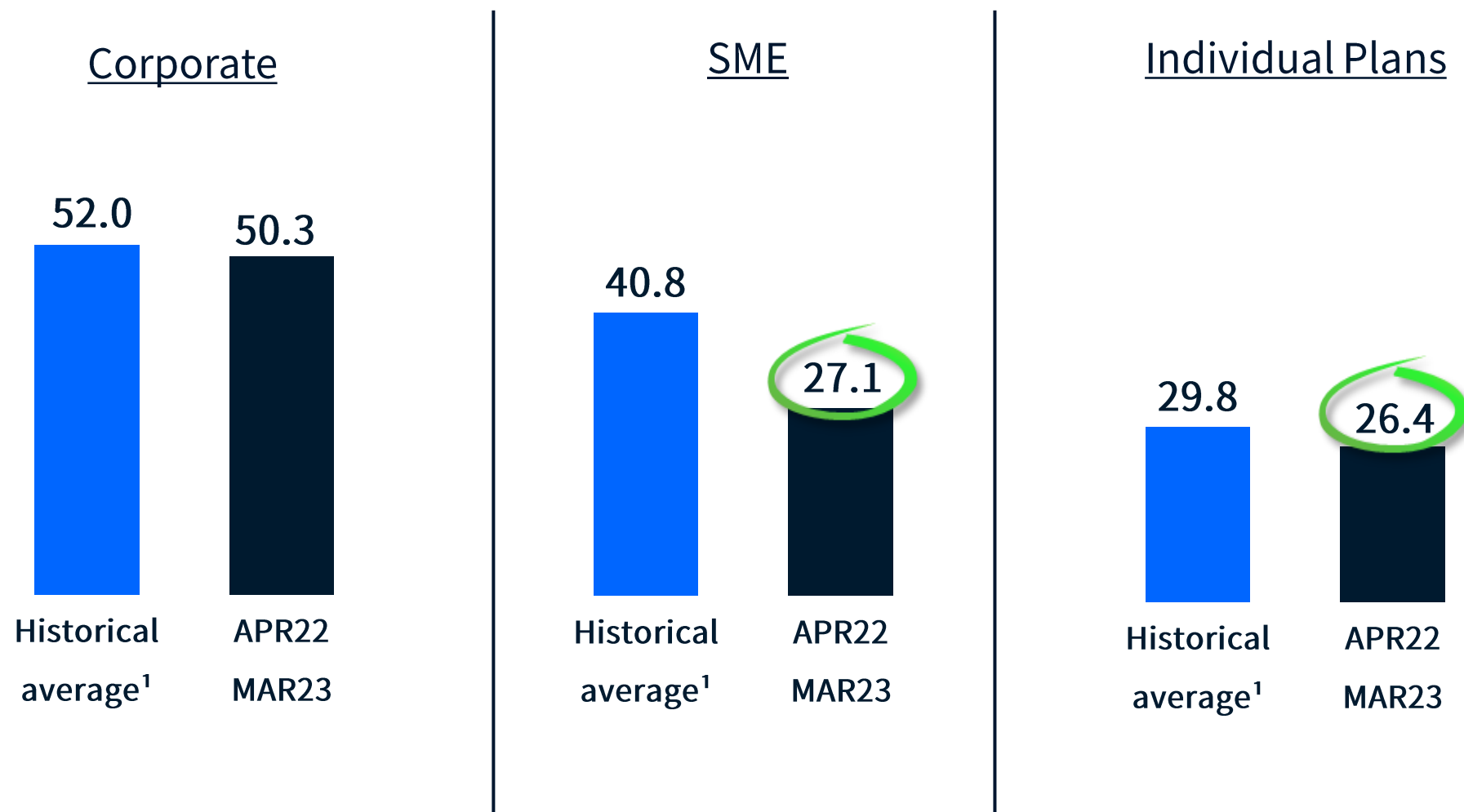
# Annual dental care ratio

% NOR



# Dental care ratio per segment x historical average<sup>1</sup>

% NOR

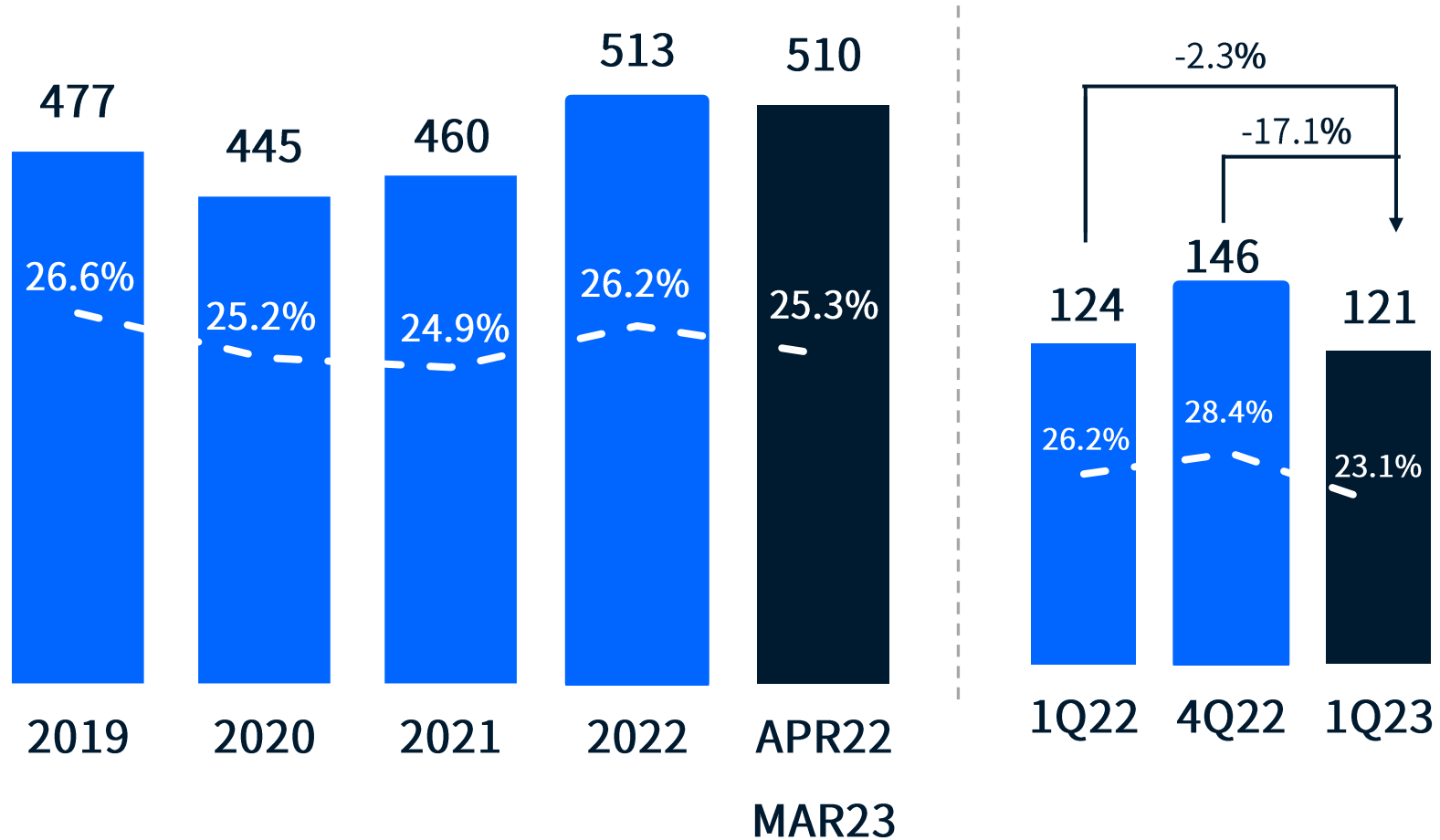


<sup>1</sup>Historical average: 2014-2019



# SG&A

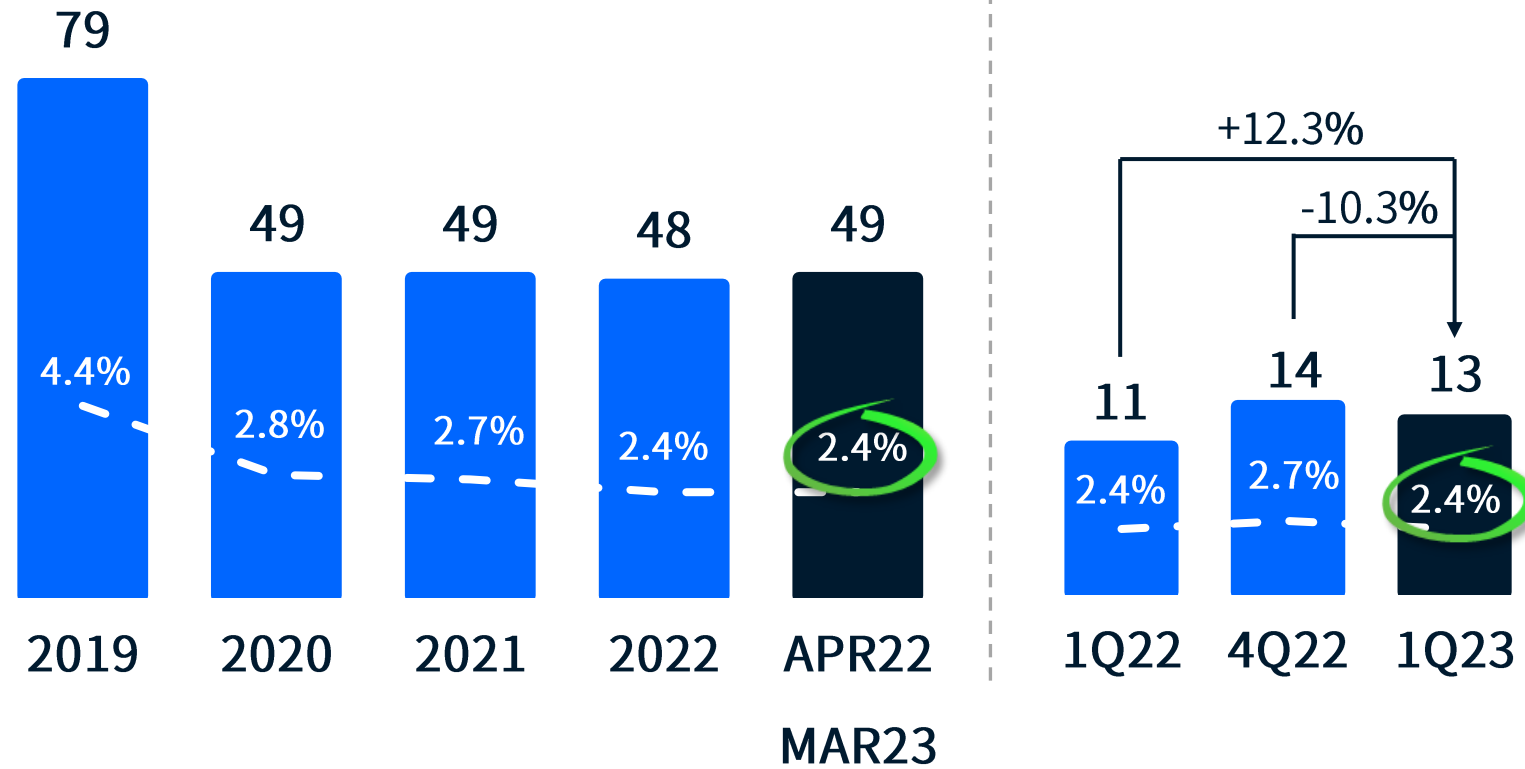
R\$ million and % NOR





# Allowance for doubtful receivables

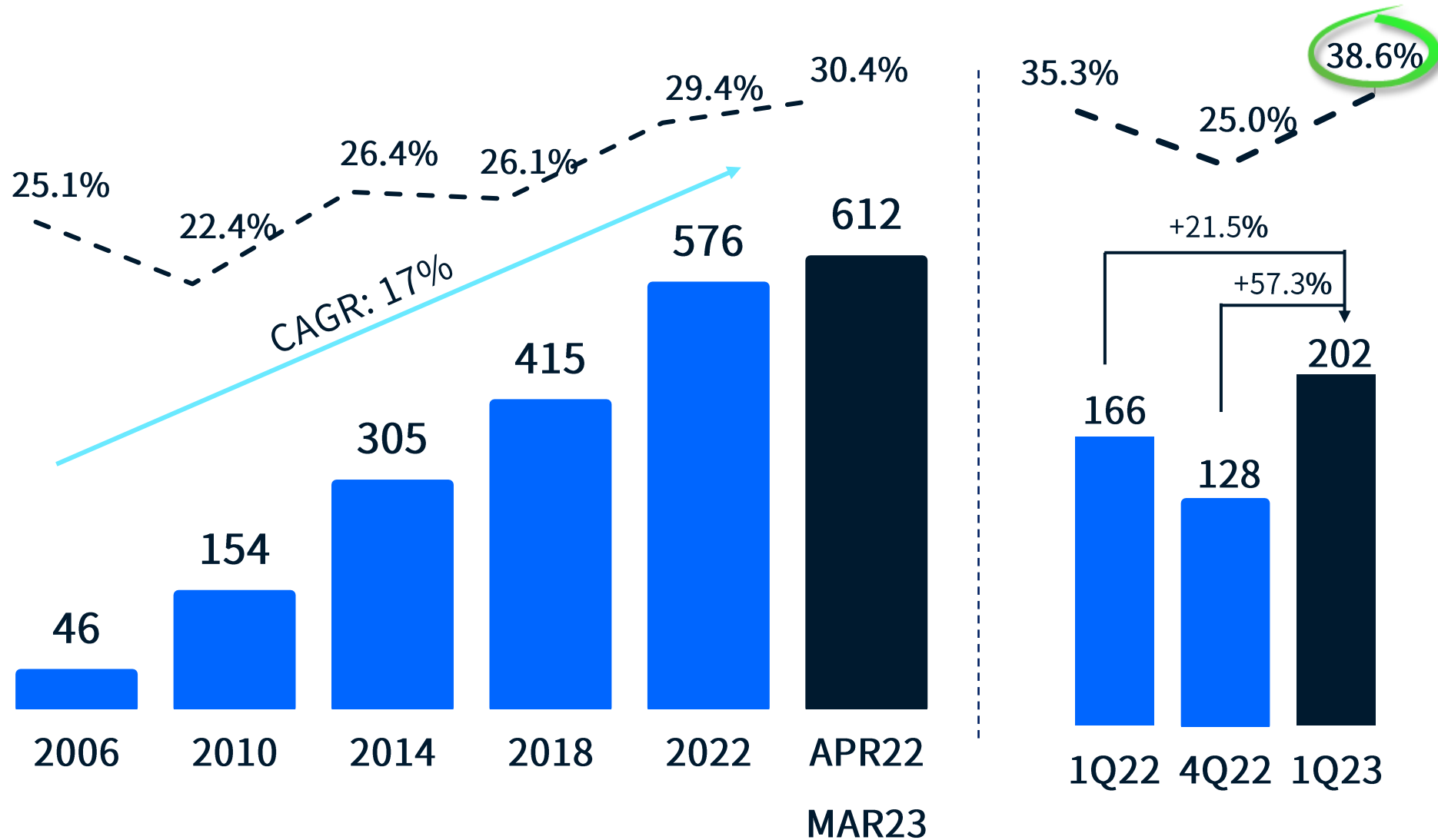
R\$ million and % NOR





# Adjusted EBITDA since the IPO

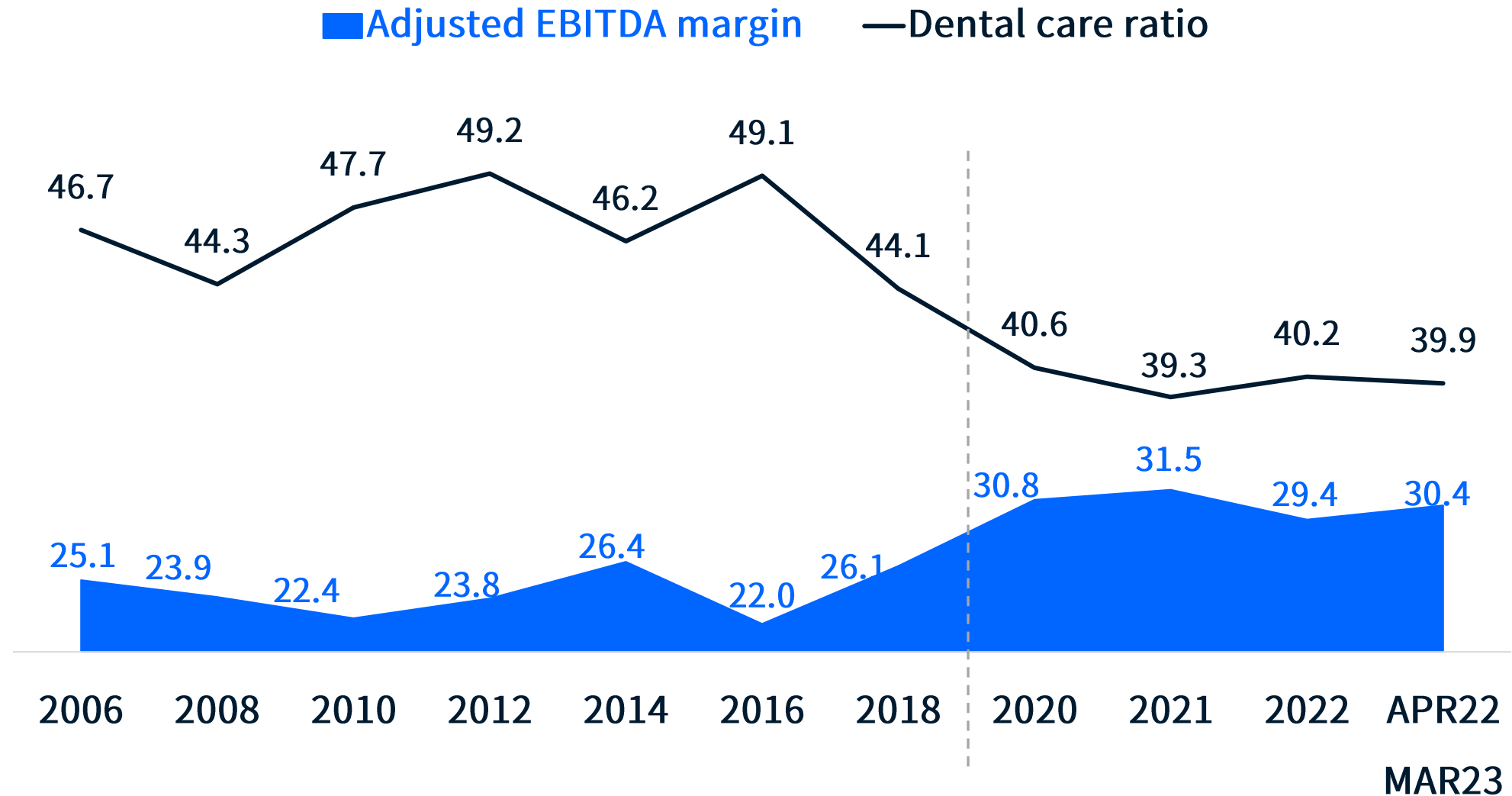
R\$ million and % NOR





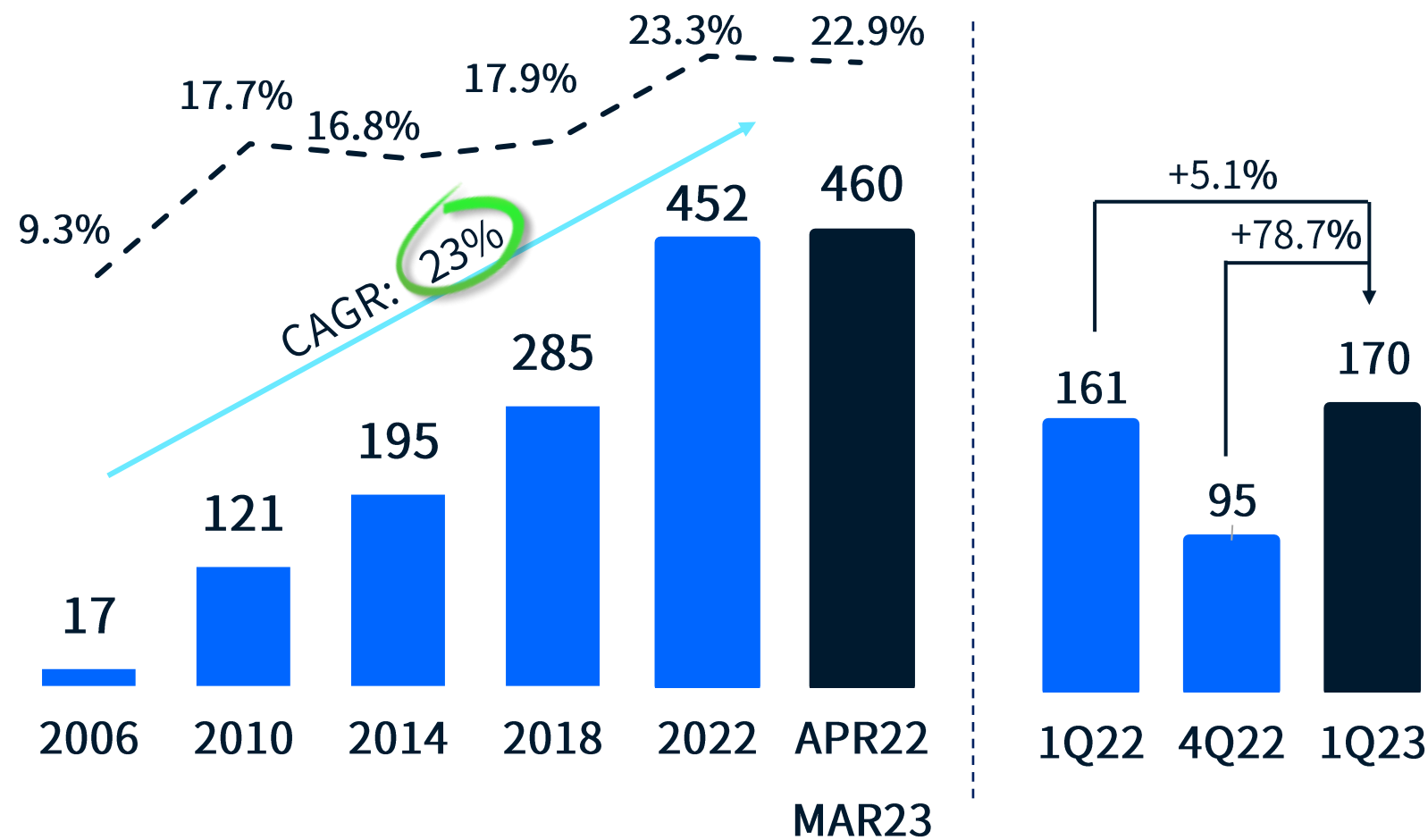
# Dental care ratio and Adjusted EBITDA margin since the 2006 IPO

% of NOR



# Net Income and Net margin

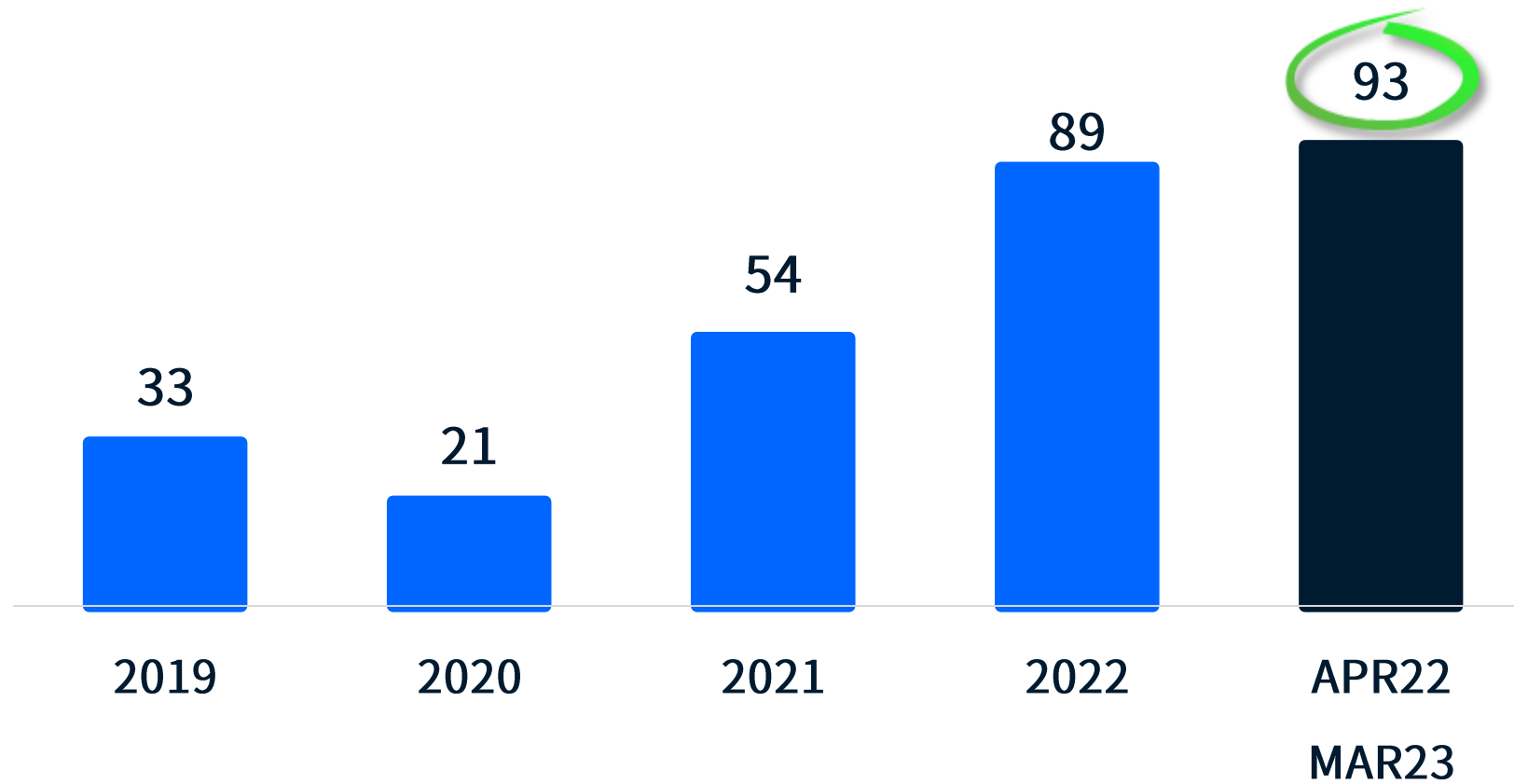
R\$ million and % NOR





# Financial income

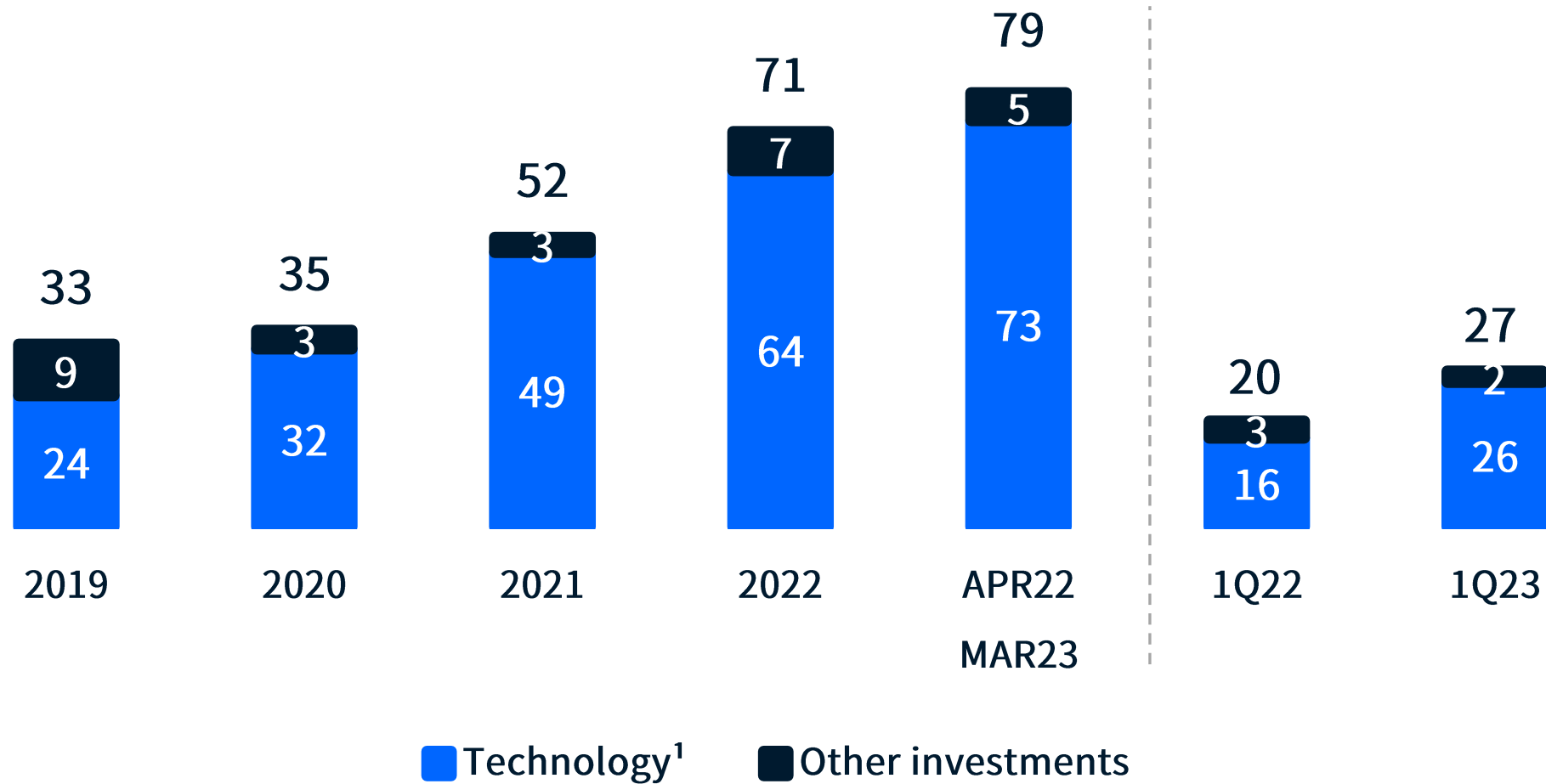
R\$ million





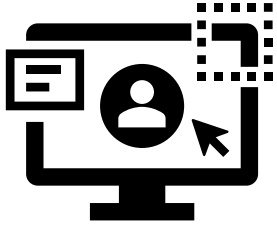
# CAPEX: Technology represents the bulk of investments

R\$ million



<sup>1</sup> IT platform, acquisition/licence of software and computer equipment

# Capex basically dedicated to IT



## Robotization and AI

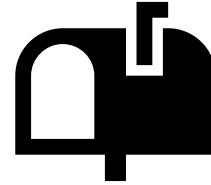
Recent efficiency gains:

- ✓ 50 automated processes in 23 different departments since 2018
- ✓ Savings of 76 thousand hours of work in 2022
- ✓ AI: increasing automation of risk management



## Apps

- ✓ Better customer experience
- ✓ Digital tools and APIs for brokers and end users



## Courrier

- ✓ Digital membership cards and online accredited network portal
- ✓ Savings of 90 bps of Revenues in relation to 2016



## Rental

- ✓ New Corporate headquarters in Alphaville/SP, in a AAA building, 10-year rental contract, 30% cheaper than the previous one



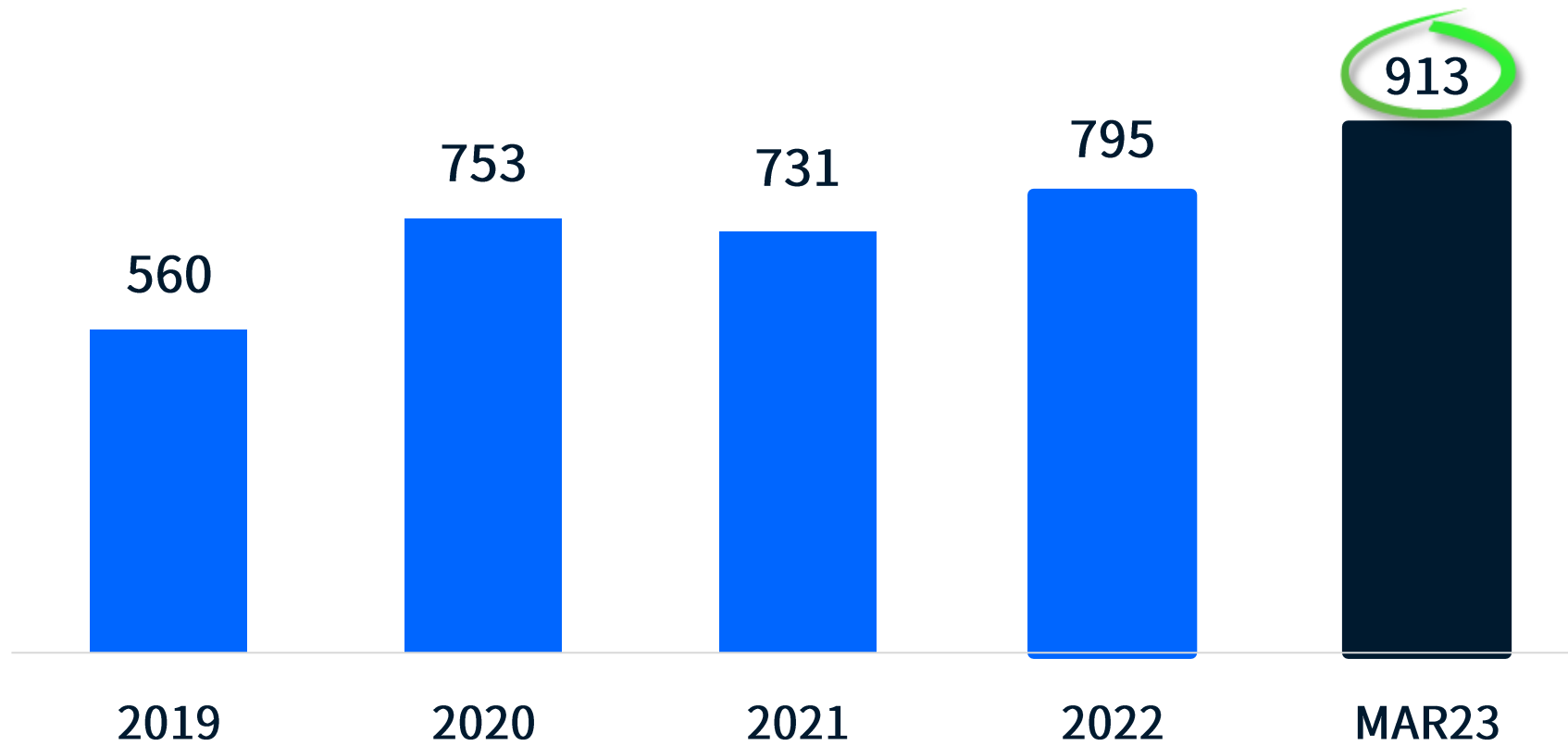
## Employees

- ✓ Call center outsourcing, maintaining quality standards
- ✓ New ERP in cloud
- ✓ From 2,100 employees in 2019 to 1,746 in Mar/23



# Net Cash

R\$ million





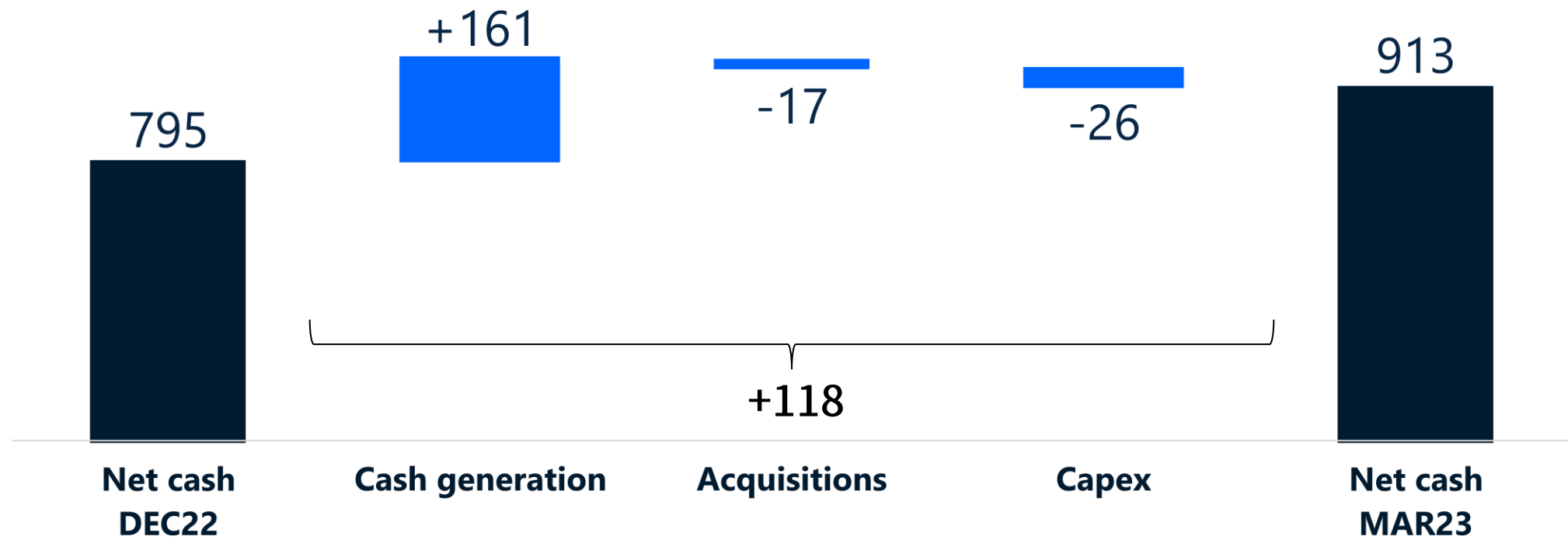
## Share repurchase programs started in 2Q21

2021	# shares	Amount (R\$)	Accumulated average cost (R\$)	Total accumulated average cost (R\$)
2Q21	6,863,200	89,595,847	13.05	13.05
3Q21	3,065,000	40,046,258	13.07	13.06
4Q21	71,800	953,214	13.28	13.06
1st Program (A)	10,000,000	130,595,319	13.06	13.06
4Q21	3,729,400	46,453,408	12.46	12.90
2022	# shares	Amount (R\$)	Accumulated average cost (R\$)	Total accumulated average cost (R\$)
1Q22	4,267,400	50,989,256	11.95	12.67
2Q22	2,003,200	22,375,422	11.17	12.52
2nd Program (B)	10,000,000	119,818,086	11.98	12.52
2Q22	5,607,000	55,094,527	9.83	11.93
3Q22	2,815,800	27,297,868	9.69	11.71
4Q22	850,000	7,289,063	8.58	11.62
3rd Program (C)	9,272,800	89,681,458	9.67	11.62
Total (A) + (B) + (C)	29,272,800	340,094,863		11.62

✓ Over R\$340 million invested, representing 29.3 million shares

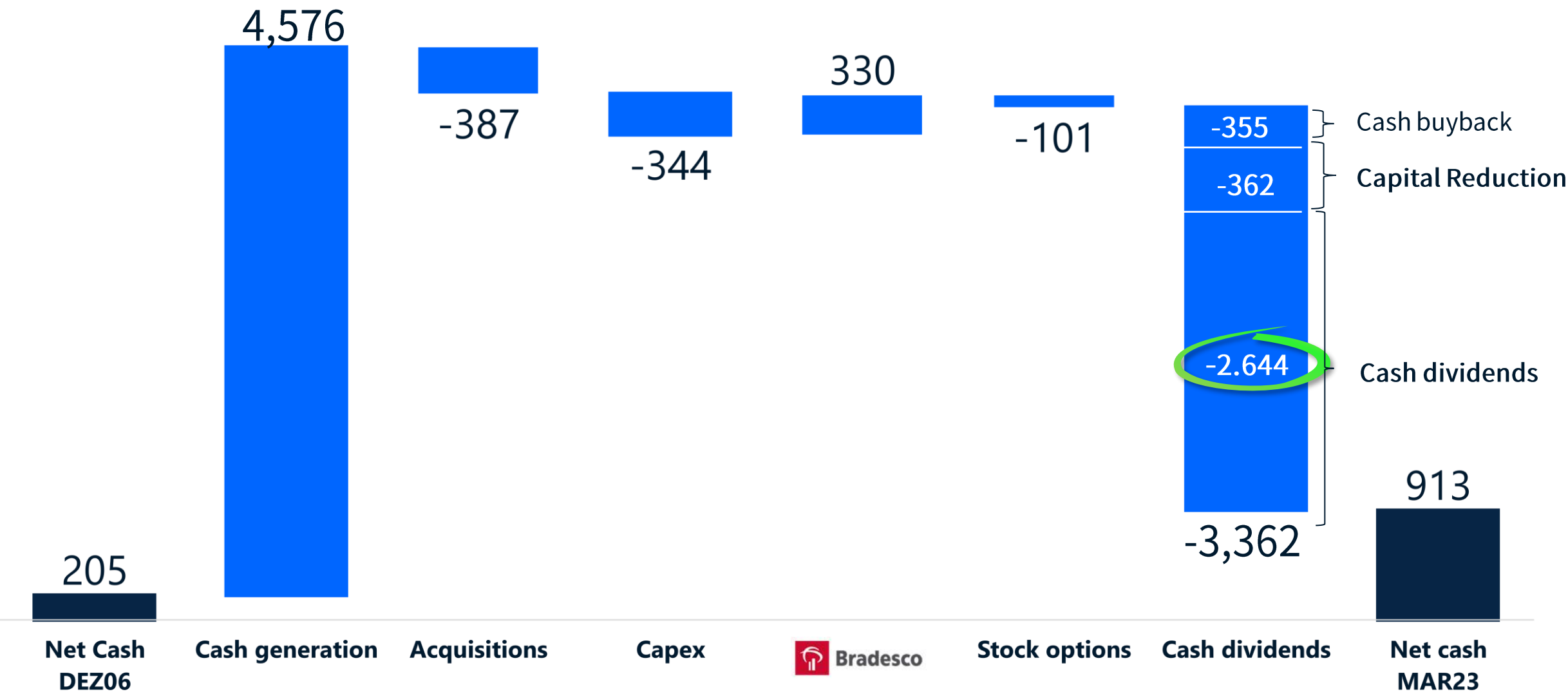
# Cash flow 1T23

R\$ million



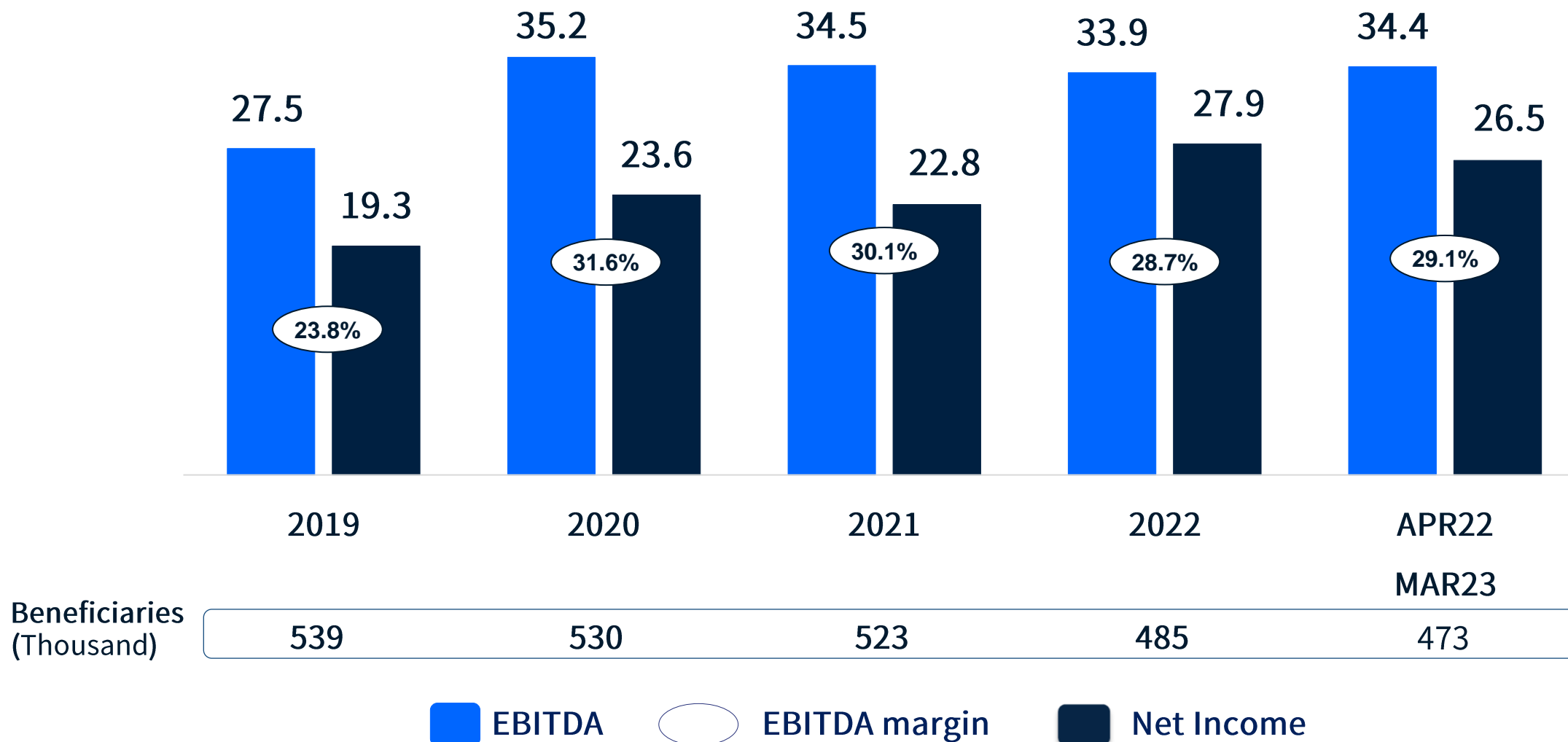
# Cash flow since the 2006 IPO

R\$ million





R\$ million and % of NOR



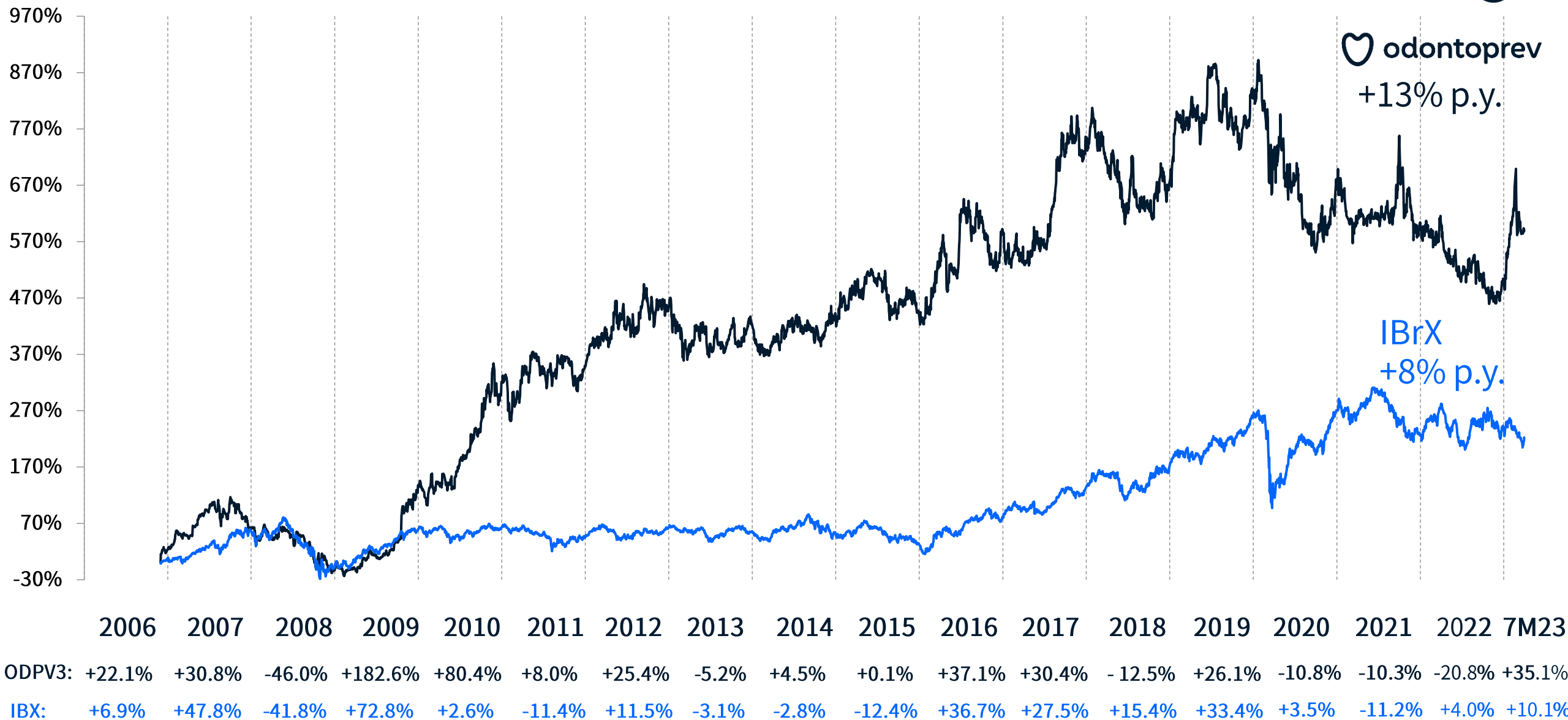
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# Capital **Markets**

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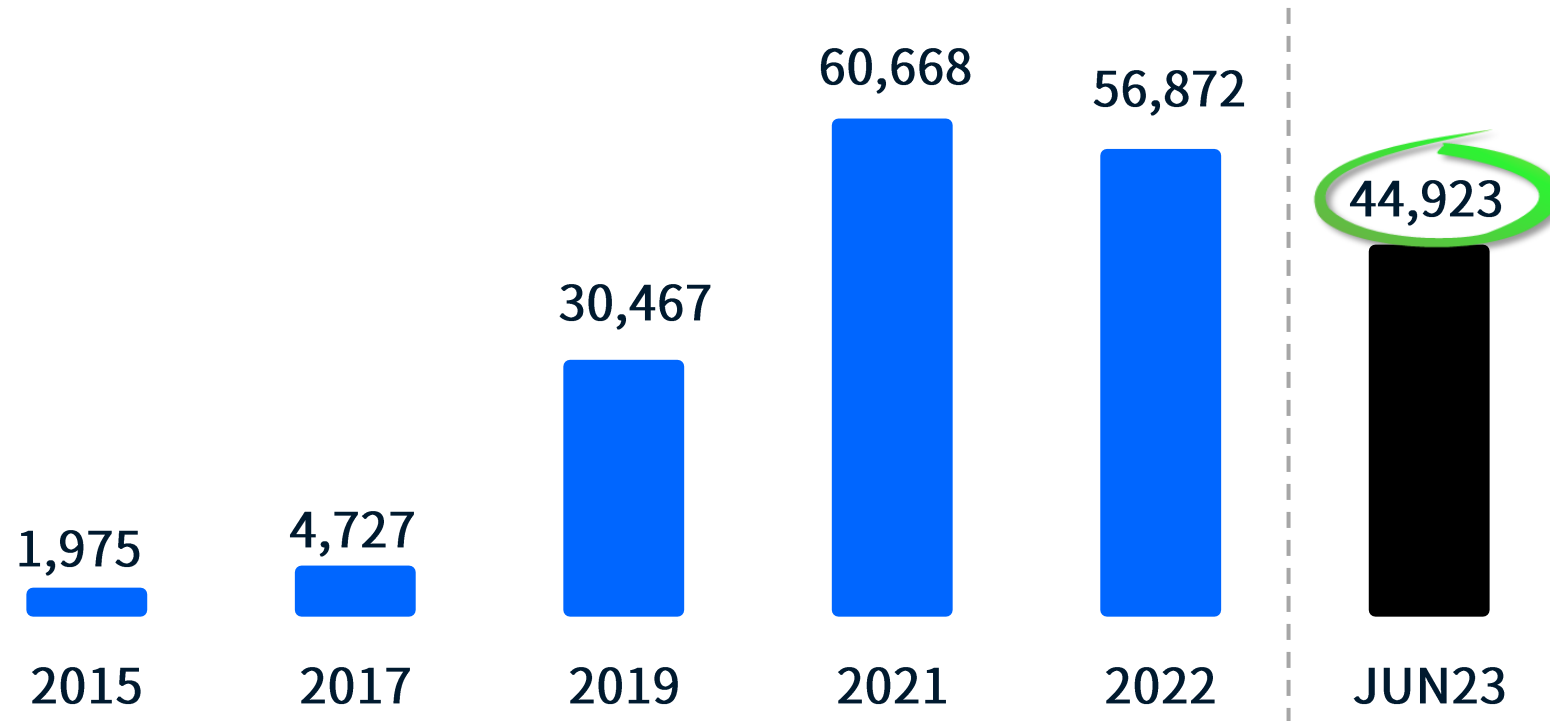
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# Odontoprev total shareholder return since IPO x IBrX



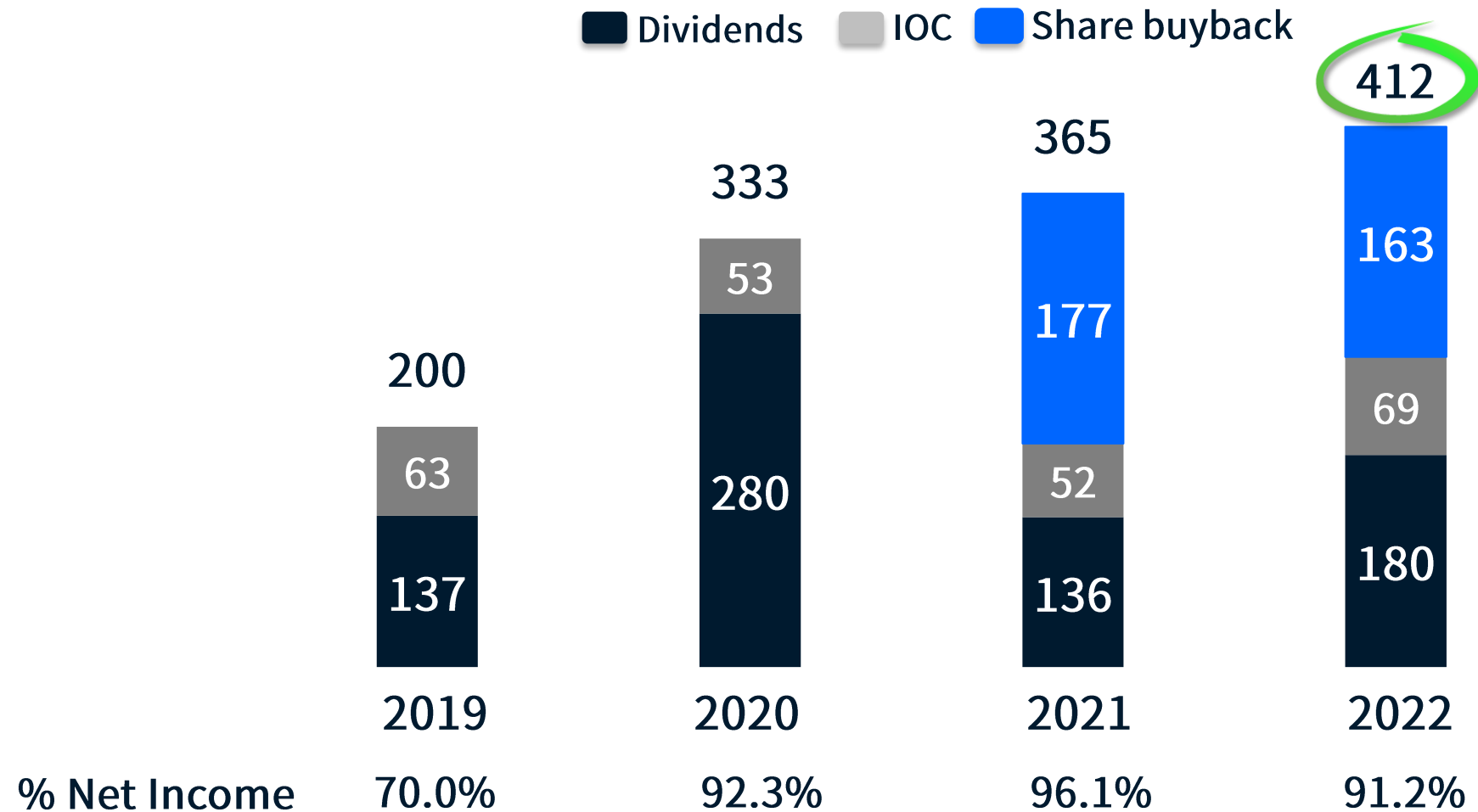


## Number of retail investors since 2015



# Investor friendly capital allocation

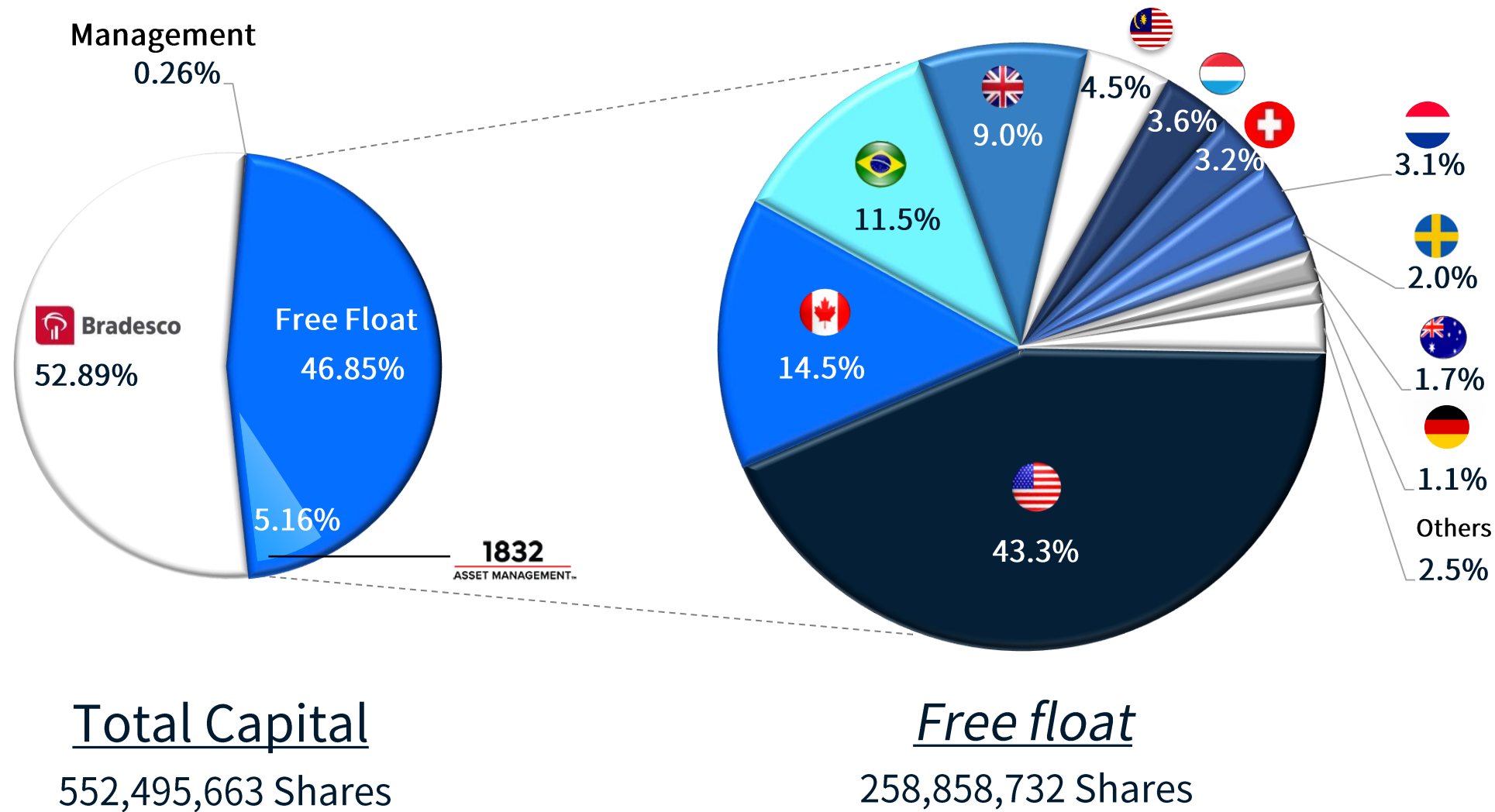
R\$ million



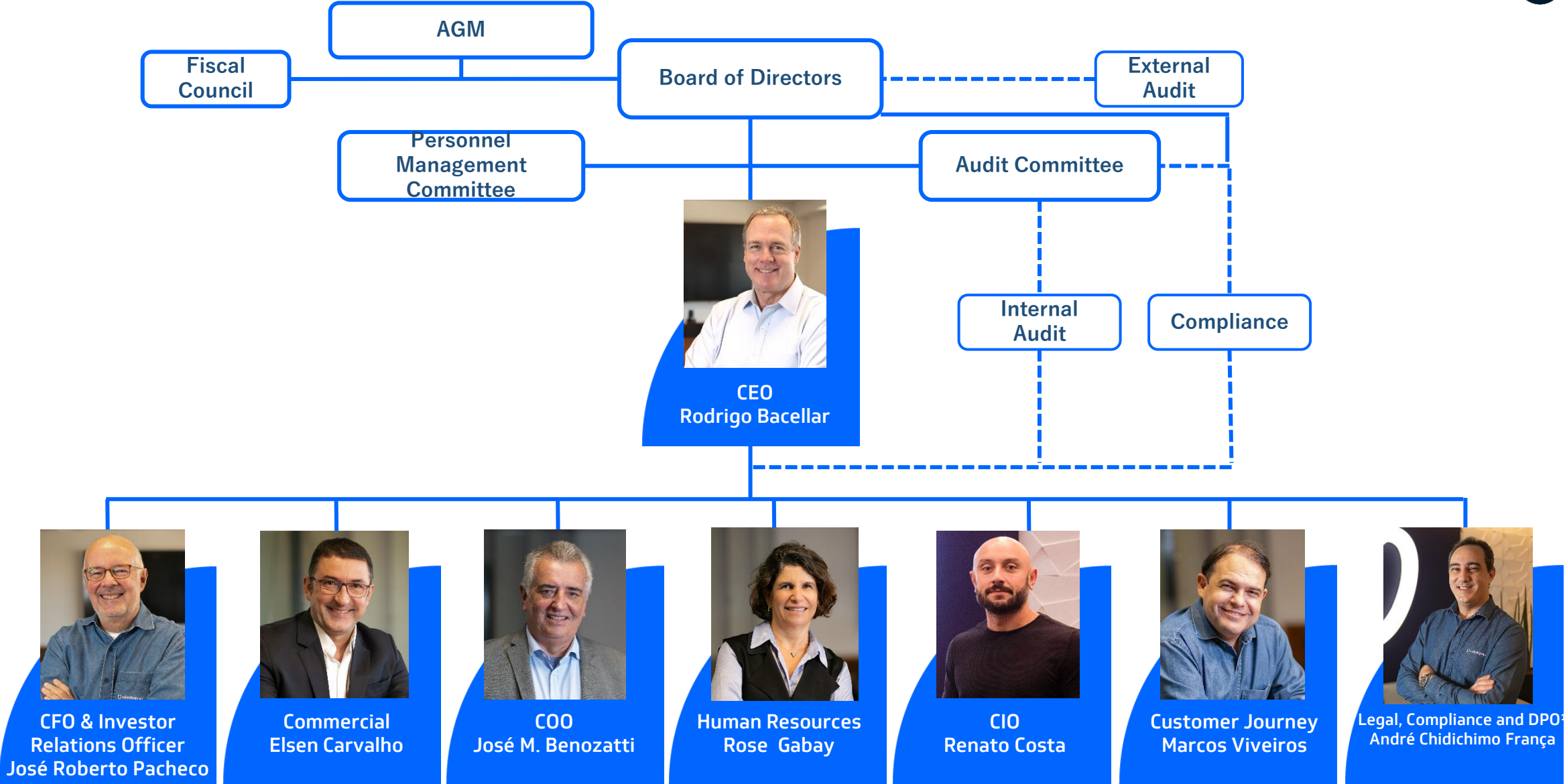
# Global shareholder structure: investors from more than 30 countries



JUN/23



# Professional management team since foundation in the 80's



Non-statutory

# Key metrics for management's compensation



## Quantitative goals

- ✓ Revenue growth
- ✓ Incremental EBITDA (R\$)
- ✓ Membership expansion

## Perception Studies

- ✓ Beneficiaries
- ✓ Dentists
- ✓ HR managers
- ✓ Service quality

# Odontoprev was voted dental plan Top of Mind among HRs



Odontoprev was awarded by 25<sup>th</sup> Top of Mind RH edition. as dental care most voted among HRs professionals. Of the 25 annual editions. Odontoprev won 20.

Odontoprev elected in april/2023 one of the best companies to work in Brazil



# ESG metrics



Environmental key indicators	1Q19	1Q20	1Q21	1Q22 <sup>1</sup>	1Q23 <sup>2</sup>
Total consumption of electricity (kWh) [GRI-302]	231,330	235,613	196,925	8,609	77,121
Total consumption of water (m³) [GRI-303]	2,422	1,906	1,220	447	705
Greenhouse gas emissions per scope (tCO2e) [GRI 305]	266	142	94	70	74
Scope 1 - direct emissions (tCO2e)	24	19	7	-	2
Scope 2 - indirect emissions related to purchase of energy (tCO2e)	8	22	22	1	2
Scope 3 - indirect emissions from the value chain (tCO2e)	235	102	65	69	70
Waste Management[GRI 306]	1,742	1,948	666	228	855

<sup>1</sup>New headquarter as of February 2022

<sup>2</sup>Includes retroactive consumption of electricity related to 2022

Personnel key indicators	1Q19	1Q20	1Q21	1Q22 <sup>1</sup>	1Q23
Total employees	2,141	2,136	1,928	1,719	1,746
Call Center employees	563	572	504	166	146

Total turnover	7.0%	5.7%	6.1%	6.4%	6.8%
Turnover without Call Center	6.7%	6.0%	7.0%	4.1%	6.3%
Call Center turnover	7.8%	4.9%	3.6%	28.3%	12.8%

[GRI G4-LA12]

Gender distribution

% Men	26.5%	26.6%	26.0%	29.9%	29.2%
% Women	73.5%	73.4%	74.0%	70.1%	70.8%

% Women at Strategic Management	45.3%	43.7%	42.6%	41.8%	46.0%
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Odontoprev was included in the Bloomberg Gender-Equality Index for the 4<sup>th</sup> time



# Odontoprev rated “Corporate Performance PRIME” by ISS



In June/22, Odontoprev received the “Corporate ESG Performance PRIME” badge by the ISS, Institutional Shareholder Services.

# Highlights in ESG



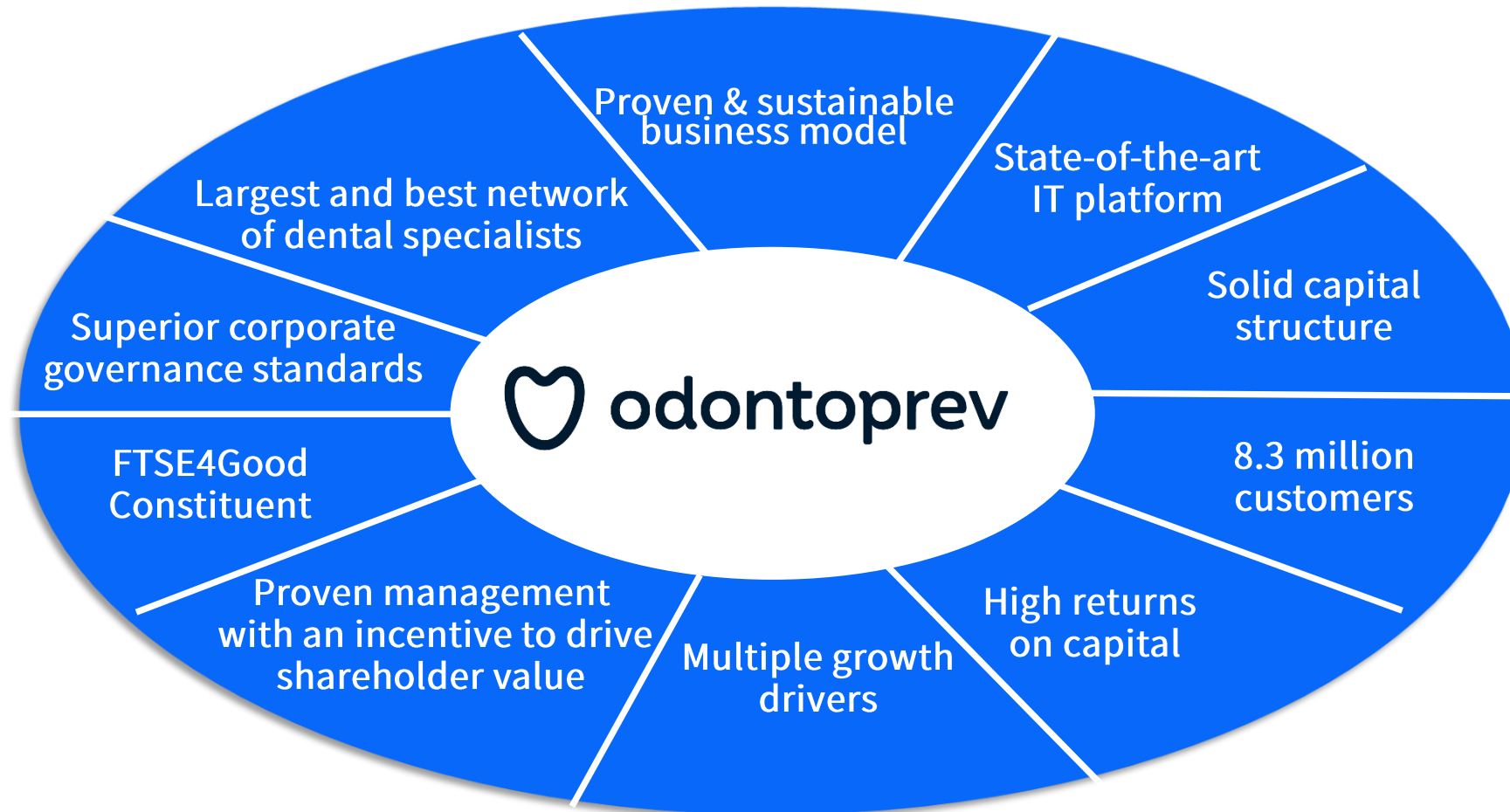
The Company has published a new annual edition of the ESG Report. based on GRI (Global Reporting Initiative) guidelines. [Click here](#) to access the Report.



In April/22, Odontoprev, in partnership with Sea Shepherd Brazil, started the “Clean Waves Expedition on the Road” . During 18 months, the expedition will travel through 17 coastal states, including more than 300 beaches. As a result, it will carry out a pioneering scientific study on the situation of waste, with methodology created in partnership with the Oceanographic Institute of the University of São Paulo.



# Why Odontoprev?





# Upcoming IR events

UPCOMING IR EVENTS			
Date	Broker	Location	Event
Aug 10	 Itaú BBA	São Paulo / BR	Investor Presentation
Aug 24	 Santander	Santiago / CL	Non-deal roadshow
Sep 11-13	 Morgan Stanley	London / UK	26th Annual Latin America Conference
Sep 14-15	 UBS	New York / USA	Non-deal roadshow
Sep 18-19	 UBS	Boston / USA	Non-deal roadshow
Oct 03-05	 BTGPactual	New York / USA	Latam CEO Conference
Nov 9	 Bradesco	São Paulo / BR	Investor Presentation
Nov 14-15	 Bradesco	New York / USA	Bradesco BBI 13th CEO Forum



# Contact Investor Relations



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CFO & IRO



**Stella Hong**  
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**Bradesco**

Custodian & Market Maker



Independent Auditors



**B3 LISTED NM**

B3 Ticker

# Appendix



R\$ million, except otherwise specified	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	APR22 - MAR23	CAGR
Net Revenues	182	259	318	382	685	835	955	1,070	1,156	1,250	1,365	1,437	1,592	1,795	1,765	1,842	1,962	2,014	16%
Average ticket (R\$/memeber/month)	12.25	12.53	12.07	12.80	12.87	13.66	14.33	15.22	16.07	17.04	18.58	19.66	20.43	21.13	20.47	20.42	20.72	21.31	3%
Number of members (000)	1,492	2,113	2,460	4,175	4,978	5,533	5,976	6,172	6,316	6,409	6,267	6,309	7,230	7,400	7,510	7,984	8,318	8,265	11%
EBITDA	46	60	76	81	154	208	227	273	305	327	300	352	415	418	544	581	576	612	17%
EBITDA Margin (%)	25.1	23.3	23.9	21.1	22.4	24.9	23.8	25.5	26.4	26.2	22.0	24.5	26.1	23.3	30.8	31.5	29.4	30.4	-
Net Income	17	48	55	59	121	145	146	188	195	221	216	245	285	285	361	380	452	460	23%
Market Cap	872	1,122	587	2,833	4,443	4,711	5,701	5,223	5,239	5,021	6,694	8,453	7,305	8,963	7,730	6,694	5,133	6,253	13%
ODPV3 Return (%)	22	31	-46	183	80	8	25	-5	5	0	37	30	-13	26	-14	-10	-21	22 <sup>1</sup>	13%
IBX-100 (%)	7	48	-42	73	3	-11	12	-3	-3	-12	37	28	15	33	4	-11	4	-7 <sup>1</sup>	7%

<sup>1</sup>Return in 2023

