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2Q21 Results videoconference July 29, 2021

José Roberto Pacheco:

Good morning, everyone. Welcome, and thank you very much for your interest and trust, we are Odontoprev. I would like to thank you for attending the Company's conference call, to present the performance of the second quarter and first half of 2021.

Now to begin the presentation, **on slide number three**, we can see data from ANS since 2006, where the dental plans, on the right side of the screen, are still presenting continuous growth, adding over 20 million members compared to an increase of only 11 million members in health plans, a more mature market segment. And specifically in 2021, we see the gradual resumption of the additions in health and dental industries, with a growth of 756,000 new customers in the dental plans, exceeding 27 million members at the end of May.

According to our next slide, **number four**, we can see the revenues and average ticket of the main dental plans in Brazil. We highlight the Odontoprev portfolios in the corporate segment, which is large companies, and noncorporate segments, which includes SME and individual plans, with an expressive leadership in both.

On the next slide, **number five**, according to ANS data, we can observe the Company's leadership in all regions of Brazil, in a generally domestic operation, with an accredited network in more than 2,500 municipalities and exclusive distribution channels, the only one on the market.

On slide number six, we show the net addition of 152,000 new members in the quarter, and over half a million, more precisely 506 thousand new lives in the last twelve months, the best commercial performance in over ten years, not only for the data in Q2 but also in the twelve months evolution as you can see on **slide number seven**.

On our next slide, **number eight**, we see the quarterly evolution of revenue, with sequential growth and annual variation, after the hard impacts of the pandemic during 2Q20, especially in the months of April and May.

On **slide nine**, we demonstrate the execution of the long-term strategy. We can see that the corporate segment revenues increased 16% since 2014. On the other hand, the revenues of the noncorporate segment, SME companies and Individual plans, goes from R\$284 million in 2014 to R\$753 million in the last 12 months, a 16% growth per year in the period, added to a superior ticket higher than the industry, better profitability with relevant barriers to enter.

On **slide ten**, we can see the DLR per segment, compared to 6M20, reflecting the pandemic effects, and compared to 6M19, with a drop in corporate and SME claims, and in line in individual segment. The consolidated dental loss ratio was 39% in the semester, more competitive than the historical standards demonstrating the resilient Odontoprev's model even in adverse scenario such as the pandemic and competition.

On slide **number eleven**, we see that the bad debt was 2.8% in the quarter, lower than the historical levels, mainly resulting the transition and growth of the noncorporate portfolio in bank channels, that bring us

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this important competitive differential to expand Company's margin.

Moving on to the next slide, **number twelve**, we discuss cash generation. We show that with the drop in cost of services, efficiency gains in G&A, the EBITDA reached R\$297 million in 6M21, greater than one year ago, with margin expansion to a record 33% in the period.

On the next slide, **number thirteen**, we highlight the new profile of financial investments, in which during the second quarter of this year we migrated part of the Current Assets portfolio to long-term Treasury bonds, with post-fixed and pre-fixed interest rates above the short-term remuneration, with the same credit risk profile. The new instruments are booked at their yield curve, minimizing the volatility of the consolidated portfolio, and will be held until maturity and were the main reason for the higher financial income observed.

On the next slide, **number fourteen**, we see that in 2Q21, the Company generated R\$108 million in cash, ending the period with net cash of R\$858 million, with no debt.

On **slide fifteen**, we can see the annual evolution of shareholder remuneration.

The Board of Directors approved on March 30th, 2021, a Share Repurchased Program of up to 10 million shares, aiming to maximize the value generation for shareholders, given that, in the Odontoprev's view, the current share price does not reflect the fundamentals of the business model, assets and perspective of future return.

During 2Q21, approximately 7.0 million shares were repurchased, at an average cost of R\$13.05, an investment of R\$90 million, as demonstrated below, which added to the dividends and interest on capital already paid in the year, total R\$325 million in remuneration to shareholders accumulated in 2021.

Moving on to the end of this quick presentation, as shown in our next slide, **number sixteen**, in our ESG highlights, we published the Annual Sustainability Report last month, in June, based on the international guidelines established by the GRI. In addition, we highlight the achievement of the Amigo do Clima certificate, in which the total carbon emissions since the company's foundation in 1987 have now been neutralized in 2021. Still on the Sustainability agenda, we were very pleased to receive yesterday the confirmation of Odontoprev as part of the British FTSE4GOOD index portfolio, for the 5th consecutive year.

Well, going to slide **seventeen**, we see the continuous growth in the number of individual shareholders, which for us at Odontoprev is a great reason for pride and satisfaction, as well as the growth of our globalized institutional investor base, with approximate free float of 86% with investors from over 30 countries.

Once again, we would like to thank you all for your interest and trust in Odontoprev. Now, I would like to move on to our Q&A session in our common practice of 45-minute earnings conference call.

Thank you all!

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Q&A SESSION:

Stella Hong:

Now we will begin the Q&A session. To enter the queue, click on the Q&A button on the bottom of the screen and enter your name and Company. Our first question is from **Emerson Sousa from Itaú BBA**.

Emerson Sousa, Itaú BBA: Thank you everyone for your time. I have a couple of questions, actually. The first one is that I'd like to know how the company sees the capital allocation strategy going forward, now that we see a scenario of tax reform and dividends, and the Odontoprev investors are very interested in that type of investment profile, that's my first question. So, the second one is about understanding the performance of net adds across the quarter. The ANS figures had a very shy performance, and you exceeded the expectations in that adds, so I was wondering if that was closer to the end of the quarter focused on the specific client or portfolio so if you can give us some more flavor on that would be great. And last, I'd like to understand the DLR is still the lower, the levels are lower than 2019. So, I'd like to know how you think that will behave in the second half, if you see that increasing in July given more vaccination being carried out in the country. Thank you.

José Roberto Pacheco: Good morning, Emerson. I'll make the first comments in relation to Capital allocation. So historically, the Company aims exceeding the cash or distribute the cash generation not only in the period but also in every quarter. So, our priority was always interest on capital in the company maximizes that tool, year after year, quarter after quarter and that will continue in 2021. Next, we also had relevant dividend distributions, we're listed in the Novo Mercado where the minimum payout is 25%. According to our bylaws we have the double, which is 50% and in practice we've been doubling that, so, it's been a hundred percent. That has been our practice, our common practice. What's new now as we mentioned in the presentation is the buyback program in which the company has been signaling in the market in relation to the current share price. What we see in the tax reform may increase the importance of the buyback programs as of 2022, in addition to the fact that the company is a traditional participant in the inorganic transactions in the dental industry. So, in fact, there were a number of acquisitions that were made in the past years, in the value chain not only in the share that the company has in other companies that were acquired, but also in the value chain, be it in materials distribution or even outside the country. So, I believe that topic is in constant dialogue with the market. Let's wait for the conditions in relation to the tax reform but without a doubt we will not hesitate in paying attention to that and being extremely focused on adding value to all of our company shareholders.

José Roberto Pacheco: Rodrigo can you touch on the other topics?

Rodrigo Bacellar: Good morning, Emerson, thank you for your question. About net adds in the month, you mentioned in writing, that there was a difference between June and the others. Well, what we can say is that net adds came from a number of initiatives in the country we are talking about the open enrollment contracts where companies negotiate an advantageous price, on behalf of employees and the employees may enroll if they believe it's interesting. So, we have some prospecting actions where we visit these companies to talk to employees that haven't enrolled at first or new employees, as that always happens. So, we visit companies to have an opportunity to talk to them and offer our benefits again. In that type of operation, we have an expressive gains during the pandemic, as we were able to prospect more members remotely or virtually as we're having this video conference today. So, if we consider that in these operations we've been improving in relation to the peaks of sale in the type of material that we give them in planning and scheduling with these companies in addition to be able to reach out to more people in less time today we can have meetings with 150 250 employees we even had a meeting with 500 employees that were plugged into a conference like we were doing right now. So that there's that type of scenario that's coming from the operating scenario that has improved in this operation that we called as if we're fishing in an aquarium we are able to sell to them. Another important aspect is being

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integrated with for Bradesco Health care, not just for Bradesco, Health care but also their sales strength, their organization, where we also can operate faster with better apps, better facilities. So, the Bradesco salesforce is entering the game, even more be it through contracts together with health care plans or individually just with dental. The Odonto System rollout is another important aspect. Odonto System, in 2018, when the transaction was approved, we were present in 11 states and 51 cities. Those 11 states after 3 years were in 22 States in Brazil and the 51 cities turned into 211 cities. So, Odonto System is already running providing quality service according to our more affordable model across all of Brazilian territory. So, we're adding a number of sales activities and improvements that happen, we wake up in the morning thinking of mouth and go to bed thinking of mouth. And we are completely focused on dental plans and we improve that on constantly, in addition to new partnerships in the medical area. So, there are health care operators that do not have dental plans and given our high-quality high capillarity and easy to plug in because we have that type of contract for years. Now we can provide that type of service for health care operators. So, when you bring together these four major causes or effects that I'm mentioning, that is what explains our net adds. And lastly, you asked about DLR. So, I'd like to say that in individuals I know that this question is going to come up from many of you. So, in individuals, as Pacheco already mentioned in the preamble, it's actually going back to normal. June was very similar to what expected, we expect as normal activities. We control this on a daily basis, and we can see that based on the approvals that we give people for their treatment. So, we have high predictability. In July, we believe that the levels would be similar to June so but it's not as strong. It's still a bit lower. But in a way, we believe that for the fourth quarter this year, we should see something similar to what we believe is normal. So, vaccination is advancing in Brazil, more flexibilization in terms of working hours, so trade isn't opening up restaurants. So, we'd expect, let's see, if course, that on a daily basis in monthly basis but we would expect normalization by the fourth quarter. So, let's wait and see. With that, I believe we've answered your three questions. Thank you once again Emerson for your question.

Emerson Sousa, Itaú BBA: Thank you. Rodrigo and Pacheco. Everything's very clear.

Stella Hong: Our next question is from **Yan Cesquim, from BTG Pactual**.

Yan Cesquim, BTG Pactual: Good morning, everyone. Can you hear me?

Rodrigo Bacellar: Yes, we can perfectly.

Yan Cesquim, BTG Pactual: Okay, my first question was about DLR but now it's very clear about how you see the recovery of frequency. My second question is about SG&A. So, when we look at the quarter, we see that there's a gradual improvement, in SG&A. So, I'd like to know, can we consider that in the future? Gaining more efficiency in that same line and also in a one-off sense, although, there was a first half of improvement. What was more important in the second quarter?

Rodrigo Bacellar: Thank you, Yan. I'll start off and then I'll hand over to Pacheco. The S in G&A has to do with sales expenses, right? So that has to do with the sales mix and as Pacheco already mentioned, and that was in our report. The fact that retail performed under performs, it helps in SG&A, because the S is a more expensive channel, right? Retail is more expensive channel. So, we're separating channel audience and segment we'd like everything to walk and run in at the same speed. But we do have eggs in different baskets. So, what we saw right now in the second wave in the beginning of the second quarter, with still a moment of some difficulties in retail. They were still trying to take off and especially when we had the second wave if more restrictions and February and March. When that happens, the retail expenses, which are higher bring down that index. So, the fact is we have some channels that are more expensive others that are not so much, and we have to see how sales will behave because, that comes automatically from the mix. There's nothing actually pretty meditated in higher commissions or anything of the sort, it's actually a result of the mix and how these sales are behaving. About

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G&A, another thing that we have is a goal is that we have to leave the pandemic with the best of both worlds, right? We had the pre-pandemic world with a lot of travel, printing the dental cards, manuals, post-office expenses, rental, a number of expenses that we had and as we became more digital during the pandemic, like I mentioned in Emerson's question, right? About travel that we visited to companies to prospect, that's about a great learning experience for us. Obviously, we still will visit some companies and have our road show, to show the benefits of our products and prospect more and bring in more members. But it's also clear that we have to take advantage of this digital possibility where it would take a long time to get to remote areas by plane and then there's car travel and hotel expenses and even risk of driving on bad highways, right? So, we can do that differently. Now, when we gain from that, so in G&A, there's an ambition of doing everything that we used to do. Well, pre-pandemic with everything that we were able to improve and do better now during the pandemic and leave with the best of both worlds. So, some of you asked at what level will this become stable. I don't think it's going to be as the pandemic, or actually pre-pandemic, and it's not going to be the same as the pandemic as we had three or four months where everybody was grounded staying at home. So, we clearly have something in the middle. I believe where we can include all the improvements that we've had, and Pacheco has mentioned in other calls, in travel, in printing the cards, and so on. So, Pacheco, would you like to add?

José Roberto Pacheco: As Rodrigo mentioned, SG&A is about margin increase. It has been and will continue to be. In selling, given the banking movement of the individual plans. And so, the sales expenses are more relevant in individual plans and with the growing of bank channels in the individual plans we've had lower conditioning compared to retail stores. In G&A, an important thing to add is technology, so you've already seen that, and you will continue to see relevant increase in company CAPEX, which is used in technology and technology is enabling us to not having to have actual dental cards and other aspects, and changing the systems, large systems, that we have the biggest in the world that started in 21, and will continue in 22. So, we believe in continuous efficiency gains based on state-of-the-art technology. And that's something that's already been happening since mid-last year and becoming even stronger now in 2021 and 2022. Thank you.

Yan Cesquim, BTG Pactual: Thank you Rodrigo. Thank you, Pacheco.

Stella Hong: Our next question is from **Vinícius Ribeiro, from UBS**. Go ahead.

Vinícius Ribeiro, UBS: You can hear me, right?

Stella Hong: Yes, we can.

Vinícius Ribeiro, UBS: Good morning everyone. My two original questions were questions that were already asked. So, can we hear some more about net adds for the second half? We understood that the second quarter performance was endogenous, and supposing that we get an economic recovery, do you believe that this sales momentum will continue going forward? So, what do you think has happen for that to continue? In the second question, similar to that, but now focusing on the long term which is recurring on my side story to be repetitive. How should we think about new distribution channels or an attempt to be part of platforms and all of that? That's it. Thank you.

Rodrigo Bacellar: Great, Vinícius. Thank you for your question. I had seen those questions and you improved them and that's great because now you're covering other sides, very interesting. About growth, I believe that there are different profiles. So, the growth of corporate or SMEs those sales take longer. So, we visit companies in the corporate world which is a more penetrated market. These companies many times already have a contract. It's about a contract, renewal process. And for, I don't know, three months before that, or six months before that, we get in the game to negotiate that, that might be connected to a health care plans from Bradesco, for

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instance, or from one of our other partners that do not have dental, we can jump in alone as Dental. So, it's a longer process, a longer maturation process and we work hard. We have a dedicated team, we have this all mapped out in each region in Brazil, each company who has the contract, who is the broker, how many employees, how we get ready to jump in the game. So, there's all of this sales planning that is highly focused so we can be a part of that. We may have companies with more employees or not, so it has its own dynamics. In terms of SMEs, we created something very interesting, which was we segmented SMEs. So, for the upcoming months and even an especially with the strong participation in Bradesco, you'll see a SME with a strong performance. And ANS classifies SMEs as three to 199 members, and we have different segmentations and different pricing and these contracts, when they're packed with health care, and we've been doing that more and more they have lower DLR and longer duration. So, once again, we're putting our eggs in different baskets, and we're balancing the plates and we're very excited, not only because of the Bradesco sales channel, and doing that better and better, but also because of the characteristics, and I believe that we got it right with this segmentation in SMEs, and also the sub segmentation in SMEs as well as the ability of having longer durations and lower DLR. When these contracts are connected to health care plans. So that's the first part of your question, and Pacheco can feel free to answer that. What was your second question again? I forgot?

Vinícius Ribeiro, UBS: About channels.

Rodrigo Bacellar: New channels, right? That's another important aspect. In the platform concept that you mentioned our total Odontoprev portfolio, and this is interesting, we have approximately 25 to 30 percent of our portfolio is already on an open platform. We provide services for retailers; we provide several services for credit card companies or private label cards. And we do that for operators or other channels, for websites, so that's a strong footprint. We have a very interesting pipeline in that. When we expand into that platform concept, we have to be sure that after it's plugged in, it's going to work. It can't be a headache, right? It has to work well. So, we have our homework and technology, I have to say that five or ten years ago when we started with those first services, the systems were customized. But now what we see is with the system's architecture that we have, and apps and the APIs that we developed to plug in play with partners is going faster. It's instant. And we can bravely say that we're going to market to talk to these companies because we can in a short turnaround time and just few customizations, we can capture that and bring it into our framework, and with that, be able to generate all the necessary information, exchanging files, billing, sales, members, and so on. So having that strong presence, 25 to 30 percent of our portfolio is in that concept. We have many new contracts that we started in that modality starting in January and we have a pipeline, in interesting pipeline, to evolve in that sense, as you well remember Thank you for your question, Vinícius.

José Roberto Pacheco: I'd like to add. Vinícius, the Mogidonto acquisition will come in in the third quarter 65,000 members, as we have already commented, and you're interesting to your point. Our growth is seasonal. It's more relevant in the second half of the year than the first half. So, what we see 2021, will be will not be an exception to that, and Rodrigo gave a lot of examples, and I'd like to mention again, Odonto System rollout that enables us to have a new product for a new patient profile. Not just limited to the Northeast now available in the South and Southeast. So, we're more constructive in these adds in the second half of the year having interesting performance. Once again, in operating in half a million of members in the past 12 months.

Vinícius Ribeiro, from UBS: Thank you, Rodrigo and Pacheco.

Stella Hong, supervisor: Our next question is from **Pedro Mariani, from Merrill Lynch**. Pedro, go ahead.

Pedro Mariani, from Merrill Lynch: Can you hear me?

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Stella Hong: Yes, we can.

Pedro Mariani, from Merrill Lynch: Thank you. Good morning, thank you for taking my question. The two questions that I submitted were already answered. So, I'd like to take this opportunity to ask about the ticket dynamics. I know that in the segment's, the dynamics were different, so if you can give us some more details on that, what's causing that dynamic if it's competition, if it's the mix. So, any details that you can give us? Thank you.

José Roberto Pacheco: Pedro, the average ticket has become lower and environment where the cost is lower. So, in long-term commercial relationships, and I'm starting off this comment in terms of corporate. So in an environment where less people use the benefit, obviously there's increasing the average ticket, considering the long-term use so on average and large company contracts. We have a 10 year or more relationship, we're longer relationship. In SMEs, the dynamics are different. In that segment, there's huge concentration of bank channels not just in 2020, but also in 2021, there's an interesting increase in revenues and tickets, given the launch of new products with higher added value products. Therefore, increasing the average company ticket, which enables us to say that almost, or over the double almost, the triple compared to the competition, consolidated competition. That's the beauty of the strategies, so we can get to customers with a higher barrier of entry given the distribution platform, in that we have for SMEs. For individual plans, there are two different dynamics. So, we've had, in general, the faster entrance of bank channels and the Odonto System plans. Bank channels bring the average ticket up and the and the Odonto System plans, when sold in that particular segment, they bring down the average ticket. So, I can say that where pricing focusing on value and considering the relevant quality standards in the company that are also perceived by our customers around the country. Thank you, Pedro.

Pedro Mariani, from Merrill Lynch: Thank you, Pacheco.

Stella Hong: Next question is from **Leandro Bastos, from City**. Go ahead, **Leandro**

Leandro Bastos, from City: Hi, good morning everyone. Good morning, Rodrigo and Pacheco. On my side, just a follow-up question. I'd like to explore the Odonto System side in the Southeast. I'd like to understand the difference between this product and the others in terms of network, coverage, cost control compared to regular corporate plans in the region and the average ticket. Thank you.

Rodrigo Bacellar: Well, thank you Leandro. How is the Odonto System plan different? When an employee or an individual has the product, this system hasn't works proactively, so they call the member, they call the individual, to bring the man for a mouth inspection or hygiene, right? So, they come in, the dentist, and this dentist is not the dentist that will give the treatment. So, this dentist will inspect them, assess then and say, "clean their mouth", you know? The first service. And they say this is the treatment plan that's for you. So, you're going to have to treat problem a, b and c, for instance, and after that's done the network, that will treat this patient isn't the same one that accessed them, so we can inhibit and avoid fraud or waste. So, it's a group of dentists that does that first procedure, and then, we have a registered network, that gives the actual treatment. So once again, we assume that network, right? So, they saw the diagnostic, see it has to be done, and then with a network that will do the treatment, in at a lower cost, even at a lower ticket from Odonto System you can control DLR in a better way. So, for those who are buying the plan, it's a great feeling because they feel that someone's actually taking care of their mouth someone that was proactive and call the man for prevention or at least the first prevention, which is hygiene, and explaining, which treatment they should get. If it's a b and c or c scheduling treatment, and we do that in dentist slots that accept that cost and lower tickets. So, the news here, the difference in that model, that's exactly the difference in the model. So, it 2000 against the 32,000 for OdontoPrev,

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which they're not the same right, they're different with a different way to manage these members. That's the methodology and the business model behind that. So even at a lower ticket you can have controlled DLR.

Leandro Bastos, from City: Perfect. And how about the difference in the average ticket comparing both products on average, maybe?

Rodrigo Bacellar: At Odonto System a spectrum that goes from five or six BRL depending on the type of plan mixed or not up to 30. If it's a more robust plan on average, we can say 16. Pacheco, correct me if I'm wrong. Approximately 14, 16 BRL.

José Roberto Pacheco: In general, the Odonto System plans are discounted, right? Of course, it's a different business model so they have a discount in relation to traditional prices that the company has. Once again, it's a different business model and as Rodrigo called our attention to it offers a lower price for consumers, and based on the DLR control, we can get the same type of return for the company. That's the beauty of that model.

Leandro Bastos, from City: Very clear. One last question? I know that the geographic rollout is pretty recent, but how much could that account for in sales? I mean, after achieving the maturity.

José Roberto Pacheco: That's a great question. It's too early, very early to talk about maturity. I believe that the company is taking concrete steps in dialoguing with different kinds of, not only consumers, but also providers and medical plans to create the partnership. So, that's very relevant in this movement. It didn't start today to reach the level that we are at right now, it took a while with important work in setting up the network the operation, in states that we already operated. However, we had different types of providers and imagine the back office, that's necessary to kick-off that operation in so many states, like Rodrigo mentioned. That's another important movement. I believe that the company can service any type of risk profile. In any state in the entire country. We don't see any other operation with the same type of calling in geography and willingness to offer different customer profiles for the entire portfolio.

Leandro Bastos, from City: Great, Pacheco. Thank you, Rodrigo, have a good day.

Stella Hong: Our next question is from **Mauricio Cepeda, Credit Suisse**. Go ahead, **Mauricio**.

Mauricio Cepeda, Credit Suisse: Hi, Rodrigo, Pacheco and Stella. This is Cepeda speaking. Thank you for your time. I'm not going to be two very creative or new in the questions but in terms of DLR like to talk about the ticket in timing. We know, as Pacheco mention, tickets are dropping because you're going to renegotiate, the utilization was lower so you can't negotiate the same contract amount. On the other hand, we know that DLR will come back to normal levels, right? So how do you expect to bridge that? And go from one contract that you negotiated a lower amount to DLR coming back to normal levels. What are you thinking on that for the future? And another more mundane question, I've can see that third-party services increased in GNA. That's the only line that's off the historical standard pre-pandemic. So, if you can talk about that please?

Rodrigo Bacellar: Thank you, Mauricio. What you mentioned about the company, once again, we're talking about a mix. So, if on one hand, DLR was low and consequently the negotiation had low price increases or didn't that will become normal after a while. And that's the great part of it. We helped many companies, many dentists, during the peak of the situation. The companies that suffered the most, and in airlines, thinking and companies that are providing services, cleaning safety, security for shopping malls, and Airlines and we were partners and with them and that reflected in the figures when we negotiate that complying with their or servicing helping them in their expectations that reflects in the figures and everything. When it comes back to normal, and we

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hope it does because we want people to use that in perceive the benefit of work well done. We're here to provide services. We can't wait for things to get back to normal. So, I believe that the dynamics, it's, you know, the negotiation had a number of different features because of a pandemic. So, when life goes back to normal, negotiations will go back to normal for contracts as always, we're not concerned at all with that, and we do have a challenge of winning the contracts, providing good services, and all the different segments that we are present. Pacheco, you will answer the next question?

José Roberto Pacheco: Cepeda, about expenses in services provider. Well, in that case the name of the game again is technology. We're in a large project that will go on to 2022 with large systems and providing Global Services. And implementing that project we will have specifically some groups that provide services and advisory and Consulting that are helping us out in that. The project involves all company areas, so we're really excited with the conclusion mid next year, that's the forecast. This is not the first time that we do this, where we work on this. And that will definitely bring as some benefits as of mid-next year. Thank you.

Mauricio Cepeda, Credit Suisse: Thank you.

José Roberto Pacheco: Thank you, Cepeda.

Stella Hong: Next question is from **Eugenia Cavalero, from JP Morgan**. **Eugenia**, go ahead.

Eugenia Cavalero, from JP Morgan: Hi, everyone. Can you hear me?

Stella Hong: Yes, we can.

Eugenia car Valero, from JP Morgan: Good morning. Actually, I have two questions. It's a one follow-up in some topics that were already explored in the Q&A. The first one is I'd like to know, if you can talk about the cross-selling trends, especially with Bradesco, and how that's been helping in that adds. And the second one about pricing, do you see any changes in the pricing environment, given the low frequency that we saw last year?

Rodrigo Bacellar: Thank you, Eugenia. In Bradesco for cross-selling, we've been more integrated than ever. There's a project that we've been running together with its us for Bradesco Seguros, and Bradesco Healthcare, and the bank has so we're very close working closely. There's a monthly monitoring meeting for the project. In addition to the weekly meetings when we're talking about, working with banks and companies and all the different segments. So, there's a positive moment where we're working together, completely together, so we can do work in common and have benefits for everyone and above all providing quality dental services for all of them. So, we're going through a very positive moment and the board also takes part in that and helping out. So that's great news on that side. In pricing, Eugenie, I think I'll hand over to Pacheco later on. But it terms of pricing, it's what we mentioned before, during hard times, we were very sensitive and postponing payments, negotiating and understanding people's needs. And, also, in line of DLR which was lower. So, we see that the company has corporate contracts that are 25 years, 26 years, in effect. So why does that happen? Because we have a long-term view with our customers, right? It's not about magic and short-term. We have a vision of building a partnership and a relationship, as we have in all these cases with big corporate customers that have been with us for decades. And the best answer that we have for that Eugenia, when top of mind age is the biggest forum in HR departments in Brazil, and this is the 24th going on, when they have the service and in 23 editions, we were the finalists in 22 and we were the winners in 18, and out of the 18 in the past eight or nine years, we were top of mind in a row. So, the biggest NPS we can have is when we hear from all HR departments in Brazil that are asked and vote in terms of dental plan providers, we are the winners, and so men in many, many editions. So, I believe that the dynamic is that we have to focus more and more. We have 19 squads focusing on technology,

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right? And agile, methodology. Focusing on servicing members, legal demands, brokers HR departments. So that's what we focus on. Like I said, we wake up in the morning thinking of mouths and we go to bed thinking of mouths, and 100 percent of our revenues come from that. We're not distracted with any other areas or segments. Our focus is to see how we can work better and better to enchant our users, Be it B2B, B2C or B2B2C. So that's reflecting in our results. Thank you for your question. Let me see Pacheco wants to add.

José Roberto Pacheco: Just a couple of words on pricing. Eugenia, you mentioned pricing and traditionally OdontoPrev has a premium based on the product mix. So, we have an average ticket price, that's higher than the industry and particularly compared to the ones that complete to compete directly with us. That spread that premium should grow in 2021, given the level of aggressiveness that we've been seeing, in our peers that are closer to us. The good news is that in 2022 with the recovery of the economic activity and potential job generation, there should be higher use of dental benefits and therefore recovering the average ticket as well. So, I believe that the competitive edge that the company has this year will become even more clear. Particularly average ticket comparing to our more direct competitors, and you'll be able to see that in the numbers based on publicly available data when disclosed. Thank you, Eugenia.

Eugenia car Valero, from JP Morgan: Thank you.

Stella Hong: To enter a question. Just click on the Q&A icon.

As we have no further question the Q&A session is now over. I'd like to hand over to Pacheco to his final remarks.

José Roberto Pacheco: I would like to thank everyone for your participation again and this conversation about our earnings for the second quarter of 2021. And first half we're very focused and optimistic about adding future value. See you soon. At our next event, have a great day.

Thank you.