



# Qualicorp: 4Q21 Results

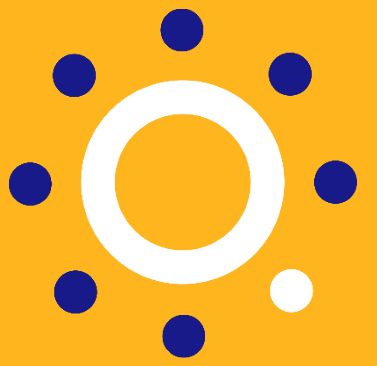
Public Presentation to Investors on March 29<sup>th</sup>, 2022



# Legal Warning

## Forward-looking statements

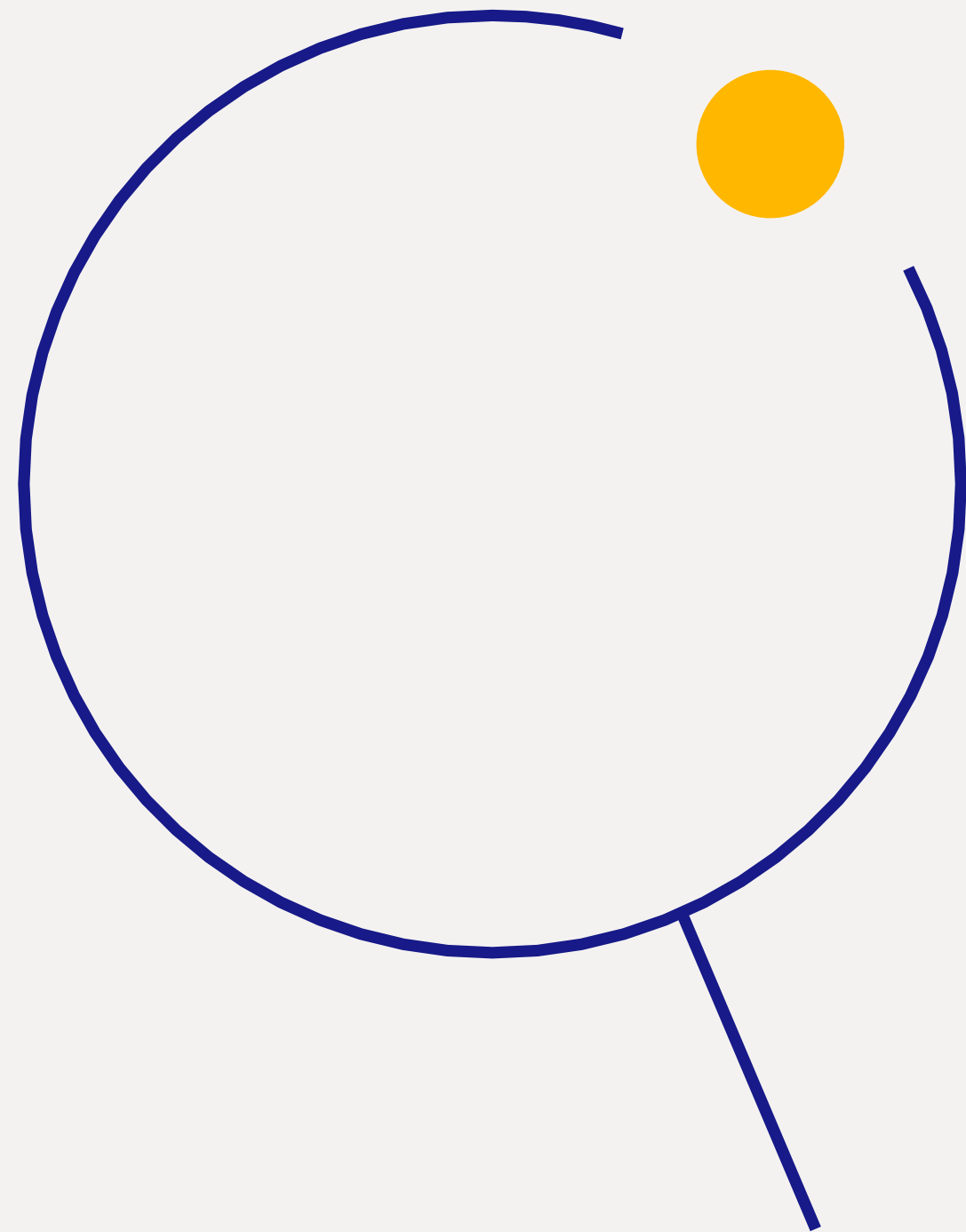
**This release may contain forward-looking statements concerning the business outlook, estimates of operating and financial results and growth prospects of Qualicorp.** These statements are based exclusively on the expectations of the management of Qualicorp, regarding the prospects of the business and its continued ability to access capital markets to finance its business plan. These forward-looking statements are highly sensitive to changes in the capital markets, government regulations, competitive pressures, the performance of the industry and the Brazilian economy and other factors, as well as to the risk factors highlighted in documents previously filed by Qualicorp, and therefore are subject to change without prior notice.



# Opening and Highlights

Bruno Blatt - CEO

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# Highlights 4Q21

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- Purpose to be the largest and most complete healthcare platform in Brazil, we will continue the transformation of our Company into a multiproduct and multichannel platform;
- We try to maintain in 2022 the new level of gross adds reached in 2021 with normalization of cancellations.
- R\$ 749 million distributed to shareholders in 2021 (dividends, share buybacks shares and interest on equity)
- Strategic acquisitions and new partnerships;
- Focus on innovation and technology aiming for the long term

A low-angle shot looking up at several people's hands reaching up towards the center, forming a circle. The background is a clear blue sky. The lighting is bright, suggesting a sunny day. The hands are of various skin tones, and some people's faces are partially visible at the edges of the frame.

Juntos

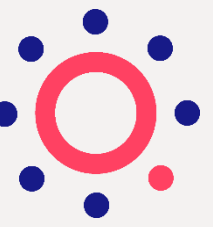
Conheça a nova Quali

**Nosso Jeito Quali de Ser**



# Corporate Governance

Ana Carrecedo- Compliance, Risks and Audit Director



# Compliance, Risks, Audit, Information Security and ESG

## Compliance and Integrity

- Creation of the **fraud prevention and combat** area in the Compliance Department
- Structuring of the **Integrity Program** with a focus on prevention, detection, and resolution of risks and non-conformities.
- Review of **the Code of Ethics and Conduct and Compliance Policies.**
- Mapping of **corporate and segment risks.**

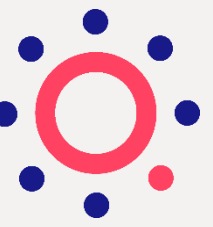
## Internal Audit

- Change in the audit methodology, acting on the better classification of the criticality of the points and report;
- Deployment of risk-based auditing;

## Information Security

- Creation of the Information Security Master Plan and hiring of the Security Operations Center (SOC);
- Deployment of 24/7 environment monitoring tools, as well as deep & dark web monitoring services;





# ESG

## Review of Governance and Remuneration Model

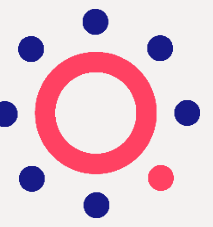
- New Bylaws and Policies;
- **New Market** in 2021;
- Enhanced disclosure;
- Review of the competencies and roles of the **Advisory Committees**;
- New **Management Compensation Model**, in line with the best market practices and the company's short, medium, and long-term objectives.

## Social Responsibility

- **Digitalization** of sales;
- Impact social initiatives **to combat Covid-19**;
- **Solidarity Fund** for Coronavirus Infected Brokers;
- **Donations** of +R\$ 17 million in alcohol gel, masks, rapid tests and hospital supplies.

## Strategies and initiatives

- **Structuring of the ESG** area in the Compliance Department, connected with the **Integrity Program**.
- Mapping of strategic themes to create the ESG materiality matrix and design of the **2030 strategy** aligned to the UN's 17 SDGs.
- Adoption of ESG criteria when choosing **suppliers and business partners**;
- Improvement of the **sponsorship and donation** processes by stimulating partnerships with certified organizations
- Creation of an internal front for socio-environmental education
- Survey of the **architecture of causes** for structuring the company's social action



# Corporate Governance

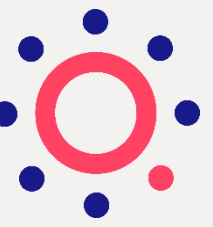
## Policies

- Relationship Policy with Public Agencies, Partners, Competitors and the Press;
- Corporate Risk Management Policy;
- Remuneration Policy;
- Related-Party Transactions Policy;
- Material Facts Disclosure Policy;
- Securities Issue Trading Policy;
- Policy for the Appointment of Board of Directors Members, its Advisory Committees and Statutory Board of Directors.

## Internal Rules

- Fiscal Council Internal Rules;
- People, Culture and Remuneration Committee Internal Rules;
- Sustainability and Governance Committee Internal Rules;
- Audit, Risks and Compliance Committee Internal Rules;
- Board of Officers Internal Rules
- Board of Directors Internal Rules.





# Corporate Governance



PT

Search



Quali

Corporate Governance

Financial Information

Investor Services

Other Information



2021



Ethics and Conduct Code



Anti-Corruption Manual

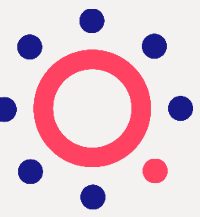


Other Policies and Codes

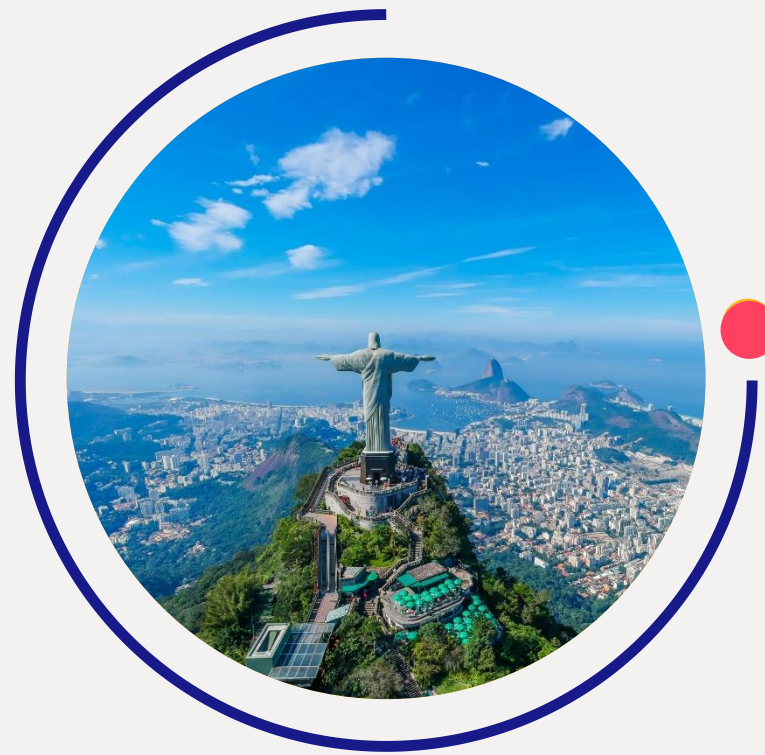


Reporting Channel





# Sustainability



## Restoration of Cristo Redentor

Qualicorp contributed with the preventive conservation processes, emergency structural work and improvements to the monument, as well as the accessibility project.



## Projeto Brasileirinhos

Created by gymnast Daiane dos Santos, the initiative provides free artistic gymnastics classes for children and teenagers between the ages of 6 and 16.



## Pequeno Príncipe Hospital

The Pequeno Príncipe Complex, founded in 1919 in the State of Paraná, is focused on assistance, teaching, and research directed towards the health of children and adolescents.



## Qualistage

New show complex in Rio de Janeiro, with several possible configurations, making it possible to host concerts, theater and dance performances, musicals, lectures, and even e-sports competitions.



# Quali Support



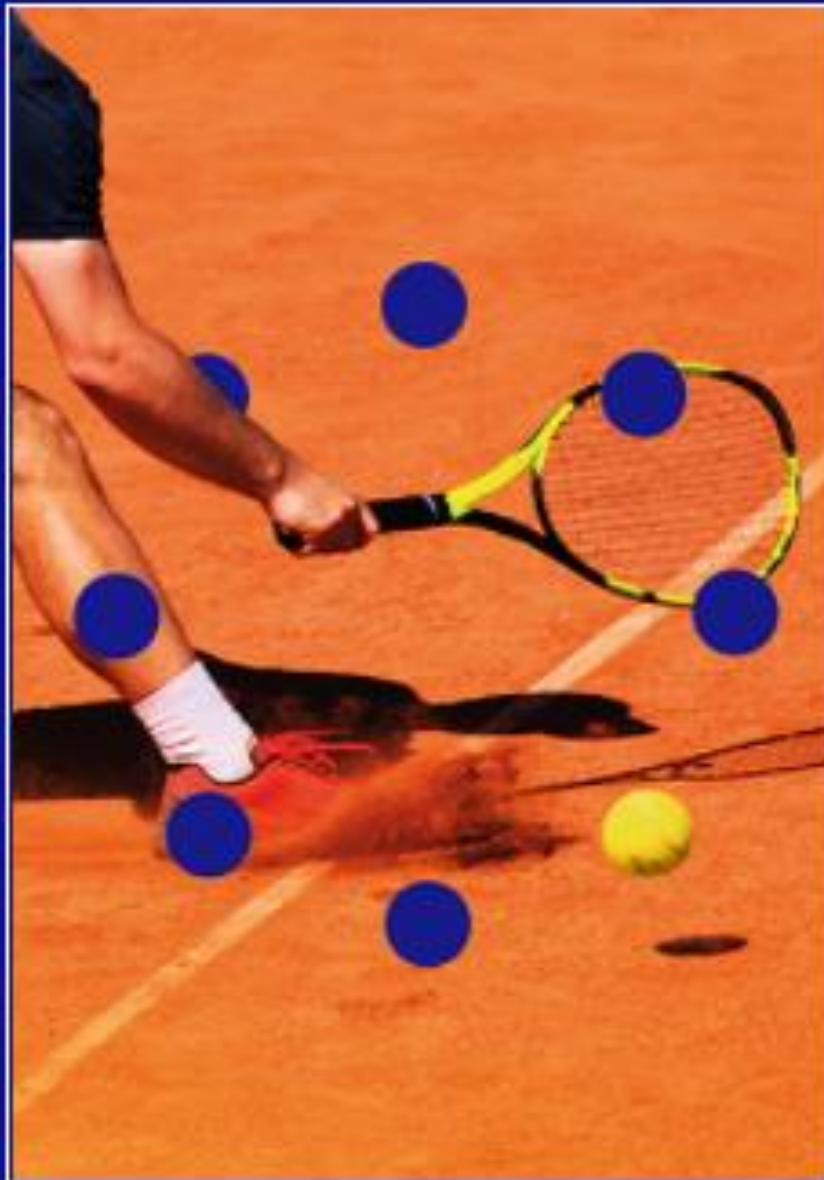
ART AND CULTURE



INOVATION



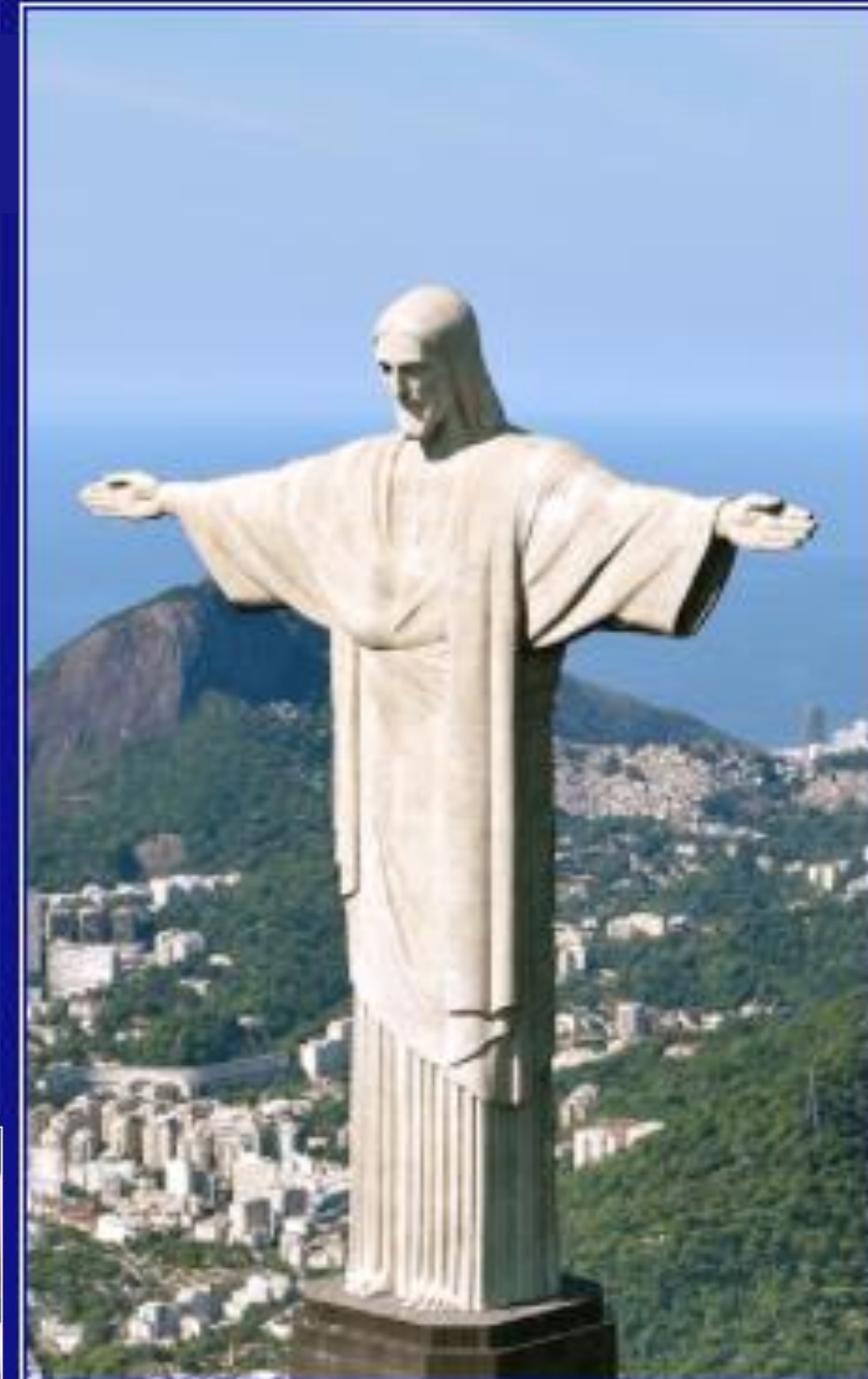
HEALTH



SPORT



DIVERSITY



HERITAGE



EDUCATION



# Commercial Strategy

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Elton Carluci - Commercial,  
Innovation and New Businesses VP

**New customer service strategy**

**New relationship strategy**

**New BPO supplier and improvements in contracts and payment models**

**Focus on problem solving**

**CUSTOMER ORIENTATION**

**investments in infrastructure, systems and specialized consulting**

**Focus on retention**

***Turnaround into a Quali Customer Centric***

**Reinforced the operations team**





# COPC – Customer Operation Performance Center

## First Call Resolution (FCR)

The ability to solve customers' demand in their first contact rose from 69% at the beginning of 2021 to 83% in voice channels and 92% in the digital channels at the end of the year

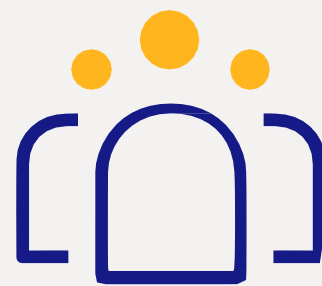
## CSAT Agent

The index, which represents customer satisfaction with Quali's attendant, evolved from 24.6% in 2020 to 74% in December 2021

## Service Level (SLA)

The service level (SLA) of promises delivered to our customers within the promised deadline reached 98%, above the standard market target of 95%

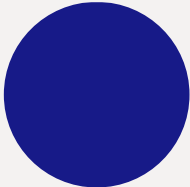
**Customer  
Experience (CX)**



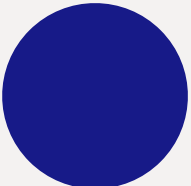
**User Experience  
(UX)**



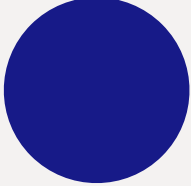
**Most extensive  
portfolio**



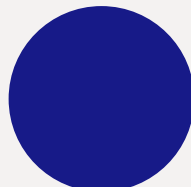
**Insurance Market  
Place:  
Qualiseguros**



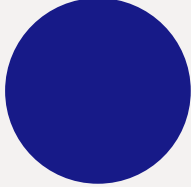
**Incentives in the  
broker channel**



**New channels: stores,  
digital channel,  
partnerships**

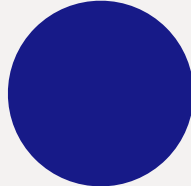


**GROWTH**

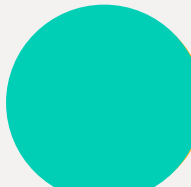


**Historic record of  
sales**

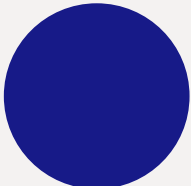
**More quality and  
sales conversion  
capacity**



**Resumption in the  
Affinity segment**



**Strategic  
Acquisitions**





# Acquisitions and Partnerships



## Acquisitions of Grupo Elo

+ 52 Thousand lives with products from de Bradesco Saúde, Amil e Unimed Seguros. Concluded on November, 9th



## Acquisitions Escale

Acquisition of new customers via digital sales





# Acquisitions and Partnerships

+100 partner HMOs



Segurança além  
da saúde para  
**você e sua família.**

[CONHEÇA NOSSOS PRODUTOS](#)

Assistência Pet

Seguro Acidentes  
Pessoais

Seguro Auto

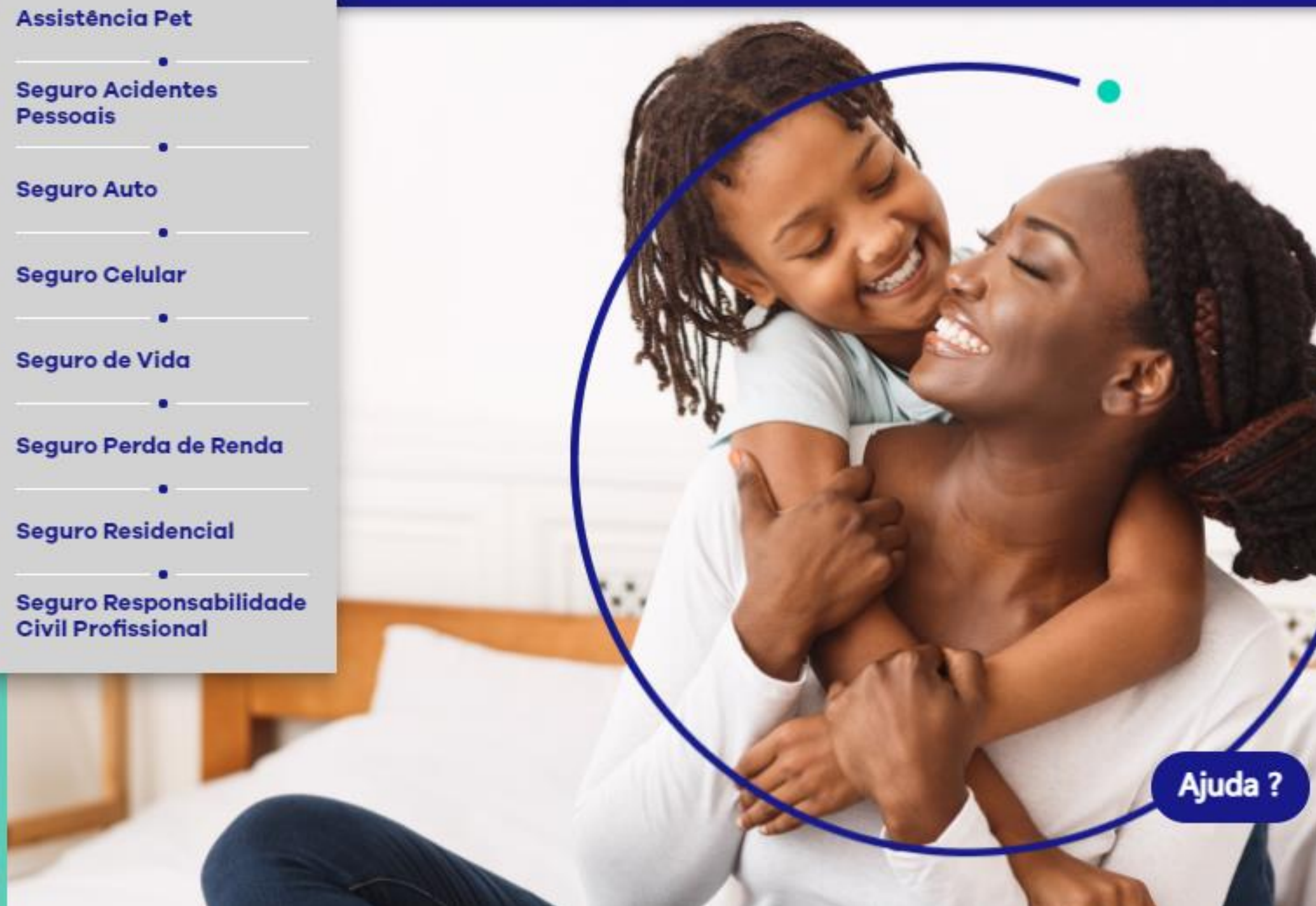
Seguro Celular

Seguro de Vida

Seguro Perda de Renda

Seguro Residencial

Seguro Responsabilidade  
Civil Profissional



[Ajuda ?](#)



**PME: 02 a 199 pessoas**

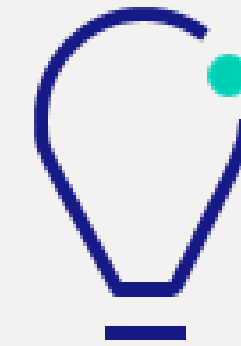
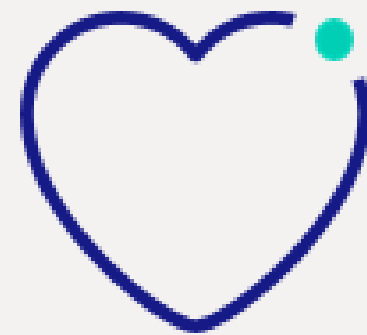
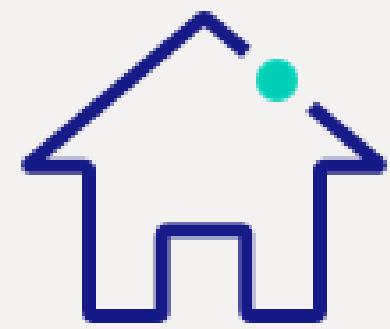
As melhores opções de planos de saúde para cuidar dos talentos que levam sua empresa mais longe.

[Contrate aqui](#)

**The SME Portfolio grew 36% in 2021, an important step towards our goal of becoming the largest broker in the segment in Brazil.**



# Technology and Data



## Data-driven

Supporting Quali in the transformation process towards a data-driven culture

## Insurance and Health Plan market

Contributing to a better understanding of the market in which we operate (insurance and health plans), through indicators and studies of consumption potential, in addition to active surveillance of trends and competitors' movements

## Decision-making

Generating knowledge and insights for fast decision-making and effective actions for by internal clients



# Our systems

We developed proprietary systems, cancellation propensity models and an intelligent platform of plan offers to be used for retention.



## QualiVendas

Tool made exclusively for Qualicorp brokers:

- Registration of Brokers
- Filling out proposals
- Signing of contracts
- Adjustment of proposals.



## Qualitech

Management/processing systems

# Affinity Record Sales

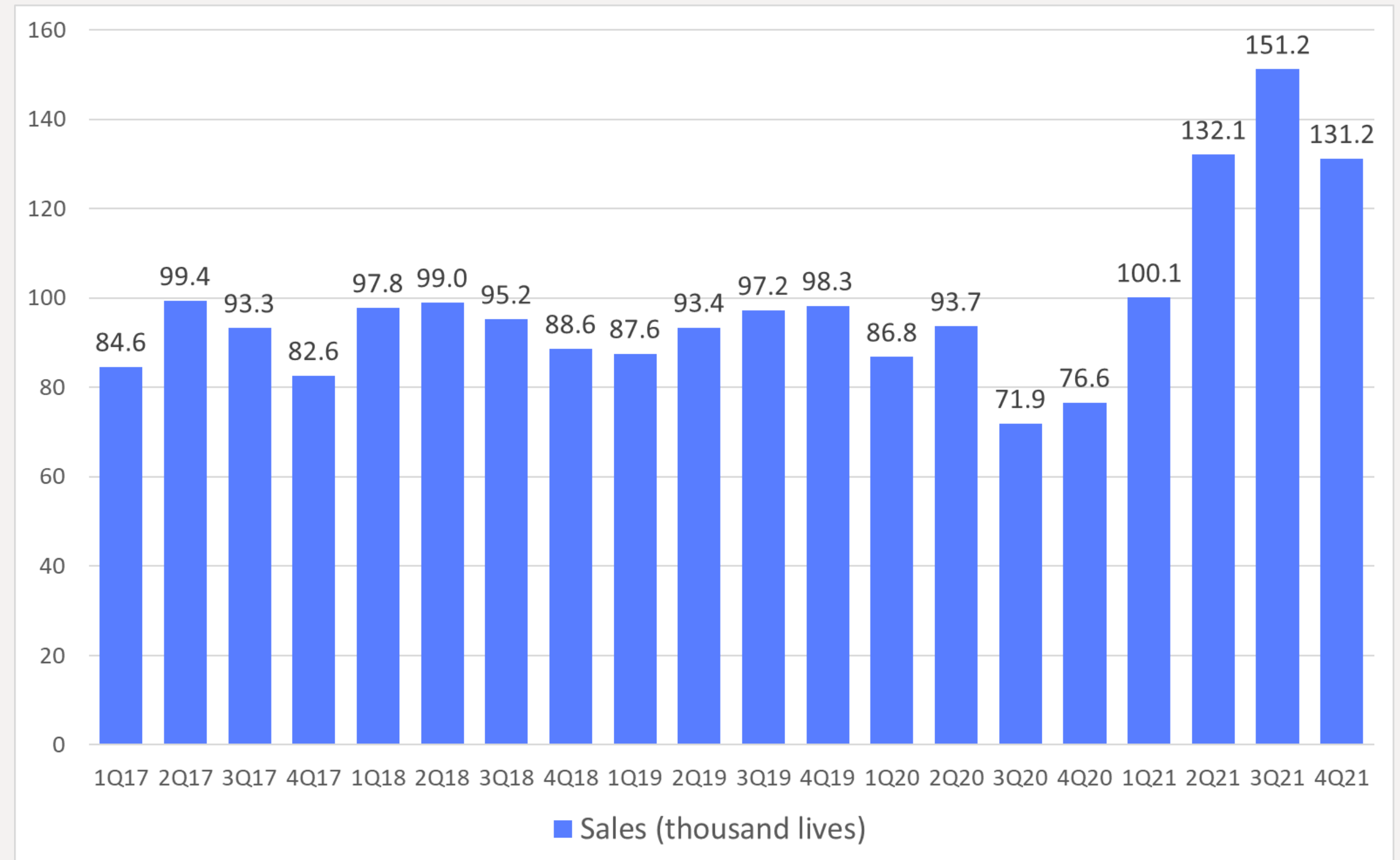


**Highest level of organic sales (gross addis) in history, within the Health lives Affinity segment in 2021.**

**Average of 43 thousand lives per month in 2021, in line with the target of 40-45 thousand lives announced at the beginning of the year.**

**Sales acceleration is a result of:**

- **new partnerships/HMOs;**
- **product innovation;**
- **channel incentives;**
- **M&A contribution.**

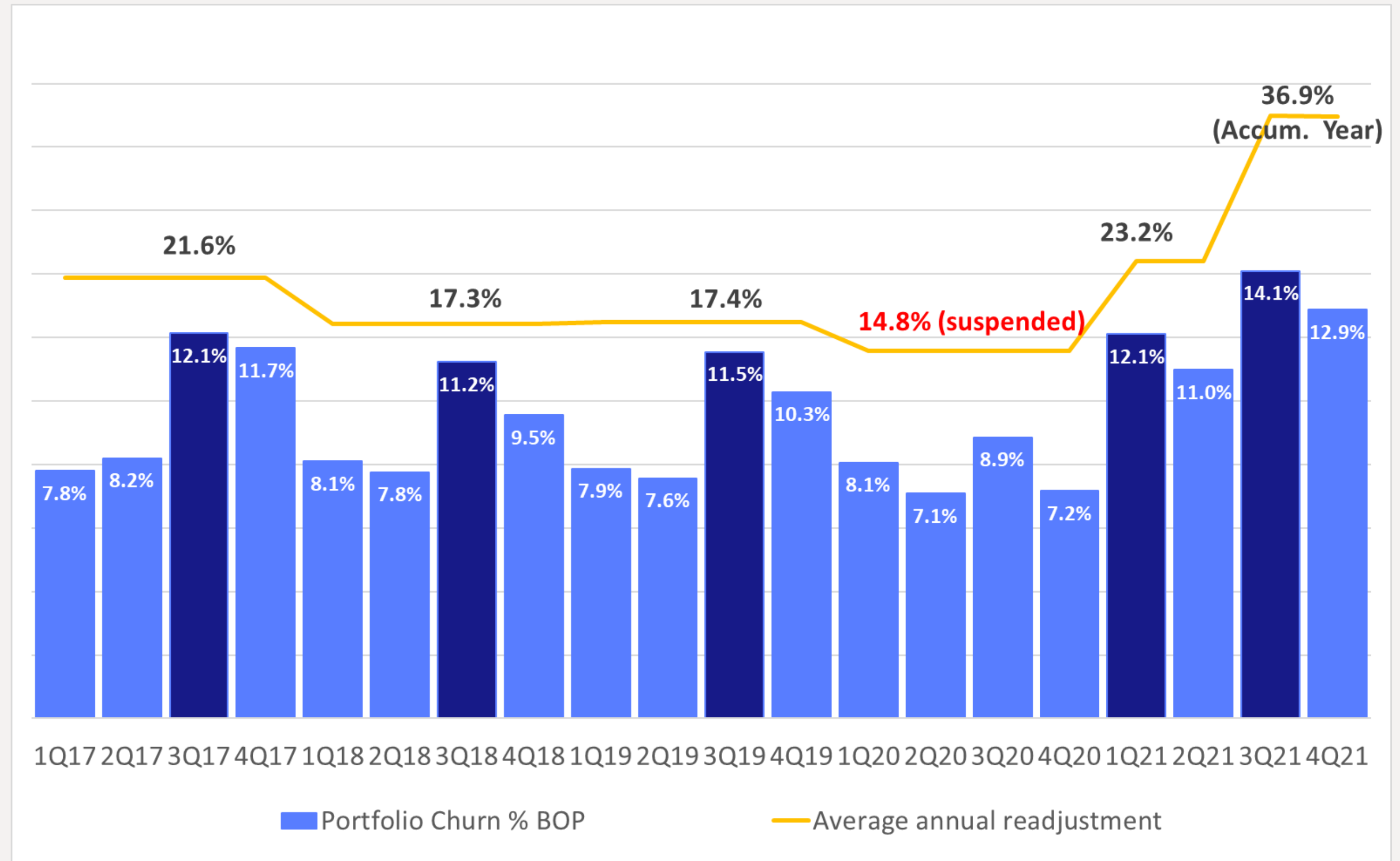


# Peak Churn due to Readjustment



Cancellations: decrease 11%  
QoQ in 4Q21

Increase in delinquent  
cancellations.



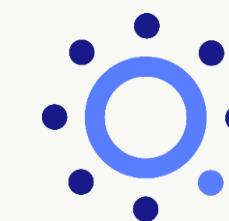


# 4Q21 Performance

Fred Oldani - CFO



# 4Q21 Results



## Highlights

**Return to Shareholders:** R\$ 749 million distributed to shareholders in 2021

**Affinity Health Lives Portfolio:** 1.17 million lives in 4Q21 (+8.1k lives vs. 3Q21), with 131k lives of organic gross adds in 4Q21 and 515k in 2021 (average of 42.9 k/month).

**Net Revenue:** +1.2% vs. 4Q20 e -2.5% vs. 3Q21 e R\$2,097 million in 2021 (+3.5% vs. 2020).

**Adjusted EBITDA:** +15.3% vs. 4Q20 e -3.0% vs. 3Q21, with Adj. EBITDA Margin of 50.0% in 4Q21 (+610 bps YoY) e 50.1% in 2021 (-280 bps YoY).

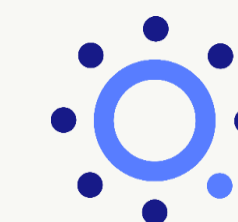
**Net Income:** R\$366 million in 2021 (-6.7% vs. 2020) e R\$50.6 million in 4Q21 (-25.2% vs. 4Q20).

**Free Cash Flow:** R\$66.3 million before acquisitions in 4Q21 and R\$315 million in 2021. ROIC of 33,8% LTM.

**Net Debt:** R\$1,526 mi, or 1,45x Adj. EBITDA LTM in 4Q21, vs. 1,04x in 3Q21 e 0,68x no 4Q20.

Key Indicators (R\$ MN)	4Q21	YoY	QoQ	2021	YoY
Affinity Portfolio (thous. lives)	1,708.0	6.6%	3.0%	1,708.0	6.6%
Affinity Health (thous. lives)	1,169.1	-1.8%	0.7%	1,169.1	-1.8%
Chum (thous. lives)	8.1	-91.9%	-130.2%	-21.9	-123.8%
Net Revenue	521.5	1.2%	-2.5%	2,096.5	3.5%
Adjusted EBITDA <sup>1</sup>	260.9	15.3%	-3.0%	1,049.9	-2.0%
Adjusted EBITDA Margin	50.0%	610 bps	-25 bps	50.1%	-279 bps
Net Income	50.6	-25.2%	-54.2%	365.8	-6.7%
Net Debt	1,525.5	109.0%	44.1%	1,525.5	109.0%
Net Debt / Adj. EBITDA LTM	1.45x	113.3%	39.3%	1.45x	113.3%
Cash Flow Before Acq.	66.3	-11.7%	-6.5%	314.8	-53.0%
ROIC	33.8%	-15.9 p.p.	-55 bps	33.8%	-15.9 p.p.

# Income Statement



## Highlights

**EBITDA:** R\$226 million in 4Q21 +43% QoQ (-15.8% QoQ). R\$ 999.6 million in 2021 (+2,3% YoY).

**EBITDA Margin:** 43.3% in 4Q21 +12.7p.p. YoY e -687 bps QoQ. Em 2021 47.7% -53 bps vs 2020.

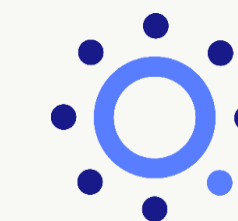
**Adj. EBITDA:** R\$260.9 million in 4Q21 -3.0% QoQ, +15.3% YoY. R\$ 1,049.9mi -2.0% YoY.

**Financial Result:** R\$47.9 million in 4Q21 and R\$82,4 million in 2021, with increases of 580% and 45% YoY. These increases reflect higher interest on CDI-linked loans and financing and Quali's higher net debt, in addition to an increase in other financial expenses related to the adjustment of R\$21.8 million in the call option of non-controlling interest

**Net Income:** R\$50.6 million / margin of 9,7% in 4Q21 and R\$365.8 million / margin of 17,4% in 2021.

Income Statement (R\$ MN)	4Q21	Var. YoY	Var. QoQ	2021	Var. YoY
<b>Net Revenue</b>	<b>521.5</b>	<b>1.2%</b>	<b>-2.5%</b>	<b>2,096.5</b>	<b>3.5%</b>
(-) COGS and SG&A	(246.5)	14.4%	5.1%	(958.5)	18.3%
(-) Contingencies and Legal Exp.	3.8	NM	NM	(24.6)	-64.5%
(-) Bad Debt Provision	(43.9)	-10.3%	169.5%	(92.1)	-17.5%
(+/-) Other Oper.	(8.8)	NM	32.6%	(21.7)	-62.3%
<b>EBITDA</b>	<b>226.0</b>	<b>43.0%</b>	<b>-15.8%</b>	<b>999.6</b>	<b>2.3%</b>
<b>EBITDA Margin</b>	<b>43.3%</b>	<b>12.7 p.p.</b>	<b>-687 bps</b>	<b>47.7%</b>	<b>-53 bps</b>
(+/-) EBITDA Adj.	34.9	-48.9%	NM	50.3	-46.8%
<b>Adjusted EBITDA</b>	<b>260.9</b>	<b>15.3%</b>	<b>-3.0%</b>	<b>1,049.9</b>	<b>-2.0%</b>
<b>Adjusted EBITDA Margin</b>	<b>50.0%</b>	<b>6.1 p.p.</b>	<b>-25 bps</b>	<b>50.1%</b>	<b>-2.8 p.p.</b>
(-) D&A	(99.1)	28.6%	11.8%	(362.8)	-1.3%
(+/-) Fin. Inc. (Exp.)	(47.9)	NM	303.0%	(82.4)	44.8%
(-) Income Tax./Social Contrib.	(24.5)	NM	-55.4%	(177.0)	12.7%
(-) Minority Interest	(3.9)	NM	46.1%	(11.5)	272.5%
<b>Net Income Controlling</b>	<b>50.6</b>	<b>-25.2%</b>	<b>-54.2%</b>	<b>365.8</b>	<b>-6.7%</b>
<b>Net Margin</b>	<b>9.7%</b>	<b>-3.4 p.p.</b>	<b>-0.5 p.p.</b>	<b>17.4%</b>	<b>-191 bps</b>

# Cash Flow



## Highlights

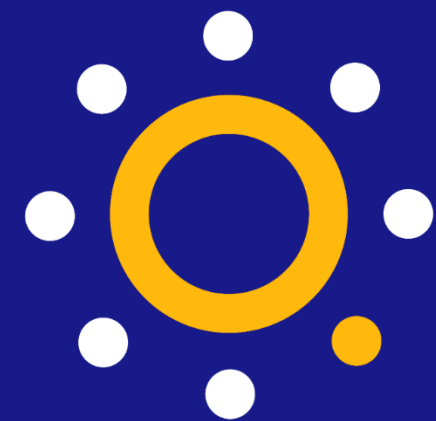
**Cash Flow Fin. Activ. After Capex** of R\$66.3 million (before M&A)

-6.5% QoQ e -11.7% YoY in 4Q21 and R\$314.8 million -53% YoY.

We disbursed R\$99 million with acquisitions in 4Q21, including most of the R\$129 million total from the Grupo Elo acquisition. As a result, we had negative free cash flow of R\$32.5 million.

**R\$ 750 million distributed** to shareholders in 2021

Cash Flow	4Q21	Var. YoY	Var. QoQ	2021	Var. YoY
<b>EBITDA</b>	<b>226.0</b>	<b>43.0%</b>	<b>-15.8%</b>	<b>999.6</b>	<b>2.3%</b>
Non cash	(2.7)	NM	NM	24.0	-69.4%
Amount Paid for Leasing	(2.9)	-15.3%	4.1%	(11.9)	-30.7%
Commissions	(101.9)	112.1%	-18.7%	(408.8)	134.2%
Interest Paid	-	NM	NM	(110.9)	-34.6%
Chang. In Working Capital	(29.4)	-8.6%	42.1%	(86.8)	NM
<b>Cash Prov. by Op. Act.</b>	<b>89.2</b>	<b>4.2%</b>	<b>-9.6%</b>	<b>405.2</b>	<b>-43.0%</b>
Capex (Intang. + Imob.)	(22.9)	117.2%	-17.7%	(90.3)	119.4%
<b>Cash Flow Fin. Activ. After Capex</b>	<b>66.3</b>	<b>-11.7%</b>	<b>-6.5%</b>	<b>314.8</b>	<b>-53.0%</b>
Acquisitions portfolio/companies	(98.8)	-64.7%	633.5%	(331.7)	7.0%
<b>Free Cash Flow to Firm</b>	<b>(32.5)</b>	<b>-84.1%</b>	<b>-156.6%</b>	<b>(16.8)</b>	<b>NM</b>
Financial Income	11.8	73.7%	NM	(13.6)	-79.4%
Financial Investments	(6.4)	NM	NM	18.5	NM
Loans	-	NM	NM	800.4	NM
Share buyback	-	NM	NM	(129.9)	NM
Dividends Paid	(370.4)	653.0%	NM	(619.0)	NM
Dividends Paid to minority shareholder	(5.2)	334.3%	48.3%	(8.8)	258.1%
<b>Cash Prov. Financing Activ.</b>	<b>(370.3)</b>	<b>NM</b>	<b>NM</b>	<b>47.5</b>	<b>NM</b>
<b>Cash Flow</b>	<b>(402.7)</b>	<b>104.4%</b>	<b>NM</b>	<b>30.7</b>	<b>-85.9%</b>



**quali**  
corp

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**Relações com  
Investidores**

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