



# Qualicorp: Institutional Presentation

December/2024



# Disclaimer

## Forward-looking statements

**This presentation 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.



# Industry Overview



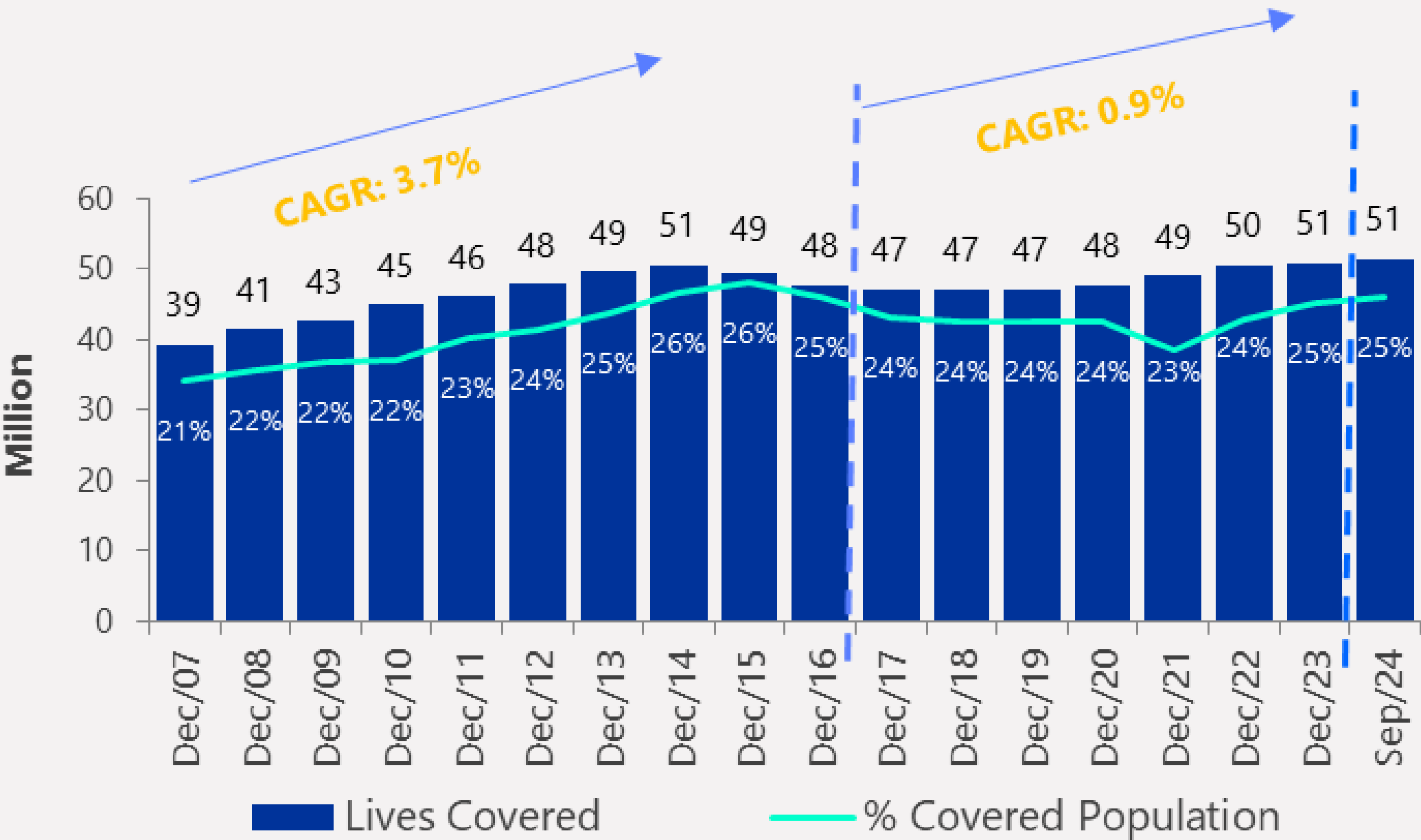


# Supplementary Healthcare

## Beneficiaries Evolution in the Private Healthcare Sector

After a strong expansion until 2014 up to 51 million beneficiaries, the industry had a stagnation period between 2015 and 2021.

Since 2021, the market has resumed growth, returning to the level of 51 million lives in September, 2024.



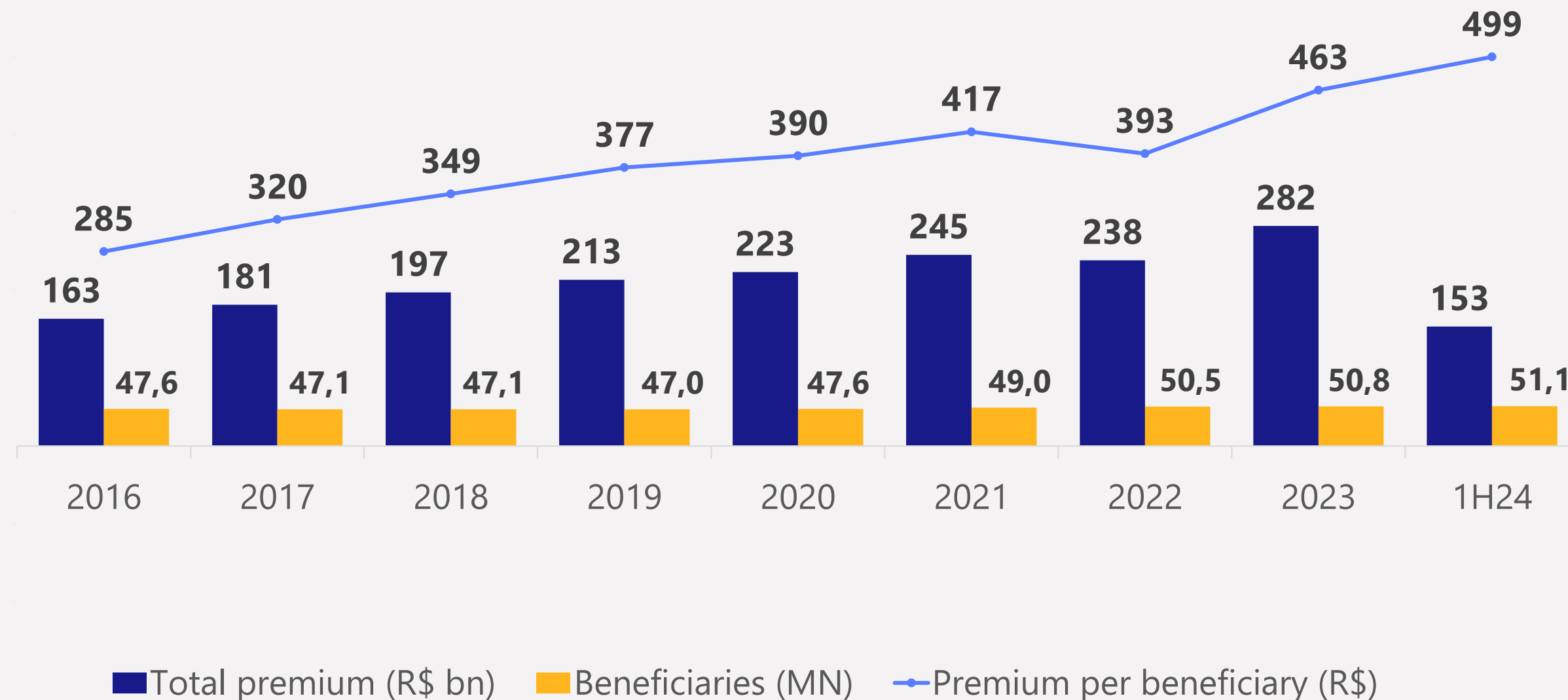
# The supplementary healthcare scenario



## Premium and Beneficiaries

Despite the high readjustments, the numbers of beneficiaries keep increasing over time, reaching its peak in 1H24.

Total premium paid (R\$ bn) x beneficiaries (MN)

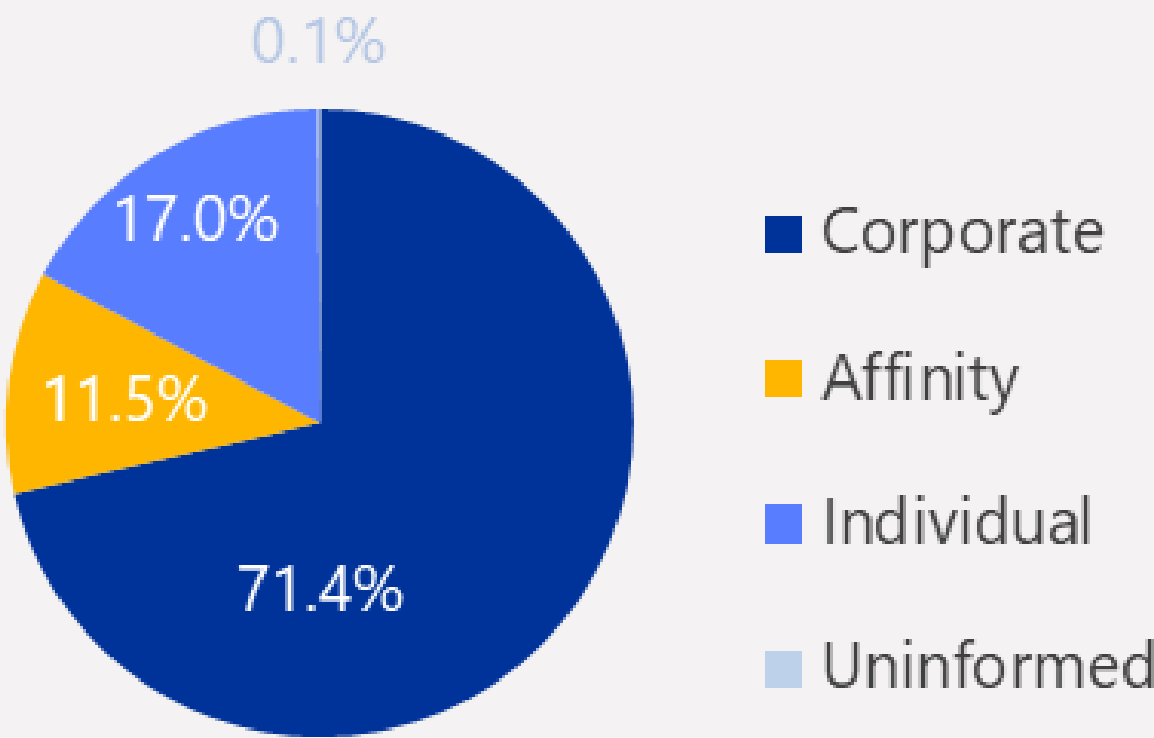




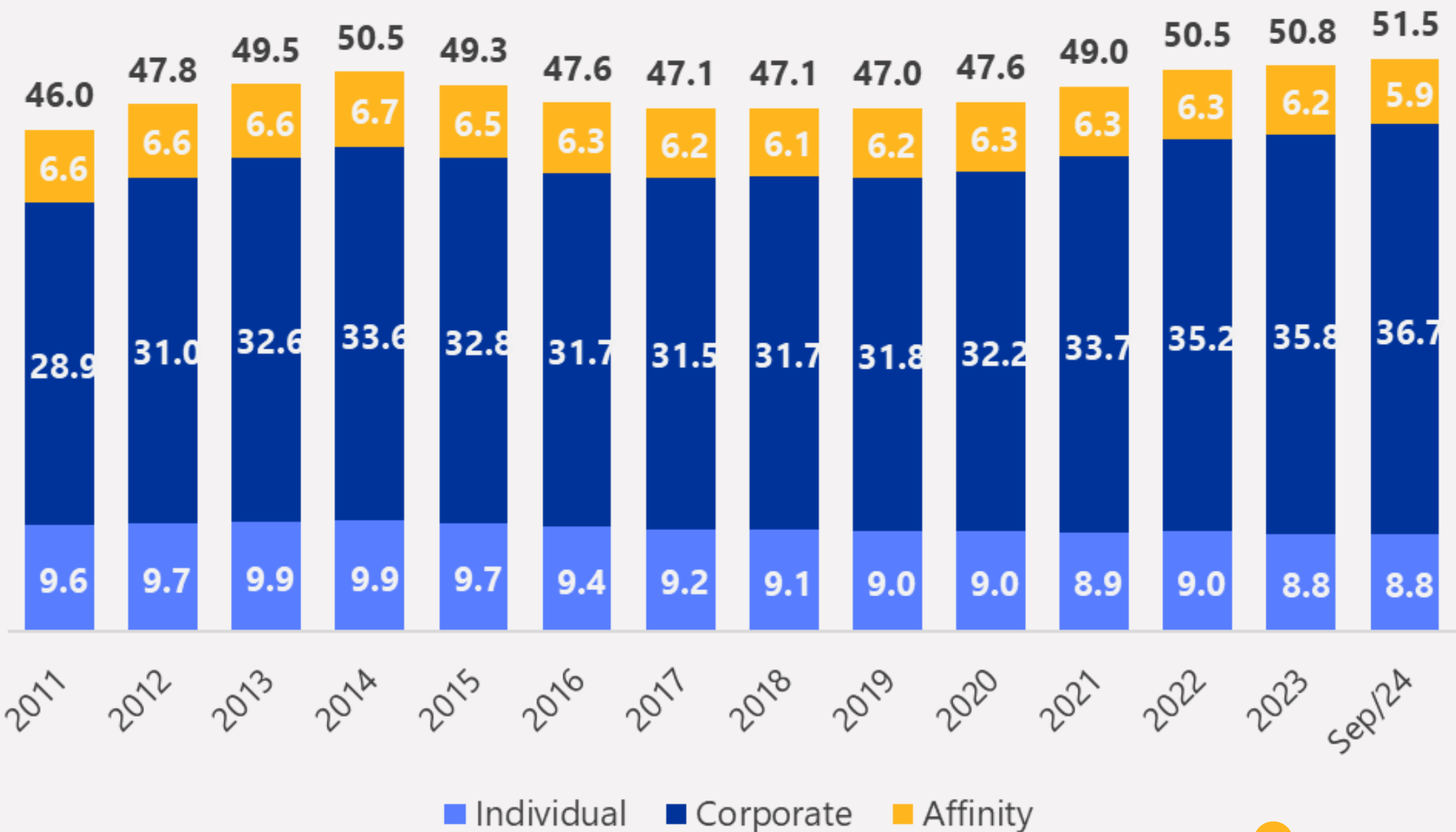
# Supplementary Healthcare

## Health Plans Segments:

- **Corporate (71.4%):** includes SME (up to 29 lives) and Corporate plans;
- **Affinity (11.5%):** Qualicorp's main segment, focused on individuals that pay for their own plans and are linked to affinity groups;
- **Individual (17.0%):** plans with price adjustments defined by ANS (healthcare regulator); few Payors have active sales in this segment.



Beneficiaries Breakdown (million) – Health Insurance



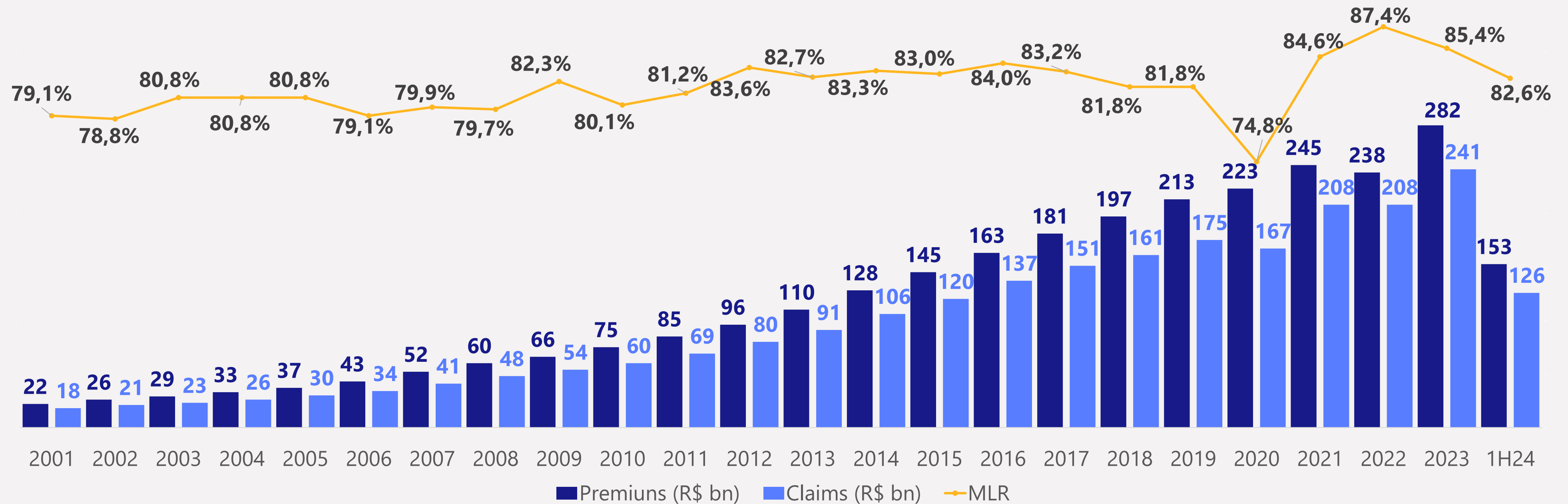
# The supplementary healthcare scenario



## Loss Ratio

In 2022, the loss ratio reached the highest level of the century: 87.4%, but there was a drop of 4.8 p.p. in 1H24.

Premiums (R\$ bn) x Medical Claims (R\$ bn) x MLR levels (%)

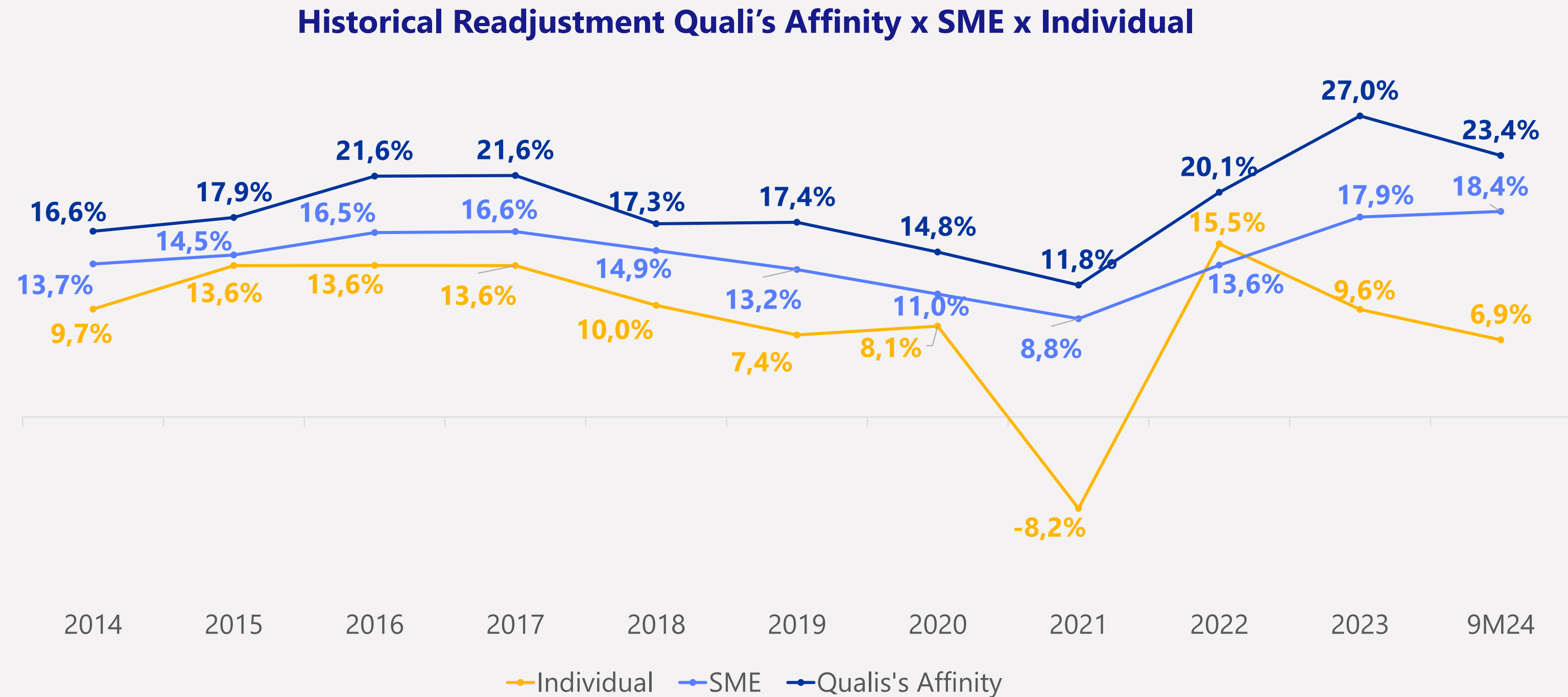


Source: Qualicorp and ANS Jun/2024

# Supplementary Healthcare



## Historical Readjustment Quali's Affinity x SME x Individual





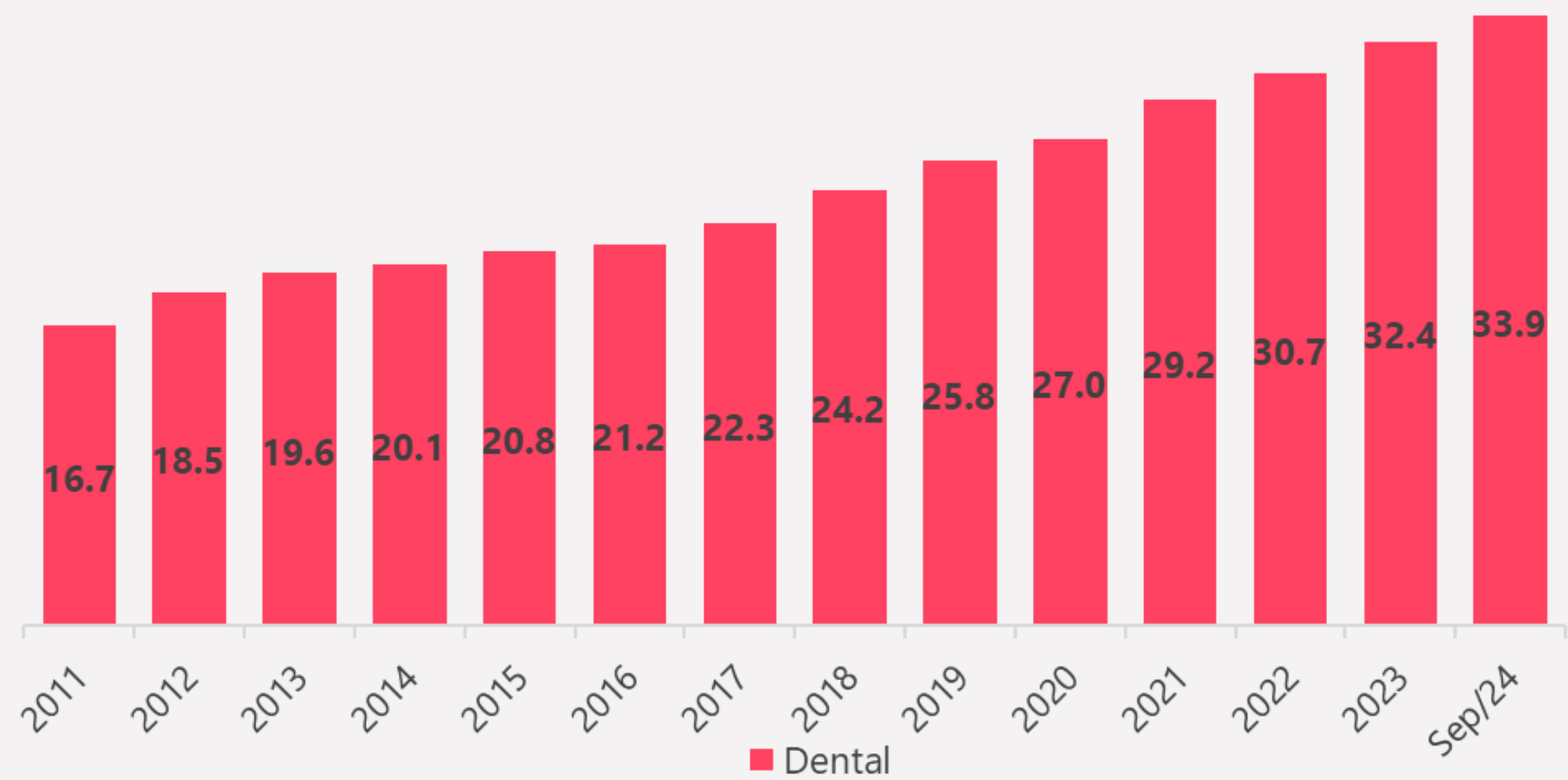


# Supplementary Healthcare

## Dental Plans

Quali also operates in Dental segment combining Health Lives and Dental products. Currently we have around 233 thousand beneficiaries.

Dental plans Beneficiaries (Million)





# Supplementary Healthcare

## Coverage by State

Health plan coverage rate by Federation Units (Brazil – Sep 2024).

Higher concentration in the Southeast, mainly in SP, RJ, ES and in Federal District (Brasília).





# Supplementary Healthcare

## 10 largest Payors in Brasil

Largest Payors in Brazil ranking  
(million lives - Sep 2024)

Market still fragmented, but heading for  
consolidation.

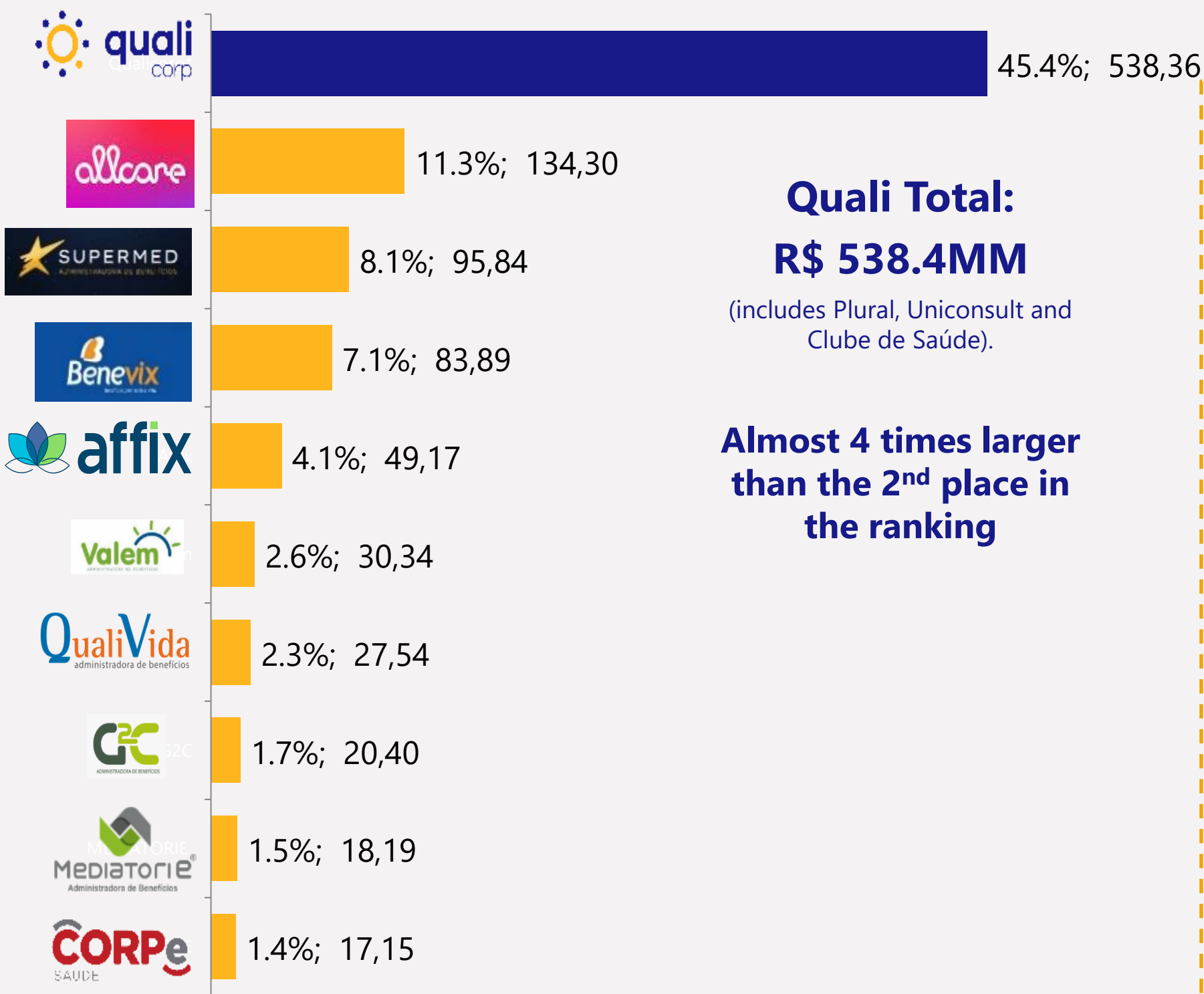
Hapvida*	1º		8.7
Bradesco	2º		3.8
Amil	3º		3.1
Sul América	4º		2.9
Unimed Nacional	5º		2.0
Unimed BH	6º		1.5
Athena	7º		0.9
Seguros Unimed	8º		0.9
Unimed POA	9º		0.6
Unimed Curitiba	10º		0.6

\*Including GNDI

# Affinity Segment Leader

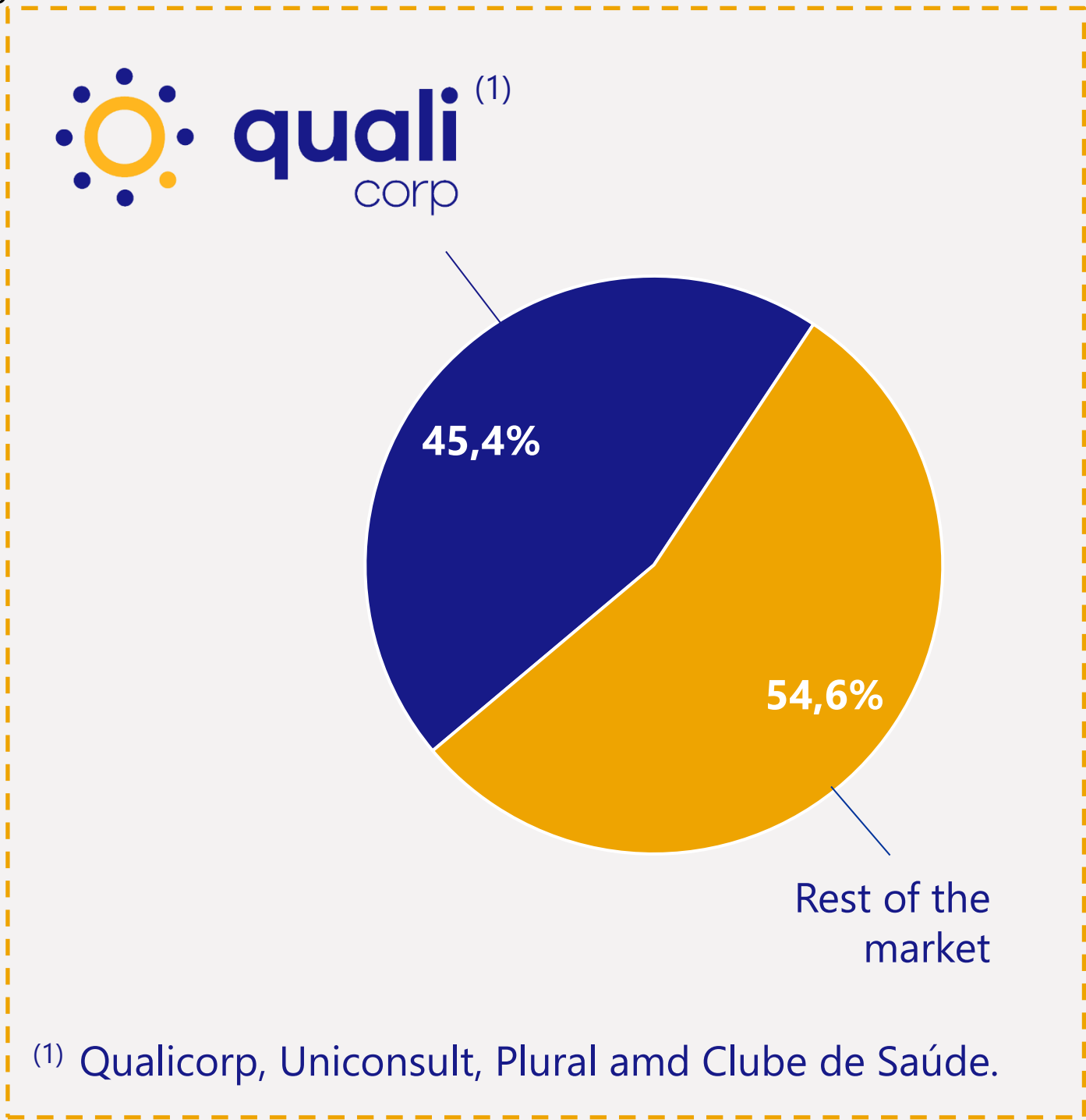


## Revenue (R\$) and Market Share – 1H24



**Quali Total:**  
**R\$ 538.4MM**  
(includes Plural, Uniconsult and Clube de Saúde).

**Almost 4 times larger**  
**than the 2<sup>nd</sup> place in**  
**the ranking**



\*Jun/24 ANS administration fee revenue - does not include brokerage (R\$ million).



# Qualicorp's at a glance

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# Essence and Positioning



Provider of **health solutions**, focused on individuals at **all stages of life**, from youth to elderly.

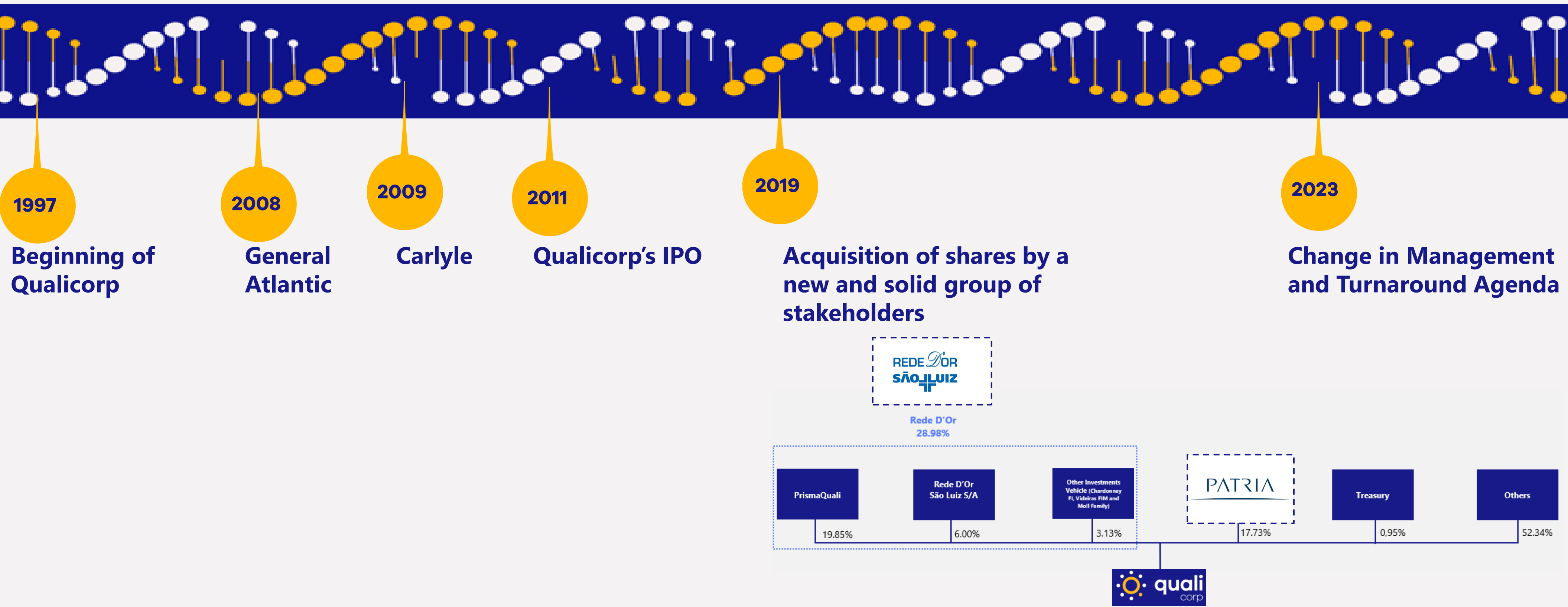


**Leader in the administration, management and sales** of Affinity and Corporate health plans **in Brazil**



Solid operation with strong **cash generation** capacity

# Quali's timeline

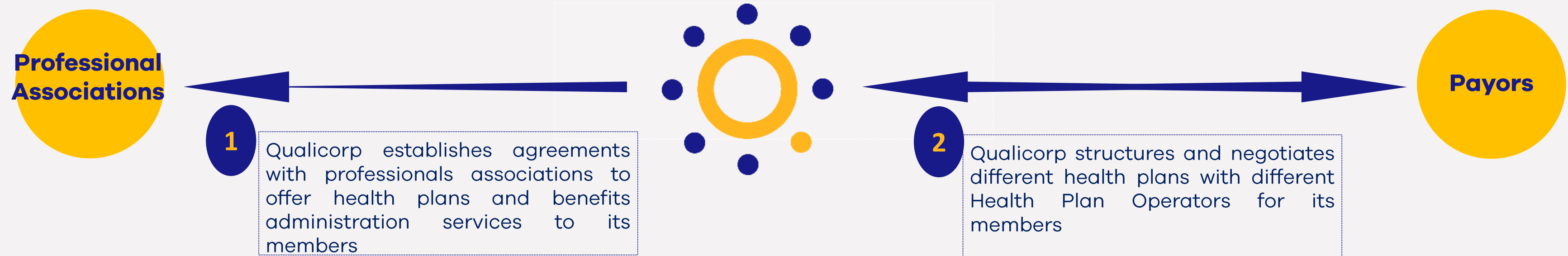




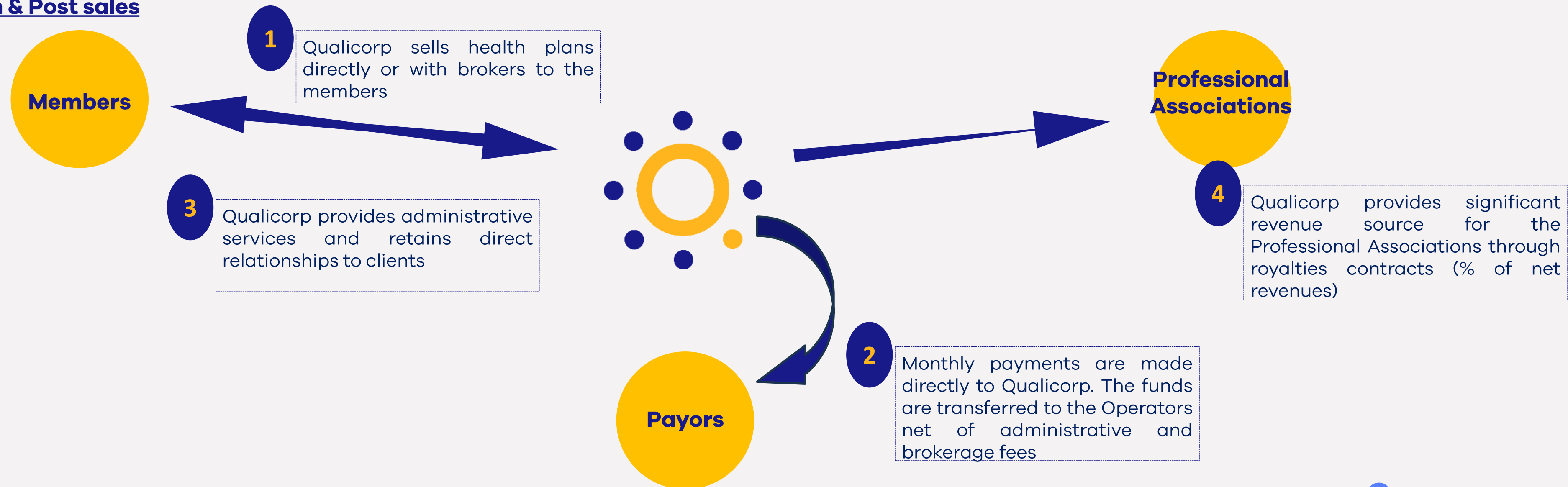
# How is Quali's Business Model?



## Design & plans selections



## Distribution & Post sales





# How does Qualicorp add value in the chain?



## Payors

- Most effective way to address individuals
- Improves access to individual policyholders with attractive demographics and income profile
- Best in class underwriting process, with a lower MLR and zero delinquency
- Back Office Services at no additional cost

## Broker Channel

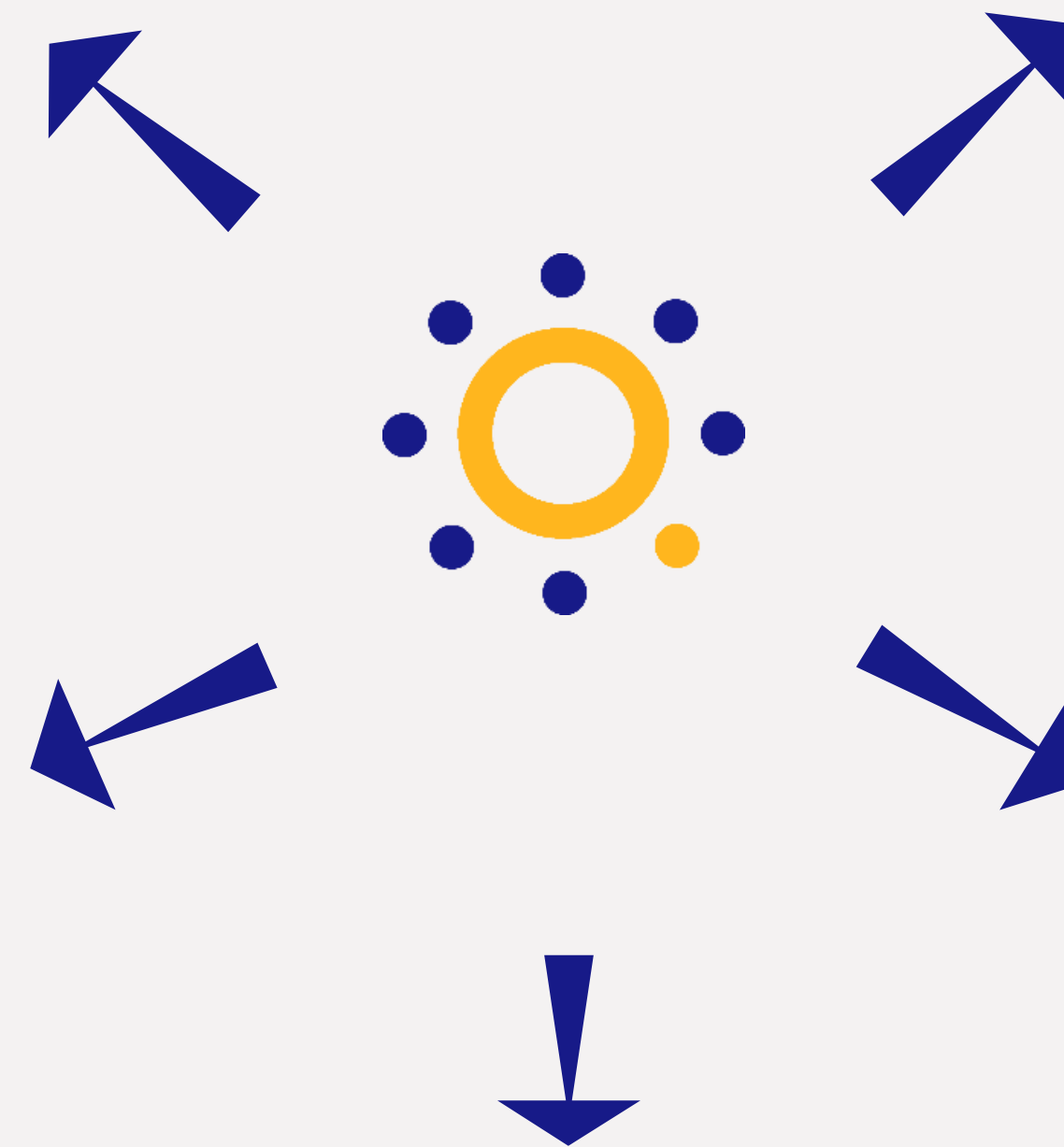
- One-Stop Shop
- Improves negotiating power
- Better price & conditions

## Individual Beneficiaries

- Improves access to private healthcare
- Only way to access HC plans for individuals
- Additional value-added services
- Access to unique line of products and brands
- Has a higher bargaining power for lower readjustments

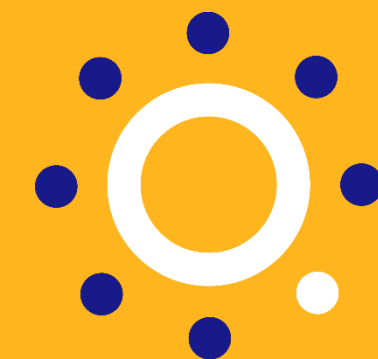
## Professional Associations

- One-Stop Shop
- Improves negotiating power
- Revenue-sharing agreements with Qualicorp provide source of income –help attract new members
- Augments association database through tracking and data Management



## Brazilian Government

- Improves accessibility of private healthcare system
- Alleviates burden on public healthcare system



# Qualicorp's Challenges

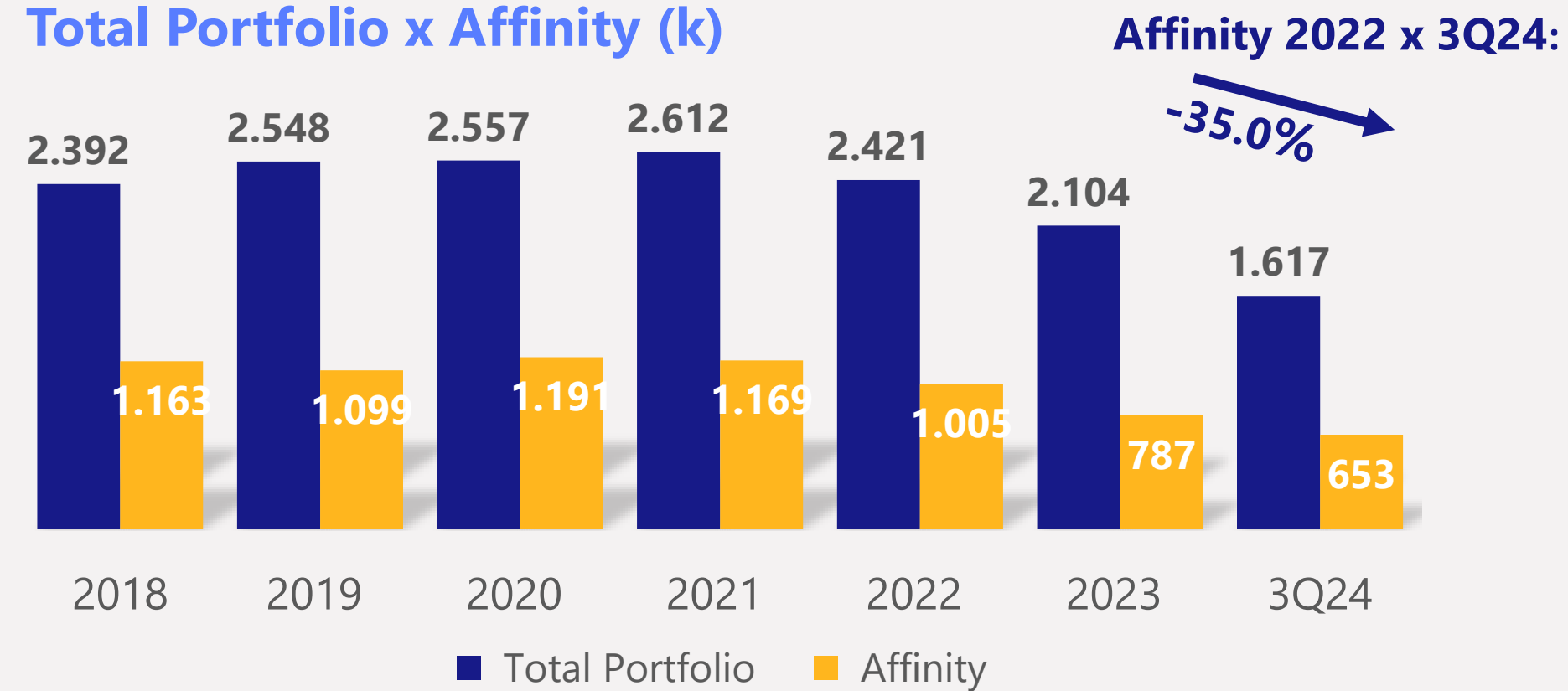
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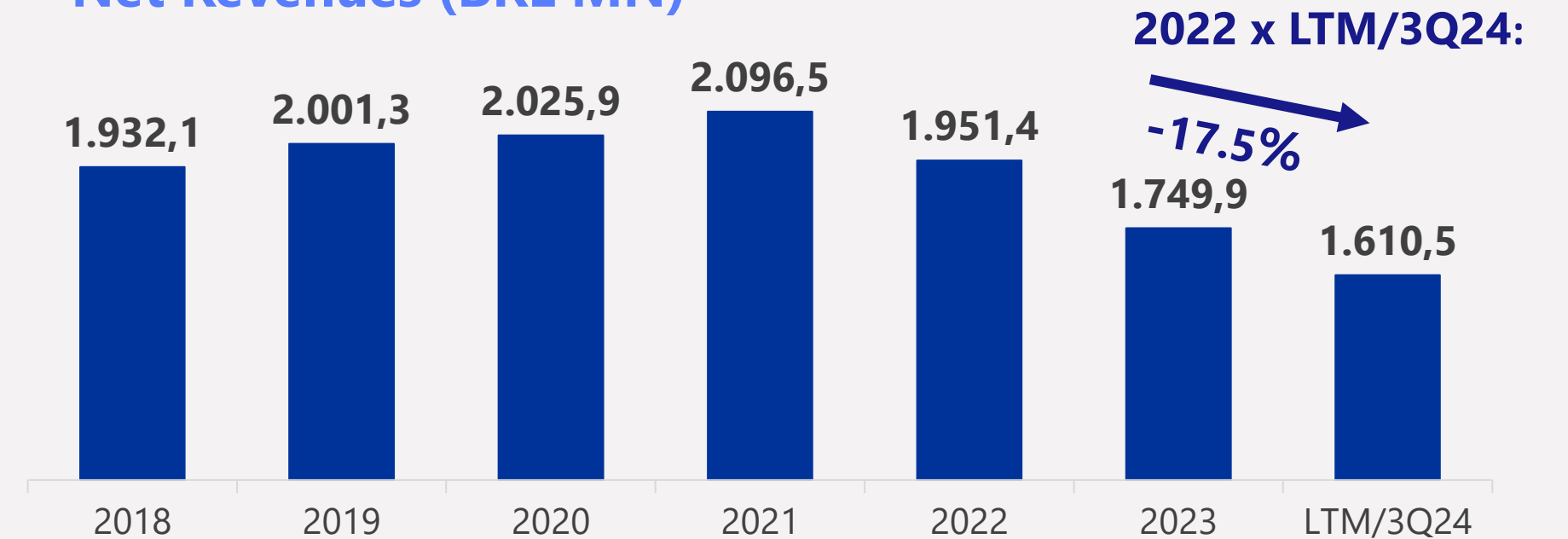
# Key Financial Indicators

Even with a sharp drop in portfolio, Quali's resilience delivers a softer impact on revenues, with turnaround supporting operational margin expansion and strong cash flow

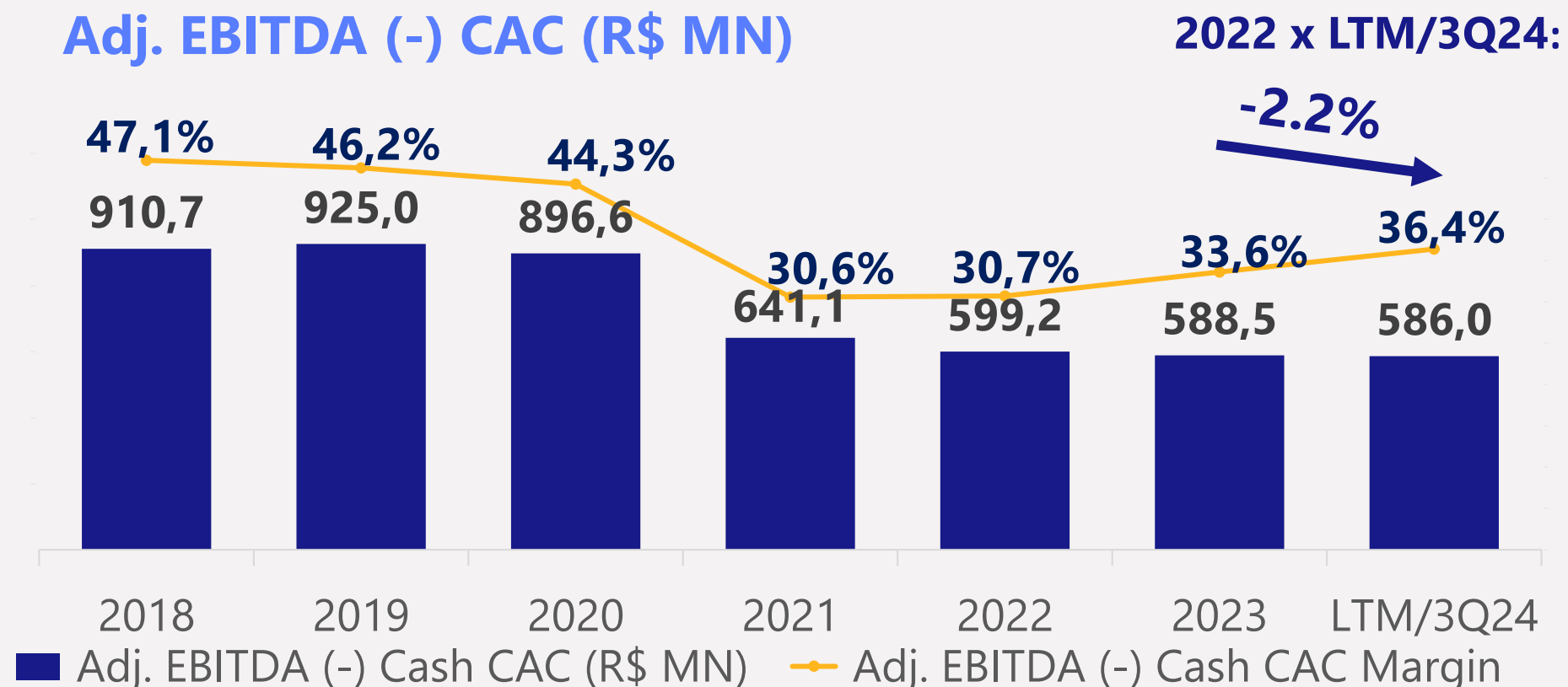
### Total Portfolio x Affinity (k)



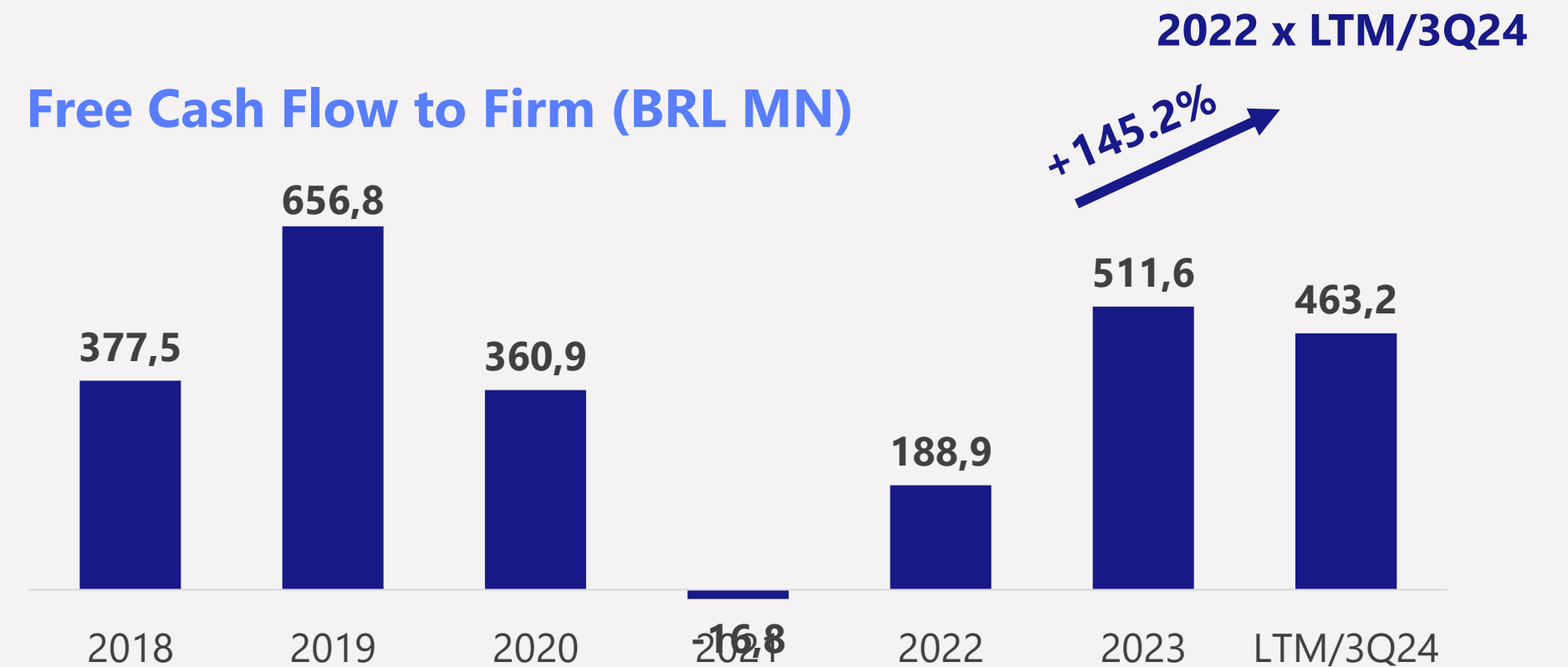
### Net Revenues (BRL MN)



### Adj. EBITDA (-) CAC (R\$ MN)



### Free Cash Flow to Firm (BRL MN)





## NEW MANAGEMENT

- Team with relevant experience in the supplementary healthcare market, with great expertise in risk management.



## OPERATIONAL EFFICIENCY

- Cost and expense reductions, with the readjustment of structures;
- Expectation of improved margins and profitability;
- Focus on optimizing capital allocation and maintaining strong cash generation.



## COMMERCIAL REALIGNMENT

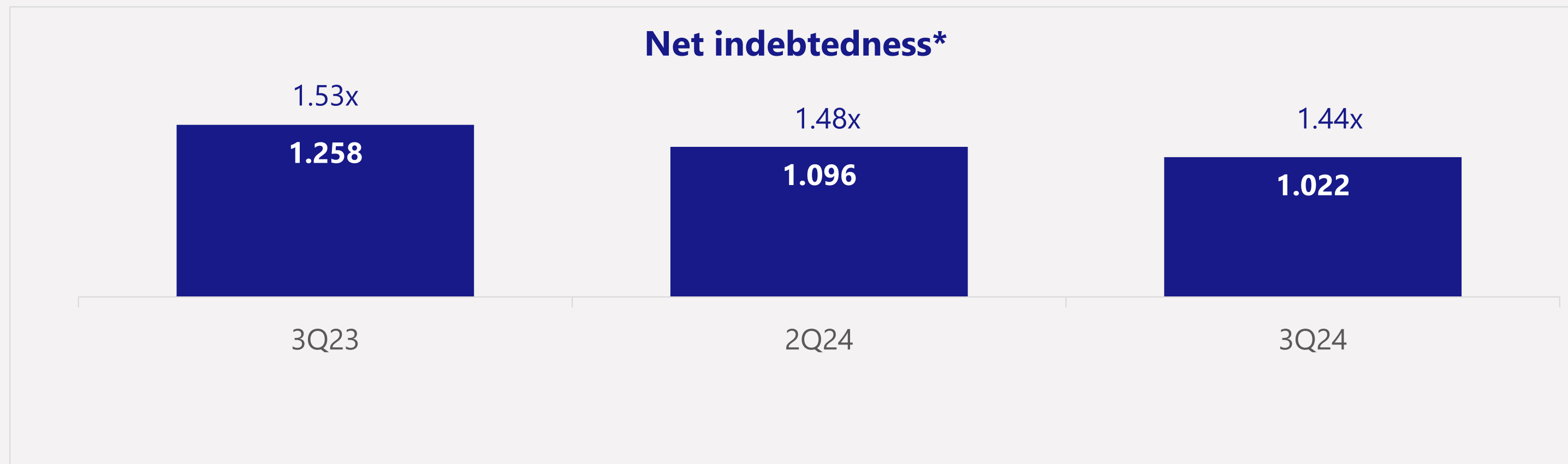
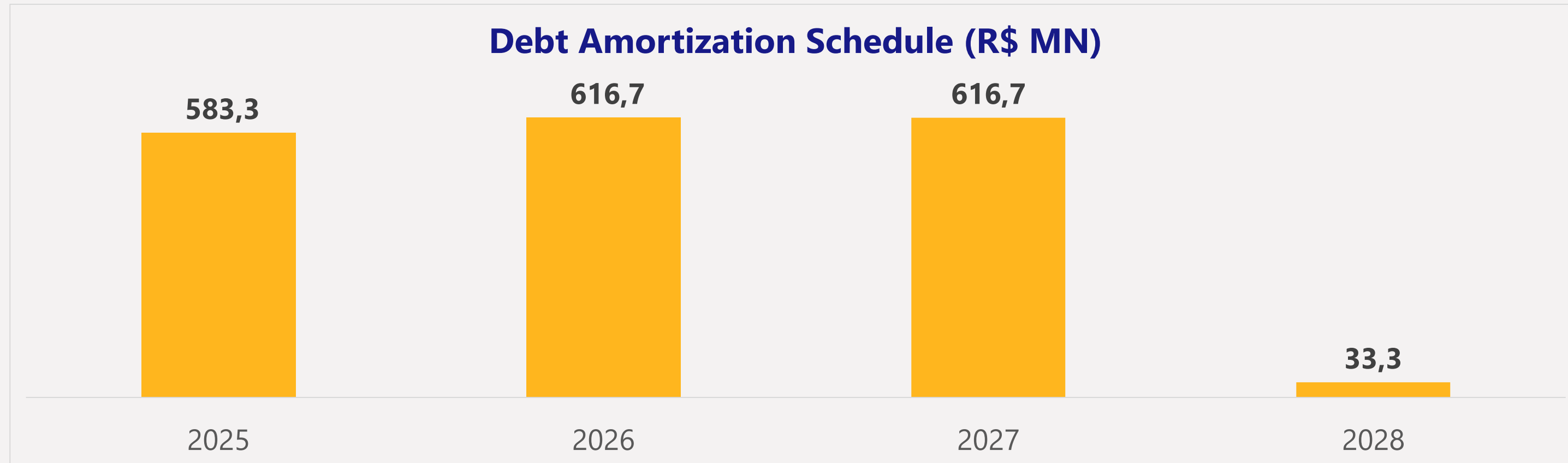
- Incentives rationalization based on channel return metrics;
- Alignment of the model with all stakeholders;
- Change from the "one size fits all" model to segmented remuneration.



## COMPLETE PRODUCT PORTFOLIO

- Reaching out to payors and partners;
- Portfolio revitalization with plans more in line with the new market reality;
- Better underwriting process and action in controlling loss ratios.

# We are following the deleveraging agenda





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**Investor  
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