



Quarterly Results – 1st quarter 2021

- Total revenues of R\$5.2 billion (+5.4%)
- Health and dental beneficiaries grew 9.8%, reaching 4.3 million
- Consolidated loss ratio of 80.6% (improvement of 100 BPS)
- Gross operating margin of R\$484.6 million (+21.5%) and adjusted EBITDA of R\$146.0 million (+34.9%)
- Return on average equity (ROAE) from continuing operations of 11.6% in the last 12 months
- Health and dental return on regulatory capital of 23.0% in the last 12 months

Conference Call

May 12, 2021 (Wednesday)

Portuguese (with simultaneous translation to English)

10am (Brasília) | 9am (US/DST)

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MESSAGE FROM THE CEO

We began 2021 with **major steps** in our **strategy** to develop and accelerate initiatives in technology, innovation, Coordinated Care, and client retention, as well as the strong and solid partnership with our insurance brokers, which led to **net additions of 134 thousand beneficiaries** in the Health and Dental segment in the first quarter of 2021, in comparison with December 2020.

We advanced in our journey of **digital transformation** with increased assistance through **digital tools**, reaching almost **1 million appointments** since January 2020, being more than 300 thousand in the first quarter of 2021 alone. We were also able to accelerate our **cultural transformation**, which prepared us for the challenging moment brought by the pandemic, preserving our operation in this adverse scenario.

In this period, we also reinforced our initiatives to support society. As a **Health and Dental manager**, we faced the pandemic together with our clients and beneficiaries **ensuring healthcare access**, through an intense and increasingly strong **partnership** with the entire **network of providers (hospitals, labs, physicians, dentists and health professionals)**, **brokers** and all other **stakeholders**, and, of course our **health and operations internal squads**, which have been monitoring real time data to ensure support and assistance to all beneficiaries. Thank you for all the effort, care and dedication, as you deserve our respect and admiration.

We have strengthened our **ESG integration** by developing initiatives aimed at more **inclusion** and **access** to health, including the offer of more affordable options to our clients. It is worth noting the evolution in regional products – the **SulAmérica Direto** line – which has been growing significantly since the end of last year, expanding in several regions and showing, in a **new addressable market**, the **strength** of our **brand** and attractiveness of our **value proposition**. At the same time, we sought to guarantee **full support** in this unprecedented health crisis, which generated costs of more than R\$410 million in the first quarter of 2021 and R\$1.3 billion since the beginning of the pandemic. And in April, month in which we celebrate the World Health Day, we once again expanded **our contribution to society** with an initiative that is offering emotional support to health professionals and family members of COVID-19 victims, in addition to investments for the construction of new hospital beds for the public healthcare system (SUS - *Sistema Único de Saúde*) and oxygen plants in the Amazon region.

We continued to increase our presence in the **South region** of the country, **expanding** in strategic regions: besides the growth presented by **Paraná Clínicas**, which kicked off the year with record sales, and the launch of Direto Joinville in February already starting with almost 5 thousand beneficiaries, in March we announced the agreement for the **acquisition** of the health plan **portfolio of Santa Casa de Ponta Grossa**, in the state of Paraná, which, when concluded, will add approximately 25 thousand beneficiaries to our health portfolio. The movement demonstrates and reinforces our focus on taking advantage of **inorganic opportunities** in the consolidation of the private healthcare sector, both in our leading position in health insurance and also in regional operations.

In the **Wealth** segment, our performance must also be highlighted. In **life insurance**, aware of our role and responsibility at this moment in history, as we have been doing since last year, we continued to provide **voluntary coverage of claims** related to **COVID-19**, supporting almost 700 cases only in the first quarter of 2021 and over 1,600 cases since the beginning of the pandemic in March 2020. Naturally, this affected the segment's margins both in 2020 and the first quarter of 2021, but our expectation is to resume to normal and recurring levels of profitability for this portfolio as the pandemic situation becomes controlled, especially with the acceleration of the vaccination process in the country. In **private pension**, we have been noticing a growing interest in the product, presenting consistent increase in contributions and portability (net transfers) in yet another quarter, with reserves reaching almost **R\$10 billion**. In **investments**, the partnership with **Órama** is advancing at a fast pace, with 2.5 thousand brokers having already joined our well-received referral program. We strongly believe in this strategic investment concluded last year, which operates in a segment with great growth potential in Brazil. At the same time, **SulAmérica Investimentos**, our asset management arm, holds almost **R\$45 billion** in assets under management, among the top 5 independent asset management in the country.

We remain determined to evolve our processes with **permanent investments in technology** and, as previously mentioned, our **digital transformation** is by now a reality. We already had one of the best and most used **healthcare apps** on the market and the increased use of **telemedicine** (including psychological care) opens up **new possibilities** for effective and convenient care, both for beneficiaries and healthcare professionals.

Such rapid transformations enable the acceleration and development of our **digital strategy** which, combined with our focus on **health management**, create new opportunities for a step further into the future. Based on a vision that seeks to complement our **value proposition** with **Integral Health** products, we will combine our portfolio in Health, Dental, Life, Pension and Investments with new business opportunities under an **ecosystem** concept, always prioritizing the best experience for our customers and stakeholders.

MESSAGE FROM THE CEO (cont.)

In this period of challenges and opportunities in which I begin as Chief Executive Officer, I thank all of our partners, who are essential to our business model: the more than **36 thousand insurance brokers**, **20 thousand providers** – among them over 1.2 thousand hospitals and 3.6 thousand labs in Brazil, as well as thousands of **health professionals**, that are working bravely in this crisis – our more than **70 thousand shareholders** and all other stakeholders that significantly contribute to this journey.

Finally, I would like to conclude by thanking the **trust** and **commitment** of our **4 thousand employees**, who continue to dedicate themselves to fulfill our purpose to improve people's lives. By offering **Integral Health**, we are focused on connecting and balancing physical, emotional and financial health of a greater number of people in Brazil, while, at the same time, putting the Company on a new path of **growth** and **opportunities**.

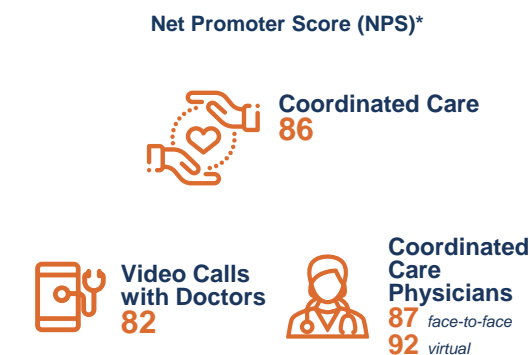
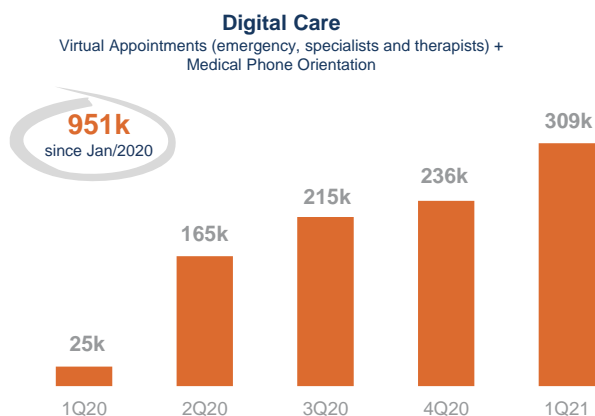
Ricardo Bottas
CEO

INTEGRAL HEALTH, TECHNOLOGY AND CONNECTED MEDICINE: INITIATIVES DURING THE NEW CORONAVIRUS PANDEMIC (COVID-19)

The first quarter of 2021 recorded an increase in the number of cases and hospitalizations related to the new coronavirus, reaching higher levels than observed in the most severe phase of the pandemic in 2020. As a consequence, especially at the end of the period, the governments of the main states imposed measures to restrain circulation, while both the National Supplementary Health Agency (ANS) and SulAmérica, playing its role of health manager, orientated that elective exams, treatments, surgeries and other procedures – which were not urgent and would not cause any harm if delayed – should be postponed, always in accordance with the appropriate medical guidance, but seeking the best use of the capacity of the healthcare system.

Once again, the **Coordinated Care strategy** was essential to ensure care for our beneficiaries, which has been the priority since the beginning of this health crisis, both in relation to COVID-19 orientations and the continuity of ongoing treatments and other urgent or recurring demands. In this context, we must highlight the continued adoption of the “**Saúde na Tela**” (**Health on Screen**) **digital tools**, with our network of on-duty doctors and specialists in more than 50 specialties, in addition to therapists, psychologists, nutritionists and other health professionals. Furthermore, this quarter we made it even easier to access prescriptions, which can now be sent and checked in the app itself, including requests for exams, drug prescriptions, referrals and medical certificates.

The effectiveness and responsiveness of digital initiatives can be observed by the growth in the number of remote interactions, which in March/21 reached the monthly record of **141 thousand**, out of a total of over **950 thousand remote appointments** since the beginning of 2020, out of which **817 thousand virtual appointments**. Our initiatives also continue with **high levels of satisfaction**, shown by the positive NPS (Net Promoter Score) evolution and by the **high resolution rates** (~90% of the calls do not need subsequent face-to-face care). Such results are evidence that **virtual care** has been efficient to ensure quality assistance.



* NPS considers the period between January and March/2021.

INTEGRAL HEALTH, TECHNOLOGY AND CONNECTED MEDICINE: INITIATIVES DURING THE NEW CORONAVIRUS PANDEMIC (COVID-19) (cont.)

In addition to the positive results with digital initiatives and tools, **partnerships** with the network of providers are being leveraged, for example, with the expansion of **Lab In**, a digital initiative in partnership with Fleury and DASA which allows the **integration of patient's medical data** through exam reports, and by the **Fast Track** in a joint effort with **32 partner hospitals**, which has been essential to ensure fast, efficient and quality hospital care for suspected or confirmed COVID-19 cases in need of on-site care.

IMPACTS OF THE COVID-19 PANDEMIC

Considering the segments in which we operate, we had significant assistance costs associated with the pandemic. We continue to cover medical costs of procedures related to COVID-19 for **health insurance** clients, which represented **assistance expenses** of approximately **R\$384 million** in 1Q21, distributed among appointments, exams and hospitalizations. Additionally, as we have been doing since the beginning of the pandemic, we have been voluntarily covering claims associated with COVID-19 in the **life insurance** portfolio, with indemnities in the order of **R\$30 million** during 1Q21.

SulAmérica continues to monitor the health of its beneficiaries in relation to COVID-19, intensified in the last months with the increase of cases observed in the main regions of the country. Since the beginning of the pandemic and until 05/11/2021, 20,427 beneficiaries of the Company have been hospitalized with confirmation of the new coronavirus, 9,667 of them needing care in the Intensive Care Unit (ICU). Of this total, 18,119 beneficiaries have already recovered and been discharged and, unfortunately, we have registered 1,403 deaths.

20,427

COVID-19 hospitalizations
(accumulated)

9,667

COVID-19 ICU hosp.
(accumulated)

10,760

COVID-19 common bed hosp.
(accumulated)

18,119

recovered beneficiaries
COVID-19

EXPANSION: ACQUISITION OF SANTA CASA DE PONTA GROSSA



In March, through our subsidiary *Paraná Clínicas*, we announced the strengthening of our presence in southern Brazil with the signing of an agreement to acquire the portfolio of health beneficiaries from **Santa Casa de Misericórdia de Ponta Grossa**, in the state of Paraná. The transaction, when concluded, will add approximately **25 thousand beneficiaries** to the health portfolio, endorsing the growth strategy in the Health and Dental segment in strategic regions, already driven by the acquisition of *Paraná Clínicas* itself in September 2020. In 2020, the portfolio subject of this transaction registered revenues of approximately R\$53 million.

The conclusion of the transaction is subject to the fulfillment of certain usual conditions precedent, as provided for in the respective agreement, including the prior approval of the competent regulatory bodies. When concluded, this transaction will represent an addition of 28% in beneficiaries and 26% in operating revenues to *Paraná Clínicas*.

CLIENT EXPERIENCE, QUALITY AND INNOVATION

Seeking to ensure **quality in products and services** and the **continuous improvement of customer experience** is a priority for the Company. In addition to the achievement in the “**Reclame Aqui**” Award, winning in 2020 as the Best Service in Health Plans in Brazil for the second year in a row, we also have solid ratings in “**Reclame Aqui**” in the businesses which we operate, ranked among the best of the respective segments in the last 12 months.



In addition to the good evaluation of our products and services, we remain focused on the constant development of our **digital tools**, delivering features and improvements for a better experience to all our customers. The **health app** continues to reach high levels of utilization and satisfaction, reaching **8.9 million accesses** between the months of January and March/21 while presenting **continuous improvement of rating**, leading the ranking in relation to the main players in the market.

- Coronavirus support**
+180 thousand in-app screenings
- Fast Track**
+3k patients redirected
NPS: 73
- +817k video appointments**
since Jan/20
- Top-rated app**
Grade: 4.5 / 5
- Digital reimbursement**
+2.9 mm TTM requests
NPS: 83
- App accesses**
+8.9 mm in 1Q21
+28% vs. 1Q20
- History of appointments and digital prescriptions**
New!
- Special medicines delivery**
NPS: 88

DISTRIBUTION: LEVERAGING THE BROKER CHANNEL AND PARTNERSHIPS

One of the pillars of SulAmérica's growth has been the expansion of our distribution partnerships, strengthening the relationship with over 36 thousand independent brokers in our network, in addition to new strategic partners.

Órama

At the end of 2020, we launched the **IndicaSAS referral platform**, creating **synergies** with our **investment** in **Órama** with great potential to leverage distribution for the investment platform. The tool, which is easily accessed through the SulAmérica Broker Portal, provides a **solid training program** and **incentives to refer Órama to clients**, thus every broker is able to join. Also, in the specialization process, the broker may also become a consultant and, in a next step, with the necessary training and certifications, even become an **independent financial advisor (IFA)**. Today, we already have approximately **2,500 registered brokers** and over **800 referrals** since the launch of the platform.



ESG: ENVIRONMENTAL, SOCIAL AND GOVERNANCE

In March of 2021, we launched SulAmérica's **2020 Annual Report**, in a dynamic, online and innovative format to point out the highlights of our operation in the period. The full report can be accessed [here](#). An important part of our Annual Report are the [ESG indicators](#), which follow the guidelines of the **GRI (Global Reporting Initiative)** and present, in an integrated manner, our main **environmental, social and governance (ESG) indicators** for investors and other stakeholders.

This quarter, we also concluded the certification process with **Women on Board (WOB)**, being recognized as a company that values and has good practices related to the participation of women in management or advisory boards. The certification was created in 2019 by the WOB association, created with the support of UN Women, and today accounts 35 certified companies. Currently, in addition to having two women on the Board of Directors, a condition for joining the WOB certification, we have also evolved in **women in leadership positions**, with two women on the Executive Committee (29%) and a 28% share of female leaders considering all executive positions. Considering middle leadership, including superintendents, managers and coordinators, 52% are female leaders while women represent 64% of our entire workforce.

At *SulAmérica Investimentos*, it is worth mentioning the creation of another fund focusing on the best ESG practices: **SulAmérica Crédito ESG**, a credit fund that will allocate in debt securities such as debentures, CRIs and FIDCs from companies that have a use of resources aligned with the best ESG practices and that promote positive contributions to the sustainable development agenda.

More information on ESG metrics can be found at the [Indicators](#) section of the Investor Relations website and also in the [Fundamentals Spreadsheet](#).

Contributing to society in the fight against COVID-19

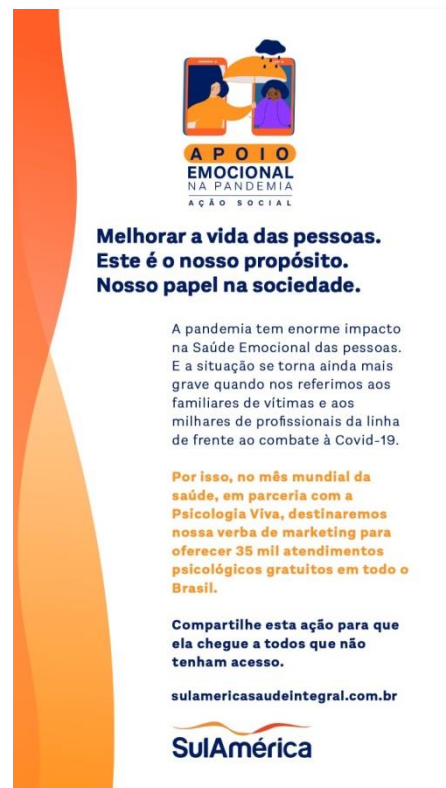
One of our strategies as an **Integral Health manager** is to generate a **positive impact** on society focusing on improving people's lives. Since the beginning of the pandemic and also considering its worsening in recent months, we understand that our role, especially considering the segments in which we operate, would have to be based on expanding our scope, assisting and cooperating with **support and assistance to society** in general.

In the beginning of the pandemic in 2020, we sought to **assist our network of healthcare providers** in adverse moments, expanding the partnership through **anticipated payments** that totaled approximately R\$279 million, helping their cash flow and guaranteeing the quality of care and access to health at that time. We also contributed with donations that totaled R\$10 million and helped deliver **new hospital beds** to serve patients from **SUS (Sistema Único de Saúde)**.

Now in 2021, we continue on our efforts to do more. Concerned with the **emotional support** and mental health of the population, we stepped up offer 35 thousand **virtual psychological appointments** at no cost to **family members of COVID-19 victims** and front-line **healthcare professionals** in the fight against COVID-19.

In addition, seeking to **support public hospitals** in difficulty with high bed occupancy rates in recent months, we took part in two initiatives, together with partners such as Fiocruz and União BR, for the **installation of oxygen production plants** in the Amazon region.

Finally, recently an initiative was created in partnership with **our employees** and União BR in order to raise funds for the **distribution of food** to the most vulnerable population severely impacted by the pandemic scenario. Also, we have other initiatives being implemented, together with partner companies and institutions, such as the **Hospital Israelita Albert Einstein**, which, considering all efforts by the Company, may sum up to R\$6 million in the coming months, to continue fighting the effects of the pandemic.



The infographic features a central graphic with two people on a video call, one holding a phone. Below it is the text 'APOIO EMOCIONAL NA PANDEMIA AÇÃO SOCIAL'. The main headline reads 'Melhorar a vida das pessoas. Este é o nosso propósito. Nosso papel na sociedade.' The body text explains the impact of the pandemic on mental health and the company's commitment to provide 35,000 free psychological appointments through 'Psicologia Viva' in partnership with 'Fiocruz' and 'União BR'. It includes a call to action to share the initiative and the website 'sulamericasaudeintegral.com.br'.

1. Main Highlights

The table below considers only continuing operations, excluding the auto and P&C segments in the 1Q20.

Financial Highlights (R\$ million)	1Q21	1Q20	Δ	4Q20	Δ
Operating Revenues	4,899.9	4,651.3	5.3%	4,891.7	0.2%
Health & Dental	4,797.4	4,534.4	5.8%	4,761.5	0.8%
Life & Personal Accident	102.5	116.9	-12.3%	130.2	-21.3%
Other Operating Revenues	292.6	275.4	6.3%	361.8	-19.1%
Private Pension	215.3	205.7	4.7%	284.4	-24.3%
Administrative Services Only	18.5	17.2	7.5%	19.2	-3.7%
Asset Management	13.9	17.1	-18.3%	17.7	-21.4%
Other Revenues ¹	44.9	35.4	26.8%	40.6	10.7%
Total Operating Revenues	5,192.5	4,926.6	5.4%	5,253.6	-1.2%
Gross Operating Margin	484.6	398.8	21.5%	524.3	-7.6%
EBITDA	132.4	89.3	48.1%	27.1	388.4%
Adjusted EBITDA²	146.0	108.3	34.9%	75.4	93.8%
Investment Income	15.9	6.1	159.4%	33.0	-51.7%
Net Income from Continuing Operations	54.0	70.0	-22.8%	42.6	26.7%
Net Income from Discontinued Operations	0.0	9.7	NA	0.0	NA
Net Income after non-Controlling Interest	53.9	79.8	-32.5%	42.7	26.3%
ROAE (% last 12 months)	30.7%	15.3%	1540 BPS	30.8%	-10 BPS
Recurring ROAE ³ (% last 12 months)	11.6%	15.3%	-360 BPS	11.9%	-20 BPS
Insurance Information - Earned Premiums (R\$ million)	1Q21	1Q20	Δ	4Q20	Δ
Health & Dental	4,831.6	4,561.9	5.9%	4,804.5	0.6%
Life & Personal Accident	119.7	123.6	-3.2%	119.8	-0.1%
Insurance Information - Retained Claims (R\$ million)	1Q21	1Q20	Δ	4Q20	Δ
Health & Dental	-3,895.6	-3,761.5	-3.6%	-3,852.4	-1.1%
Life & Personal Accident	-97.4	-61.6	-58.1%	-61.7	-57.8%
Insurance Operational Ratios (%)	1Q21	1Q20	Δ	4Q20	Δ
Loss Ratio	80.6%	81.6%	100 BPS	79.5%	-120 BPS
Health & Dental	80.6%	82.5%	180 BPS	80.2%	-40 BPS
Life & Personal Accident	81.1%	49.1%	-3200 BPS	51.3%	-2980 BPS
Acquisition Cost	7.5%	7.3%	-20 BPS	7.3%	-20 BPS
Health & Dental	6.8%	6.7%	-20 BPS	6.7%	-10 BPS
Life & Personal Accident	33.1%	30.6%	-250 BPS	29.4%	-370 BPS
Combined	99.5%	99.4%	-20 BPS	101.3%	180 BPS
Operating	99.2%	99.2%	0 BPS	100.7%	150 BPS
Consolidated Ratios (% of total operating revenues)	1Q21	1Q20	Δ	4Q20	Δ
Operating Gross Margin	9.3%	8.1%	120 BPS	10.0%	-60 BPS
General & Administrative Expenses	7.5%	6.7%	-80 BPS	10.1%	260 BPS
Net Margin from Continuing Operations	1.0%	1.4%	-40 BPS	0.8%	20 BPS
Net Margin	1.0%	1.4%	-40 BPS	0.8%	20 BPS
Operating Highlights	1Q21	1Q20	Δ	4Q20	Δ
Health & Dental Insured Members (thousand)	4,330	3,944	9.8%	4,199	3.1%
Health Insured Members	2,456	2,299	6.8%	2,402	2.2%
Dental Insured Members	1,874	1,645	13.9%	1,798	4.3%
Insured Lives (thousand)	3,791	3,520	7.7%	3,703	2.4%
Assets under Management (R\$ billion)	44.7	43.3	3.4%	45.9	-2.5%
Private Pension Reserves (R\$ billion)	9.6	7.9	21.8%	9.4	1.8%

Among the main highlights in the 1st quarter of 2021 (1Q21), it is worth noting:

- increase of 5.4% in total operating revenues, reaching R\$5.2 billion, propelled by the health, dental and private pension segments;
- total expansion of 395 thousand beneficiaries in health and dental group plans (+10.4%) in relation to 1Q20, reaching 4.2 million lives;
- organic growth of more than 306 thousand beneficiaries (+8.0%) in health and dental group plans in relation to 1Q20 and of 134 thousand in relation to 4Q20;
- consolidated loss ratio of 80.6%, gain of 100 BPS, following the performance in health and dental which more than compensated the pandemic effects on the life portfolio;
- solid operational performance with a gross operating margin of R\$484.6 million (+21.5%) and adjusted EBITDA of R\$146.0 million (+34.9%), mainly following the health and dental segment, which presented an improvement of 32.1% in the gross margin over 1Q20;
- in 1Q20, results from the savings bonds segment – sale concluded in that quarter – were still recognized, with a net impact of approximately R\$14 million in the bottom line, which did not repeat in 1Q21;

¹ Includes saving bonds and other revenues. ² Adjusted EBITDA does not consider extraordinary items in the administrative expenses, as detailed in sections 5 and 9 of this earnings release. ³ Recurring ROAE considers only continuing operations since 3Q20.

1. Main Highlights (cont.)

- g. effective income tax rate (IR/CSLL) of 52.7% in the 1Q21 – affected by the non-recognition of tax credits in the period – in comparison to 4.0% in 1Q20, which was helped by the declaration of interest on shareholder's equity (IoC or JCP) that did not occur in 1Q21; and
- h. net income of R\$54.0 million, increase of 26.7% in comparison to 4Q20 but 22.8% lower in relation to 1Q20 considering only the continuing operations, mainly following the greater effective tax rate (IR/CSLL) in 1Q21.

2. Health and Dental, and Administrative Services Only (ASO)

(R\$ million)	1Q21	1Q20	Δ	4Q20	Δ
Operating Revenues	4,837.9	4,571.0	5.8%	4,799.8	0.8%
Insurance	4,797.4	4,534.4	5.8%	4,761.5	0.8%
Group	4,222.7	3,968.6	6.4%	4,162.4	1.4%
Corporate/Affinity	2,622.4	2,515.8	4.2%	2,627.7	-0.2%
SME	1,500.9	1,358.8	10.5%	1,432.8	4.8%
Dental	99.3	94.0	5.7%	101.9	-2.5%
Individual Health	574.7	565.8	1.6%	599.2	-4.1%
Administrative Services Only	18.5	17.2	7.5%	19.2	-3.7%
Other Operating Revenues	22.0	19.4	13.1%	19.1	15.1%
Changes in Technical Reserves	-11.5	-10.4	-10.9%	-3.3	-252.4%
Insurance	-11.5	-10.4	-10.9%	-3.3	-252.4%
Operating Expenses	-4,354.0	-4,203.1	-3.6%	-4,319.0	-0.8%
Insurance	-4,350.6	-4,197.0	-3.7%	-4,314.9	-0.8%
Administrative Services Only	-3.4	-6.0	43.9%	-4.1	17.7%
Gross Margin	472.4	357.7	32.1%	477.6	-1.1%
Insurance	435.3	327.1	33.1%	443.4	-1.8%
Administrative Services Only	15.1	11.2	35.1%	15.1	0.1%
Other	22.0	19.4	13.1%	19.1	15.1%
Loss Ratio	80.6%	82.5%	180 BPS	80.2%	-40 BPS
Acquisition Cost	6.8%	6.7%	-20 BPS	6.7%	-10 BPS

Health and Dental Insurance

Operating revenues in the health and dental segment totaled R\$4.8 billion in the quarter, increase of 5.8% over the same period last year, driven by the good performance in all group portfolios, notably the expansion in the portfolio of small and medium-sized enterprises – SME (+10.5% vs. 1Q21 and +4.8% vs. 4Q20). The corporate/affinity and dental portfolios also performed positively in the quarter, presenting growth of 4.2% and 5.7%, respectively, when compared to 1Q20. It is worth noting that price increases suspended in 2020, either voluntarily by the Company in the beginning of the pandemic or as determined by the National Supplementary Health Agency (ANS) in the second half of 2020, had already been booked last year, thus having no impact on quarterly revenues. The amounts of postponed price increases still pending collection and receiving totaled, at the end of March/21, R\$337 million. The Company continues to monitor delinquency indicators, which remain within historical levels in the first months of 2021.

In terms of profitability, gross margin totaled R\$472.4 million in 1Q21, an increase of 32.1% when compared to the same period in 2020, mainly following the improvement in the loss ratio, which will be detailed later in the same section of this document. This led to a return on regulatory capital for health and dental of 23.0% in the last 12 months (gain of 110 BPS), considering the net income for the period related to this business unit, which is the Company's main operating segment.

SulAmérica continues to show the strength of its commercial strategy through the solid performance in group plans observed both in terms of revenues and beneficiaries, with consistent growth despite the still challenging economic scenario. This was only possible due to the commitment of the Company's commercial teams, working together with insurance brokers, as well as the development of products and services, focused on expanding the portfolio and also regions served. It is worth noting the recent restructuring of the commercial area, now reporting to the business unit, which gives more agility in product formatting and increases the capacity to develop regional strategies, leveraging an even higher level of organic growth. In this sense, the Company continues to expand its market share: according to the most recent data for sector disclosed by ANS, in 2020 the Company held 10.7% (+10 BPS vs. 9M20) of the total private healthcare market revenue, being the third largest company in the segment. The following table shows the recent performance in number of beneficiaries:

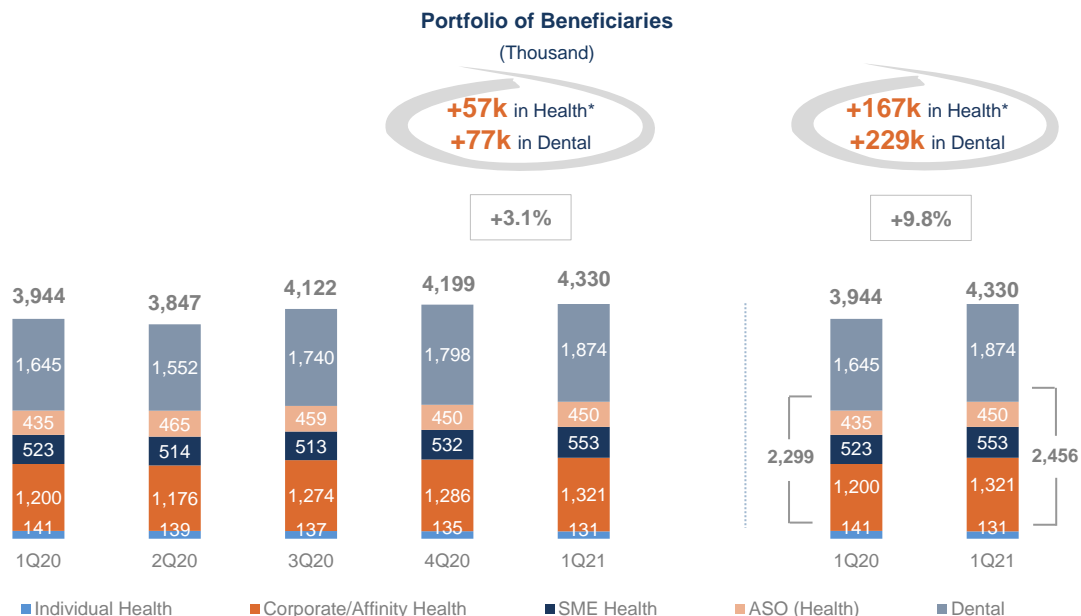
2. Health and Dental, and Administrative Services Only (ASO) (cont.)

(Thousand members)	1Q21	1Q20	Δ	4Q20	Δ
Group Health	2,324	2,158	7.7%	2,267	2.5%
Corporate/Affinity Health	1,321	1,200	10.1%	1,286	2.8%
SME Health	553	523	5.8%	532	4.0%
Administrative Services Only	450	435	3.5%	450	0.1%
Dental	1,874	1,645	13.9%	1,798	4.3%
Dental	1,846	1,619	14.1%	1,770	4.3%
Administrative Services Only	28	27	4.4%	28	0.8%
Group Total	4,199	3,803	10.4%	4,065	3.3%
Individual Health	131	141	-7.0%	135	-2.6%
Total	4,330	3,944	9.8%	4,199	3.1%

At the end of 1Q21, health and dental group plans portfolio totaled 4.2 million beneficiaries, an increase of 10.4%, or net adds of 395 thousand lives, compared to 1Q20, considering the health beneficiaries from *Paraná Clínicas* which were acquired in 3Q20. Organic growth, ex-acquisitions, also presented an excellent performance, with an increase of 8.0% in membership, or addition of 306 thousand lives, in comparison to the same period of the previous year. In relation to December/2020, the increase was of 134 thousand beneficiaries.

The health segment continues to show an acceleration in its growth pace since the end of last year, with an expansion of 167 thousand beneficiaries (+7.7%) in comparison with 1Q20, including the incorporated lives of *Paraná Clínicas*. The corporate/affinity portfolio had an important contribution to the segment's performance, with an increase of 10.1% (+121 thousand lives) compared to 1Q20 and of 2.8% (+36 thousand lives) compared to 4Q20. In addition to the positive inorganic performance, the portfolio also grew in organic terms: 2.6% (+31 thousand lives) vs. 1Q20. The SME portfolio also continued on the growth trend observed in the previous quarter, with an increase of 5.8% (+30 thousand lives) vs. 1Q20 and of 4.0% (+21 thousand lives) compared to 4Q20. This performance shows the continuous recovery in new sales initiated in the second half of 2020, which, combined with the high level of customer retention presented by the Company, reinforces the capacity for consistent and sustainable growth even during more challenging scenarios, through the strength of its brand, consistent commercial strategies, in addition to the flexibility and adaptation of its products to the most diverse client profiles.

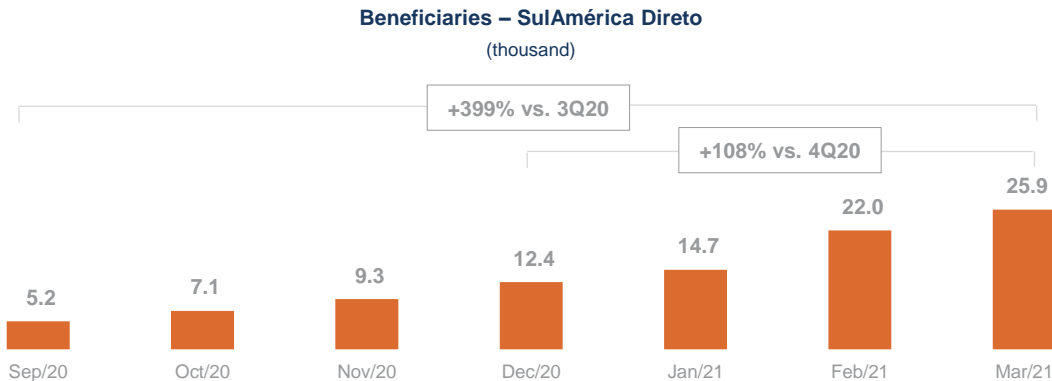
The dental portfolio reached 1.9 million beneficiaries in 1Q21, an increase of 13.9% (+229 thousand policyholders) vs. 1Q20, driven by a good performance in new sales and also by the implementation of the dental plan for health beneficiaries in the affinity portfolio, which occurred in 3Q20. In relation to 4Q20, the portfolio also performed well, with an increase of 4.3% (+77 thousand policyholders) in just three months, benefiting, as well as the health segment, from a resumption in sales since the last quarter of 2020, including in the retail segment.



*Considering only health group plans portfolios.

2. Health and Dental, and Administrative Services Only (ASO) (cont.)

It is worth highlighting the Company's progress in formatting and developing more affordable options for its portfolio, the best example of it is the "Direto" regional product line. "Direto" reached yet another region in the South region of the country with the launch in Joinville (state of Santa Catarina) in February/21, totaling 7 locations in the country. Since the second half of last year, "Direto" products began to present important sales growth and, gradually, have been contributing to the consolidated growth. The strategy for the coming months is to continue leveraging sales in regions where the products are already launched and, in parallel, to develop new options in new strategic locations with selected providers.

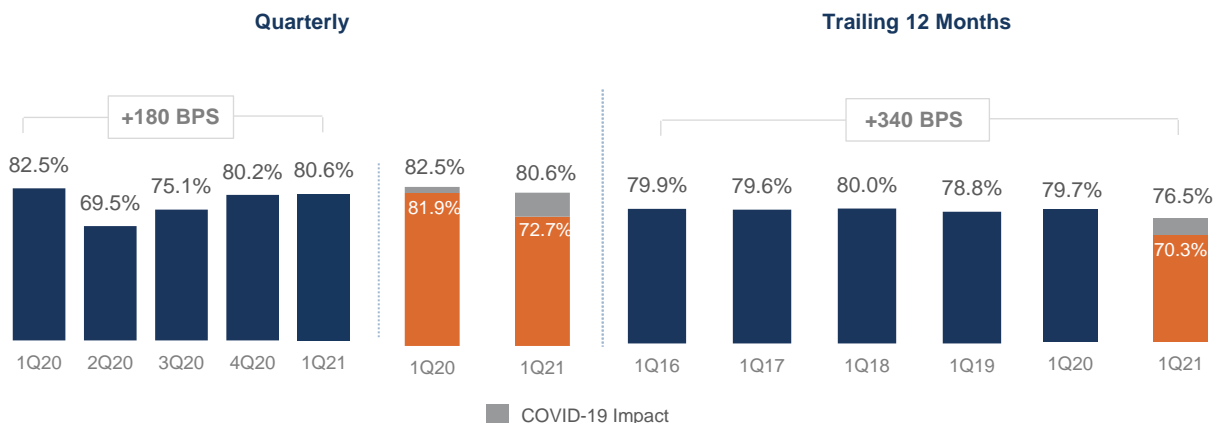


The strategy of expanding operations in the mid-ticket segment – which also includes the recent acquisitions of *Paraná Clínicas* and *Santa Casa de Misericórdia de Ponta Grossa* portfolio (latter pending conclusion), both in the state of Paraná – is an important driver to increase the Company's addressable market and expand access to supplementary healthcare with high quality assistance in Brazil, having even stronger partnerships with the network of medical providers, with joint efforts to format products, exchange information, manage health and coordinate care.

In 1Q21, the loss ratio reached 80.6%, an improvement of 180 BPS in relation to 1Q20, which had been an unfavorable quarter. Since 4Q20 and throughout the quarter, there has been a significant increase in the number of cases and hospitalizations related to COVID-19, which intensified between the months of February and March/21, when cases and hospitalizations of our beneficiaries reached record levels, in a similar dynamic to the one observed in the main regions of the country. The combination of higher costs with COVID-19, which totaled around R\$384 million in the quarter, and a level of frequency for other procedures still relatively lower, but closer to normality during most of the quarter, increased costs in the period. On the other hand, there were reductions in the frequency of elective and non-urgent procedures, especially in the second half of March, following the escalation of the pandemic and the stricter measures to restrain circulation and promote social isolation.

Loss Ratio – Health and Dental

(% Earned premiums)



2. Health and Dental, and Administrative Services Only (ASO) (cont.)

Despite short-term variations, enhanced by the dynamics of the pandemic over the past year, the Company remains focused on the long-term control of the medical loss ratio, maintaining the consistent trend of the last few years, based on a disciplined underwriting strategy and management initiatives that allow sustainable and profitable growth, passing through the results obtained with its claims control, health management, Coordinated Care and operational leverage initiatives to prices. The continuous results of these initiatives have contributed to the consistent track record of this indicator in recent years, as can be seen in the trailing 12 months series, which reached 76.5% at the end of 1Q21.

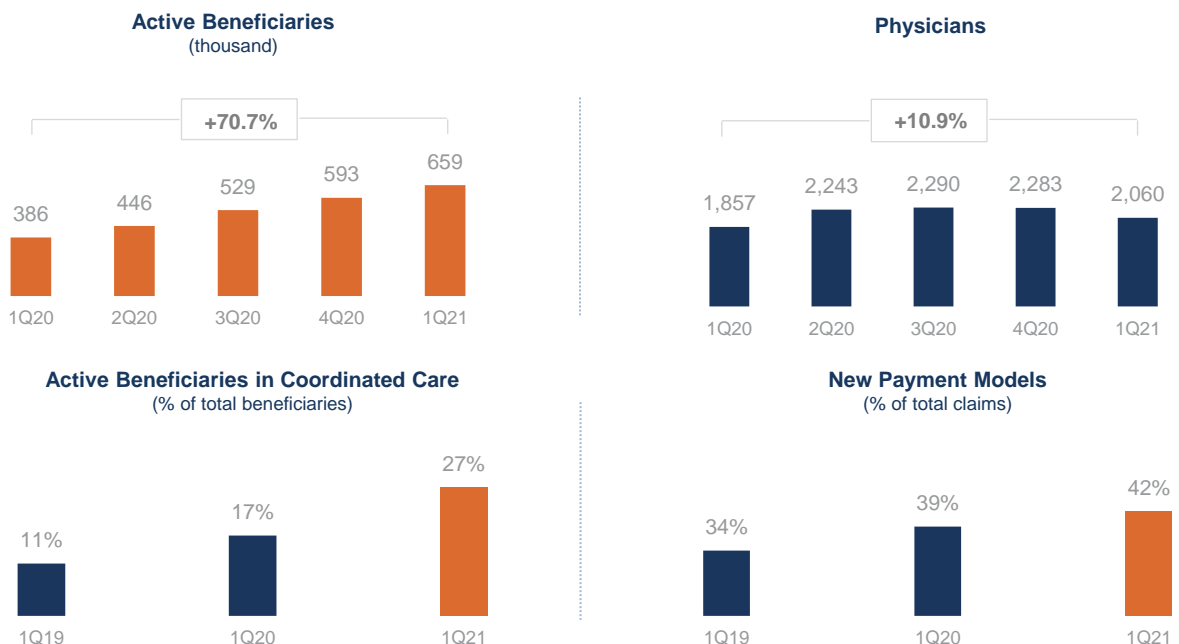
Throughout 1Q21, the Company continued to advance in the Coordinated Care strategy, which for some years has already been one of the cornerstones of its strategic performance. Especially considering the intensification of the pandemic amid the increase in cases seen in the first months of the year, the efforts to closely monitor the beneficiaries' journey have proven to be essential, both ensuring service in relation to the growing demand caused by COVID-19 and to guarantee the continuity of essential treatments – especially chronic, oncological, cardiologic, among others.

In this context, it is worth noting the continued improvements in digital initiatives, which have grown exponentially over the past 12 months and, nowadays, are an essential tool for beneficiaries to seek access to health, in an effective and resolute manner. In 1Q21, there were approximately 309 thousand remote appointments, an increase of 31% in relation to 4Q20, with March/21 reaching the record of 141 thousand appointments in the month, considering virtual appointments with physicians on duty, specialists and therapists, as well as medical phone orientation.

At the end of 1Q21, there were 659 thousand active beneficiaries within Coordinated Care, an increase of 273 thousand compared to 1Q20, reaching 27% of total health membership, in addition to 2.1 thousand physicians taking part in the Coordinated Care program.

Consistent improvements over the years in management and Coordinated Care initiatives have allowed an increasingly closer monitoring of beneficiaries. At the same time, the Company advances in new compensation models in claims management, such as bundles, packages, global daily rates, sourcing of special materials, among others, in a growing partnership with the network of providers and all partners in the private healthcare sector, bringing greater predictability and sustainability to the sector.

Coordinated Care



2. Health and Dental, and Administrative Services Only (ASO) (cont.)

Health Administrative Services Only (ASO)

In 1Q21, ASO plans presented operating revenues of R\$18.5 million, 7.5% greater than 1Q20, which, added to the reduction in operating expenses in the period, resulted in a gross margin of R\$15.1 million, an increase of 35.1% in comparison with the same period of the previous year. The positive performance of the portfolio is also observed in the growth of 3.6% in the number of beneficiaries, especially in health with net additions of 15 thousand lives in comparison to 1Q20, following the same trend seen in the other group plan portfolios.

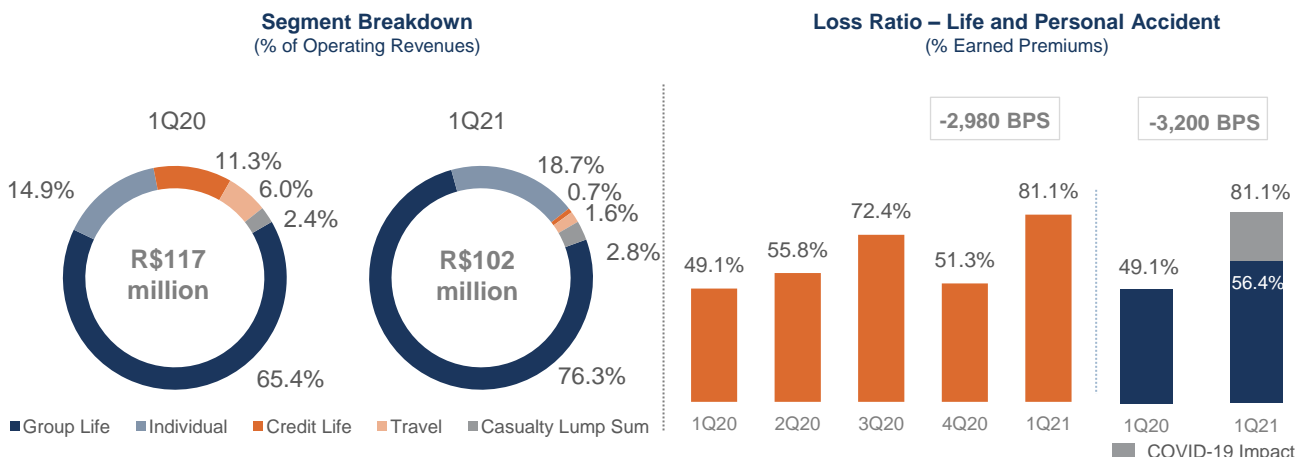
3. Life and Personal Accident Insurance and Private Pension

(R\$ million)	1Q21	1Q20	Δ	4Q20	Δ
Operating Revenues	317.9	323.5	-1.7%	414.7	-23.3%
Insurance	102.5	116.9	-12.3%	130.2	-21.3%
Private Pension	215.3	205.7	4.7%	284.4	-24.3%
Other Operating Revenues	0.1	0.9	-84.0%	0.1	61.1%
Changes in Technical Reserves	-163.6	-172.6	5.2%	-259.9	37.1%
Insurance	15.7	3.3	369.1%	-13.8	NA
Private Pension	-179.3	-175.9	-1.9%	-246.1	27.1%
Operating Expenses	-173.5	-133.7	-29.8%	-139.7	-24.2%
Insurance	-146.2	-107.5	-36.0%	-103.3	-41.6%
Private Pension	-27.4	-26.2	-4.6%	-36.5	25.0%
Gross Margin	-19.2	17.3	NA	15.1	NA
Insurance	-28.0	12.7	NA	13.1	NA
Private Pension	8.7	3.6	138.0%	1.8	369.8%
Other	0.1	0.9	-84.0%	0.1	61.1%
Loss Ratio	81.1%	49.1%	-3200 BPS	51.3%	-2980 BPS
Acquisition Cost	33.1%	30.6%	-250 BPS	29.4%	-370 BPS

Life and Personal Accident Insurance

Operating revenues of the Life and Personal Accidents segment totaled R\$102.5 million, drop of 12.3% when compared to 1Q20, a period which had not been entirely affected by the pandemic. Despite the recovery seen in 4Q20, the segment's revenue was once again impacted due to the worsening of the pandemic in Brazil, especially in the travel insurance product as a result of new restrictions, and, also, in the credit life portfolio. However, it is worth noting that individual and group life portfolios continue to present a positive performance when compared to the same period of last year.

The loss ratio in 1Q21 was of 81.1%, severely impacted, once again, by the coverage of claims related to COVID-19, included voluntarily since the beginning of the pandemic, which during the quarter presented a higher frequency and severity considering the increase of deaths observed in the last months. Excluding the impact related to COVID-19 of approximately R\$30 million, the loss ratio in the quarter would have been 56.4%. This figure is still subject to revision considering the potential underreporting of cases, still pending assessment.

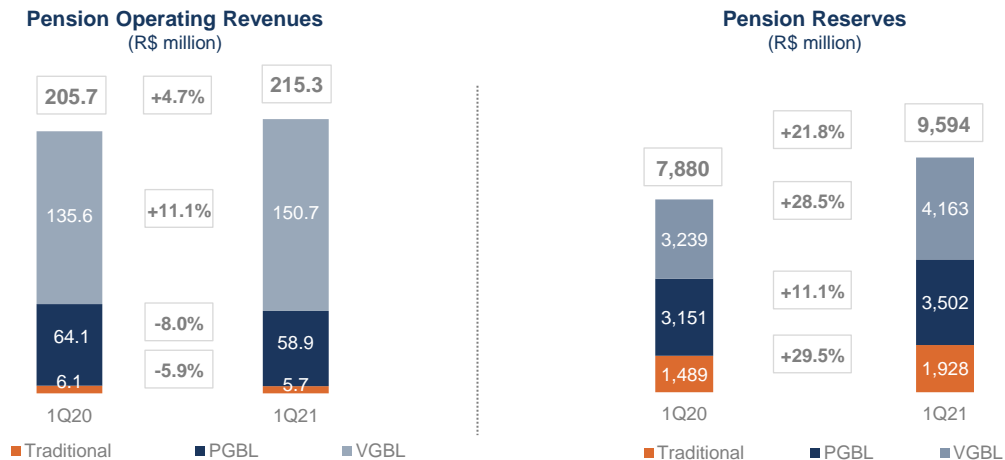


3. Life and Personal Accident Insurance and Private Pension (cont.)

Private Pension

As seen in recent quarters, private pension reserves continue to present a good growth performance, totaling R\$9.6 billion at the end of March/21, an increase of 21.8% in relation to 1Q20, mostly driven by a positive balance of net portability (transfers) in the quarter.

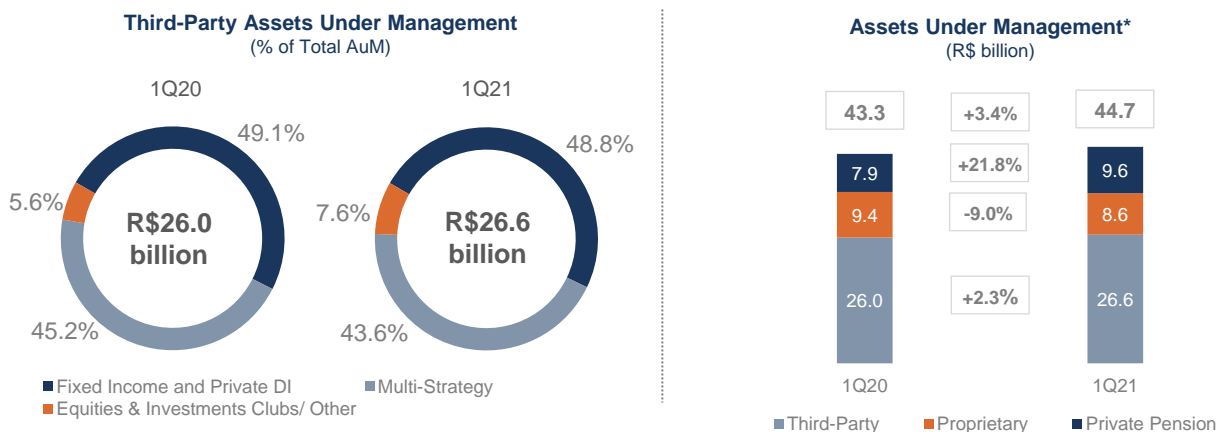
The segment's operating revenues, following the trend observed in recent periods, grew 4.7%, amounting to R\$215.3 million in 1Q21, especially due to higher revenues in VGBL product (+11.1%) offsetting the reduction observed in PGBL and traditional products.



4. Asset Management

(R\$ million)	1Q21	1Q20	Δ	4Q20	Δ
Operating Revenues	13.9	17.1	-18.3%	17.7	-21.4%
Management Fee	13.8	16.1	-14.2%	14.9	-7.4%
Performance Fee	0.1	1.0	-86.4%	2.8	-95.3%
Operating Expenses	-1.3	-2.0	33.7%	-1.4	3.2%
Gross Margin	12.6	15.0	-16.3%	16.3	-22.9%

SulAmérica Investimentos ended the first quarter of 2021 resuming the growth of assets under management, which totaled R\$44.7 billion, increase of 3.4% when compared to 1Q20. The segment's revenues totaled R\$13.9 million, decrease of 18.3% in relation to the same period of the previous year, led by lower revenues both in management fees, following the migration to funds with lower risk profiles when comparing to 1Q20, and in performance fees, reflecting the market context.



*The total reported third-party assets under management include investment funds and portfolios that are managed or administered by SulAmérica DTVM S.A.

4. Asset Management (cont.)

In terms of third-party assets allocation, fixed income funds accounted for the largest share of the portfolio (48.8%), followed by multi-strategy funds (43.6%) and equities (7.6%). It should be noted that, since 3Q20, proprietary assets do not include amounts related to the divested auto and P&C segments, which became third-party assets (R\$2.3 billion), therefore impacting the volume of proprietary assets when comparing to March/20.

5. Administrative Expenses

The table below considers only continuing operations, excluding the auto and P&C segments in 1Q20.

(R\$ million)	1Q21	1Q20	Δ	4Q20	Δ
Personnel Expenses	-198.0	-158.0	-25.3%	-214.7	7.8%
Third-Party Services	-100.3	-94.4	-6.3%	-130.1	22.9%
Buildings and Maintenance	-48.1	-35.1	-37.2%	-46.6	-3.4%
Other Administrative Expenses	-14.7	-14.4	-1.7%	-82.5	82.2%
Profit Sharing	-21.6	-14.3	-51.1%	-31.3	30.9%
Tax Expenses	-6.1	-11.5	46.8%	-23.9	74.4%
Total	-388.8	-327.7	-18.7%	-529.0	26.5%
G&A Expenses Ratio (% operating revenues)	7.5%	6.7%	-80 BPS	10.1%	260 BPS
G&A Expenses Ratio ex-extraordinary items	7.2%	6.4%	-70 BPS	9.1%	200 BPS

The administrative expenses ratio (measured by the ratio of total administrative expenses to total operating revenues) was of 7.5% in 1Q21, gain of 260 BPS in relation to 4Q20 but 80 BPS worse over 1Q20.

In addition, as mentioned in 4Q20, expenses related to a transition service agreement (TSA) provided to Allianz Group regarding temporary support to the auto and P&C operations are expected to occur until June/22, which have a positive counterpart on the other operating revenues, and in 1Q21 totaled approximately R\$16 million, mostly allocated in the third-party services line. In 1Q20, expenses associated with the sale of the auto and P&C segments were allocated in the same line, totaling R\$15 million. Excluding these two effects, the administrative expenses ratio was of 7.2% in 1Q20, 70 BPS higher than 1Q20.

Still in comparison to 1Q20, the main drivers for the increase in nominal terms were in personnel, led by annual salary adjustments (collective bargaining agreement), an increase in average headcount compared to the same quarter of 2020, higher variable compensation, and lastly, expenses with layoffs at the end of the quarter. In order to further adapt the structure of the Company after the sale of the auto and P&C segment in 2020, there was a reduction of approximately 120 FTE's at the end of the quarter, in March/21, as well as expenses associated with executive contract terminations and investments in attracting and retaining key executives.

The Company remains with its focus on strict expenses control and operating efficiency gains, while continues with important investments in initiatives and strategic projects especially with the Coordinated Care and digital transformation, essential for the growth and sustainability of its operations.

6. Investment Income

The tables below consider only continuing operations, excluding the auto and P&C segments in 1Q20

(R\$ million)	1Q21	1Q20	Δ	4Q20	Δ
Investment Income ex-Private Pension	18.9	5.8	227.0%	50.1	-62.3%
Return on Investment Portfolio	56.0	23.2	141.5%	87.2	-35.8%
Debt Service Cost	-16.0	-23.9	33.0%	-19.9	19.5%
Other Investment Income	-21.1	6.5	NA	-17.2	-22.4%
Investment Income from Private Pension	-3.0	0.4	NA	-17.1	82.7%
Return on Investment Portfolio of Private Pension	82.4	-285.7	NA	322.4	-74.4%
Change in Liabilities of Private Pension	-85.4	286.1	NA	-339.5	74.8%
Total Investment Income	15.9	6.1	159.4%	33.0	-51.7%

Balance

(R\$ million)	1Q21	1Q20	Δ	4Q20	Δ
Balance Excluding Private Pension	8,970.0	7,917.2	13.3%	8,591.8	4.4%
Private Pension Operations Balance	9,593.7	7,879.5	21.8%	9,427.6	1.8%
Total Balance	18,563.7	15,796.8	17.5%	18,019.4	3.0%

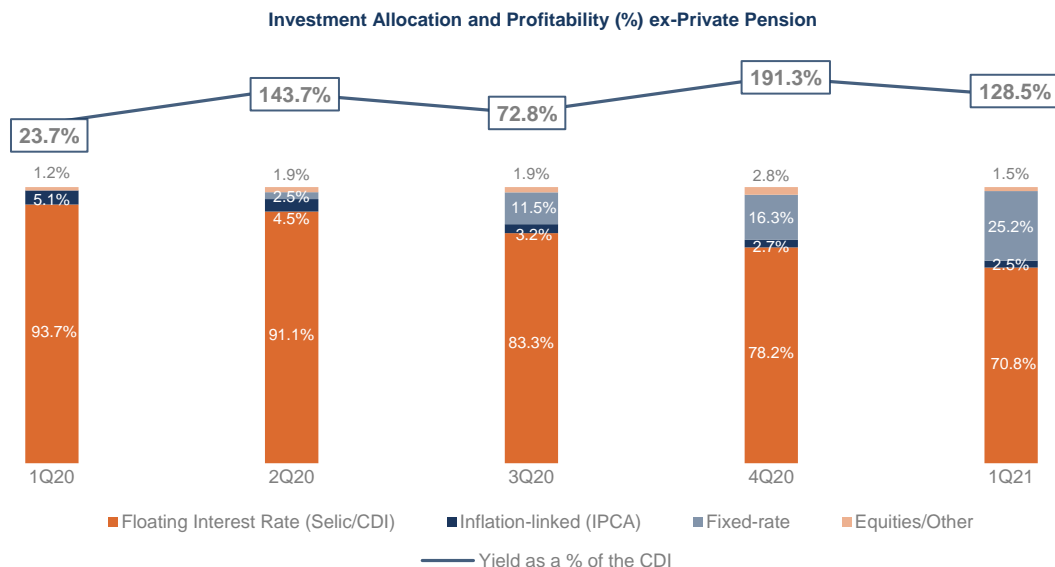
6. Investment Income (cont.)

In 1Q21, net investment income totaled R\$15.9 million, increase of 159.4% in relation to 1Q20, mainly following the positive performance of the return on investment portfolio line, which grew 141.5% when compared to 1Q20, a period which was severely impacted by the negative performance of equity assets. Such improvement reflects the better performance of inflation-linked and fixed-rate assets in 1Q21, offsetting the lower level of average Selic rate when comparing the periods (0.49% in 1Q21 vs. 1.01% in 1Q20). For the next cycles, considering the already announced increase in the Selic rate and our allocation in fixed-rate assets, the return on investment portfolio line should gradually benefit from this movement.

On the other hand, the lower interest rate in comparison to 1Q20 has a positive effect in the debt service cost line, which presented a gain of 33.0%, since the majority of the Company's debt service is indexed to the CDI, which has a behavior closely linked to the variation of the Selic rate.

The performance of the proprietary assets portfolio (ex-private pension) was of 128.5% of CDI in 1Q21, vs. 23.7% in 1Q20, which as mentioned before, was negatively impacted by the performance of equity assets as a result from the uncertainties in the beginning of the pandemic and its impacts on capital markets.

The Company has 70.8% of its proprietary assets (ex-private pension) allocated in assets indexed to Selic/CDI, 25.2% in fixed-rated securities, 2.5% in inflation-linked assets (IPCA) and 1.5% in equities and other assets. Approximately 90% of investments (ex-PGBL and VGBL) are allocated in fixed income bonds AAA-rated or sovereign risk securities (Brazilian government bonds). In comparison with 1Q20, it is worth noting the change in the portfolio allocation, a process that had already started in previous quarters, with a reduction in the share of floating interest rate assets (Selic/CDI).



7. Return on Equity

The table below presents the calculation of the return on average equity (ROAE) in the last 12 months, considering, in addition to the accounting ROAE usually disclosed, also the recurring ROAE (continuing operations) adjusted for the effect of discontinued operations in 3Q20, which essentially represent the net gain with the sale of the auto and P&C operations, recognized in that quarter.

(R\$ million)	1Q21	1Q20	Δ
Average Shareholders' Equity (last 12 months)	7,564.7	6,796.5	11.3%
Net Income (last 12 months)	2,322.0	1,038.8	123.5%
Return on Average Equity (ROAE)	30.7%	15.3%	1540 BPS
Adjusted Net Income (last 12 months)	881.0	1,038.8	-15.2%
Recurring ROAE*	11.6%	15.3%	-360 BPS

*Excluding the result from discontinued operations in 3Q20.

Additionally, considering the new composition of SulAmérica's results, the Company begins to display the return on minimum regulatory capital for the Health and Dental segment, which accounted for approximately 93% of total revenues in 1Q21, calculated considering the managerial net income and the regulatory capital (solvency margin) for the companies of the segment, according to ANS requirements, as presented below:

(R\$ million)	1Q21	1Q20	Δ
Regulatory Capital (Solvency Margin)	4,124.5	4,080.1	1.1%
Net Income - Health and Dental (last 12 months)	950.6	893.7	6.4%
Return on regulatory capital	23.0%	21.9%	110 BPS

8. Summary Income Statement

(R\$ million)	1Q21	1Q20	Δ	4Q20	Δ
Operating Revenue	5,192.5	4,926.6	5.4%	5,253.6	-1.2%
Insurance	4,899.9	4,651.3	5.3%	4,891.7	0.2%
Private Pension	215.3	205.7	4.7%	284.4	-24.3%
Saving Bonds	0.4	14.5	-97.3%	0.1	284.3%
ASO	18.5	17.2	7.5%	19.2	-3.7%
Asset Management	13.9	17.1	-18.3%	17.7	-21.4%
Other	44.5	20.9	113.1%	40.5	10.0%
Changes in Premium Technical Reserves	-175.1	-182.9	4.3%	-263.2	33.5%
Insurance	4.2	-7.0	NA	-17.1	NA
Private Pension	-179.3	-175.9	-1.9%	-246.1	27.1%
Operating Expenses	-4,532.9	-4,344.9	-4.3%	-4,466.1	-1.5%
Insurance	-4,500.7	-4,306.2	-4.5%	-4,425.8	-1.7%
Claims	-3,993.0	-3,823.5	-4.4%	-3,916.2	-2.0%
Acquisition Costs	-369.3	-342.2	-7.9%	-359.2	-2.8%
Other	-138.5	-140.5	1.4%	-150.4	7.9%
Private pension	-27.4	-26.2	-4.6%	-36.5	25.0%
Benefits and Redemptions Expenses	-14.0	-15.3	8.5%	-23.0	39.1%
Acquisition Costs	-9.1	-8.8	-4.0%	-9.4	2.9%
Other	-4.3	-2.1	-100.6%	-4.1	-3.3%
Saving Bonds	-0.1	-4.5	97.5%	1.5	NA
ASO	-3.3	-6.0	43.9%	-3.9	15.2%
Asset Management	-1.3	-2.0	33.7%	-1.4	3.3%
Operating Gross Margin	484.6	398.8	21.5%	524.3	-7.6%
General and Administrative Expenses	-388.8	-327.7	-18.7%	-529.0	26.5%
Net Investment Income	15.9	6.1	159.4%	33.0	-51.7%
Equity Interest Income	-3.7	0.1	NA	-2.1	-78.9%
Other Equity Income / Expenses	6.1	-4.5	NA	2.1	190.7%
Income before tax and social contribution	114.1	72.9	56.5%	28.4	301.9%
Income Tax and Social Contribution	-60.1	-2.9	NA	14.2	NA
Net Income from Continuing Operations	54.0	70.0	-22.8%	42.6	26.7%
Net Income from Discontinued Operations	0.0	9.7	NA	0.0	NA
Attributable to Non-Controlling Shareholders	-0.1	0.2	NA	0.1	NA
Net Income After Non-Controlling Interests	53.9	79.8	-32.5%	42.7	26.3%

9. EBITDA Conciliation

(R\$ million)	1Q21	1Q20	Δ	4Q20	Δ
Net Income - Continuing Operations	54.0	70.0	-22.8%	42.6	26.7%
Income Tax and Social Contribution	60.1	2.9	NA	-14.2	NA
Net Investment Income	-15.9	-6.1	-159.4%	-33.0	51.7%
Depreciation and Amortization	34.2	22.6	51.4%	31.7	7.8%
EBITDA - Continuing Operations	132.4	89.3	48.1%	27.1	388.4%
Equity Interest Income	3.7	-0.1	NA	2.1	78.9%
Other Equity Income / Expenses	-6.1	4.5	NA	-2.1	-190.7%
Extraordinary items in Administrative Expenses	16.1	14.5	10.9%	48.3	-66.7%
Adjusted EBITDA - Continuing Operations	146.0	108.3	34.9%	75.4	93.8%

10. Summary Income Statement – pro forma (including discontinued operations in 1Q20)

(R\$ million)	1Q21	1Q20	Δ	4Q20	Δ
Operating Revenue	5,192.5	5,632.0	-7.8%	5,253.6	-1.2%
Insurance	4,899.9	5,349.7	-8.4%	4,891.7	0.2%
Private Pension	215.3	205.7	4.7%	284.4	-24.3%
Saving Bonds	0.4	14.5	-97.3%	0.1	284.3%
ASO	18.5	17.2	7.5%	19.2	-3.7%
Asset Management	13.9	17.1	-18.3%	17.7	-21.4%
Other	44.5	27.8	60.2%	40.5	10.0%
Changes in Premium Technical Reserves	-175.1	-37.5	-366.4%	-263.2	33.5%
Insurance	4.2	138.4	-97.0%	-17.1	NA
Private Pension	-179.3	-175.9	-1.9%	-246.1	27.1%
Operating Expenses	-4,532.9	-5,084.9	10.9%	-4,466.1	-1.5%
Insurance	-4,500.7	-5,046.3	10.8%	-4,425.8	-1.7%
Claims	-3,993.0	-4,361.2	8.4%	-3,916.2	-2.0%
Acquisition Costs	-369.3	-532.6	30.7%	-359.2	-2.8%
Other	-138.5	-152.5	9.2%	-150.4	7.9%
Private pension	-27.4	-26.2	-4.6%	-36.5	25.0%
Benefits and Redemptions Expenses	-14.0	-15.3	8.5%	-23.0	39.1%
Acquisition Costs	-9.1	-8.8	-4.0%	-9.4	2.9%
Other	-4.3	-2.1	-100.6%	-4.1	-3.3%
Saving Bonds	-0.1	-4.5	97.5%	1.5	NA
ASO	-3.3	-6.0	43.9%	-3.9	15.2%
Asset Management	-1.3	-2.0	33.7%	-1.4	3.3%
Operating Gross Margin	484.6	509.6	-4.9%	524.3	-7.6%
General and Administrative Expenses	-388.8	-459.6	15.4%	-529.0	26.5%
Net Investment Income	15.9	39.3	-59.4%	33.0	-51.7%
Equity Interest Income	-3.7	0.1	NA	-2.1	-78.9%
Other Equity Income / (Expenses)	6.1	-2.6	NA	2.1	190.7%
Income before tax and social contribution	114.1	86.7	31.5%	28.4	301.9%
Income Tax and Social Contribution	-60.1	-7.1	-749.6%	14.2	NA
Net Income	54.0	79.7	-32.2%	42.6	26.7%
Attributable to Non-Controlling Shareholders	-0.1	0.1	NA	0.1	NA
Net Income After Non-Controlling Interests	53.9	79.8	-32.5%	42.7	26.3%

11. Summary Balance Sheet

ASSETS			
(R\$ million)	1Q21	2020	Δ
Current Assets	19,199.3	18,990.3	1.1%
Cash, cash equivalents and marketable securities	17,187.7	16,793.0	2.4%
Receivables	1,360.5	1,597.9	-14.9%
Taxes	181.6	178.2	1.9%
Reinsurance assets	70.2	46.4	51.2%
Salvages for sale	0.1	0.2	-8.6%
Deferred acquisition costs	350.8	339.6	3.3%
Other	48.4	35.1	37.7%
Non-current assets	8,545.5	8,878.8	-3.8%
Marketable securities	1,411.2	1,315.3	7.3%
Receivables	1,601.8	1,591.6	0.6%
Judicial deposits	2,187.4	2,795.3	-21.7%
Reinsurance assets	8.0	7.6	5.7%
Deferred acquisition costs	742.2	706.7	5.0%
Taxes	1,374.4	1,257.8	9.3%
Other	11.3	6.3	80.3%
Leasing assets	162.8	164.1	-0.8%
Investments, property and equipment, and intangible assets	1,046.4	1,034.1	1.2%
Total Assets	27,744.8	27,869.1	-0.4%

LIABILITIES			
(R\$ million)	1Q21	2020	Δ
Current Liabilities	8,047.4	8,411.6	-4.3%
Accounts payable	915.2	1,117.1	-18.1%
Loans and financing	432.2	579.1	-25.4%
Insurance and reinsurance liabilities	301.4	343.1	-12.2%
Technical reserves - Insurance	6,228.3	6,215.4	0.2%
Judicial provisions	148.7	131.5	13.1%
Other	21.6	25.2	-14.4%
Non-current Liabilities	11,652.7	11,353.8	2.6%
Accounts payable	227.9	232.5	-2.0%
Loans and financing	1,710.5	1,010.5	69.3%
Technical reserves - Insurance	7,920.6	7,766.2	2.0%
Judicial provisions	1,793.5	2,344.2	-23.5%
Other	0.3	0.3	-27.2%
Shareholders' Equity	8,044.7	8,103.8	-0.7%
Total Liabilities and Shareholders' Equity	27,744.8	27,869.1	-0.4%

12. Analyst Coverage

Firm	Analyst	Sector of Coverage	Phone
Bank of America	Mario Pierry	Insurance/Financials	+1 (646) 743 0047
BTG Pactual	Samuel Alves	Healthcare	+55 (11) 3383-2450
Citi	Gabriel Gusan	Insurance/Financials	+55 (11) 4009-5206
Credit Suisse	Mauricio Cepeda	Healthcare	+55 (11) 3701-6307
Eleven Financial	Mariana Ferraz	Healthcare	+55 (11) 4302-3340
Genial	Eduardo Nishio	Insurance/Financials	+55 (11) 3206-8240
Inter	Matheus Amaral	Insurance/Financials	+55 (11) 3014-1086
JP Morgan	Guilherme Grespan	Insurance/Financials	+55 (11) 4950-3058
Safra	Ricardo Boiati	Healthcare	+55 (11) 3175-8987
Santander	Henrique Navarro	Insurance/Financials	+55 (11) 3012-5756
UBS	Vinicius Ribeiro	Healthcare	+55 (11) 3513-6562
XP Investimentos	Marcel Campos	Insurance/Financials	+55 (11) 3526-1472

13. Glossary

Operating revenues: this account is comprised of (i) sum of net insurance retained premiums; (ii) contributions, management fees and other private pension revenues; (iii) collection revenues net of changes in technical provisions and other deductions; (iv) management fees and other revenues from Health Administrative Services Only (ASO) plans; (v) management and performance fees from the asset management operation; (vi) other revenues not directly linked to the operation. All operating revenues are presented net of direct taxes (ISS, PIS and Cofins).

Operating expenses: this account is comprised of (i) insurance expenses (claims, acquisition costs and other insurance expenses); (ii) private pension expenses (benefits and redemptions, acquisition costs and other operating expenses); (iii) savings bonds expenses (acquisition costs and other expenses); (iv) general expenses related to ASO plans, excluding payable events already deducted from revenues; (v) general expenses related to the asset management operation; (vi) other expenses not directly linked to the operations.

Operating gross margin: this account is comprised of operating revenues net of operating expenses and changes in insurance and private pension technical provisions.

EBITDA: this account is comprised of the net income for the period plus income and social contribution taxes, net investment income (financial revenues net of financial expenses) and depreciation and amortization.

Adjusted EBITDA: this account is comprised by the EBITDA plus equity interest income, other equity income/expenses and, occasionally, other extraordinary items for the period.

Insurance Operational Ratios

Loss ratio: is the ratio between retained claims and earned premiums.

Acquisition cost ratio: the ratio between insurance acquisition costs and earned premiums.

Combined ratio: equals the sum of the loss ratio, acquisition cost ratio, other insurance operating revenues and expenses ratio, insurance tax expenses ratio and insurance gross margin ratio, which are calculated over earned premiums, and the division of general and administrative expenses by retained premiums.

Operating ratio: equals the difference between the combined ratio and the investment income ratio, which is calculated over retained premiums.

Other data can be found in the fundamentals spreadsheet, available at the Investor Relations website (www.sulamerica.com.br/ir).

Other Consolidated Ratios

Operating gross margin: the ratio between operating gross margin and total operating revenues.

General and administrative expenses ratio: the ratio between general and administrative expenses and total operating revenues.

Net margin: the ratio between net income and total operating revenues.

Return on average equity (ROAE): considers net income in the last twelve months and average shareholders' equity in the period.

Solvency Margin: consists of the minimum capital required by the National Supplementary Health Agency (ANS) to determine the solvency of health insurers and operators, in relation to their respective adjusted minimum equity.

Some percentages and other figures included in this performance report have been rounded to ease the presentation and therefore may present small differences in the tables and notes of quarterly information. Additionally, for the same reason, the totals in certain tables may not reflect the arithmetic sum of the previous values. Consolidated net income and ROAE figures consider results for the Company net of non-controlling interest.