



Quálitas Controladora S.A.B. de C.V.



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March 25th, 2022.

Dear shareholders,

2021 could be described as a normalization and transition year; in Mexico and the other countries where we operate experienced a recovery in mobility trends even above pre-pandemic levels, a slow recovery in terms of new car sales given the impact of supply chain constraints, inflation pressure as well as highly competitive pricing environment in the industry, mainly in the Mexican market.

Despite the above, we closed the year with a net result of \$3,778 million pesos, and although it represents a decrease versus the atypical 2020 year because of an unusually low claims ratio due the pandemic, it also demonstrates our business model strength and our capacity to generate value in a complex environment. Regarding our written premiums, they had a 6.3% growth in the year versus 2020, supported also by our international subsidiaries' performance.

We celebrate that our offices and agents network continue growing, with more than 18,500 agents by year end, opening 9 new service offices and 22 new ODQs.

Normalization in mobility translated in an annual loss ratio of 65.0% for 2021. This ratio reflects an evident frequency and costs increases in claims attended; we are following closely these trends to reinforce our cost control as a business differentiator.

It will be fundamental to maintain our pricing discipline and keep on making the necessary adjustments that support healthy ratios; our main competitive advantage has been and must continue to be our excellence in service.

Comprehensive financial income closed the year in \$2,273 million pesos. The competitive environment in the operating side of the business force us to seek incisively benefits from the upwards trend in interest rates, with the target of maximizing our financial income.

Stockholders' equity of the Company closed above \$20 billion pesos for the first time since Qualitas' foundation. 12-month ROE closed at 19.2%, reflecting our profit performance and our capital strength.

Regarding our organization, Qualitas' team exceeded 5,300 employees by year end. Recognizing that our employees are the company's most important element, we are looking to solidify and boost their personal and professional development through "Qualitas' University" digital platform.



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Our commitment in terms of digitalization did not stop; we continued incorporating new and better tools for processes such as the one used in our Board Meetings, new tools for our clients and other users, such as the mobile app new functionalities, as well as the agents' new platform.

Regarding our Board of Directors, during the year our board members received several trainings related to fiscal topics and cybersecurity, amongst others, reinforcing our commitment to be at the forefront of important topics to help us take the best decisions for all our stakeholders.

We appreciate and are thankful for our policy holders and client's preference, the commitment from our employees, suppliers, and other business allies, as well as for the confidence from our shareholders. We will continue working to create value for all of them.

I trust in the leadership of our organization to continue as the number one auto insurance company in the years to come.

Sincerely,

Jose Antonio Correa Etchegaray
Chairman of the Board of Directors
Qualitas Controladora S.A.B. de C.V.