

Athena announces 90% increase in Net Revenue

São Paulo – Athena Saúde Brasil S.A. announces today its results for the second quarter of 2021 (2Q21). The financial information presented below, except where otherwise stated, is in accordance with IFRS accounting standards (International Financial Reporting Standards) and in reais.

Financial and Operational Highlights

- Conclusion of the acquisition of the health plan operator Fátima Saúde (RS) and the Sempre Vida group (PR) in Apr/21, expanding and strengthening our position in the southern region of Brazil.
- Our portfolio reached a total of 905 thousand beneficiaries, including healthcare and dental plans, an increase of 79% compared to 2Q20 and a net addition of 132 thousand lives during 2Q21.
- 90% increase in net revenue, totaling R\$584 million in 2Q21.
- A MLR of 72.2%, an increase of 18.8 p.p. compared to the same period in 2020, strongly pressured by the impact of the assistance provided for COVID-19.
- Adjusted EBITDA of R\$30 million and margin of 5% in 2Q21, negatively impacted by MLR.

Financial Highlights (R\$ million)	2Q20	2Q21	Var. (%)	1H20	1H21	Var. (%)
Net Revenue	307.1	584.0	90.2%	639.7	1,075.0	68.0%
MLR	53.4%	72.2%	18.8 p.p.	59.2%	68.4%	9.2 p.p.
Adjusted Net Profit	30.9	3.4	-88.8%	46.5	48.7	4.6%
Adjusted Net Margin (%)	10.1%	0.6%	-9.5 p.p.	7.3%	4.5%	-2.8 p.p.
Adjusted EBITDA	59.8	30.6	-48.8%	109.9	99.3	-9.7%
Adjusted EBITDA margin (%)	19.5%	5.2%	-14.3 p.p.	17.2%	9.2%	-8.0 p.p.
Average Healthcare Ticket (R\$/month)	191.1	221.8	16.1%	193.0	217.7	12.8%

Operational Highlights	2Q20	2Q21	Var. (%)
Beneficiaries – End of Period ('000)	506.7	905.3	78.7%
Healthcare Beneficiaries	483.9	723.5	49.5%
Dental Beneficiaries	22.8	181.8	698.5%
Own Network			
Hospitals	7	10	42.9%
Beds	789	1,104	39.9%
Medical Centers	17	30	76.5%
Emergency Care Units	7	8	14.3%

MESSAGE FROM THE MANAGEMENT

The second quarter of 2021 was another period in which our operational discipline and resilience were essential to overcome the challenging time we are experiencing with the worsening of the pandemic in Brazil. The effect on health services in this second wave of COVID-19 contamination was different from that observed in the months that marked the beginning of the pandemic in 2020. The first wave was marked by a significant reduction in the provision of non-emergency services not related to COVID-19. What was observed in 2021 was a combination of a high number of consultations, exams and hospitalizations related to COVID-19, and the maintenance of other outpatient and hospital services. This combination put pressure on healthcare costs, and consequently the MLR of our operation, as well as hospital costs associated with the treatment of the disease. Our result in the second quarter of 2021 was strongly impacted by the second wave of the new coronavirus pandemic and we estimate an impact of approximately R\$55 million, which represents an impact of more than 9 p.p. in MLR.

At Athena Saúde, our professionals worked actively to maintain good practices and prevent infection by the virus. Remote work in the administrative area and office rotation policies were maintained. The first positive case of COVID-19 in a Company hospital was on March 19, 2020, and by the end of June 2021 the Company had accumulated 5,501 confirmed diagnoses of COVID-19 cases since the beginning of the pandemic, of which 4,467 had already been discharged at the end of the month. Unfortunately, 969 patients died during this same period.

Despite this difficult scenario faced in the second quarter, there is great expectation of improvement as vaccination advances in the country and as the number of hospitalizations, new cases and deaths decrease.

In the second quarter of 2021, we organically grew 28 thousand healthcare beneficiaries and 10 thousand dental beneficiaries. In addition to organic growth, with the acquisition of Fátima Saúde and Sempre Vida, we ended the quarter with a total of 905 thousand beneficiaries, which represents a growth of 79% compared to the second quarter of 2020.

With the sustainable growth of beneficiaries and our strategic acquisitions, we consolidated ourselves as the fourth largest group medicine company in the country in terms of healthcare and dental beneficiaries, providing humanized, quality healthcare services at an affordable cost. We ended the second quarter of 2021 with a widespread and quality service network, which includes 10 hospitals and 38 medical centers and emergency care units at the date of this release.

In addition to the conclusion of the acquisitions of Sempre Vida and Fátima Saúde, in June 2021, we signed a contract for the acquisition of Hospital das Clínicas de Alagoinhas (HCA). Founded in 1970, Hospital Alagoinhas is a high-complexity general hospital with 102 beds, 29 of which are in the ICU, in addition to 4 surgical centers and 31 clinics. HCA is located in the city of Alagoinhas, Bahia state, with an area of influence covering a population of approximately 1.1 million inhabitants. With this acquisition, we intend to reinforce our growth strategy in the Northeast region of Brazil with an integration plan that provides operational and administrative synergies with the operations in the region, in addition to ensuring a new commercial expansion platform for the Company's products under the integrated operation model. After the fulfillment with the conditions precedent, the acquisition of Hospital Alagoinhas was completed at the end of July 2021.

In August, Athena concluded its first issue of debentures, for public distribution, with restricted efforts under the terms of CVM Instruction 476, in the total amount of R\$1 billion. The operation has a maturity of 5 years, with amortization in 3 annual and consecutive installments from the 3rd year, and remuneration of CDI rate + 2.31% per year. The net proceeds will be used to finance our mergers and acquisitions plan, with transactions aimed at reinforcing our strategic positioning, strengthening our presence in the markets in which we already operate, as well as expanding our presence in the national territory.

Additionally, after the accomplishment of the merger remedies agreement and approval of CADE (Administrative Council for Economic Defense), on August 31, 2021 we concluded the acquisition of the São Bernardo Group, a vertically operation in Espírito Santo, which has a hospital, which includes 77 beds, 10 of which in the adult intensive care unit, 10 medical centers and a portfolio of approximately 84 thousand beneficiaries. The acquisition of the São Bernardo Group consolidates the Company as the regional private healthcare plan leader in the state of Espírito Santo.

Alson in August, we announced the acquisition of another asset in the south region of Brazil, the HSM Hospital e Maternidade (Hospital São Marcos). Hospital São Marcos is a medium complexity general hospital, founded in 1962, with 103 beds, of which 22 are in the ICU, in addition to 8 surgery center and 10 clinics. With the acquisition of Hospital São Marcos, located in Maringá (PR), we reinforced our growth strategy in West Paraná, complementing the services already offered in the region with Hospital Bom Samaritano de Maringá. This acquisition was completed on September 01, 2021.

Including the new transactions above, we have a network of eight health and dental plan operators, 13 hospitals and 48 medical centers and emergency care units, as of the date of this release, ensuring a relevant and differentiated strategic positioning in the supplementary health sector in Brazil.

OWNED NETWORK

Our own network is strategically located in regions that have great potential for growth, economic development and high population density. Our regional dominance is achieved through a base composed of eight healthcare plan operators, 13 hospitals, 1,386 hospital beds, 40 medical centers and eight emergency service units as of the date of this report, including newly acquired operations.

Our operations are a benchmark for quality and service in the regions where we are present. In addition to our efficient integrated performance through our own hospital and medical network, we also offer our customers the possibility of using a robust accredited medical-hospital network. Thus, our beneficiaries have a wide accredited network in other locations where there is no economic feasibility for the implementation and maintenance of an own hospital and medical network or in regions that are still in the expansion phase.

GMI Group

Marking the beginning of Athena's history, in October 2017, we completed the acquisition of the GMI Group, a reference medical center located in the state of Piauí. The acquisition of GMI consisted of the purchase of 4 hospitals and 2 traditional healthcare plan operators in the region, Medplan and Humana.



Hospital do Coração de Natal (HCN)



Founded in 2000, the acquisition of Hospital do Coração de Natal in 2020 marks the expansion of Athena in the Northeast region with its entry into Natal's market. The Hospital was built based on a dream of the doctors at the Natal Cardiology Center who decided to carry out their project of creating a hospital that would bring together qualified professionals, humanized care, state-of-the-art technology and an infrastructure similar to that of the best medical centers in the country. With the union of other specialties to the project, the HCN is not only a reference in cardiology, but a renowned hospital in several areas and specialized in the well-being of its patients.

Centro Médico Maranhense (CMM)

Marking Athena's entry into the state of Maranhão, Centro Médico Maranhense (CMM) is a highly complex hospital with multiple specialties that has allowed us to further strengthen our presence in the northeast of the country. CMM has 79 beds, an Institute of Radiology, a maternity hospital, Clínica Luiza Coelho, and one medical laboratory, Maxlab Medicina Diagnóstica Ltda. Integrated to CMM, we have other four clinics in the region, an oncology, Oncolife, and three general care clinics, including a newly opened one, the Humana Clinic, which serves several specialties, including allergy, dermatology, general surgery, proctology, hepatology, geriatrics, mastology, nephrology, neurology, otolaryngology, pediatrics, rheumatology, urology and others.



Vitória Apart Hospital (VAH)



Founded in 2001, Vitória Apart Hospital (VAH) is a center of excellence in highly complex medicine in Espírito Santo, prepared to take care of people's health and offer complete care in all medical specialties, with consultations, exams, diagnostics, surgeries and treatments in line with the most current practices adopted in large centers. Bringing together a highly qualified team, humanized and personalized patient care, it has ONA Accreditation - Level 3 since 2004 and was elected the 18th best hospital in the country and the 1st in Espírito Santo by Newsweek in partnership with Statista Inc.

Hospital Bom Samaritano de Maringá (HBSM)

Modern and complete with professionals trained in various specialties and the mission of taking care of life with seriousness and humanization, Hospital Bom Samaritano occupies a prominent place in Maringá and region. Committed to continuous improvement and the safety of its patients, it obtained ONA Accreditation – Level 2 in February 2021. For these reasons, we have become a reference in cardiology, oncology, orthopedics, nephrology and other specialties.



Sempre Vida (Hospital Marechal Rondon)



In April, Athena Saúde acquired the Sempre Vida Group, which includes the Sempre Vida healthcare plan, 5 clinics, 1 medical center with multiple specialties and 24-hour service and Hospital Marechal Cândido Rondon, which has 59 hospital beds (3 semi-ICUs), multiple service specialties and exams capacity. The group is headquartered in the municipality of Paraná, which gives its name to the hospital, and has a strong presence in Toledo and ten other nearby cities.

Hospital das Clínicas de Alagoinhas (HCA)



Founded in 1970, HCA was acquired by Athena Saúde in July, reinforcing the strong growth strategy in the Northeast Region. Hospital Alagoinhas has 102 beds, 29 of which are in the ICU, four surgical centers and 31 clinics. Located in the city of Alagoinhas, in Bahia, it has an area of influence covering a population of 1.1 million inhabitants. The hospital has more than 20 specialties in the outpatient and hospital service.

São Bernardo Apart Hospital

In operation since 2007, São Bernardo Apart Hospital is one of the most modern hospitals in the state of Espírito Santo. With experienced doctors who provide a high quality medical service, the hospital also offers technology and humanization in all processes. São Bernardo Apart Hospital, acquired by Athena in August 2021, has 77 hospital beds, 10 of which in the adult intensive care unit.



HSM Hospital e Maternidade (Hospital São Marcos)



Inaugurated in 1962, the Hospital e Maternidade São Marcos, located in the city of Maringá (PR), is a general hospital of medium complexity with 103 beds, including 22 in the ICU, in addition to 8 surgery center and 10 clinics. The operation was acquired by Athena Saúde in early September to reinforce its strategic positioning in the region.

NET REVENUE

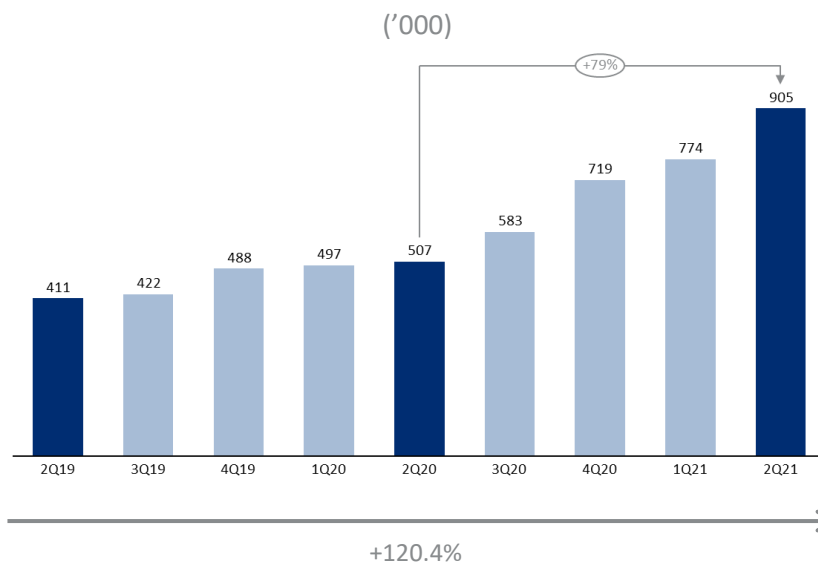
Consolidated net revenue increased 90% compared to 2Q20, totaling R\$584 million in 2Q21, mainly driven by the inorganic growth of operations. Additionally, the higher average healthcare ticket in the period (R\$222, 16% up compared to 2Q20) and the organic growth in the healthcare and dental plan beneficiaries portfolio contributed to the increase in net revenue.

R\$ MM	2Q20	2Q21	Var. (%)	1H20	1H21	Var. (%)
Net Revenue	307.1	584.0	90.2%	639.7	1,075.0	68.0%

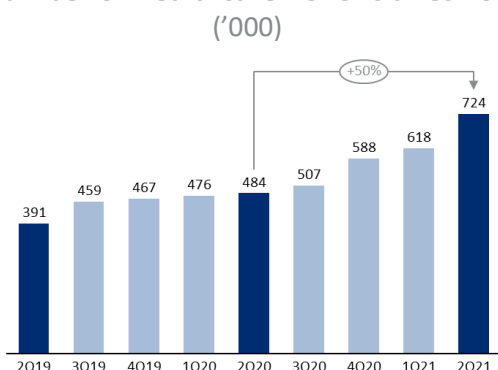
Number of Beneficiaries

During 2Q21, Athena surpassed the milestone of 900 thousand healthcare and dental beneficiaries, combining the strategy of scaling operations with growth through acquisitions. The total net addition in the period was **132 thousand beneficiaries**, including about **105 thousand healthcare plan lives** and **27 thousand dental plan lives**. The acquisitions of Fátima Saúde and Sempre Vida, concluded during 2Q21, added around 78 thousand beneficiaries to Athena's portfolio.

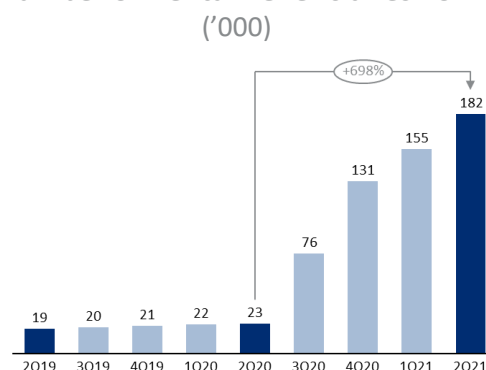
Number of Beneficiaries EoP



Number of Healthcare Beneficiaries EoP



Number of Dental Beneficiaries EoP



Market Share

We offer to our clients a unique value proposition, with quality services at competitive prices, which allows us to reach leadership positions in the regions where we operate. With the courage to face new challenges and innovate, we are constantly seeking to expand the horizons of providing care through healthcare and dental plans across the country.

In Piauí, we are the market leader in terms of number of healthcare plan beneficiaries, reaching a market share of more than 40%. We also continued to grow our dental plan beneficiaries base, with almost 30% of the market share.

In Maranhão, we expanded our operations after the acquisition of Unihosp and reached 19% market share.

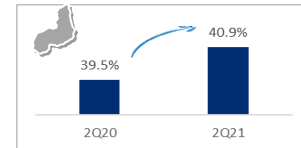
In Rio Grande do Norte, accelerated organic expansion has positioned us as the third largest operator in the state.

In Espírito Santo, we have almost 24% market share and remain in 2nd place. In the dental segment, with the expansion and growth in the state, we surpassed the 17% mark of market share.

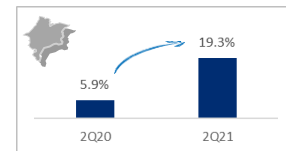
In Paraná, we strengthened our presence with the acquisition of the Sempre Vida Group, resulting in a growth of 1.8 p.p. when compared to 2Q20. In the metropolitan region of Maringá, our focus of operation in the state, we maintained our strategic position as the second largest operator.

Finally, the acquisition of Fátima Saúde marks our entry into Rio Grande do Sul in 2Q21. Considering the area of the northeast region of the state, we gained approximately 10% market share.

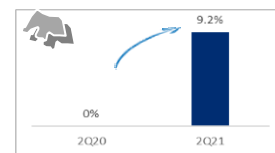
Piauí



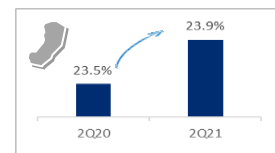
Maranhão



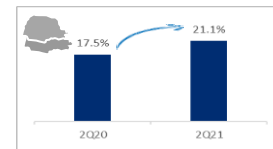
Rio Grande do Norte



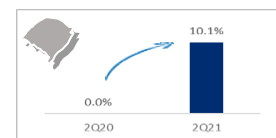
Espírito Santo



MR Maringá (PR)



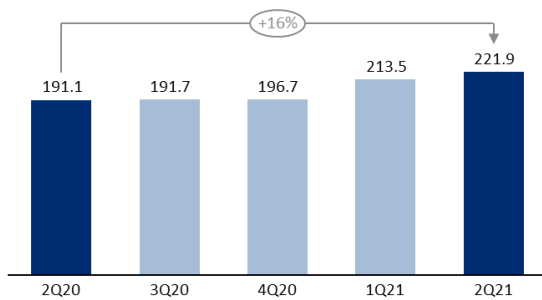
MR Nordeste RS



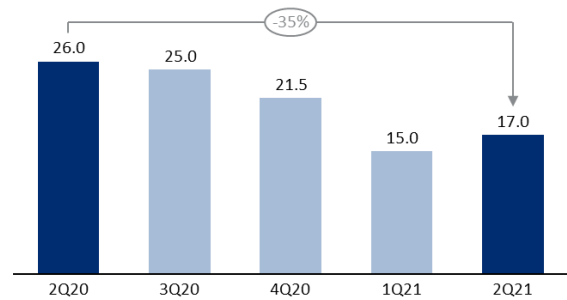
Average Ticket

The average ticket of healthcare plans increased 16%, going from R\$191 in 2Q20 to R\$ 222 in 2Q21. In the dental segment, the average ticket in 2Q21 was R\$17 and cross-sell remained at 20% in June 2021. The expansion of the dental plans operation, which started in mid-2020 with the acquisition of part of DentalPar's portfolio and operating system, continues to be carried out by Athena, including growth initiatives via cross-selling and acquisition of new portfolios in the market.

Average Healthcare Ticket
(R\$)



Average Dental Ticket
(R\$)

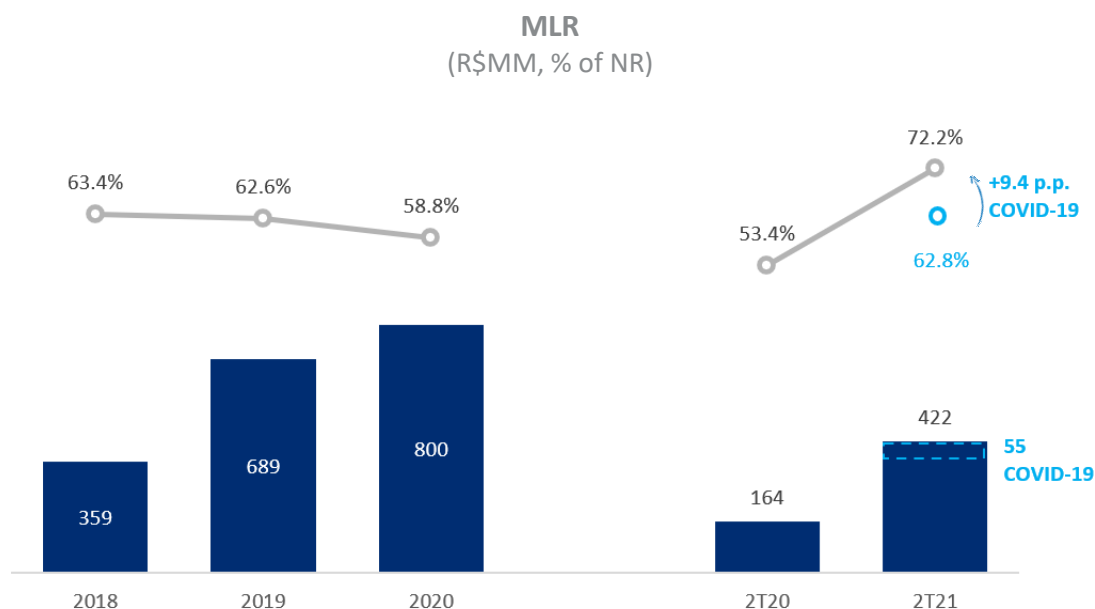


MLR

The extraordinary situation imposed by the COVID-19 pandemic significantly affected this company indicator, which throughout our history has remained one of our competitive differentials in relation to other healthcare operators in the country, mainly due to our operational efficiency, ability to capture synergies from our expansion and vertical healthcare and dental integration plan throughout the country.

In the second quarter of 2020, the first wave of COVID-19 spread quickly across the country and, because of that, the ANS (National Supplementary Health Agency) imposed the mandatory suspension of elective medical procedures, thus, as a consequence, we had more controlled levels of MLR with the suppression of such services. On the other hand, in the second wave of the pandemic, elective procedures continued to take place as the country faced daily records of death from the virus, imposing a scenario of different operational complexity.

Considering the return of the previously restricted elective medical procedures and the high cost associated with the treatment of COVID-19, MLR in 2Q21 was strongly pressured. Our MLR in 2Q21 was 72.2%, negatively impacted by the increased use of high complexity beds (ICU), longer hospital stays and higher costs of materials and medications, directly linked to hospitalizations and care for COVID-19. Excluding the negative effects attributed to the COVID-19 cases, estimated at around R\$55 million in 2Q21, MLR for the period would have been around 63%, in line with the pre-pandemic historical level.



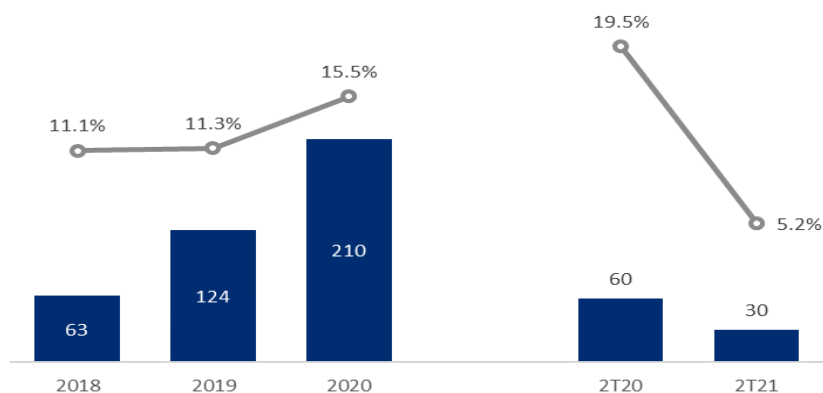
ADJUSTED EBITDA

Compared to the same period in 2020, 2Q21 EBITDA was negatively impacted by strong cost pressure and increased MLR during the second wave of the COVID-19 pandemic. Additionally, due to the interruption of the request for the initial public offering of shares of the Company (IPO), all costs and expenses related to the offering, in the amount of R\$28 million, were fully recognized in the 2Q21 result.

Athena's Adjusted EBITDA, excluding the non-recurring effect of IPO costs and expenses was R\$30 million in 2Q21, 49% lower compared to 2Q20, which represents a margin of 5% of net revenue.

Despite the challenging scenario, we implemented measures to maximize our operational efficiency, focusing on cost control and management and increasing vertical integration, to mitigate the negative impacts caused by COVID-19.

Adjusted EBITDA (R\$MM; % of NR)

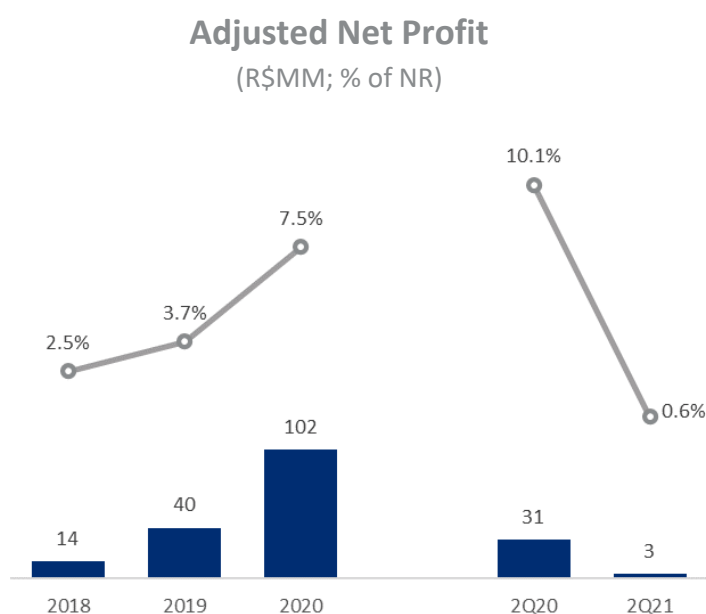


R\$ MM	2Q20	2Q21	Var. (%)	1H20	1H21	Var. (%)
Net Profit (Loss) for the Period	18.2	-40.5	-322.1%	25.1	-11.1	-144.1%
(+/-) Income tax and social contribution	14.3	-1.9	-113.4%	28.8	0.1	-99.8%
(+/-) Finance income (costs)	6.8	2.8	-59.3%	16.7	11.6	-30.5%
(+/-) Depreciation and amortization	13.1	21.3	62.8%	25.1	38.9	55.2%
EBITDA	52.4	-18.3	-134.9%	95.7	39.5	-58.7%
<i>EBITDA margin</i>	<i>17.1%</i>	<i>-3.1%</i>	<i>-20.2 p.p.</i>	<i>15.0%</i>	<i>3.7%</i>	<i>-11.3 p.p.</i>
(+/-) Finance Income – ANS	0.4	1.1	173.4%	1.1	1.7	51.8%
(+/-) Expenses with mergers and acquisitions (M&A)	1.2	3.6	197.7%	3.1	9.0	194.0%
(+/-) Stock options	5.8	15.7	170.4%	9.6	20.4	112.0%
(+/-) Non-recurring expenses	-	28.6	n/a	0.4	28.7	6398.5%
Adjusted EBITDA	59.8	30.6	-48.8%	109.9	99.3	-9.7%
<i>Adjusted EBITDA Margin</i>	<i>19.5%</i>	<i>5.2%</i>	<i>-14.3 p.p.</i>	<i>17.2%</i>	<i>9.2%</i>	<i>-8.0 p.p.</i>

ADJUSTED NET PROFIT

Athena's net loss totaled approximately R\$40 million in 2Q21, reversing the net profit of R\$18 million in 2Q20. As well as EBITDA, in addition to the increase in MLR, driven by the service and treatment of COVID-19, the net loss in 2Q21 also includes R\$28 million of non-recurring IPO costs and expenses.

Adjusted net profit, excluding the non-recurring effect of IPO costs and expenses, was R\$3 million in 2Q21, a decrease of R\$28 million compared to 2Q20.



R\$ MM	2Q20	2Q21	Var. (%)	1H20	1H21	Var. (%)
EBITDA	52.4	-18.3	-134.9%	95.7	39.5	-58.7%
Income tax and social contribution	14.3	-1.9	-113.4%	28.8	0.1	-99.8%
Finance income (costs)	6.8	2.8	-59.3%	16.7	11.6	-30.5%
Depreciation	13.1	21.3	62.8%	25.1	38.9	55.2%
Net profit (loss)	18.2	-40.5	-322.1%	25.1	-11.1	-144.1%
(+/-) Expenses with mergers and acquisitions (M&A)	1.2	3.6	197.7%	3.1	9.0	194.0%
(+/-) Stock options	5.8	15.7	170.4%	9.6	20.4	112.0%
(+/-) Non-recurring expenses	-	28.6	n/a	0.4	28.7	6398.5%
(+/-) Amortization of surplus value	6.1	7.0	15.7%	9.5	14.5	52.8%
(+/-) Taxes	-0.4	-10.9	2583.1%	-1.2	-12.8	976.9%
Adjusted Net Profit	30.9	3.4	-88.8%	46.5	48.7	4.2%
<i>Adjusted Net Margin (%)</i>	<i>10.1%</i>	<i>0.6%</i>	<i>-9.5 p.p.</i>	<i>7.3%</i>	<i>4.5%</i>	<i>-2.8 p.p.</i>

BALANCE SHEET – IFRS

R\$ MM	4Q20	2Q21
Total Current Assets	940.8	740.1
Cash and cash equivalents	529.1	233.2
Restricted financial investments	129.3	157.0
Trade receivables	179.3	228.3
Inventories	40.9	47.1
Taxes recoverable	21.1	34.4
Advances to suppliers	19.7	18.8
Prepaid expenses	14.6	15.5
Other assets	6.7	5.7
Total Non-current Assets	1,946.2	2,273.7
Restricted financial investments	69.5	46.5
Advances to suppliers	-	1.6
Contingency reimbursement guarantee	157.7	196.8
Related parties	44.9	56.9
Deferred tax assets	99.2	132.1
Taxes recoverable	2.1	1.3
Escrow deposits	59.5	64.7
Other assets	4.1	70.8
Prepaid expenses	-	19.1
Property and equipment	445.9	501.0
Intangible assets	1,063.3	1,183.1
Total Assets	2,887.0	3,013.9
Total Current Liabilities	549.8	667.0
Trade payables	69.3	69.1
Lease liabilities	16.2	16.9
Technical reserves (ANS)	175.5	233.4
Loans and financing	2.3	25.0
Advances from customers	2.5	6.1
Dividends payable	2.3	2.3
Payroll and related taxes	91.0	100.5
Taxes payable	104.5	99.7
Payables for acquisition of companies	68.4	97.2
Taxes in installments	5.2	8.1
Other liabilities	12.6	8.6
Total Non-Current Liabilities	569.7	562.8
Loans and financing	149.8	127.2
Lease liabilities	143.1	173.2
Technical reserves (ANS)	-	13.7
Deferred tax liabilities	22.7	16.6
Taxes in installments	46.4	52.2
Payables for acquisition of companies	114.8	54.7
Provision for legal proceedings	89.3	120.1
Taxes payable	3.3	3.1
Other liabilities	0.3	1.9
Total Equity	1,767.5	1,784.2
Capital stock	1,496.0	1,551.0
Capital transactions	246.7	262.6
Share-based payments	22.3	28.7
Accumulated losses	-48.0	-60.2
Non-controlling interests	50.5	2.0
Total Liabilities and Equity	2,887.0	3,013.9

INCOME STATEMENT – IFRS

R\$ MM	2Q20	2Q21	Var.	Var. (%)	1H20	1H21	Var.	Var. (%)
Net Revenue	307.1	584.0	276.9	90.2%	639.7	1,075.0	435.3	68.0%
(-) Cost of Services	-164.0	-421.7	-257.6	157.1%	-378.7	-735.5	-356.8	94.2%
Gross Profit	143.0	162.3	19.3	13.5%	261.1	339.6	78.5	30.1%
<i>Gross Margin</i>	<i>46.6%</i>	<i>27.8%</i>	<i>-18.8 p.p.</i>	<i>-18.8 p.p.</i>	<i>40.80%</i>	<i>31.6%</i>	<i>-9.2 p.p.</i>	<i>-9.2 p.p.</i>
Selling expenses	-12.4	-14.5	-2.1	17.3%	-24.9	-34.1	-9.2	36.7%
General and administrative income (expenses)	-95.3	-169.3	-73.9	77.5%	-192.6	-302.9	-110.3	57.3%
Other operating income (expenses), net	4.0	-18.1	-22.1	-552.2%	27.1	-2.0	-29.0	-107.2%
Profit (Loss) Before Finance Income (Costs)	39.3	-39.6	-78.9	-200.6%	70.6	0.6	-70.0	-99.2%
<i>Operating Margin</i>	<i>12.80%</i>	<i>-6.8%</i>	<i>-19.6 p.p.</i>	<i>-19.6 p.p.</i>	<i>11.0%</i>	<i>0.10%</i>	<i>-11.0 p.p.</i>	<i>-11.0 p.p.</i>
Finance income	2.1	16.8	14.7	710.4%	10.1	24.6	14.5	144.3%
Finance costs	-8.9	-19.6	-10.7	119.7%	-26.8	-36.2	-9.5	35.3%
Profit (Loss) Before Income Tax and Social Contribution	32.5	-42.4	-74.9	-230.4%	53.9	-11.0	-64.9	-120.4%
Income tax and social contribution	-14.3	1.9	16.2	-113.4%	-28.8	-0.1	28.7	-99.8%
Current	-24.7	-11.4	13.3	-53.9%	-38.7	-29.2	9.5	-24.5%
Deferred	10.4	13.3	2.9	27.7%	9.9	29.1	19.2	194.8%
Profit (Loss) for the Period	18.2	-40.5	-58.7	-322.1%	25.1	-11.1	-36.2	-144.1%
<i>Net Margin</i>	<i>5.9%</i>	<i>-6.9%</i>	<i>-12.9 p.p.</i>	<i>-12.9 p.p.</i>	<i>3.9%</i>	<i>-1.0%</i>	<i>-5.0 p.p.</i>	<i>-5.0 p.p.</i>

R\$ MM	2Q20	2Q21	Var.	Var. (%)	1H20	1H21	Var.	Var. (%)
Profit (Loss) for the Period	18.2	-40.5	-58.7	-322.1%	25.1	-11.1	-36.2	-144.1%
(+) Finance income (costs)	14.3	-1.9	-16.2	-113.4%	28.8	0.1	-28.7	-99.8%
(+) Income tax and social contribution	6.8	2.8	-4	-59.3%	16.7	11.6	-5.1	-30.5%
(+) Depreciation and amortization	13.1	21.3	8.2	62.8%	25.1	38.9	13.8	55.2%
EBITDA	52.4	-18.3	-70.7	-134.9%	95.7	39.5	-56.2	-58.7%
<i>EBITDA margin</i>	<i>17.10%</i>	<i>-3.10%</i>	<i>-20.2 p.p.</i>	<i>-20.2 p.p.</i>	<i>15.00%</i>	<i>3.70%</i>	<i>-11.3 p.p.</i>	<i>-11.3 p.p.</i>
(+) Finance income – ANS	0.4	1.1	0.7	173.4%	1.1	1.7	0.6	51.8%
(-) Expenses with mergers and acquisitions (M&A)	1.2	3.6	2.4	197.7%	3.1	9	5.9	194.0%
(+/-) Stock options	5.8	15.7	9.9	170.4%	9.6	20.4	10.8	112.0%
(-) Non-recurring expenses	-	28.6	28.6	n/a	0.4	28.7	28.3	6398.5%
Adjusted EBITDA	59.8	30.6	-29.2	-48.8%	109.9	99.3	-10.6	-9.7%
<i>Adjusted EBITDA Margin</i>	<i>19.50%</i>	<i>5.20%</i>	<i>-14.3 p.p.</i>	<i>-14.3 p.p.</i>	<i>17.20%</i>	<i>9.20%</i>	<i>-8.0 p.p.</i>	<i>-8.0 p.p.</i>

CASH FLOWS STATEMENT

R\$ MM	2Q20	2Q21	1H20	1H21
(Loss) profit before income taxes	32.5	-42.4	53.9	-11.0
Allowance for expected credit losses	13.9	30.4	10.2	39.852.3
Provision (reversal) for civil, tax and labor risks	-0.2	-4.7	-12.0	1.3
Establishment (reversal) of incurred but not reported reserve	-0.9	-0.8	8.1	5.8
Disposal of property and equipment and intangible assets	2.2	21.9	3.7	24.7
Depreciation and amortization	13.1	21.3	25.1	38.9
Interest and monetary adjustment, net	-1.6	17.2	10.0	25.8
Share-based payments	6.5	15.7	9.6	20.4
Appropriation of prepaid expenses	-	-20.0	-	-20.0
(Increase) decrease in operating assets:	-32.3	-60.6	-42.8	-196.7
Trade receivables	-4.6	-77.4	1.7	-108.5
Inventories	-3.3	-7.9	-10.0	-6.3
Taxes recoverable	-4.2	1.5	-4.8	-10.7
Advances to suppliers	11.4	-4.2	5.7	-0.6
Prepaid expenses	-	22.8	-	0.3
Other assets	-10.1	8.4	-7.3	-56.8
Escrow deposits	-9.7	-2.0	-13.6	-4.5
Contingency reimbursement guarantee – Indemnifiable asset	-11.8	-1.8	-14.6	-9.6
Increase (decreases) in operating liabilities:	-12.5	-3.5	-13.7	-34.1
Trade payables	-12.5	1.6	-22.9	-3.6
Technical reserves (ANS)	5.0	23.9	7.0	21.0
Advances from customers	0.6	2.3	2.1	3.6
Payroll and related taxes	7.4	-4.3	22.0	-8.3
Taxes payable	2.9	-13.0	11.2	-6.0
Other liabilities	1.6	-7.9	2.3	-8.1
Taxes in installments paid	1.2	0.7	-	-
Interest paid on loans and borrowings and taxes in installments	3.6	-6.1	-2.8	-8.2
Income tax and social contribution paid	-22.3	-0.7	-32.5	-24.5
Net cash flows from (used in) operating activities	20.8	-25.4	52.1	-104.9
Net cash flows used in investing activities	-19.6	-76.6	-66.4	-147.8
Acquisition of subsidiary, net of cash received	-	-59.6	-	-59.6
Payables for acquisition of investment	-	-1.4	-8.3	-56.9
Restricted financial investments	-3.5	45.4	-32.0	52.6
Acquisition of property and equipment and intangible assets	-16.1	-49.4	-26.0	-72.0
Related-party transactions	-	-11.6	-	-12.0
Net cash from (used in) financing activities	5.3	-33.4	31.5	-43.1
Capital contribution	16.3	-	31.3	-
Proceeds from loans and borrowings and leases	-0.8	0.3	172.1	0.4
Repayments of loans and borrowings	-5.6	-12.9	-144.2	-13.7
Payments of lease liabilities	-4.6	-21.1	-10.3	-29.8
Acquisition of non-controlling interest	-	0.3	-17.7	-
Dividends paid from subsidiaries	-	-	0.4	-
Net increase (decrease) in cash and cash equivalents	6.4	-135.4	17.2	-295.9
Cash and cash equivalents at the beginning of the period	119.9	368.6	109.1	529.1
Cash and cash equivalents at the end of the period	126.3	233.2	126.3	233.2