



(A free translation of the original in Portuguese)

Report on review of quarterly information

To the Board of Directors and Shareholders
Fleury S.A.

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of Fleury S.A. ("Company"), included in the Quarterly Information Form (ITR) for the quarter ended June 30, 2021, comprising the balance sheet at that date and the statements of income and comprehensive income for the quarter and six-month period then ended, and the statements of changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the parent company interim accounting information in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and of the consolidated interim accounting information in accordance with CPC 21 and International Accounting Standard (IAS) 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently did not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the parent company interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.



Fleury S.A.

Conclusion on the consolidated interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

Other matters

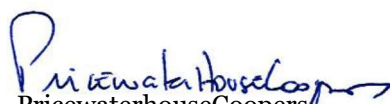
Statements of value added

The quarterly information referred to above includes the parent company and consolidated statements of value added for the quarter ended March 31, 2021. These statements are the responsibility of the Company's management and are presented as supplementary information under IAS 34. These statements have been subjected to review procedures performed together with the review of the quarterly information for the purpose of concluding whether they are reconciled with the interim accounting information and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in the accounting standard CPC 09 - "Statement of Value Added". Based on our review, nothing has come to our attention that causes us to believe that these statements of value added have not been properly prepared, in all material respects, in accordance with the criteria established in this accounting standard, and consistent with the parent company and consolidated interim accounting information taken as a whole.

Audit and review of prior year information

The Quarterly Information (ITR) mentioned in paragraph "Introduction" also includes financial information for comparison regarding the results, to changes in equity, cash flows and value added in the quarter and semester ended June 30, 2020, obtained the corresponding Quarterly Information (ITR) from those period, and the balance sheet at 31 December 2020, obtained from the financial statements on December 31, 2020. The review of the Quarterly Information (ITR) for the quarter and semester ended June 30, 2020 and examination of financial statements for the year ended December 31, 2020 were conducted under responsibility of other independent auditors, who issued review and audit reports with dates of June 29, 2020 and February 24, 2021, respectively, without reservations. Our conclusion is not due except for this matter.

São Paulo July 29, 2021


PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5


Marcelo Orlando
Contador CRC 1SP217518/O-7

FLEURY S.A. AND SUBSIDIARIES
BALANCE SHEET AT JUNE 30, 2021
(In thousands of reais – R\$)

	Note	Parent company		Consolidated	
		06/30/2021	12/31/2020	06/30/2021	12/31/2020
Assets					
Current assets					
Cash and cash equivalents	5	22,039	18,368	35,433	28,184
Marketable securities	6	546,861	1,000,593	570,835	1,013,621
Accounts receivable	7	653,414	658,128	710,160	704,468
Inventories	8	60,953	59,838	71,514	63,093
Recoverable taxes	9	18,304	20,928	20,009	22,325
IRPJ and CSLL recoverable		22,932	27,214	29,709	33,245
Other assets		26,882	14,323	31,888	15,263
Total current assets		1,351,385	1,799,392	1,469,548	1,880,199
Non-current assets					
Marketable securities	6	18,658	15,396	65,807	69,615
Other assets		22,472	32,368	23,171	33,086
Income tax and social contribution - deferred	21	-	-	21,385	12,232
Judicial deposits		23,524	24,269	23,711	24,988
		64,654	72,033	134,074	139,921
Investments	10	822,214	633,955	135,737	34,372
Property, plant and equipment	11	633,447	643,685	707,228	708,769
Intangible assets	11	1,547,210	1,536,286	2,190,439	2,030,608
Right-of-use	12	633,842	689,193	682,610	729,941
Total non-current liabilities		3,701,367	3,575,152	3,850,088	3,643,611
Total assets		5,052,752	5,374,544	5,319,636	5,523,810

	Note	Parent company		Consolidated	
		06/30/2021	12/31/2020	06/30/2021	12/31/2020
Liabilities and shareholders' equity					
Current liabilities					
Financing	13	579,337	68,341	580,136	68,928
Debentures	14	153,946	403,322	153,946	403,322
Financial leases	15	98,655	98,099	107,539	105,039
Suppliers	16	234,500	223,093	271,937	250,459
Labor liabilities	17	165,688	131,630	179,050	138,774
Tax liabilities	18	26,075	31,925	32,075	37,417
Income tax and social contribution payable		49,614	-	52,080	212
Accounts payable - Acquisition of companies	19	11,158	17,716	96,445	25,790
Interest on own capital payable and dividends	24	791	74,504	791	74,504
Other liabilities	20	5,877	4,438	7,019	5,326
Total current assets		1,325,641	1,053,068	1,481,018	1,109,771
Non-current liabilities					
Financing	13	6,611	530,899	7,370	531,949
Debentures	14	899,575	899,522	899,575	899,522
Financial leases	15	594,774	643,559	637,703	680,790
Deferred income tax and social contribution - net	21	380,507	405,216	380,507	405,217
Provision for tax, labor and civil risks	22	29,594	41,640	34,240	42,082
Tax installments	18	12,302	14,001	14,274	14,910
Accounts payable - Acquisition of companies	19	42,535	30,162	102,405	83,092
Other liabilities	20	4,206	5,627	4,206	5,627
Total non-current liabilities		1,970,104	2,570,626	2,080,280	2,663,189
Shareholders' equity					
Capital	24.a	1,432,202	1,432,202	1,432,202	1,432,202
Capital reserve – stock options granted	25	36,923	35,954	36,923	35,954
Legal reserve		115,725	115,725	115,725	115,725
Retained earnings		2,674	-	2,674	-
Income for the period		184,145	169,643	184,145	169,643
Treasury shares	24.c	(24,836)	(2,674)	(24,836)	(2,674)
Investment reserve		10,174	-	10,174	-
Non-controlling interest		-	-	1,331	-
Total shareholders' equity		1,757,007	1,750,850	1,758,338	1,750,850
Total liabilities and shareholders' equity		5,052,752	5,374,544	5,319,636	5,523,810

See the accompanying notes to the interim quarterly information

FLEURY S.A. AND SUBSIDIARIES

STATEMENT OF INCOME
THREE AND SIX-MONTH PERIODS ENDED JUNE 30
(In thousands of reais - R\$, except earnings per share)

	Note	Parent company				Consolidated			
		<u>04/01/2021 to</u> <u>06/30/2021</u>	<u>04/01/2020 to</u> <u>06/30/2020</u>	<u>01/01/2021 to</u> <u>06/30/2021</u>	<u>01/01/2020 to</u> <u>06/30/2020</u>	<u>04/01/2021 to</u> <u>06/30/2021</u>	<u>04/01/2020 to</u> <u>06/30/2020</u>	<u>01/01/2021 to</u> <u>06/30/2021</u>	<u>01/01/2020 to</u> <u>06/30/2020</u>
Revenue from services rendered	26	848,221	424,307	1,683,352	1,083,825	932,066	454,944	1,825,874	1,168,878
Cost of services rendered	27	(597,702)	(420,923)	(1,152,654)	(906,195)	(673,822)	(452,364)	(1,280,372)	(978,711)
Gross income		250,519	3,384	530,698	177,630	258,244	2,580	545,502	190,167
Operating (expenses) revenues									
General and administrative	28	(119,802)	(63,700)	(201,871)	(138,319)	(131,802)	(68,137)	(222,464)	(148,421)
Other operating revenues (expenses), net	29	13	488	915	254	(147)	529	2,333	1,250
Reversal (provision) for tax, labor and civil risks	22	2,685	72	2,307	764	2,557	(62)	2,176	606
Equity in net income of subsidiaries	10	(3,075)	(4,973)	(2,838)	1,083	(2)	(1,028)	(201)	(989)
Operating income (loss) before financial income		130,340	(64,729)	329,211	41,412	128,850	(66,118)	327,346	42,613
Financial revenues	30	5,854	8,798	12,181	17,490	6,797	8,778	13,496	18,656
Financial expenses	30	(41,586)	(44,001)	(78,600)	(80,357)	(43,009)	(45,378)	(80,437)	(84,096)
Financial income (loss)		(35,732)	(35,203)	(66,419)	(62,867)	(36,212)	(36,600)	(66,941)	(65,440)
Income (loss) before income tax and social contribution		94,608	(99,932)	262,792	(21,455)	92,638	(102,718)	260,405	(22,827)
Income tax and social contribution									
Current	21	(39,820)	12,701	(103,354)	-	(44,239)	12,926	(110,161)	(1,317)
Deferred	21	10,746	13,925	24,707	6,869	17,096	16,486	33,862	9,558
Net income (loss) for the period		65,534	(73,306)	184,145	(14,586)	65,495	(73,306)	184,106	(14,586)
Attributable to the partners:									
Controlling shareholders		65,534	(73,306)	184,145	(14,586)	65,534	(73,306)	184,145	(14,586)
Non-controlling shareholders		-	-	-	-	(39)	-	(39)	-
		65,534	(73,306)	184,145	(14,586)	65,495	(73,306)	184,106	(14,586)
Other comprehensive income									
Items that will be reclassified to income (loss) for the year in subsequent periods.		-	-	-	-	-	-	-	-
Items that will not be reclassified to the result of the financial year in subsequent periods		-	-	-	-	-	-	-	-
Total comprehensive income (loss) for the period		65,534	(73,306)	184,145	(14,586)	65,495	(73,306)	184,106	(14,586)
Earnings (losses) per share attributable to the Company's shareholders									
Basic earnings (losses) per share (weighted average)	31	0.21	(0.23)	0.58	(0.05)	0.21	(0.23)	0.58	(0.05)
Diluted earnings (losses) per share (weighted average)	31	0.21	(0.23)	0.58	(0.05)	0.21	(0.23)	0.58	(0.05)

See the accompanying notes to the interim quarterly information

FLEURY S.A. AND SUBSIDIARIES
STATEMENT OF ADDED VALUE
SIX-MONTH PERIOD ENDED JUNE 30
(In thousands of reais – R\$)

	Parent company		Consolidated	
	06/30/2021	06/30/2020	06/30/2021	06/30/2020
Revenues	1,796,519	1,158,722	1,952,840	1,251,807
Gross revenue from services rendered	1,812,694	1,169,688	1,968,110	1,262,354
Estimated losses from disallowances	(19,475)	(16,002)	(20,414)	(16,629)
Other revenues	3,300	5,036	5,144	6,082
Inputs acquired from third parties	(694,465)	(505,946)	(796,766)	(549,400)
Cost of services rendered	(634,228)	(467,198)	(726,381)	(507,375)
Materials, energy, outsourced services and other	(60,242)	(37,761)	(70,296)	(41,009)
Loss/recovery of asset values	5	(987)	(89)	(1,016)
Gross added value	1,102,054	652,776	1,156,074	702,407
Depreciation and amortization	(168,666)	(160,857)	(177,721)	(171,953)
Net added value	933,388	491,919	978,353	530,454
Added value received as transfer	9,821	19,266	13,828	18,402
Equity in net income of subsidiaries	(2,838)	1,083	(201)	(989)
Financial revenues	12,659	18,183	14,029	19,391
Total added value payable	943,209	511,185	992,181	548,856
Distribution of added value	(943,209)	(511,185)	(992,181)	(548,856)
Personnel and charges	(403,192)	(301,639)	(433,079)	(323,348)
Direct remuneration	(277,309)	(197,548)	(301,078)	(213,203)
Benefits	(104,292)	(86,686)	(108,305)	(91,238)
Charges	(21,591)	(17,405)	(23,696)	(18,907)
Taxes, duties and contributions	(260,070)	(125,709)	(272,989)	(135,916)
Federal	(205,705)	(89,220)	(212,089)	(95,504)
Municipal	(54,365)	(36,489)	(60,900)	(40,412)
Interest, rental and other operating expenses	(95,802)	(98,423)	(102,007)	(104,178)
Rentals	(11,610)	(9,594)	(14,611)	(10,603)
Interest	(78,600)	(80,357)	(80,437)	(84,096)
Other operating expenses	(5,592)	(8,472)	(6,959)	(9,479)
(Income) loss for the period	(184,145)	14,586	(184,106)	14,586
Retained (earnings) loss for the period	(184,145)	14,586	(184,145)	14,586
Non-controlling interest in retained earnings (losses).	-	-	39	-

See the accompanying notes to the interim quarterly information

FLEURY S.A. AND SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
SIX-MONTH PERIOD ENDED JUNE 30
(In thousands of reais – R\$)

	Capital			Capital reserve		Profit reserve				Shareholders' equity – Parent company	Non-controlling interest	Consolidated shareholders' equity
	Capital	Expenses with issue of shares	Net Capital	Recognized options granted	Legal reserve	Reserve for investment	Retained earnings	Income for the period	Treasury shares			
Balances at December 31, 2019	1,449,051	(22,784)	1,426,267	32,066	102,877	-	197,766	-	-	1,758,976	-	1,758,976
Capital increase	885	-	885	-	-	-	-	-	-	885	-	885
Share purchase option plan	-	-	-	1,944	-	-	-	-	-	1,944	-	1,944
Net income for the period	-	-	-	-	-	-	-	(14,586)	-	(14,586)	-	(14,586)
Proposed additional dividend	-	-	-	-	-	-	(197,766)	-	-	(197,766)	-	(197,766)
Balances at June 30, 2020	1,449,936	(22,784)	1,427,152	34,010	102,877	-	-	(14,586)	-	1,549,453	-	1,549,453
Balances at December 31, 2020	1,454,786	(22,784)	1,432,202	35,954	115,725	-	166,969	-	-	1,750,850	-	1,750,850
Share purchase option plan	-	-	-	969	-	-	-	-	-	969	-	969
Non-controlling interest	-	-	-	-	-	-	-	-	-	-	1,370	1,370
Net income for the period	-	-	-	-	-	-	-	184,145	-	184,145	(39)	184,106
Proposed additional dividend	-	-	-	-	-	-	(156,795)	-	-	(156,795)	-	(156,795)
(-) Treasury shares	-	-	-	-	-	-	2,674	-	(24,836)	(22,162)	-	(22,162)
Profit reserve	-	-	-	-	-	10,174	(10,174)	-	-	-	-	-
Balances at June 30, 2021	1,454,986	(22,784)	1,432,202	36,923	115,725	10,174	2,674	184,145	(24,836)	1,757,007	1,331	1,758,338

See the accompanying notes to the interim quarterly information

FLEURY S.A. AND SUBSIDIARIES
STATEMENT OF CASH FLOWS
SIX-MONTH PERIOD ENDED JUNE 30
(In thousands of reais – R\$)

	Note	Parent company		Consolidated	
		06/30/2021	06/30/2020	06/30/2021	06/30/2020
Net income (loss)		184,145	(14,586)	184,106	(14,586)
Items not affecting cash:					
Income tax and social contribution	21	78,647	(6,869)	76,299	(8,241)
Financial revenues and expenses	30	74,234	72,700	75,306	76,202
Depreciation and amortization	27 28	168,666	160,855	177,721	171,954
Equity in net income of subsidiaries	10	2,838	(1,083)	201	989
Share purchase option plan	25b	4,937	1,944	4,939	1,944
Formation of provision for tax, labor and civil risks	22	(2,307)	(764)	(2,176)	(606)
Estimated losses from disallowances and default	26 29	19,475	16,003	20,414	16,629
Profit sharing		20,096	(177)	20,423	(26)
Other		3,287	1,090	1,829	76
Cash flow from operating activities before changes in assets and liabilities		554,018	229,113	559,062	244,335
(Increase) decrease in accounts receivable	7	(14,760)	122,468	(19,096)	138,089
(Increase) decrease in inventories	8	2,618	(51,942)	809	(51,996)
(Increase) decrease in recoverable taxes	9	6,907	(21,828)	6,127	(24,395)
(Increase) decrease in judicial deposits	22	745	(1,792)	1,277	(1,825)
(Increase) decrease in other assets		(2,663)	(24,180)	(6,511)	(23,563)
Increase (decrease) in suppliers	16	6,907	(25,312)	3,725	(33,014)
Increase (decrease) in salaries and charges payable	17	13,907	(11,804)	17,226	(11,608)
Increase (Decrease) in tax obligations	18	(5,850)	(5,619)	(6,715)	(6,332)
Increase (decrease) in scheduling of tax payments	18	(1,699)	(2,607)	(1,852)	(3,289)
Increase (decrease) in other liabilities		(9,850)	235	(10,201)	(450)
Total change in assets and liabilities		(3,738)	(22,381)	(15,211)	(18,383)
Income tax and social contribution paid		(53,740)	(26,528)	(57,924)	(29,144)
Net cash from operating activities		496,540	180,204	485,927	196,808
Acquisition of property, plant and equipment and intangible assets	11	(114,330)	(70,475)	(137,225)	(80,917)
Securities - investment and redemption	6	453,574	(277,275)	449,699	(284,324)
Payments for acquired companies less cash and cash equivalents		(102,762)	(43,499)	(140,571)	(42,113)
Transaction with related parties (FACA)		-	(11,019)	-	-
Acquisition of equity interest		(2,867)	-	(2,867)	-
Purchase of treasury shares		(24,836)	-	(24,836)	-
Paid-up capital in subsidiary		(84,868)	-	(357)	-
Yield from interest earning bank deposits (classified as cash)		113	-	152	84
Net cash (invested in) from investment activities		124,024	(402,268)	143,995	(407,270)
Funding through financing/debentures	13	-	550,000	-	550,000
(Principal) repayment of financing and debentures	13 14	(275,115)	(181,010)	(275,407)	(181,328)
Interest paid on financing and debentures	13 14	(25,060)	(38,764)	(25,087)	(38,801)
Financial commissions and other		(3,622)	(2,643)	(3,623)	(2,643)
Derivative financial instruments		109	2,002	109	2,002
Lease payment	15	(82,230)	(71,728)	(87,902)	(77,619)
Capital increase	24a	-	885	-	885
Dividends and/or interest on own capital paid		(231,357)	(31,177)	(231,357)	(31,177)
Operation - drawee risk		382	(225)	594	(225)
Net cash generated (invested in) financing activities		(616,893)	227,340	(622,673)	221,094
Increase (decrease) in cash and cash equivalents		3,671	5,276	7,249	10,632
Cash and cash equivalents					
At the beginning of the period	5	18,368	5,514	28,184	8,966
At the end of the period	5	22,039	10,790	35,433	19,598
Changes in cash and cash equivalents		3,671	5,276	7,249	10,632

See the accompanying notes to the interim quarterly information

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Notes to the individual and consolidated interim financial information as of June 30, 2021
In thousands of reais (R\$), unless otherwise indicated.

1. Operations

1.1 The Company

Fleury S.A. ("Fleury", "Parent Company" or "Company" and, jointly with its subsidiaries, "Grupo Fleury" or "Group") is a publicly held company listed in the Novo Mercado special segment of B3 S.A. – Brasil, Bolsa e Balcão, under ticker "FLRY3", headquartered in the city of São Paulo, whose purpose is to render medical services in the diagnostic, treatment, clinical analysis, health management and medical care areas and a digital health platform: Saúde ID.

The Group carries out its activities through 250 customer service units and 30 hospital-based units, as follows:

State	Brand	2Q2021	4Q2020
Rio de Janeiro	Labs a+, Felipe Mattoso, Lafe	77	77
São Paulo	Fleury, a+SP, CIP, Moacir Cunha	80	71
Maranhão	Inlab	25	25
Rio Grande do Sul	Weinmann, Serdil	21	21
Pernambuco	a+ and Diagmax	17	17
Paraná	a+	13	14
Rio Grande do Norte	IRN/CPC	10	10
Bahia	Diagnosson a+, a+BA	6	6
Federal District	Fleury	1	1
Total		250	242

1.2 COVID-19

The Coronavirus (COVID-19) pandemic continues to cause disruption to several manufacturing and business sectors, as well as to reduce the mobility of people and weaken the global economy.

The Company did not identify any event that could indicate impairment and/or non-realization of its assets.

Management continues to monitor operations to reduce costs, renegotiate with suppliers, and strengthen services that can help our clients.

1.3 Acquisitions of companies: Vita Ortopedia Serviços Médicos Especializados Ltda. and Vita Clínicas Medicina Especializada Ltda.

On June 30, 2021, the Company, through its wholly-owned subsidiary, Fleury Centro de Procedimentos Médicos Avançados S.A (CPMA) completed the acquisition of 66.67% of Vita Ortopedia Serviços Médicos Especializados Ltda. and Vita Clínicas Medicina Especializada Ltda. The companies were acquired for the amount of R\$ 100,186 (equivalent to 66.67% of the "Post-Money Valuation" of R\$ 91,186, plus an Earnout of R\$ 9,000) of which R\$ 19,740 was paid-in in cash, R\$ 63,177 was retained for organic and inorganic expansions of orthopedic services in Brazil and R\$ 17,269 was retained for purchase price adjustment/indemnity purposes.

1.4 Acquisitions of companies: Laboratório Pretti Ltda. and Laboratório Bioclínico Ltda.

On June 1, 2021, the Company, through its wholly-owned subsidiary, Fleury Centro de Procedimentos Médicos Avançados S.A (CPMA) entered into the Share Purchase and Sale Agreement and Other Covenants for the acquisition of 100% of the shares of Laboratório Pretti Ltda. The transaction amounted to R\$ 193.1 million.

On the same date, through its subsidiary, Fleury CPMA, the Company also entered into the Share Purchase and Sale Agreement and Other Covenants for the acquisition of 100% of the shares of Laboratório Bioclínico Ltda. The transaction amounted to R\$ 122.0 million.

The conclusion of both transactions is subject to the fulfillment or waiver of certain precedent conditions, as provided for in each of the respective agreements.

1.5 Cyber-attack

On June 22, 2021, the Company suffered a cyber-attack, which resulted in the unavailability of part of its systems and operation. Grupo Fleury followed its safety and control protocols to minimize possible impacts, acting diligently with a focus on mitigating the effects caused, as well as evaluating the extent of the incident, and took immediate measures to keep serving its clients through contingency solutions.

The Company relied on the support of a group of highly specialized information technology and security professionals and the work of a company specialized in Quality Assurance, certifying the recovery process. It is worth highlighting that the database was kept intact throughout the process, and there was no evidence of sensitive data and information leakage.

Notes to the individual and consolidated interim financial information as of June 30, 2021
In thousands of reais (R\$), unless otherwise indicated.

1.6 Corporate Venture Capital – KORTEx

Grupo Fleury created, together with Sabin Medicina Diagnóstica S.A. ("Grupo Sabin"), an equity investment fund to invest in startups engaged in digital health, diagnostic medicine and personalized medicine.

This new Corporate Venture Capital ("CVC") fund has a term of 10 years. Grupo Fleury will hold 70% and Grupo Sabin 30% of net assets.

The purpose of Kortex Ventures ("Kortex") is to identify opportunities in the market, analyzing and taking actions to generate value in investees.

With this initiative, the Company will be even more connected to the ecosystem of start-ups and health-tech companies, having the opportunity to follow the development of promising businesses and bring what is most innovative to its clients.

2. Presentation of financial statements

The Fleury Group's individual and consolidated financial statements were approved by the Fiscal Council and the Board of Directors at meetings held on July 26 and 27, 2021, respectively.

2.1. Basis of presentation

a) Individual and consolidated interim financial information

The Company's individual and consolidated interim financial information for the period ended June 30, 2021 were prepared in accordance with technical pronouncement CPC 21 (R1) (Interim Financial Reporting) and in accordance with the international standard IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board (IASB), and presented in a manner consistent with the standards issued by the Brazilian Securities and Exchange Commission, applicable to the preparation of the Quarterly Information.

The accounting practices and policies (which include the principles of measurement, recognition and valuation of assets and liabilities), in addition to the main accounting judgments and sources of uncertainty about estimates adopted in the preparation of this quarterly information, are consistent with those adopted and disclosed in annual financial statements for the year ended December 31, 2020 and, therefore, must be analyzed as a whole.

The individual and consolidated quarterly information is presented in thousands of Reais, which is the functional currency of Fleury Group.

a) Consolidation and jointly-controlled subsidiary

The consolidated financial statements include the balances of Fleury S.A., its subsidiaries and special-purpose entities represented by exclusive investment funds. In addition, the balance includes an equity interest in a jointly-owned company, accounted for under the equity method, as shown below:

	Ownership percentage of Fleury S.A.	
	06/30/2021	12/31/2020
Direct subsidiaries:		
Fleury Centro de Procedimentos Médicos Avançados S.A. ("Fleury CPMA")	100%	100%
Inlab – Investigação Laboratorial Ltda. ("Inlab")	100%	100%
Diagmax Participações Societárias S.A. ("Grupo Diagmax")	100%	100%
Centro de Infusões Pacaembu Ltda. ("CIP")	100%	-
Kortex Ventures ("Kortex")	70%	-
Indirect subsidiaries:		
Instituto de Radiologia de Natal Ltda. ("IRN")	100%	100%
SantéCorp Ltda. ("SantéCorp")	100%	100%
CPC – Centro de Patologia Clínica Ltda.	100%	100%
Saúde iD Ltda.	100%	100%
Newscan Serviços Médicos S.A. ("Lafe Group")	100%	100%
Clínica de Olhos Dr. Moacir da Cunha Ltda.	80%	-
Exclusive Investment Funds:		
Bradesco Fundo de Investimento em cotas FI Renda Fixa Crédito Privado Exclusivo Beta	100%	100%
Santander FI Exclusivo Alpha Renda Fixa Crédito Longo Prazo	100%	100%
Jointly-controlled subsidiary:		
Papaiz Associados Diagnóstico por Imagem S/A Ltda. ("Papaiz")	51%	51%

Notes to the individual and consolidated interim financial information as of June 30, 2021
In thousands of reais (R\$), unless otherwise indicated.

Main activities:

Fleury CPMA: diagnostic imaging in certain hospitals, clinical analysis and the Day Clinic orthopedic center.

Diagmax Group: diagnostic imaging and clinical analysis services

IRN Group: diagnostic imaging services

SantéCorp Group: health management services

Lafe Group, CPC, Inlab: clinical analysis laboratory services

ID Health: technology service based on data science and artificial intelligence, including Health platform.

CIP: immunobiological drug infusion center.

Clínica de Olhos Dr. Moacir Cunha: ophthalmology service centers.

Kortex: an equity investment fund to invest in startups engaged in digital health, diagnostic medicine and personalized medicine.

Papaiz: dental radiology services.

b) Standards and interpretations in force and not in force

The following standards were issued by IASB, but are not in force for the year 2021. The early adoption, although encouraged by the IASB, is not allowed in Brazil by the Accounting Pronouncement Committee (CPC).

i) Onerous Contracts – (amendments to CPC 25/IAS 37)

These amendments specify which costs an entity must include to determine the cost of fulfilling a contract to assess if the contract is onerous. The amendments apply to annual periods beginning on or after January 01, 2022 for existing contracts, on the date such changes are adopted for the first time.

ii) Interest Rate Benchmark Reform (amendments to CPC 48/IFRS 9, CPC 38/IAS 39, CPC 40/IFRS 7, CPC 11/IFRS 4 and CPC 06/IFRS 16).

These amendments address issues that may affect individual and consolidated financial statements as a result of Benchmark Interest Rate Reform, including effects of changes in contractual cash flows or hedge relations arising from replacement of reference interest rate by an alternative benchmark rate. The amendments provide a practical expedient for certain requirements related to changes in the basis for determining the contractual cash flows of financial assets and liabilities, lease liabilities and hedge accounting.

These amendments have no impact on the Company's individual and consolidated financial statements, since it does not have interest rate hedging relationships.

iii) Other Standards

- Property, plant and equipment: Revenue before intended use (amendments to CPC 27/IAS 16).
- Classification of Liabilities in Current or Non-Current (amendments to CPC 26/IAS 1);
- IFRS 17 - Insurance Contracts.

3. Business combination

a) CIP

On May 3, 2021, Fleury S.A. completed the acquisition of 100% of CIP (Centro de Infusões Pacaembu Ltda.). The company was acquired for the amount of R\$ 120,000, of which R\$ 101,000 was paid in cash, less (R\$ 2,448) referring to price adjustments, and R\$ 16,552 retained for purchase price adjustment/indemnity purposes.

i) Identifiable net assets acquired and goodwill - CIP

The estimated allocation of the amount paid/consideration was based on an assessment of the fair value of net assets acquired from CIP on April 1, 2021 (the control was acquired on April 30, 2021). It is worth highlighting that the appraisal is being prepared, and therefore the goodwill presented is preliminary.

Assets and liabilities acquired and recognized on the acquisition date are presented below:

Assets	04/01/2020	Liabilities	04/01/2020
Cash and cash equivalents	231	Suppliers	11,056
Interest earning bank deposits	4,476	Tax liabilities	382
Accounts receivable	17,239	Labor obligations	1,903
Inventory	5,497	Other liabilities	13,457
Recoverable taxes	287	Liabilities	26,798
Other assets	35	Shareholders' equity	1,647
Property, plant and equipment / Intangible assets	680		
Total assets	28,445	Total liabilities and shareholders' equity	28,445

Notes to the individual and consolidated interim financial information as of June 30, 2021
In thousands of reais (R\$), unless otherwise indicated.

ii) Allocation of transferred consideration price:

Purchase price	120,000
Price adjustment	(2,448)
Adjusted purchase price	117,552
Shareholders' equity	(1,647)
Goodwill on business combination	<u>115,905</u>

b) Clínica de Olhos Dr. Moacir Cunha

On April 30, 2021, Fleury S.A., through its subsidiary, Fleury CPMA, completed the acquisition of 80% of Clínica de Olhos Dr. Moacir Cunha, composed of the following companies: Instituto de Oftalmologia 9 de Julho – Serviços Médicos Ltda., Centro Avançado de Oftalmologia Ltda. and Clínica de Olhos Dr. Moacir Cunha Ltda. The companies were acquired for R\$ 29,578, of which R\$ 18,070 was paid in cash and R\$ 11,508 was retained for the purposes of settling obligations and adjustment of the purchase price/indemnity.

i) Identifiable net assets acquired and goodwill - Clínica de Olhos Dr. Moacir Cunha

The estimated allocation of the amount paid/consideration was based on an assessment of the fair value of net assets acquired from Clínica de Olhos Dr. Moacir Cunha on April 1, 2021 (the control was acquired on April 30, 2021). It is worth highlighting that the appraisal is being prepared, and therefore the goodwill presented is preliminary.

Assets and liabilities acquired and recognized on the acquisition date are presented below:

Assets	04/01/2020	Liabilities	04/01/2020
Cash and cash equivalents	60	Suppliers	2,093
Interest earning bank deposits	1,126	Tax liabilities	2,280
Accounts receivable	3,225	Labor obligations	635
Recoverable taxes	167	Other liabilities	145
Other assets	70	Leases	11,567
Property, plant and equipment / Intangible assets	2,765	Provision for tax, labor and civil risks	4,056
Right-of-use	11,979	Liabilities	<u>20,776</u>
		Shareholders' equity	<u>(1,384)</u>
Total assets	<u>19,392</u>	Total liabilities and shareholders' equity	<u>19,392</u>

ii) Allocation of transferred consideration price:

Purchase price	29,578
Shareholders' equity 80%	1,107
Goodwill on business combination	<u>30,685</u>

4. Risk management

The main risk factors to which the Company and its subsidiaries are exposed are financial and operational risks, including market, foreign exchange, interest rate, credit and liquidity risk. These risks, which are inherent to their activities, are managed through internal policies and controls supervised and monitored through monthly management reports.

Fair value hierarchy

The assumptions used by the Company to determine the hierarchy and disclose the fair values of financial instruments are as follows:

- Level 1: Quoted price in active markets for identical assets or liabilities;
- Level 2: other techniques for which all data that has significant effect on the recorded fair value is observable, either directly or indirectly.
- Level 3: techniques that use data that have significant effect on the recorded fair value, and that are not based on data observable in the market.

Notes to the individual and consolidated interim financial information as of June 30, 2021
In thousands of reais (R\$), unless otherwise indicated.

a) Accounting classification and fair values

	Level 2
Financial assets	
Cash equivalents and securities	672,075
Financial liabilities	
Financing and debentures, except drawee risk	(1,637,586)
Financial leases	(745,242)
Drawee risk	(3,441)
Derivative financial instruments, net	(507)
June 30, 2021	(1,714,701)
December 31, 2020	(1,578,497)

Due to the nature of balances, it is assumed that the fair value of the Company's financial instrument balances is close to their book value. The comparison between the calculated values and fair values did not present material differences.

b) Capital management

Fleury Group monitors capital based on the consolidated gearing ratio, as shown below:

	06/30/2021	12/31/2020
Financing and debentures, except drawee risk	1,637,586	1,900,874
Accounts payable from acquisitions	135,673	108,882
Operation - drawee risk	3,441	2,847
Cash and cash equivalents	(35,433)	(28,184)
Interest earning bank deposits (Securities)	(636,642)	(1,083,236)
Net debt	1,104,625	901,183
Shareholders' equity	1,757,007	1,750,850
Gearing ratio (net debt/equity)	0.63	0.51

c) Financial and market risks

Currency risk

The Company and its subsidiaries have receivables and payables with suppliers denominated in foreign currencies (mainly the US dollar). The risk linked to these assets and liabilities arises from the possibility of losses due to fluctuations in exchange rates and is monitored by the Finance Department.

These instruments are already recorded at fair value through profit or loss (probable scenario: US\$ 1.00 – R\$ 5.0022); therefore, there are no effects for this scenario. In the "Possible" and "Remote" scenarios of devaluation of the dollar against the real, the exchange rate was increased by 25% and 50%, respectively, before taxes:

		06/30/2021			
		<u>US\$</u>	<u>Probable</u>	<u>Remote</u>	<u>Possible</u>
		<u>thousand</u>	<u>100%</u>	<u>50%</u>	<u>25%</u>
Accounts receivable (Note 7)	Devaluation US\$	122	612	306	153
Advances	Devaluation US\$	34	171	86	43
Suppliers (Note 16)	Valuation US\$	(627)	(3,134)	(1,567)	(784)
Derivatives	Devaluation US\$	(101)	(507)	(254)	(127)
Net exposure		(572)	(2,858)	(1,429)	(715)

Interest rate risk

The Company has financing in local currency subject to interest rates pegged to indexes, such as the CDI, as well as the balance of taxes payable in installments, which bears interest indexed to the SELIC rate. The risk inherent to these liabilities arises from the possibility of fluctuations in interest rates that impact cash flows. The Company and its subsidiaries have not signed derivative contracts as they understand that the risk is mitigated by the existence of assets indexed to the CDI (interest earning bank deposits).

Credit risk

The Fleury Group is exposed to credit risk in its operating activities reflected in the balance sheet in the group of accounts receivable (see note 7).

The Company and its subsidiaries are also subject to credit risks related to operations maintained in financial institutions represented by bank deposits, financial investments and derivative instruments. The Management considers the risk low, since operations are carried out in prime banks and there are treasury policies with specific limits for allocation of funds.

Notes to the individual and consolidated interim financial information as of June 30, 2021
In thousands of reais (R\$), unless otherwise indicated.

Liquidity risk

Cash flow forecasting is carried out by the Finance Department, which monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs. It also always maintains sufficient headroom on its undrawn committed borrowing facilities so that the Group does not breach borrowing limits or covenants (where applicable) of any of its financing and debentures. This forecast takes into consideration the Group's financing plans, compliance with clauses, attainment of the internal goals of the balance sheet quotient and, if applicable, external or legal regulatory requirements - for example, currency restrictions.

Surplus cash held by the operating entities, in addition to the balance required for managing working capital, is allocated to investments with appropriate maturities or sufficient liquidity to provide the necessary margin as determined by the forecasts.

The chart below analyzes Fleury Group's liabilities and financial instruments, by maturity brackets, corresponding to the remaining period in the balance sheet up to the contractual date of maturity. The amounts disclosed in the table below are contracted (consolidated) undiscounted cash flows, and, therefore, they cannot be reconciled with book values.

June 30, 2021	Book value	Contracted value	≤ 1 year	1–2 years	2–5 years	>5 years
Debentures	1,053,521	1,210,025	197,852	441,107	360,365	210,701
Financial lease	745,242	745,242	107,539	98,354	306,050	233,299
Suppliers	271,937	271,937	271,937	-	-	-
Financing, except drawee risk	584,065	617,392	609,894	7,296	202	-
Payables for acquisition of companies	135,673	135,673	33,268	23,026	46,869	32,510
Other liabilities	10,718	10,718	6,512	4,206	-	-
Drawee risk	3,441	3,441	3,441	-	-	-
Derivatives	507	507	507	-	-	-
	2,805,104	2,994,935	1,230,950	573,989	713,486	476,510

d) Operating Risk Management

The Corporate Risk Management governance (operational, compliance, strategic, projects, cyber and financial) adopted by the Fleury Group is in line with the concept of Lines of Defense (developed by the European Confederation of Internal Audit Institutes (ECIIA) in collaboration with the European Federation of Risk Management (FERMA)), under which each entity of the organization has clear and well-defined roles and responsibilities.

As regards negotiations for proper risk management, the Group relies on the following:

- The managers of the business areas, in the mapping of their processes, identification and/or update of associated operational risks, and implementation of necessary mitigation measures (internal controls, policies and procedures, projects, taking out of insurance etc.)
- Advisory areas (Risks, Compliance, Privacy etc.) that provide support for the business areas to ensure their constant development and evolution.
This is carried out through specific projects, such as the Business Continuity Plan and the update of the risk portfolio. It is also the responsibility of these two lines of defense (together) to: identify; assess; plan; implement; monitor and review all processes and possible risks of the Group (manage and control potential threats, in whatever way they present themselves);
- An independent Internal Audit function that works with biannual cycles and whose aim is to evaluate how the above groups reach their risk management and control goals to identify potential deviations from the established process;
- Management involvement in sponsoring the prioritization of efforts and resources to implement and maintain mechanisms that continue to mitigate risks, and therefore with the fostering of the Company's culture and risk management process;

This framework generates results which are periodically reported and monitored by the Executive Board; the Audit, Governance, Risk and Compliance Committee (and other Advisory Committees when requested); and the Board of Directors.

e) Environmental risk

The Company has the following procedures in place to mitigate the occurrence of socio-environmental risks, which are an integral part of its Environmental, Social and Corporate Governance (ESG) program:

Notes to the individual and consolidated interim financial information as of June 30, 2021
In thousands of reais (R\$), unless otherwise indicated.

Waste: risks related to potential improper disposal of waste from its operations. To mitigate these risks, the Company has structured a waste management system based on legal requirements and voluntary commitments assumed by the Company. This program includes the implementation of work policies and instructions addressing this topic; the definition of waste reduction targets; employee training programs and awareness campaigns; and ongoing monitoring of disposal processes through indicators and the results of internal audits.

Natural resources: possible risks associated with a lower availability of natural resources due to climate-related issues and anthropic factors. Establishment of annual targets for reducing water and energy consumption; continuing education programs for employees; and eco-efficiency measures aimed at reducing the consumption of resources, including the search for technological solutions to reduce water and energy consumption; and diversification of the Group's energy matrix. The Company's climate change program, which includes the preparation of the emissions inventory, the definition of reduction targets and risk studies and adaptation to climate change, complements the actions in this regard.

Suppliers: to reduce risks associated with the supply chain, the Fleury Group has defined socio-environmental and compliance criteria for selecting and rating suppliers, including the adoption of assessment questionnaires and the search for legal documents. In addition, suppliers sign the Citizenship and Sustainability form and the Anticorruption attachment when they are hired. The performance of critical suppliers in relation to sustainability and compliance is monitored through the Program for Excellence in Supply Chain Relationships (PERC).

f) Statement of sensitivity analysis

Sensitivity analysis for interest rate changes

To calculate the probable scenario, the projections disclosed by the Market Focus Report published by the Central Bank of Brazil on July 02, 2021 were used. The "Possible" and "Remote" scenarios consider an additional increase in this rate of 0.50% p.a., respectively. The results in nominal terms were as follows:

	Accounting balance	Likely	Possible	Remote
	CDI (p.a.)	6.40%	6.90%	7.40%
Interest earning bank deposits - Securities	636,642	40,745	43,928	47,112
Cash and cash equivalents	5,871	376	405	434
Bank Credit Bill and Promissory Notes	(549,608)	(35,175)	(37,923)	(40,671)
Debentures	(1,053,521)	(67,425)	(72,693)	(77,961)
Net exposure in CDI	(960,616)	(61,479)	(66,283)	(71,086)

5. Cash and cash equivalents

	Parent company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Cash and banks	22,039	18,368	29,562	24,517
Investments with daily liquidity (i)	-	-	5,871	3,667
Total	22,039	18,368	35,433	28,184

6. Securities

	Parent company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Fund quotas - Pegged to the DI rate	562,288	614,561	632,740	681,808
Kortex - Venture Capital (Note 1.6)	3,105	-	3,776	-
Interest earning bank deposits with guarantee	126	2,022	126	2,022
Bank Deposit Certificates (CDB)	-	399,406	-	399,406
Total (ii)	565,519	1,015,989	636,642	1,083,236
Current	546,861	1,000,593	570,835	1,013,621
Non-current	18,658	15,396	65,807	69,615

Notes to the individual and consolidated interim financial information as of June 30, 2021
In thousands of reais (R\$), unless otherwise indicated.

a) Changes in the interest earning bank deposits balance (securities + investments with daily liquidity)

	Parent company		Consolidated	
	06/30/2021	06/30/2020	06/30/2021	06/30/2020
Opening balance	1,015,989	784,256	1,086,903	848,846
Investment	745,891	1,157,338	817,134	1,206,808
Acquisition of subsidiary	3,105	-	9,110	2,611
Earnings	10,865	11,993	11,765	12,696
Redemption	(1,210,331)	(892,056)	(1,282,399)	(936,367)
Total (i + ii)	565,519	1,061,531	642,513	1,134,594

7. Accounts receivable

a) Policy

Trade accounts receivable correspond to the amounts receivable for the provision of services in the normal course of the Fleury Group's activities, less estimated losses for encumbrance and default.

Estimated impairment losses (default) are recognized based on average historical losses: These percentages vary from 0.1% to 1% (according to the business segment) for notes falling due and 100% for notes past due for more than 240 days.

The criterion used to provide for disallowances is 1% of the Group's gross revenue, excluding the revenue from business segments which are not subject to disallowances.

The Company and its subsidiaries have a certain degree of concentration in their client portfolios (legal entity). As of June 30, 2021, the six main clients accounted for 67.86% of the total portfolio (69.23% as of December 31, 2020).

b) Breakdown of the balance

	Parent company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Amounts billed	502,653	533,566	534,285	555,087
Amounts to be billed	166,821	139,408	193,271	165,564
Subtotal	669,474	672,974	727,556	720,651
Estimated losses from disallowances and default	(16,060)	(14,846)	(17,396)	(16,183)
Total	653,414	658,128	710,160	704,468

c) Aging analysis

	Parent company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Undue	619,952	628,324	672,441	672,703
Overdue (days):				
Up to 120	30,592	25,417	34,867	27,639
121-360	13,376	10,219	14,414	10,817
>361	5,554	9,014	5,834	9,492
Total	669,474	672,974	727,556	720,651

d) Changes in estimated losses from disallowances and default

	Parent company		Consolidated	
	06/30/2021	06/30/2020	06/30/2021	06/30/2020
Balance at the beginning of the year	(14,846)	(28,513)	(16,183)	(29,711)
Additions of disallowances and default (Notes 26 and 29)	(19,475)	(16,003)	(20,414)	(16,629)
Write-off of non-collectible securities	18,261	20,493	19,201	21,107
Balance at the end of the year	(16,060)	(24,023)	(17,396)	(25,233)

8. Inventories

a) Policy

Inventories are presented at the lower value between the cost and net realizable value. Inventory costs are determined at the average cost method.

Notes to the individual and consolidated interim financial information as of June 30, 2021
In thousands of reais (R\$), unless otherwise indicated.

b) Breakdown of the balance

	Parent company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Diagnostic kits	33,844	40,348	34,408	41,151
Nursing and sample collection materials	13,597	12,340	15,686	13,825
Auxiliary laboratory materials	8,004	7,052	15,054	7,340
Administrative and other materials	6,457	4,780	7,315	5,459
Provision for losses on kits	(949)	(4,682)	(949)	(4,682)
Total	60,953	59,838	71,514	63,093

9. Recoverable taxes

	Parent company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
PIS & COFINS*	-	8,148	1,039	8,988
INSS	11,077	7,917	11,232	8,125
ISS	7,227	4,863	7,738	5,212
Total	18,304	20,928	20,009	22,325

*Up to December 31, 2020, the offset of PIS/COFINS recoverable was recorded only in the month of tax due date, from January 2021 onwards, and its recognition started to be made in the month in which the provision of the tax due occurs.

10. Investments

	Parent company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Direct/indirect subsidiary	801,816	613,281	98,272	290
Jointly-controlled subsidiary	-	-	13,223	13,274
Subtotal	801,816	613,281	111,498	13,564
Prontmed	12,000	12,000	12,000	12,000
Sweetech	-	-	3,785	-
Other	8,398	8,674	8,454	8,808
Total	822,214	633,955	135,737	34,372

Significant information about investments

Subsidiaries and jointly-controlled subsidiaries	Base Date	Interest in paid-up capital - %	Capital quotas (qty)	Shareholders' equity	Income (loss) for the period
Fleury CPMA	06/30/2021	100%	493,260	451,613	(11,064)
	12/31/2020	100%	416,381	386,114	680
Papaiz	06/30/2021	51%	4,153	7,316	(201)
	12/31/2020	51%	4,153	7,160	(326)
IRN	06/30/2021	100%	11,423	29,803	4,879
	12/31/2020	100%	11,423	24,924	3,043
SantéCorp Group	06/30/2021	100%	45,779	24,727	(17,723)
	12/31/2020	100%	12,748	9,418	(3,415)
Lafe Group	06/30/2021	100%	32,420	23,256	3,372
	12/31/2020	100%	54,016	19,884	3,177
CPC	06/30/2021	100%	2,610	4,486	378
	12/31/2020	100%	1,125	2,623	340
Inlab	06/30/2021	100%	4,915	18,572	3,950
	12/31/2020	100%	4,915	14,623	12,613
Diagmax	06/30/2021	100%	46,440	39,633	1,443
	12/31/2020	100%	38,450	30,200	(502)
CIP	06/30/2021	100%	400	3,233	2,833
	12/31/2020	-	-	-	-
Grupo Moacir	06/30/2021	80%	466	(1,265)	(158)
	12/31/2020	-	-	-	-

Notes to the individual and consolidated interim financial information as of June 30, 2021
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		Changes in balances of investments					
Investees		Balance at 12/31/2020	Acquisition (a)	Paid-up capital	Equity in net income of subsidiaries	Other changes (d)	Balance at 06/30/2021
Fleury S.A.	Fleury CPMA	387,476	-	76,878	(11,064)	-	453,290
Fleury S.A.	Diagmax	121,776	(11,019)	7,990	1,443	(12)	120,178
Fleury S.A.	Inlab	104,029	-	-	3,950	(16)	107,963
Fleury S.A.	CIP	-	117,552	-	2,833	-	120,385
Fleury S.A.	Prontmed (c)	12,000	-	-	-	-	12,000
Fleury S.A.	Other	8,674	-	-	-	(276)	8,398
Total Parent company		633,955	106,533	84,868	(2,838)	(304)	822,214
Fleury CPMA	Papaiz	13,067	-	357	(201)	-	13,223
Fleury CPMA	Vita (e)	-	100,186	-	-	-	100,186
Fleury S.A.	Prontmed (c)	12,000	-	-	-	-	12,000
Kortex	Sweetch	-	3,785	-	-	-	3,785
Fleury S.A.	Other (b)	8,674	-	-	-	(276)	8,398
Fleury CPMA	Acquired	497	-	-	-	(2,408)	(1,911)
Diagmax/CPC	Other	134	-	-	-	(78)	56
Total Consolidated		34,372	103,971	357	(201)	(2,762)	135,737

- a) In the parent company, the acquisition value includes shareholders' equity and all identified assets.
b) Relate to investments in the following companies: Lab Rede; Our Crowd (Sabin); Bem Care and Sweetch. The acquisitions in the period relate to Our Crowd (R\$ 1.9 M) and Sweetch (R\$ 1.5 M).
c) The investment results in an 18.56% ownership interest. In 2020, there was a 50% cash outflow, corresponding to R\$ 6.0 M.
d) They refer mainly to changes in surplus or deficit on revaluation. It is recognized in investments and business combinations, and reclassified to the classes of property and equipment, i.e., accounted for together with the assets and liabilities that gave rise to it.
e) It refers to the investment of 66.67% in companies: Vita Ortopedia Serviços Médicos Especializados and Vita Clínicas Medicina Especializada.

11. Property, plant and equipment and intangible assets

a) Policy

They are recorded at acquisition cost less depreciation or accumulated amortization.
Depreciation and amortization are recognized based on the estimated useful lives of each asset/part on a straight-line basis.
Fleury Group reviews at least annually the book value of their tangible and intangible assets to determine if there is any indication that these assets suffered impairment losses.

b) Breakdown of balance of property, plant and equipment

Parent company		06/30/2021			12/31/2020
	Average annual depreciation rate (%)	Cost	Accumulated depreciation	Net balance	Net balance
Machinery and equipment	10	723,188	(391,782)	331,406	339,878
Leasehold improvements	20	357,466	(241,589)	115,877	128,132
Facilities	10	284,110	(231,218)	52,892	61,292
Property, plant and equipment in progress	-	65,219	-	65,219	43,854
IT equipment	20	97,784	(73,544)	24,240	26,469
Real estate	2	28,026	(6,683)	21,343	21,577
Land	-	13,637	-	13,637	13,637
Furniture and fixtures	10	47,118	(38,285)	8,833	8,846
Total		1,616,548	(983,101)	633,447	643,685

Notes to the individual and consolidated interim financial information as of June 30, 2021
In thousands of reais (R\$), unless otherwise indicated.

Consolidated	Average annual depreciation rate (%)	06/30/2021			12/31/2020
		Cost	Accumulated depreciation	Net balance	Net balance
Machinery and equipment	10	817,863	(444,561)	373,302	370,987
Leasehold improvements	20	377,010	(249,782)	127,228	137,207
Facilities	10	294,337	(234,129)	60,208	63,994
Property, plant and equipment in progress	-	70,077	-	70,077	59,966
IT equipment	20	107,713	(77,984)	29,729	29,926
Real estate	2	28,026	(6,683)	21,343	21,577
Land	-	13,637	-	13,637	13,637
Furniture and fixtures	10	53,022	(41,558)	11,464	11,400
Vehicles	20	894	(654)	240	75
Total		1,762,579	(1,055,351)	707,228	708,769

c) Changes in property, plant and equipment

Parent company (2020–2021)	Balance at 12/31/2020	Additions	Write-offs Net	Depreciation	Reclassification/transfer (c)	Balance at 06/30/2020
Machinery and equipment	339,878	13,832	(438)	(29,263)	7,397	331,406
Leasehold improvements	128,132	590	(8)	(25,017)	12,180	115,877
Facilities	61,292	323	(1)	(11,101)	2,379	52,892
Construction in progress	43,854	43,721	-	-	(22,356)	65,219
IT equipment	26,469	1,218	(13)	(4,567)	1,133	24,240
Real estate	21,577	-	-	(234)	-	21,343
Land	13,637	-	-	-	-	13,637
Furniture and fixtures	8,846	521	209	(1,278)	535	8,833
Total	643,685	60,205	(251)	(71,460)	1,268	633,447

Consolidated (2020–2021)	Balance at 12/31/2020	Acquisition (b)	Additions	Write-offs Net	Depreciation	Reclassification/transfer (c)	Balance at 06/30/2021
Machinery and equipment	370,987	2,873	16,107	(438)	(30,894)	14,667	373,302
Leasehold improvements	137,207	-	773	(8)	(26,737)	15,993	127,228
Facilities	63,994	43	457	(1)	(11,395)	7,110	60,208
Construction in progress	59,966	-	51,452	-	-	(41,341)	70,077
IT equipment	29,926	152	1,265	(61)	(5,582)	4,029	29,729
Real estate	21,577	-	-	-	(234)	-	21,343
Land	13,637	-	-	-	-	-	13,637
Furniture and fixtures	11,400	217	525	207	(1,623)	738	11,464
Vehicles	75	159	-	-	(4)	10	240
Total	708,769	3,444	70,579	(301)	(76,469)	1,206	707,228

d) Breakdown of balance of intangible assets

Parent company	06/30/2021			12/31/2020
Average annual amortization rate (%)	Cost	Accumulated amortization	Net balance	Net balance
Goodwill - Future profitability	-	1,342,222	(44,413)	1,297,809
Licenses and software	20	457,126	(305,416)	151,710
Intangible asset in progress (a)	-	85,607	-	85,607
Customer contracts	10	154,387	(150,527)	3,860
Internally developed products	-	4,728	-	4,716
Trademarks and patents	7	13,226	(9,730)	3,496
Total		2,057,296	(510,086)	1,547,210

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Consolidated	Average annual amortization rate (%)	06/30/2021			12/31/2020
		Cost	Accumulated amortization	Net balance	Net balance
Goodwill - Future profitability	-	1,943,686	(44,413)	1,899,273	1,763,702
Licenses and software	20	471,522	(309,722)	161,800	152,828
Intangible asset in progress (a)	-	104,016	-	104,016	80,785
Customer contracts	10	158,872	(153,703)	5,169	13,081
Trademarks and patents	7	26,711	(11,607)	15,104	15,096
Internally developed products	-	4,728	-	4,728	4,716
Non-competition agreement	7	1,326	(977)	349	400
Total		2,710,861	(520,422)	2,190,439	2,030,608

e) Changes in intangible assets

Parent company (2020–2021)	Balance at	Additions	Amortization	Reclassification/transfer	Balance at
	12/31/2020				06/30/2021
Goodwill - Future profitability	1,297,809	-	-	-	1,297,809
Licenses and software	145,895	27,570	(33,932)	12,178	151,711
Intangible assets in progress (a)	72,453	26,555	-	(13,401)	85,607
Customer contracts	11,578	-	(7,636)	(83)	3,859
Internally developed products	4,716	-	-	12	4,728
Trademarks and patents	3,835	-	(339)	-	3,496
Total	1,536,286	54,125	(41,907)	(1,294)	1,547,210

Consolidated (2020–2021)	Balance at	Acquisition	Additions	Amortization	Reclassification/transfer	Balance at
	12/31/2020					06/30/2021
Goodwill - Future profitability	1,763,702	146,590	-	-	(11,019)	1,899,273
Licenses and software	152,828	1	27,726	(34,829)	16,074	161,800
Intangible assets in progress (a)	80,785	-	38,920	-	(15,689)	104,016
Customer contracts	13,081	-	-	(7,719)	(193)	5,169
Trademarks and patents	15,096	-	-	(376)	384	15,104
Internally developed products	4,716	-	-	-	12	4,728
Non-competition agreement	400	-	-	930	(981)	349
Total	2,030,608	146,591	66,646	(41,994)	(11,412)	2,190,439

(a) Comprises software under development, related to physician shift scheduling, digital mobile care, and new applications.

(b) Balances referring to: Preliminary goodwill arising from the business combination (see Note 3), and balances acquired (Opening balance sheet) from the acquisition of CIP and Moacir Cunha.

(c) This amount relates to a transfer between property and equipment and intangible assets, except goodwill for future profitability.

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In thousands of reais (R\$), unless otherwise indicated.

12. Right-of-use

a) Policy

The Company has lease operations for several assets, such as: real estate, medical equipment, and vehicles. In general, property rental contracts are entered into for fixed periods of 5 years. Medical equipment and vehicles have average terms of 2 and 10 years, respectively, and may include renewal options.

The lease terms are negotiated individually and contain a wide variety of terms and conditions. The lease contracts do not have covenants and leased assets cannot be used as collateral for loans.

Depreciation of right-of-use assets is allocated in a systematic manner, on a straight-line basis. The useful life is periodically reassessed to capture changes in the intention to continue the lease, whether due to the Company's strategic matters or the lessor's intention. The Fleury Group is a lessee under certain contracts with an indefinite term. Considering that both the lessor and the lessee have the right to cancel the contract at any time, the Group's understanding is that these contracts should be treated as leases, recording the expense in profit or loss for the year over the lease term.

The Company does not have leases that meet the exceptions/practical expedients under CPC 06 (R2).

b) Breakdown of the balance of right-of-use assets

Parent company		06/30/2021			12/31/2020
	Average annual depreciation rate (%)	Cost	Accumulated depreciation	Net balance	Net balance
Real estate	13	798,905	(236,611)	562,294	609,644
Machinery and equipment	20	98,563	(31,603)	66,960	73,006
IT equipment	25	9,660	(5,468)	4,192	5,290
Vehicles	50	6,148	(5,752)	396	1,253
Total		913,276	(279,434)	633,842	689,193

Consolidated		06/30/2021			12/31/2020
	Average annual rate - dep %	Cost	Accumulated depreciation	Net balance	Net balance
Real estate	13	866,509	(255,564)	610,945	650,276
Machinery and equipment	20	98,563	(31,603)	66,960	73,006
IT equipment	25	9,837	(5,528)	4,309	5,406
Vehicles	50	6,148	(5,752)	396	1,253
Total		981,057	(298,447)	682,610	729,941

c) Changes in right-of-use assets

Parent company	Balance at 12/31/2020	Depreciation	Write-offs	Balance at 06/30/2021
Real estate	609,645	(47,351)	1	562,295
Machinery and equipment	73,006	(5,997)	(49)	66,960
IT equipment	5,289	(1,094)	(4)	4,191
Vehicles	1,253	(857)	-	396
Total	689,193	(55,299)	(52)	633,842

Consolidated	Balance at 12/31/2020	Acquisition	Depreciation	Write-offs	Balance at 06/30/2021
Real estate	650,276	11,979	(51,310)	-	610,945
Machinery and equipment	73,006	-	(5,997)	(49)	66,960
IT equipment	5,406	-	(1,094)	(3)	4,309
Vehicles	1,253	-	(857)	-	396
Total	729,941	11,979	(59,258)	(52)	682,610

Notes to the individual and consolidated interim financial information as of June 30, 2021
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13. Financing

Currency – R\$	Funding – Consolidated				
	Fixed-rate charges	Signature date	Amount contracted	Accumulated released amount	Final maturity
FINEP PROMETHEUS I and II	4.00% p.a.	08/28/2014	155,444	155,444	Sep 2022
BNDES FINAME	3.55% p.a.	01/31/2013	4,876	4,876	11/2023
CCB	CDI + 4.25% p.a.	03/24/2020	150,000	150,000	Mar 2022
Promissory notes	CDI + 2.94% p.a.	04/06/2020	400,000	400,000	Apr 2022

Changes Parent company	Balance at 12/31/2020	Interest incurred	Interest paid	Amortization of principal	Other operations	Balance at 06/30/2021
FINEP PROMETHEUS I and II	46,809	791	(818)	(13,351)	-	33,431
Drawee risk	2,847	-	-	-	382	3,229
CCB	150,217	5,014	(4,887)	-	-	150,344
Promissory notes	402,754	10,740	(615)	(11,892)	-	400,987
Subtotal	602,627	16,545	(6,320)	(25,243)	382	587,991
Capitalization cost	(448)	-	-	128	-	(320)
Commission (CCBs and NPs)	(2,939)	-	-	1,216	-	(1,723)
Total	599,240	16,545	(6,320)	(23,899)	382	585,948

Current	68,341					579,337
Non-current	530,899					6,611

Changes Consolidated	Balance at 12/31/2020	Interest incurred	Interest paid	Amortization of principal	Other operations	Balance at 06/30/2021
FINEP PROMETHEUS I and II	46,809	791	(818)	(13,351)	-	33,431
Drawee risk	2,847	-	-	-	594	3,441
BNDES FINAME	1,637	28	(27)	(292)	-	1,346
CCB	150,217	5,014	(4,887)	-	-	150,344
Promissory notes	402,754	10,740	(615)	(11,892)	-	400,987
Subtotal	604,264	16,573	(6,347)	(25,535)	594	589,549
Capitalization cost	(448)	-	-	128	-	(320)
Commission (CCBs and NPs)	(2,939)	-	-	1,216	-	(1,723)
Total	600,877	16,573	(6,347)	(24,191)	594	587,506

Current	68,928					580,136
Non-current	531,949					7,370

The maturities of non-current installments of borrowings as of June 30, 2021 (except commission) were as follows:

	Parent company	Consolidated
2022	6,611	6,903
2023	-	467
Total	6,611	7,370

FINEP has a clause that obliges the Company to ensure the payment of any obligation arising from the contract through the issue of a bank letter of guarantee in the amount of the total financing; this clause being indispensable for signing the contract.

Certain financings contain financial covenants, such as: the implementation or formalization of collateral or fidejussory guarantees, restrictions on the change, transfer or assignment of corporate or shareholding, incorporation, merger or spin-off without the prior consent of the creditor, and the maintenance of financial and liquidity ratios measured every six months.

As of June 30, 2021, the Company and its subsidiaries followed these financial ratios, as well as with the other covenants.

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14. Debentures

a) Breakdown of debentures issued

	Issue amount (R\$)	Quantity	Final maturity	Semi-annual interest	Total issued
3rd Issuance – Single series	10,000	30,000	Nov 2022	CDI + 0.49% p.a.	300,000
4th Issue – 1st series	10,000	25,000	Apr 2021	CDI + 0.35% p.a.	250,000
4th Issue – 2nd series	10,000	25,000	Apr 2023	CDI + 0.60% p.a.	250,000
5th Issue – 1st series	1,000	200,000	Dec 2024	CDI + 0.90% p.a.	200,000
5th Issue – 2nd series	1,000	300,000	Dec 2027	CDI + 1.20% p.a.	300,000

The Company used the amounts raised from the debentures issued to strengthen working capital, maintain its cash strategy, extend its debt profile, and fund investments and acquisitions in the coming years. The debentures issued are unsecured and not convertible into shares.

3rd Issue of Debentures: Carried out through a public offering of simple debentures with restricted placement efforts, in a single series, consisting of the issue of 30,000 (thirty thousand) debentures, all of which are registered, book-entry and with a par value of R\$ 10,000, totaling R\$ 300,000. The debentures mature 5 (five) years from the date of issue, and will be amortized in two annual installments, 50% on November 24, 2021 and 50% on November 24, 2022.

4th Issue of Debentures: The Company carried out its fourth issue of debentures public offering of simple debentures with restricted placement efforts, in two series. These debentures will be amortized in a single installment upon maturity.

5th Issue of Debentures: Carried out through a public offering of simple debentures with restricted placement efforts, in two series. The debentures of the first series will be amortized in a single installment, in December 2024. The debentures of the first series will be amortized in three annual installments: 33.33% in December 2025, 33.33% in December 2026 and 33.33% in December 2027. Interest is paid on a half-yearly basis, and there is no provision for renegotiation.

b) Changes in debentures

Local currency - R\$	12/31/2020	Interest incurred	Interest paid	Amortization of principal	Other operations	06/30/2021
3rd Issue – Single series	300,735	4,526	(3,995)	-	-	301,266
4th Issue – 1st series	250,998	1,931	(2,929)	(250,000)	-	-
4th Issue – 2nd series	251,110	3,907	(3,236)	-	-	251,781
5th Issue – 1st series	200,221	3,423	(3,255)	-	-	200,389
5th Issue – 2nd series	300,366	5,576	(5,325)	-	-	300,617
Commission (5th Issue)	(586)	-	-	-	54	(532)
Total	1,302,844	19,363	(18,740)	(250,000)	54	1,053,521
Current	403,322					153,946
Non-current	899,522					899,575

The portion recognized in non-current liabilities as of June 30, 2021 (except for commission) matured as follows:

Maturity	3rd Issue – Single series	4th Issue – 2nd Series	5th Issue – 1st Series	5th Issue – 2nd Series	Consolidated
2022	150,000	-	-	-	150,000
2023	-	250,000	-	-	250,000
2024	-	-	200,000	-	200,000
2025	-	-	-	100,000	100,000
2026	-	-	-	100,000	100,000
2027	-	-	-	100,000	100,000
Total	150,000	250,000	200,000	300,000	900,000

Covenants

The debentures are subject to financial covenants, and their maturity may be accelerated in the event the Company fails to comply with the following financial ratios:

- (a) Net financial debt/EBITDA ratio lower than or equal to 3.0 times and/or;
- (b) EBITDA/Net Finance Cost ratio lower than or equal to 1.5 times.

As of June 30, 2021, the Fleury Group was following financial ratios and other covenants.

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15. Leases

As of June 30, 2021, the lease liabilities are as follows:

a) Minimum lease payments:

	Parent company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Up to 1 year	163,098	166,696	176,196	176,427
>01 year	833,783	912,416	887,317	963,150
	996,881	1,079,112	1,063,513	1,139,577
(-) Future financial charges	(303,452)	(337,454)	(318,271)	(353,748)
Present value of minimum payments	693,429	741,658	745,242	785,829
Current	98,655	98,099	107,539	105,039
Non-current	594,774	643,559	637,703	680,790

The maturity dates of non-current installments as of June 30, 2021 are as follows:

	Parent company	Consolidated
2022	89,509	95,969
2023	91,939	98,575
>2024	413,326	443,159
Total	594,774	637,703

We show below the changes in lease:

Parent company	Balance at 12/31/2020	Allocation of interest	Amortization of principal	Write-offs	Balance at 06/30/2021
Real estate	654,414	30,909	(68,658)	-	616,665
Machinery and equipment	79,570	2,832	(9,672)	-	72,730
IT equipment	5,810	223	(2,946)	-	3,087
Vehicles	1,864	37	(954)	-	947
Total	741,658	34,001	(82,230)	-	693,429

Consolidated	Balance at 12/31/2020	Acquisition (a)	Allocation of interest	Amortization of principal	Write-offs	Balance at 06/30/2021
Real estate	698,475	11,567	32,646	(74,330)	-	668,358
Machinery and equipment	79,564	-	2,832	(9,672)	-	72,724
IT equipment	5,952	-	233	(2,946)	-	3,239
Vehicles	1,838	-	37	(954)	-	921
Total	785,829	11,567	35,748	(87,902)	-	745,242

(a) Acquisition balances (opening balance) arising from the acquisition of the company Moacir Cunha.

Considering that the Company has a taxation regime based on the cumulative method, there are no potential PIS and COFINS taxes recoverable in the lease consideration installments.

16. Suppliers

	Parent company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Domestic	231,366	221,377	268,803	248,743
Foreigners	3,134	1,716	3,134	1,716
Total	234,500	223,093	271,937	250,459

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17. Labor obligations

	Parent company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Provision for vacation and social security charges	61,889	54,569	64,112	58,264
Salaries and social security charges payable	24,979	21,104	28,468	24,056
Provision for 13th salary payable and charges	22,413	-	23,998	-
Provision for profit sharing	20,096	-	20,423	-
Provision for health care	15,339	15,603	15,357	15,617
Commission and Bonus	12,852	37,143	12,955	37,557
Loans to employees	953	1,010	957	980
Other	7,167	2,201	12,780	2,300
Total	165,688	131,630	179,050	138,774

18. Taxes payable

	Parent company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
REFIS installment plan – Law 11941	16,240	17,989	19,495	19,678
PIS/COFINS on Billing	1,940	10,534	2,896	12,511
ISS on turnover	13,748	11,583	16,220	13,632
IRRF (Withholding income tax)	1,114	1,062	1,292	1,268
PIS, COFINS and CSRF	2,315	2,408	3,174	2,779
Withholding INSS	852	1,087	1,048	1,164
Other	2,168	1,263	2,224	1,295
Total	38,377	45,926	46,349	52,327
Current	26,075	31,925	32,075	37,417
Non-current	12,302	14,001	14,274	14,910

As of June 30, 2021, the non-current portion matured as follows:

	Consolidated
2022	3,153
2023	4,331
2024	2,501
2025	214
>2025	4,075
Total	14,274

19. Accounts payable – Acquisition of companies

Relate to debts assumed for acquisition of companies, to be settled as provided for in the contracts, updated monthly mainly based on IGP-M FGV and IPCA IBGE.

	Parent company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Vita (note 1.3)	-	-	80,446	-
Lafe	-	-	31,391	31,668
CIP (note 3.a)	16,525	-	16,525	-
Diagmax	15,796	26,692	15,796	26,692
IRN	-	-	15,750	23,390
Moacir (note 3.b)	-	-	11,564	-
Inlab	7,725	7,634	7,725	7,634
Prontmed	6,000	6,000	6,000	6,000
CPC	-	-	5,336	5,284
Lego and Biesp	4,965	4,921	4,965	4,921
Dignoson	1,976	1,956	1,976	1,956
Serdil	-	-	670	662
Meneses da Costa	286	278	286	278
Diagnostic Breast Health Center	212	200	212	200
Weinman	208	197	208	197
	53,693	47,878	198,850	108,882
Current	11,158	17,716	96,445	25,790
Non-current	42,535	30,162	102,405	83,092

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As of June 30, 2021, the non-current portion matured as follows:

	Consolidated
2022	23,026
2023	25,797
2024	21,072
Other (*)	32,510
Total	102,405

(*) As of June 30, 2021, the maturity of certain installments is contingent on the final and unappealable ruling of the lawsuits. Therefore, it is not possible to estimate the payments in the coming years.

20. Other liabilities

	Parent company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Deferred revenue - Bradesco (Note 23)	7,034	8,440	7,033	8,440
Other accounts payable	2,036	1,138	3,179	2,026
Provision for waste fee	506	120	506	120
Derivative instruments, net	507	367	507	367
Total	10,083	10,065	11,225	10,953
Current	5,877	4,438	7,019	5,326
Non-current	4,206	5,627	4,206	5,627

21. Current and deferred income tax and social contribution

a) Breakdown of deferred income tax and social contribution

	Parent company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Provision for tax, labor and civil risks	53,244	64,222	53,817	64,650
IFRS 16 effect	61,617	52,916	64,955	55,949
Provision for stock options and specialized medical services	27,520	23,912	27,545	26,511
Provision for losses from disallowances/default	16,060	14,846	17,020	15,895
Provision for profit sharing	20,097	-	20,423	-
Asset revaluation	84	84	84	84
Linearization of effective rate	47,351	-	47,351	-
Tax loss	-	-	67,617	35,708
Net assets acquired in a business combination (a)	678	(2,001)	(5,810)	(7,276)
Effects of goodwill amortization for tax purposes (b)	(1,345,790)	(1,345,790)	(1,349,242)	(1,347,358)
Calculation basis	(1,119,139)	(1,191,811)	(1,056,240)	(1,155,837)
Income and social contribution taxes (~34%)	(380,507)	(405,216)	(359,122)	(392,985)
Income tax and social contribution - Assets (*)	-	-	21,385	12,232
Income tax and social contribution - Liabilities	(380,507)	(405,216)	(380,507)	(405,217)

(a) Amortization of goodwill not deductible until 2008 and deductible for tax purposes in future periods.

(b) Goodwill on merger of companies, mainly Labs Cardiolab.

	Consolidated							
	Fleury S.A.	CPMA	IRN	SantéCorp	LAFE	CPC	Diagmax	Total
Assets (*)	82,313	11,668	570	10,932	1,408	77	584	107,552
Liabilities	(462,820)	(3,854)	-	-	-	-	-	(466,674)

(*) The Parent company's balance is presented on a net basis.

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In the Consolidated, deferred tax assets are expected to be realized as follows:

	Consolidated
2021	55,637
2022	23,194
2023	10,835
2024	7,554
>2025	10,332
Total	107,552

b) Reconciliation of income tax and social contribution on net income, current and deferred, in income (loss) are reconciled as follows:

	Parent company		Consolidated	
	06/30/2021	06/30/2020	06/30/2021	06/30/2020
Income before income tax (IRPJ) and social contribution (CSLL)	262,792	(21,455)	260,405	(22,828)
(x) Combined rate	34%	34%	34%	34%
(=) IRPJ and CSLL expenses	(89,349)	7,295	(88,538)	7,762
Other permanent additions (exclusions), net	11,667	(787)	11,300	828
Equity in net income of subsidiaries	(965)	361	(68)	(349)
Adjustments – company taxed under the deemed income regime	-	-	1,007	-
Income tax and social contribution expense	(78,647)	6,869	(76,299)	8,241
Current	(103,354)	-	(110,161)	(1,317)
Deferred	24,707	6,869	33,862	9,558
Effective rate - %	29.93%	32.0%	29.30%	36.1%

22. Provision to tax, labor, civil risks

a) Policy

Provisions for tax, labor and civil risks are set up to the extent that the Company expects to make cash disbursements. Tax lawsuits are accrued when the losses are regarded as probable and the amounts involved can be reliably measured. When likelihood of loss in these lawsuits is possible, a description of involved lawsuits and amounts is disclosed in notes. Provisions are recorded for labor lawsuits based on disbursement historic percentage. Contingencies classified as remote losses are neither accrued nor disclosed. Judicial deposits recognized in assets relate to lawsuits classified as possible and remote losses by the Company's legal counsel, and therefore no provisions for contingencies are set up for them.

Judicial deposits relate to the lawsuits classified as probable losses and reduce the balance of the related provision.

On a periodical basis, Management revises the scenario of known contingencies, assesses and adjusts the respective provision considering the assessment of its legal advisors and other data available on the ending dates of fiscal years, such as the nature of lawsuits and historical experience, as internal policy. As of June 30, 2021, the balance and changes in the provision for tax, labor and civil risks were as follows:

b) Breakdown of the balance

	Parent company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Tax	20,754	31,254	24,901	31,344
Labor	27,277	26,549	27,684	26,825
Civil	5,213	6,419	5,305	6,495
Subtotal	53,244	64,222	57,890	64,664
Judicial deposits (lawsuits involving probable losses)	(23,650)	(22,582)	(23,650)	(22,582)
Total	29,594	41,640	34,240	42,082

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c) Changes – Consolidated

	Balance at 12/31/2020	Addition / Reversal (*)	Acquisition (b)	Other (a)/(*)	Reclassific ation/Pay ments	Inflation adjustment	Balance at 06/30/2021
Labor	26,825	507	-	-	(1,141)	1,493	27,684
Tax	31,344	(2,315)	4,056	-	(8,474)	290	24,901
Civil	6,495	(442)	-	74	(1,061)	239	5,305
Subtotal	64,664	(2,250)	4,056	74	(10,676)	2,022	57,890
Judicial deposits (lawsuits involving probable losses)	(22,582)	-	-	-	(1,068)	-	(23,650)
Total	42,082	(2,250)	4,056	74	(11,744)	2,022	34,240

(a) Part of the lawsuits are the responsibility of former shareholders and will be reimbursed to the Company at the rate of 67% and, therefore, are reclassified as "Other assets".

(b) Acquisition balances (opening balance) arising from the acquisition of the company Moacir Cunha.

(*) The change observed in the statement of cash flows takes into account the amounts included in these columns.

d) Lawsuits classified as probable losses, for which no provision is set up:

Tax

The main tax matter relates to the challenge of the COFINS exemption for civil organizations that provide services related to professions regulated by law. Supplementary Law 70/91, which introduced the Social Contribution on Revenues (COFINS), granted an exemption to this type of company. However, upon the enactment of Law 9430/96, this exemption was revoked, and COFINS started to be levied on the gross revenue of service providers. The legal advisors understand that since Law 9430/96 is ordinary law, it could not have revoked the exemption established by Complementary Law 70/91. However, considering that the Federal Supreme Court has already ruled against the thesis in question, the Company recorded a provision to cover risks totaling R\$ 2,174 as of June 30, 2021 (R\$ 2,165 as of December 31, 2020).

Another important tax matter is the challenge of the unconstitutionality of Law 11001/2001, which introduced ICMS (state VAT) on imports in the state of São Paulo. This law was enacted after Constitutional Amendment 33/2001 and before Supplementary Law 114/2002, therefore failing to comply with the legislative procedure required for the collection of the ICMS levied on import transactions carried out in the state of São Paulo. However, considering a statement with general repercussion issued by the Federal Supreme Court, which established that Law 11001/2001 was constitutional, the Company set up a provision to cover the related risks totaling R\$ 16,120 as of June 30, 2021 (R\$ 15,881 as of December 31, 2020).

e) Lawsuits classified as possible loss

The Company has tax, civil and labor claims which are not provisioned, since they involve risk of loss classified by management and by its legal advisors as possible.

As of June 30, 2021, the consolidated amount was approximately R\$ 531,152 (R\$ 501,985 as of December 31, 2020).

The tax matters classified as possible losses amounted to R\$ 283,689 (R\$ 270,427 as of December 31, 2020). At the federal level, these matters were comprised substantially of: (i) R\$ 139,782 (R\$ 126,281 as of December 31, 2020), relating mainly to discussions involving the non-mandatory payment of IRPJ, CSLL, PIS, COFINS and PIS/COFINS on Imports, (ii) social security contributions, totaling R\$ 58,927 (R\$ 58,620 as of December 31, 2020), and (iii) federal lawsuits of a different nature, totaling R\$ 6,869 (R\$ 6,017 as of December 31, 2020).

At the state level, the law lawsuits classified as possible losses totaled R\$ 4,409 (R\$ 6,974 as of December 31, 2020) and related mainly to the challenge of ICMS levied on equipment imports.

With respect to discussions of municipal taxes, the lawsuits classified as possible losses amounted to R\$ 73,701 (R\$ 72,535 as of December 31, 2020) and related mainly to cases involving the Tax on Services of any Nature (ISSQN).

In the civil field, the Company has lawsuits classified as possible loss totaling R\$ 25,813 (R\$ 24,493 as of December 31, 2020), of which R\$ 12,425 (R\$ 12,155 as of December 31, 2020) related mainly to civil liability lawsuits with claims for property damages and mental

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distress arising, among other reasons, from alleged diagnostic error or procedural failure, and other lawsuits involving different claims totaling R\$ 13,388 (R\$ 12,338 as of December 31, 2020).

Labor lawsuits classified as possible loss total R\$ 217,496 (R\$ 207,064 as of December 31, 2020) of which (i) R\$ 207,145 (R\$ 194,183 as of December 31, 2020) refer to labor lawsuits of former employees, constitutional claim, relief from judgment, class action, annulment and tax enforcement actions, (ii) R\$ 10,153 (R\$ 12,291 as of December 31, 2020) refer to subsidiary liability lawsuits filed by employees of companies that provide specialized services to the Company on an outsourced basis and (iii) ongoing administrative proceedings, totaling R\$ 197,273.92 (R\$ 590 as of December 31, 2020).

Still in the labor field, the Company was summoned in a Public Civil Action (ACP) pending before the Labor Court of Rio de Janeiro, which, in general, challenges the legality of contracting specialized medical companies. The Company is defending itself in this ACP with evidence of the regularity of the practice adopted by it when contracting medical companies, pursuant to the legislation in force, including favorable case law from the Federal Supreme Court (ADPF 324 and RE 958252, with general repercussion acknowledged). As a confirmation of this thesis, the lower court decision dismissed the ACP, which been partially reversed by the Entry of Judgment of the Regional Labor Court (TRT) of the 1st Region. The Company filed an Appeal with the Superior Labor Court, which has, recently and by unanimous vote, partially reversed, in favor of the Company, the previous decision issued by the TRT of the 1st Region. Despite the unenforceability of the decision, in view of the conviction, two different procedural measures were concurrently adopted: Filing of a motion for clarification of the decision rendered by the TST, with alleged omission regarding the issue of lawful outsourcing based on a thesis supported by the Federal Supreme Court (STF); presentation, in the STF, of a constitutional claim on the grounds that the TST's decision violates the thesis supported by the Court. The constitutional claim was upheld, accepting the company's thesis that the TST should render a decision in accordance with the understanding already consolidated by the STF regarding the theme. For this decision, the Attorney General's Office filed an internal interlocutory appeal, which was dismissed by the STF. The possibility of loss remains "remote", since the constitutional claim was judged valid by the Judge-Rapporteur, reversing the TST decision. Having received the official letter from the STF, the TST considered that the motion for clarification had become moot; the procedure was resubmitted as an appeal and was forwarded to the Judge-Rapporteur's officer for consideration. Awaiting decision at the TST."

The Company was summoned in a Public Civil Action (ACP) in process before the Labor Court of São Paulo, which pleads the conviction due to failure to meet the legal quota of disabled employees. The Company, in its defense, proved that it made all possible efforts to comply with the legal provision, and the failure to meet the quota is due to facts beyond the company's control, and there if favorable case law of the Supreme Labor Court. To confirm this thesis, the lower court dismissed the ACP. The Labor Public Prosecutor's Office filed an Ordinary Appeal addressed to the Regional Labor Court of the 2nd Region, which is awaiting judgment.

The Company was summoned in a Public Civil Action (ACP) pending before the Labor Courts of São Paulo, which pleads the conviction due to the alleged noncompliance with rules related to workers' health and safety. The Company presented its defense within the legal term. The initial hearing was reassigned to July 14, 2021 at 5:00 pm.

23. Related parties

Impacts on statement of income and balance sheet (Consolidated)

	06/30/2021		06/30/2020	
	Revenue	Expense	Revenue	Expense
Income (loss)				
Companies associated with Bradseg (a)	-	(56,376)	-	(46,431)
Banco Bradesco S.A. – Payroll (b)	1,407	-	1,407	-
Banco Bradesco S.A. – Financial transactions (c)	6,079	(16,316)	7,829	(5,513)
Transinc Real Estate Investment Fund (d)	-	(5,201)	-	(5,112)
Harmonikos 32 Participações e Empreendimentos Ltda. (d)	-	(1,928)	-	(2,479)
Amicabilis Participações e Empreendimentos Ltda. (d)	-	(2,089)	-	(2,921)
OdontoPrev S/A (e)	298	(1,654)	213	-
CM Médicos Associados Ltda. (f)	-	(924)	-	(1,052)
Subtotal	7,784	(84,488)	9,449	(63,508)
Total Net		(76,704)		(54,059)

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	06/30/2021		06/30/2020	
	Assets	Liabilities	Assets	Liabilities
Equity balance				
Companies associated with Bradseg (a)	-	(5,175)	-	(9,495)
Bradesco (b)	-	(7,033)	-	(9,846)
Banco Bradesco (c)	291,650	(400,988)	670,376	(405,382)
Transinc Real Estate Investment Fund (d)	34,069	(35,784)	40,474	(41,882)
Amicabilis Participações e Empreendimentos Ltda. (d)	14,808	(15,660)	17,276	(17,663)
Harmonikos 32 Participações e Empreendimentos Ltda. (d)	13,646	(14,484)	15,920	(16,325)
OdontoPrev S/A (e)	-	-	28	-
Subtotal	354,173	(479,124)	744,074	(500,593)
Total Net		(124,951)		243,481

(a) Bradseg, a shareholder with a relevant ownership interest in the Company, holds a stake and/or control in companies and health plan operators with commercial relationship with the Company.

The amounts related to expenses refer to agreements for the provision of services/benefits to employees through cards, and the main ones are: health plan, food/meal, transport, and private pension.

On December 30, 2020, the Company signed an agreement with Bradesco Saúde S.A., for the provision of medical services related to tests for the diagnosis of COVID-19 to the beneficiaries of Bradesco Saúde S.A. The agreement is effective until April 16 2021, and it may be extended upon prior agreement between the parties. The total amount is R\$ 63,000, paid monthly according to the number and type of tests effectively carried out.

In addition to this agreement, a group of companies associated with Bradseg are among the Company's largest clients. The impact on the consolidated statement of income for gross revenue from these clients represented 19% as of June 30, 2021 (18% as of June 30, 2020).

(b) On December 6, 2018, Fleury Group entered into an agreement for payroll processing with Bradesco S/A (related party). The purpose of this transaction is the payment of the salaries of Fleury's employees and the execution of an agreement to grant payroll-backed loans. The revenue amount advanced for this agreement was R\$ 15,500 and it is recorded as "Other liabilities" – note 20, being amortized monthly.

(c) As of June 30, 2021, investment transactions consist of an exclusive fund that falls within the fixed income category and repurchase transactions (recorded in Assets) with funds from financing arising from issues of promissory note (recorded in Liabilities) contracted in April 2020.

(d) These real estate funds have quotaholders who are direct and indirect shareholders of Fleury Group. The balances recorded in Assets refer to the Right of use and in the Liabilities refer to Financial Leases. The amounts recorded in the income (loss) refer to the adoption of the new accounting standard CPC 06 (R2) - IFRS16, in which the rental expenses were converted into depreciation and interest.

(e) SantéCorp provides health management services to OdontoPrev S/A (revenue) and OdontoPrev provides benefits services to Fleury S.A. (expenses). Bradseg holds an indirect stake in OdontoPrev S.A., dental care provider and parent company of Clidec Participações, a partner of Fleury Centro de Procedimentos Médicos Avançados, controlled by the Company, in Papaiz Associados, provider of telemedicine services and primary care in medical clinics at the Fleury branded units.

(f) CM Médicos provides medical services to Fleury.

b) Directors' fees and Board's remuneration

Management and Board remuneration for the period ended June 30, 2021 includes salaries, Directors' fees, benefits, charges, stock options and bonuses in the amount of R\$ 13,765 (R\$ 12,287 as of June 30, 2020) and they are accounted for under the "General and administrative expenses" caption in the statement of income.

The remuneration of directors and members of Management did not exceed the maximum limit approved at the Shareholders' Meeting held on July 31, 2020.

Fleury Group remunerates its employees through profit sharing, according to the performance verified during the year versus the established goals. This remuneration is recognized as a liability and profit-sharing expense, based on a methodology that considers the estimated achievement of these goals.

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The provision for profit sharing, which includes employees and administrators, totaled R\$ 20,424 in the period ended June 30, 2021 (R\$ 16,281 as of June 30, 2020).

As established by CPC 33 - Employee benefits, the Company grants post-employment benefits to its administrators, consisting of private pension and life insurance.

24. Shareholders' equity

a) Capital

The capital as of June 30, 2021, fully paid-up, is R\$ 1,454,987, represented by 317,366,103 common, registered, book-entry shares with no par value. The net amount of expenses with share issues is R\$ 1,432,202.

The Company is authorized to increase its capital, regardless of statutory reform, upon resolution of the Board of Directors up to the limit of 320,000,000 common shares.

b) Dividends and interest on own capital

Shareholders are ensured the distribution of 25% of net income calculated in the closing of each fiscal year, adjusted pursuant to the corporate legislation as mandatory minimum dividends.

On December 30, 2020, the Board of Directors approved the payment of interest on own capital to shareholders, in the amount of R\$ 74,469, corresponding to the gross amount per share of R\$ 0.2347. On February 25, 2021, the Board of Directors approved the distribution of dividends to shareholders, in the amount of R\$ 156,795, corresponding to the gross amount per share of R\$ 0.4943, based on the ownership interest of March 2, 2021.

c) Treasury shares

At a meeting of the Board of Directors held on November 26, 2020, the Company's Buyback Program was approved, without reducing the capital, and up to 3,035,263 common shares may be acquired.

The purpose of the Buyback Program of Shares issued by the Company is to buy back shares to back the Company's Deferred Stock Plan, approved at the Extraordinary Shareholders' Meeting on 12/05/2019, and they may also be held in treasury, disposed of or canceled.

As of June 30, 2021, the balance of treasury shares is R\$ 24,836 corresponding to nine hundred and seventy-five thousand, two hundred and thirty-three (975,233) common shares at a weighted average cost of R\$ 25.47.

25. Employee benefits

a) Private pension

The Company is a sponsor of the supplementary pension entity named and currently managed by Bradesco Vida e Previdência S.A., which mainly aims at supplementing the government pension benefits. This plan is optional for all employees. Said plan is a defined contribution plan and during the period ended June 30, 2021 the Company made contributions in the amount of R\$ 1,045 (R\$ 980 as of June 30, 2020), recorded in "Costs of services provided" and "General and Administrative Expenses".

b) Share-based remuneration

Fleury Group offers cash and stock-based remuneration plans to executives, according to which the Company receives services from employees as consideration for the stock options granted.

Granted options fair values determined on grant date are recorded at the straight line basis as expenses in income for the year during the period in which the right is acquired, based on the Fleury Group's estimates on which granted options will be possibly acquired, with corresponding equity increase (stock options and deferred shares) or liability (cash). At each reporting period, Fleury Group reviews its estimates for the number of options for whose rights should be acquired based on contractual conditions. Review impact on original estimates, if any, is recognized in income for the year, so that accumulated expenses reflect reviewed estimates with the corresponding adjustment in shareholders' equity under "Capital reserve – recognized options granted" that recorded the benefit to employees.

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The Company's Board of Directors is responsible for establishing, in each grant, the plan's participants, as well as the number of shares to be acquired upon the exercise of each option, the term, the exercise price, the payment terms other conditions.

With the split of shares resolved in the ESM of June 26, 2017, each (one) share issued by the Company started to be represented by two (2) shares of the same class.

(i) Grants from 2016 to 2018

In the ESM held on July 25, 2016, a new stock option plan issued by the Company was approved, designated for its executives, management members, and employees (beneficiaries).

The options granted under this Option Plan may not exceed, during the term of the Option Plan, the maximum cumulative limit of two and a half percent (2.5%) of the total shares of the Company's subscribed and paid-up capital on this date. On this occasion, 1,822,767 options were granted. Under the same plan, the following stock options were approved.

Approval date	Approval	Quantity (Options)
July 27, 2016	Board of Directors	3,645,534
May 03, 2017	Special General Meeting	550,000
October 25, 2017	Board of Directors	150,000
December 15, 2017	Special General Meeting	235,000
March 01, 2018	Board of Directors	140,000
May 10, 2018	Board of Directors	375,000
June 20, 2018	Board of Directors	47,000

Each beneficiary's purchase option may be converted into a common share of Fleury S.A. upon the exercise of each portion of the option, which may be exercised at any time from the vesting date up to two years from the exercise date, when they expire. After the exercise of each portion of the option and subscription of the respective share, the strike prices are not updated; the beneficiaries may only sell or transfer them after six months have elapsed from the respective subscription date.

The full exercise of the option by the beneficiaries may be performed in at least six years counted from the signature date of the respective adhesion agreement; and each portion of the option will be exercisable as follows: (i) 12.5% exercisable in the 24th month counted from the signature of the respective adhesion agreement; (ii) 25% in the 36th month; (iii) 25% in the 48th month; (iv) 25% in the 60th month; and (v) 12.5% exercisable from the end of the 72nd month counted from the signature of the respective adhesion contract.

The strike price of the options will be based on the average of the share prices at the close of the last ninety (90) trading sessions that precede the date of the meeting of the Board of Directors that resolves on the respective grant. Changes in the number of stock options and their corresponding weighted average strike prices for the year are shown below:

Grant date		2016	2017		2018		
		May 27	May 03	Dec 15	Mar 01	May 10	June 20
Balance at 12/31/2020	Options	866,824	306,250	235,000	140,000	375,000	47,000
	Average exercise price	8.74	20.22	28.86	28.18	27.66	26.24
Expired	Options	-	-	-	-	-	-
Exercised	Options	-	-	-	-	-	-
Prescribed	Options	82,351	-	235,000	-	-	-
Canceled	Options	-	-	-	-	-	-
Balance at 03/31/2021	Options	784,473	306,250	-	140,000	375,000	47,000

Of the 1,652,723 options existing as of June 30, 2021 (1,970,074 options as of December 31, 2020), 385,750 options are exercisable (245,875 options were exercisable as of December 31, 2020).

As of June 30, 2021, the Company recognized a "pro-rata" expense in the amount of R\$ 967 in General Administrative Expenses (R\$ 1,944 for the period ended June 30, 2020).

As of June 30, 2021, the market value of each share was R\$ 25.92 (R\$ 24.59 as of June 30, 2020).

Options granted from 2016 to 2018: were priced based on the "Black & Scholes" model, and the significant data included in the pricing model for the fair value of the stock options granted in this period were:

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	Vesting in 48 months – Grant on						
	06/20/2018	05/10/2018	03/01/2018	12/15/2017	10/25/2017	05/03/2017	07/27/2016
Volatility	30.16%	29.49%	29.38%	28.97%	42.79%	29.12%	28.36%
Dividend Yield	2.94%	3.22%	3.76%	3.17%	2.93%	3.09%	1.75%
Expected life for the exercise.	2 years	2 years	2 years	2 years	2 years	2 years	2 years
Risk-free annual interest rate	7.59%	7.59%	7.71%	8.20%	8.04%	9.54%	12.70%

(I) New Long-Term Incentive Plan - Deferred Stock

At the ESM held on December 5, 2019, a new deferred stock plan was approved, and, at a Board of Directors' meeting held on November 26, 2020, Fleury S.A.'s First Deferred Stock Program was approved within the scope of the plan ("program"), establishing rules for the grant of Deferred Stock by the Company.

The Plan sets forth the general conditions for the grant of shares issued by the Company to its employees or to those other companies under its control, duly selected by the Board of Directors.

The plan provides for the transfer of shares to the members of the Executive Board, subject to the amounts set forth by the conditions of the deferred share grant agreement.

The shares granted under the plan cannot exceed the limit of 1.2% of the total shares of the Company's subscribed and paid-up capital on the date the plan was approved.

Shares are granted through a "Deferred Stock Agreement" entered into between the Company and each one of the participants.

The plan provides for annual grants and in each grant the number of shares designated for each beneficiary will be established based on the rules set forth in the plan. After the vesting period, the company will transfer the title to the shares to the beneficiaries. The plan's vesting period will be 4 years and it will be divided into 4 annual installments (20%/20%/20%/40%), i.e., each year the title to a portion of the granted shares will be transferred.

As this is a share grant plan, rules related to the strike price, effectiveness period and lock-up period do not apply.

The Board of Directors or the Executive Board may, at their sole discretion within their respective authorities, invite beneficiaries of this Plan to receive Extraordinary Shares, under the terms and conditions of this Plan, subject to the cumulative Vesting and Lock-up periods.

As of June 30, 2021, the Company recognized a "pro-rata" expense in the amount of R\$ 3,970 in General Administrative Expenses referring to the Deferred Stock Option plan.

	Vesting in 48 months
	Grant as of 11/26/2020
Volatility	28.7%
Dividend Yield	4.80%
Expected life for the year	4 years
Risk-free annual interest rate	4.78%

26. Revenue from services rendered

a) Policy

Revenue is recognized when control and all rights and benefits arising from the provision of services flow to the client, represented by the time of issue of the report, which current term is like that of the test.

The allocation of remuneration for the services provided basically refers to clinical analyses with a single performance obligation established (test and respective analysis), with the transaction price established between the Company and its respective clients. There is no variable consideration, return or refund obligations, no significant financing component or remaining performance obligations.

The contracts entered into between the Company and its respective clients have commercial substance, since they are approved by the parties and have the rights for each party, as well as the payment terms identified.

The performance obligation in these contracts refers to the performance of the clinical analysis, starting with the collection of the material for later issue of the diagnostic report, which is available to the clinical user through the website or for collection in one of the service units. The lines of diagnostic medicine and integrated medicine services have no distinction regarding the performance obligations to be achieved.

Notes to the individual and consolidated interim financial information as of June 30, 2021

In thousands of reais (R\$), unless otherwise indicated.

Revenues from this service provision are already recorded, net of any estimates of rebates, discounts and disallowances.

b) Main service lines

Diagnostic medicine: Laboratory and imaging tests for clients who are served at Fleury Group's own service units.

Integrated Medicine: They refer to hospitals that integrate diagnostic services with a specialized clinical staff and perform tests for clinical analyses, providing diagnostic information of high added value to the physicians of these institutions. It also includes checkup, LARE - Reference Laboratory, health management, health platform, genomics, Clinic Day and Infusion Center services.

Dental: Dental imaging tests carried out by the jointly-controlled company Papaiz.

d) Expected remuneration

The services provided to clients are remunerated as follows (amounts contractually established):

- i) volume of provision of clinical analysis services (analyses and diagnoses carried out); and
- ii) defined clinical analysis packages, where the remuneration is based on pre-defined procedure packages (checkups) to the clinical user.

e) Estimation of disallowances (Consolidated)

Based on historical analysis and commercial trends, the Company adopted as of June 30, 2021 an estimate of 1% of the gross revenue of diagnostic medicine in which the counterpart is the special agreements (1.35% as of June 30, 2020), either billed or not. This estimate is reviewed by the Company at each financial statement date.

f) Breakdown of balances

	Parent company			
	04/01/2021– 06/30/2021	04/01/2020– 06/30/2020	01/01/2021– 06/30/2021	01/01/2020– 06/30/2020
Gross revenue	913,481	458,560	1,813,370	1,169,957
Taxes	(55,826)	(27,783)	(111,097)	(71,106)
Disallowances	(9,024)	(6,319)	(18,245)	(14,757)
Rebates	(410)	(151)	(676)	(269)
Net revenue	848,221	424,307	1,683,352	1,083,825

	Consolidated			
	04/01/2021– 06/30/2021	04/01/2020– 06/30/2020	01/01/2021– 06/30/2021	01/01/2020– 06/30/2020
Gross revenue	1,005,133	492,197	1,969,402	1,262,803
Taxes	(62,621)	(30,429)	(123,100)	(78,067)
Disallowances	(9,648)	(6,632)	(19,136)	(15,409)
Rebates	(798)	(192)	(1,292)	(449)
Net revenue	932,066	454,944	1,825,874	1,168,878

The breakdown of net sales between the main lines of the Company's services (Diagnostic Medicine, Integrated Medicine and Dental segment), is presented in Note 32 - Segment Information.

27. Cost of services rendered

	Parent company			
	04/01/2021– 06/30/2021	04/01/2020– 06/30/2020	01/01/2021– 06/30/2021	01/01/2020– 06/30/2020
Medical personnel and services	(272,469)	(178,820)	(524,453)	(416,135)
Rentals, services with occupancy and utilities	(126,916)	(92,953)	(242,803)	(196,570)
Direct material and test intermediation	(124,712)	(84,658)	(243,905)	(161,310)
Depreciation and amortization	(71,947)	(63,777)	(138,754)	(130,353)
Overhead	(1,658)	(715)	(2,739)	(1,827)
Total	(597,702)	(420,923)	(1,152,654)	(906,195)

Notes to the individual and consolidated interim financial information as of June 30, 2021
In thousands of reais (R\$), unless otherwise indicated.

	Consolidated			
	04/01/2021– 06/30/2021	04/01/2020– 06/30/2020	01/01/2021– 06/30/2021	01/01/2020– 06/30/2020
Medical personnel and services	(316,306)	(195,123)	(599,504)	(455,199)
Rentals, services with occupancy and utilities	(139,249)	(100,146)	(266,993)	(212,321)
Direct material and test intermediation	(141,465)	(87,225)	(264,061)	(168,463)
Depreciation and amortization	(74,967)	(69,081)	(146,836)	(140,794)
Overhead	(1,835)	(789)	(2,978)	(1,934)
Total	(673,822)	(452,364)	(1,280,372)	(978,711)

28. General and administrative expenses

	Parent company			
	04/01/2021– 06/30/2021	04/01/2020– 06/30/2020	01/01/2021– 06/30/2021	01/01/2020– 06/30/2020
Personnel and benefits	(61,807)	(31,697)	(113,541)	(70,051)
Institutional and legal matters	(27,838)	(6,204)	(31,913)	(12,436)
Depreciation and amortization	(15,375)	(15,313)	(29,912)	(30,504)
Marketing	(7,252)	(2,619)	(10,378)	(6,248)
Real estate and utilities	(2,328)	(1,693)	(4,968)	(3,977)
IT and telecommunications	(1,532)	(1,213)	(2,915)	(2,488)
Other general and administrative expenses	(1,503)	(2,616)	(3,877)	(7,367)
Outsourced services	(2,167)	(2,345)	(4,367)	(5,248)
Total	(119,802)	(63,700)	(201,871)	(138,319)

	Consolidated			
	04/01/2021– 06/30/2021	04/01/2020– 06/30/2020	01/01/2021– 06/30/2021	01/01/2020– 06/30/2020
Personnel and benefits	(67,057)	(34,233)	(124,080)	(76,223)
Institutional and legal matters	(28,558)	(6,348)	(32,933)	(12,529)
Depreciation and amortization	(15,918)	(15,618)	(30,885)	(31,160)
Marketing	(9,421)	(2,957)	(13,385)	(6,905)
Real estate and utilities	(3,233)	(2,021)	(6,069)	(4,787)
IT and telecommunications	(2,668)	(1,643)	(5,183)	(3,507)
Other general and administrative expenses	(2,399)	(2,785)	(5,037)	(7,726)
Outsourced services	(2,548)	(2,532)	(4,892)	(5,584)
Total	(131,802)	(68,137)	(222,464)	(148,421)

29. Other operating revenues (expenses), net

	Parent company			
	04/01/2021– 06/30/2021	04/01/2020– 06/30/2020	01/01/2021– 06/30/2021	01/01/2020– 06/30/2020
Other revenues (expenses)	701	1,628	2,423	2,532
Provision/losses with defaulted parties	(612)	(707)	(1,230)	(1,246)
Income (loss) in write-off/sale of assets	(76)	(433)	(278)	(1,032)
Total	13	488	915	254

	Consolidated			
	04/01/2021– 06/30/2021	04/01/2020– 06/30/2020	01/01/2021– 06/30/2021	01/01/2020– 06/30/2020
Other revenues (expenses)	659	1,066	3,939	2,920
Provision/losses with defaulted parties	(730)	(709)	(1,278)	(1,220)
Income (loss) in write-off/sale of assets	(76)	172	(328)	(450)
Total	(147)	529	2,333	1,250

30. Financial income (loss)

a) Policy

Interest revenues and expenses are recognized under the interest method based on time and the effective interest rate on the principal amount outstanding.

Notes to the individual and consolidated interim financial information as of June 30, 2021
In thousands of reais (R\$), unless otherwise indicated.

b) Breakdown of financial results

	Parent company			
	04/01/2021– 06/30/2021	04/01/2020– 06/30/2020	01/01/2021– 06/30/2021	01/01/2020– 06/30/2020
Financial revenues:				
Yield from interest earning bank deposits – Securities	5,359	7,258	10,752	11,994
Inflation adjustment of taxes and legal expenses	486	869	1,131	2,509
Exchange-rate change and other	305	679	459	799
Derivative financial instruments	(216)	386	206	2,882
Yield from interest earning bank deposits	113	-	113	-
PIS/COFINS on financial revenues	(193)	(394)	(480)	(694)
Total	5,854	8,798	12,181	17,490
Financial expenses:				
Interest from lease	(16,750)	(19,204)	(34,001)	(34,605)
Interest on debentures	(10,822)	(11,975)	(19,363)	(28,911)
Interest on financing and other interest	(9,250)	(8,549)	(16,769)	(9,211)
Financial commissions	(1,832)	(1,805)	(3,622)	(2,643)
Inflation adjustment of contingencies	(919)	(1,210)	(2,000)	(2,599)
Exchange-rate change and other	(565)	(756)	(1,383)	(1,658)
Derivative financial instruments	(926)	(1)	(681)	144
Inflation adjustment of taxes and accounts payable	(522)	(501)	(781)	(874)
Total	(41,586)	(44,001)	(78,600)	(80,357)
Net financial income (loss)	(35,732)	(35,203)	(66,419)	(62,867)
Consolidated				
	04/01/2021– 06/30/2021	04/01/2020– 06/30/2020	01/01/2021– 06/30/2021	01/01/2020– 06/30/2020
Financial revenues:				
Yield from interest earning bank deposits – Securities	5,899	7,190	11,613	12,612
Derivative financial instruments	877	887	1,567	2,566
Inflation adjustment of taxes and legal expenses	325	681	491	1,247
Exchange-rate change and other	(216)	386	205	2,882
Yield from interest earning bank deposits	142	40	152	84
PIS/COFINS on financial revenues	(230)	(406)	(532)	(735)
Total	6,797	8,778	13,496	18,656
Financial expenses:				
Interest from lease	(17,625)	(20,269)	(35,748)	(36,711)
Interest on debentures	(10,822)	(11,975)	(19,363)	(28,910)
Interest on financing and other interest	(9,320)	(8,762)	(16,867)	(9,871)
Financial commissions	(1,832)	(1,805)	(3,623)	(2,643)
Inflation adjustment of contingencies	(933)	(1,219)	(2,022)	(2,619)
Exchange-rate change and other	(643)	(796)	(1,524)	(1,882)
Derivative financial instruments	(926)	(1)	(681)	144
Inflation adjustment of taxes and accounts payable	(908)	(551)	(609)	(1,604)
Total	(43,009)	(45,378)	(80,437)	(84,096)
Net financial income (loss)	(36,212)	(36,600)	(66,941)	(65,440)

31. Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing profit attributable to company shareholders by the weighted average number of common shares issued during the period.

	06/30/2021	06/30/2020
Income (loss) attributable to the Company's controlling shareholders	184,145	(14,586)
Weighted average number of common shares outstanding (-) treasury shares	316,803,560	316,781,648
Basic earnings per share – R\$	0.58	(0.05)

Notes to the individual and consolidated interim financial information as of June 30, 2021
In thousands of reais (R\$), unless otherwise indicated.

Diluted earnings per share

Diluted profit per share is calculated by adjusting the weighted average number of common shares, presuming the conversion of all the potential diluted common shares. The Company had potential diluting common shares outstanding during the period, according to the Company's Stock Option Plan, as follows:

	06/30/2021	06/30/2020
Income attributable to Company's controlling shareholders	184,145	(14,586)
Weighted average number of common shares outstanding (-) treasury shares	316,803,560	316,781,648
(+) Adjustment by stock options	2,201,901	3,349,392
(-) Weighted average of number of common shares for diluted earnings per share	319,005,462	320,131,040
Diluted earnings per share - R\$	0.58	(0.05)

32. Information per business segment

Fleury Group's Management conducts analyses based on three reportable business segments: Diagnostic Medicine, Integrated Medicine and Dental segment. The segments presented in the financial statements are strategic business units that offer different products and services.

	Period ended 06/30/2021			
	Diagnostic medicine	Integrated Medicine	Dental	Consolidated
Net revenue	1,461,781	364,093	-	1,825,874
EBITDA	464,848	40,420	-	505,268
Equity in net income of subsidiaries	-	-	(201)	(201)
Depreciation and amortization	-	-	-	(177,721)
Financial income (loss)	-	-	-	(66,941)
EBIT	-	-	-	260,405

	Period ended 06/30/2020			
	Diagnostic medicine	Integrated Medicine	Dental	Consolidated
Net revenue	942,668	226,210	-	1,168,878
EBITDA	192,744	22,812	-	215,556
Equity in net income of subsidiaries	-	-	(989)	(989)
Depreciation and amortization	-	-	-	(171,954)
Financial income (loss)	-	-	-	(65,440)
Loss before income tax	-	-	-	(22,827)

33. Insurance coverage

The Company takes out insurance coverage on a global basis for possible risks related to its assets, loss of profits and/or liabilities in amounts sufficient to cover possible claims, considering the nature of its activities and in accordance with the assessment of Management and its specialized consultants. The net premium of the Consolidated insurance policies in effect as of June 30, 2021 is R\$ 1,927.

The contracts are effective until February 26, 2023.

The maximum insured amount of the main insurance coverages, as of June 30, 2021, is as follows:

	Consolidated
Operating risks	R\$ 767,161
Public liability	R\$ 160,000
International transport – Imports	US\$ (thousand) 750

Notes to the individual and consolidated interim financial information as of June 30, 2021
In thousands of reais (R\$), unless otherwise indicated.

34. Subsequent events

6th issue of debentures

On July 01, 2021, the Company approved the 6th issue of simple debentures, not convertible into shares. The total amount of the issue will be R\$ 1 billion, divided into three series: the First Series will be R\$ 250 million, the Second Series will be R\$ 375 million and the Third Series will be R\$ 375 million. The funds will be used for general corporate uses, such as strengthening working capital and lengthening the Company's liabilities. This issue represents the first issue of debentures with an environmental, social, and governance component, which will allow it to be classified as sustainability-linked, under the terms required by the International Capital Markets Association. The main terms and conditions of the Restricted Offer are summarized below:

- Total value on the issue date of R\$ 1 billion, divided into three series;
- The First Series will mature in 4 years, the Second Series will mature in 5 years, the Third Series will mature in 7 years, with principal amortization in the last year of each series;
- The debentures will be entitled to a remuneration equivalent to 100% of the Interbank Deposit (DI) Rate, plus a spread equivalent to (i) 1.35% per annum regarding the debentures of the First Series; (ii) 1.50% per annum regarding the debentures of the Second Series; and (iii) 1.75% per annum regarding the debentures of the Third Series.

If certain targets for Biological Waste Management and Access to Health are not met, as well as obligations linked to key sustainable performance indicators related to such targets are not met within the deadlines established in the Indenture, the spreads referred to above will increase by up to (i) 0.125% per annum in relation to the debentures of the First Series; (ii) 0.25% per annum in relation to the debentures of the Second Series; and (iii) 0.35% per annum in relation to the debentures of the Third Series, pursuant to the Indenture.

Jeane Tsutsui
CEO

Fernando Augusto Rodrigues Leão Filho
Chief Financial and Investor Relations Officer

Gisele Schneider
Technical accountant
CRC 1SP304488



Earnings 2Q21

Conference Call:

July 30th | 11 am (10 am ET)

Brasil: +55 11 2188-0155

Exterior: +1 646-843-6054

Replay: +55 11 2188-0400

Code: Fleury

Webcast: www.fleury.com.br/ir

On June 30, 2021:

Total shares

317,366,103

Market price

R\$ 8.2 Bn | US\$ 1.6 Bn

Share Price

R\$ 25.92 /US\$ 5.18

Fleury ON

B3: FLRY3

FLRY
B3 LISTED NM



IBOVESPA B3

IBRX100 B3

ISEB3

Member of
Dow Jones
Sustainability Indices
Powered by the S&P Global CSA



Investor Relations

www.fleury.com.br/ir | ri@grupofleury.com.br | +55 11 5014-7413

São Paulo, July 29th, 2021 – Grupo Fleury announces today its second quarter 2021 (2Q21) results. All figures are compared to the same period of the previous year, unless otherwise stated, and are rounded to the nearest thousand. However, there may be differences when compared to the financial statements due to decimal digits.

Highlights

- Gross Revenue reached a new historical record in the quarter, totaling R\$ 1.005 billion, growth of 104.2% compared to 2Q20 and 4.2% compared to 1Q21.
 - Client's home service registered a strong growth for the fifth consecutive quarter, with gains of 40.4% in the quarter, representing 8.1% of Gross Revenue, the highest historical level.
 - Resumption of imaging tests, which recorded an increase of 179.5% compared to 2Q20 and 9.7% compared to 1Q21.
 - 545 thousand tests were performed for Covid-19¹ in the quarter, being 306 thousand RT-PCR and 239 thousand serologies. Gross revenue from Covid-19 tests represented 8.3% of total revenue in the quarter, the lowest level recorded since the beginning of the pandemic.
- Strengthening of the Ecosystem strategy, with revenue growth from services beyond diagnostics, representing 4.1% of Gross Revenue.
 - Saúde iD: Continuous growth in the number of lives and expansion of Telemedicine services, with more than 228 thousand medical consultations performed in 2Q21, totaling more than 570 thousand medical consultations performed since the beginning of the offer of this service.
 - New initiatives: Consolidation of the acquisitions of Centro de Infusões Pacaembu and Clínica de Olhos Moacir Cunha, in addition to the closing of the acquisition of Clínica Vita of orthopedics.
- Recurring EBITDA of R\$ 249.1 million (+1170%), with a recurring margin of 26.7% in 2Q21. In the year, R\$ 534.7 million (+148%) with a recurring margin of 29.3%.
- Recurring Net Income of R\$ 86.6 million (+218%) with a recurring net margin of 9.3% in 2Q21. In the year, R\$ 205.2 million (+1507%) with a recurring net margin of 11.2%.
- Operating Cash Generation of R\$ 286.5 million (+316.1%) in 2Q21, and in the year R\$ 485.7 million (+143.2%).
- Return on Invested Capital (ROIC²) without goodwill, considering the effects of IFRS-16 of 58.7% in the quarter.
- The NPS³ of the Group reached 76.1% and 84.4% in client's home service in 2Q21, as a result of the continuous efforts to improve the level of services in our PSCs.
- In July/21 was announced the distribution of interest on capital in the amount of R\$ 42.3 million, equivalent to R\$ 0.13 per share.

¹ Tests performed between 04/01/2021 and 06/30/2021, including RT-PCR and Serology | ² As of 1Q21, we present the ROIC with the effects of IFRS-16 | ³ Net Promoter Score

Main Financial Indicators

Financial Indicators (R\$ MM)	2Q21	2Q20	Variation	6M 2021	6M 2020	Variation
Gross Revenue	1,005.1	492.2	104.2%	1,969.4	1,262.8	56.0%
Net Revenue	932.1	454.9	104.9%	1,825.9	1,168.9	56.2%
Gross Profit	258.2	2.6	9911.2%	545.5	190.2	186.9%
EBITDA	219.7	19.6	1020.6%	505.3	215.6	134.4%
Net Income	65.5	(73.3)	189.4%	184.1	(14.6)	1362.5%
Cancellations (% Gross Revenue)	-1.0%	-1.4%	35 bps	-1.0%	-1.3%	22 bps
Gross Margin %	27.7%	0.6%	2714 bps	29.9%	16.3%	1361 bps
EBITDA Margin %	23.6%	4.3%	1927 bps	27.7%	18.4%	923 bps
Effective Tax Rate	-29.3%	-28.6%	-67 bps	-29.3%	-36.1%	680 bps
Net Income Margin %	7.0%	-16.1%	2314 bps	10.1%	-1.2%	1133.0 bps
Recurring EBITDA	249.1	19.6	1170.5%	534.7	215.6	148.0%
Recurring Net Income	86.6	(73.3)	218.2%	205.2	(14.6)	1507.1%
Recurring EBITDA Margin %	26.7%	4.3%	2242 bps	29.3%	18.4%	1084 bps
Recurring Net Income Margin %	9.3%	-16.1%	2541 bps	11.2%	-1.2%	1249 bps
Operating Cash Flow	286.5	68.9	316.1%	485.7	199.7	143.2%
CAPEX	85.9	40.2	113.7%	137.2	80.9	69.6%
ROIC (LTM)	18.7%	7.6%	1111.0 bps	18.7%	7.6%	1111.0 bps
ROIC without goodwill (LTM)	58.7%	25.6%	3312 bps	58.7%	25.6%	3312 bps

Management Comments

An ecosystem of integrated, preventive and hybrid healthcare

In the recent months we have repeated that we have entered a new cycle of growth, which reflects our strategic positioning of being an integrated, preventive and hybrid healthcare ecosystem, combining physical and digital offerings. The second quarter of 2021 is the proof that this is not just a speech. Grupo Fleury reached a new historical record of revenue in the period, reaching 1.005 billion reais, an increase of more than 104% compared to the same period of last year. The figure is already beginning to reflect the expansion to new links in the chain, which in 2Q21 accounted for 4.1% of the Group's revenues and included, for example, revenues from the acquisitions of Clínica de Olhos Moacir Cunha and the Centro de Infusões Pacaembu (CIP). Although we experienced a second wave of the pandemic in the country, the share of Covid-19 tests in the Company's total revenue reached the lowest rate since last year: 8.3%. At the same time, we continued with an increasingly strong recovery in the volume of routine tests, with revenue from client's home service increasing its share, reaching 8.1% of the group's total revenue.

Strengthening our platform strategy, the number of lives coming from Saúde iD remains growing. Since the service was inaugurated, at the beginning of the Covid-19 pandemic, nearly 600 thousand medical teleconsultations have been performed, which positions the healthtech Saúde iD as one of the leaders of this service in the country.

In addition, the marketplace began to offer surgeries – an addressable market of 1.9 billion reais. With this, the Group materializes its “asset-light” platform model: even without investing in hospitals, it can offer beds in partners institutions.

These movements make the Company the best example of integrated healthcare, in fact capable of accompanying the patient throughout their journey of care, acting in prevention, primary care, diagnostics, secondary and tertiary care, offering all necessary services and increasing the life time value. With telemedicine services, check-up, clinical consultations, diagnostic tests, treatments in various medical specialties (ophthalmology, orthopedics and infusions of immunobiological drugs, for example), and now surgeries, the Group becomes a concrete, powerful and highly scalable – something that the entire healthcare market needs, but in practice the patient was not able to find it yet.

As in a puzzle, first we had the “loose” pieces. Now that they start to fit together, the value created for clients, physicians, partner hospitals, HMOs, shareholders and the entire healthcare system is evident. Over the years, we have built a relationship of trust with our clients and physicians, with strong and recognized brands, and now we associate digital and physical services, offering healthcare in a hybrid way. This powerful combination has the firm purpose of promoting better healthcare, in a preventive way, and of being with the patient when they need specific care, following their needs in an integrated way. Grupo Fleury is, increasingly, a complete healthcare company, multichannel and that every quarter opens new avenues of growth.

Saúde iD, 25 million potential customers

When it was created, in September 2020, Saúde iD had a base of 7 million potential customers, coming from HMOs and companies that contracted the services and benefited from the marketplace. Of the total of 1.1 million lives served in the quarter, 14.5% came from Saúde iD, an increase of 27.9% over the previous quarter. If we analyze only teleconsultations (all performed by physicians and other healthcare professionals and not by chatbots), the growth was 21.9% compared to 1Q21, totaling 228,5 thousand consultations. This B2B2C strategy was the embryo of a more ambitious initiative, which is now beginning to be implemented: the sale of services directly to the consumer. The

renewed management of Saúde iD, which has professionals with extensive platform knowledge and a focus on the user experience, has given us the ability to rapidly expand our product portfolio and potential partnerships.

Saúde iD was created to reinvent access to healthcare in Brazil. This year, we started to offer subscription services involving telemedicine care, physical consultations and a test packages, directly to the consumer. More recently, we implemented an all-inclusive surgery service accessible to people who do not have health insurance. The list of initial surgeries includes procedures of low surgical complexity, high cost predictability and a care cycle shorter than 30 days. The remuneration model is by outcome, this means that all costs are included. With this business model, we created an offer of beds without directly having the hospital assets. More than that, we are offering patients the possibility of undergoing the surgical procedure without having to wait months or even years, with a potential market of 1.9 billion reais.

An example of the scalability potential of Saúde iD is the recent announced partnership with Smiles, the company that manages Gol's frequent flyer program. As of the last quarter of 2021, Smiles' 18 million clients will be able to start exchanging their miles for services from our marketplace, such as telemedicine consultations and diagnostic tests. As a result, the potential Saúde iD customer base more than triples, reaching 25 million lives. As new products are incorporated into the platform, they will also be available to these clients.

Growth in diagnostics and new healthcare links

As a 95-year-old company recognized for quality and excellence in diagnostics, we have many opportunities for growth in new places where we do not operate yet. Therefore, in this quarter, we acquired two traditional diagnostics brands in Espírito Santo: Bioclínico and Pretti labs. The initiative, in addition to marking Grupo Fleury's entry into the Espírito Santo market, reinforces our national capillarity and further complements our offer in the Southeast region of the country.

However, with the changes in the way healthcare is currently consumed, it would be anachronistic to base our service capacity solely on the organic and inorganic expansion of our PSCs. Today, expansion is no longer exclusively per square meter, but also for new digital and remote services. Saúde iD is one of the examples of this transformation. Another is the growth of our brands client's home services, which in 2Q21 represented 8.1% year, with growth of 40.4% if compared to the same period of the last year. An even more impressive fact is that today the revenue generated by client's home service corresponds to the average revenue of 25 PSCs of the Group. A differential of Grupo Fleury is the medical knowledge, which allows us to remain at the forefront in medicine, we continue to be a reference in innovation in healthcare. In 2021 alone, more than 192 new products and changes in methodology were implemented, with an emphasis on genomics tests, which have been growing by 100.8% in 2Q21.

As a Company that fully operates in healthcare, ranging from prevention to treatment, we have increasingly strengthened the integrated offer in various medical specialties. Revenue from new links, which go beyond diagnostics, increased 443% in the quarter compared to the previous year, and already represents 4.1% of the group's total revenue. In ophthalmology, Clínica de Olhos Moacir Cunha performs consultations, diagnostic tests, clinical treatments, surgeries and other procedures in a single location, and the addressable market for this specialty can reach R\$ 2 billion per year. Likewise, we have just closed the acquisition of 66.7% of Clínica Vita, a premium asset that marks our complete entry into the orthopedics market, complementing the services of the advanced diagnostic center for locomotor apparatus and the Day Clinic for orthopedic procedures. To give an idea of the positive network effect that the inclusion of new links can bring to Grupo Fleury, the alone addressable market for orthopedics is estimated at around R\$ 10 billion per year. Likewise, we have enhanced the immunobiological drug infusion service with the recent acquisition of the Centro de Infusões Pacaembu (CIP). The addressable market for infusions of immunobiological drugs moves around R\$ 7 billion per year. The conclusion is only one: Saúde iD potential growth of these new links is exponential.

But it is worth reinforcing our unique position in the healthcare market: in addition to growth, we are building an integrated system that looks at the patient's needs and uses data to recommend what it really needs. More than that, our goal is to take care of people's health, so that they have a better life quality.

ESG even in issuance of debentures

One of the biggest challenges for companies with ESG ambition is to integrate environmental, social and governance actions into their business strategy. At Grupo Fleury, this has been a concern for at least 20 years. And although there is still a lot to be done, we believe that we took a very important step in July, when we completed our first debenture issue linked to ESG targets.

In addition to raising 1 billion reais, a volume that will help us to drive growth, we were pioneers in this type of debt issuance in the healthcare sector – and the first Company in Brazil to establish social indicators among the commitments made in an SLB (Sustainability Linked Bonds). If the targets are not met, the Company will pay a premium to investors.

The most innovative objective is related to the democratization of healthcare, where we will impact 1 million clients from the C, D and E classes on the Saúde iD platform by 2026. This ambition is intrinsically linked both to the expansion of the business itself and to our purpose to bring quality healthcare to an increasing number of Brazilians from all social classes. It is worth remembering that today only 25% of the Brazilian population has access to private healthcare insurance. The second goal has an environmental nature: to reduce the generation of biological waste by 14% by 2023, and by 20.5% by 2025 (always compared to 2019).

In parallel, we expanded the scope of initiatives aimed at reducing the impacts generated by the Covid-19 pandemic. We joined the Unidos pela Vacina movement, which brings together entities, companies, and non-governmental organizations with the purpose of making the vaccination of all Brazilians viable by September of this year, and we have the role of contributing with technical-scientific knowledge and dissemination of content and trainings.

In addition, we are part of the Corona no Paredão, Fome Não campaign, organized by the NGO Gerando Falcões, which aims to collect and distribute food baskets to families in favelas throughout Brazil. In practice, for every 1 real collected through Fleury's page in the campaign, the company donates another 1 real. The goal is to reach a total amount of 1 million reais.

Regarding governance, Fernando Leão will close his cycle as Chief Financial and Investor Relations Officer after having made a relevant contribution to the Company. Fernando Leão played a decisive role in strengthening the financial area, as well as in projects that leveraged the Company's growth, especially on the organic expansion fronts and through acquisitions. In this sense, he structured relevant fundraising that made these strategic expansion movements feasible. We thank Fernando Leão for his leadership and strong contribution since joining Grupo Fleury.

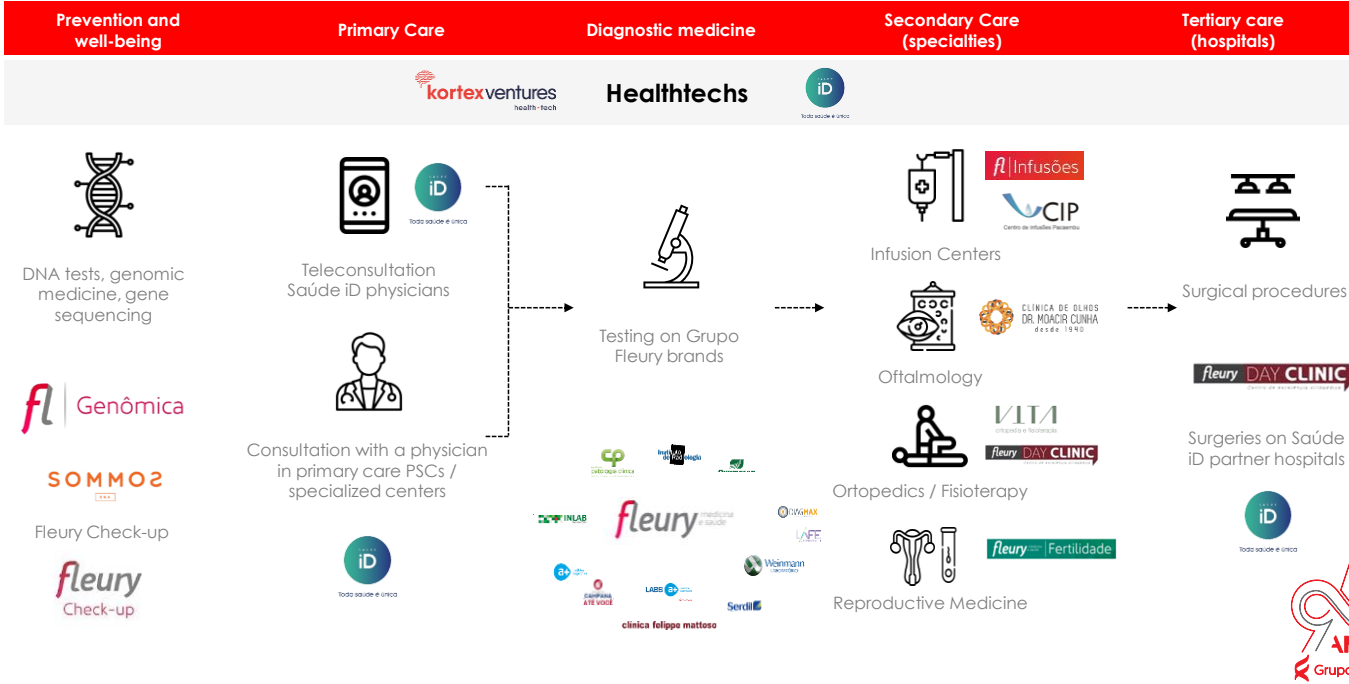
As part of a new cycle, José Antonio de Almeida Filippa will join Grupo Fleury as Chief Financial and Investor Relations Officer as of August 1st. With solid experience in Brazilian companies with global businesses, José Antonio Filippa had been acting as CFO at Natura & Co since 2018, having previously held positions as chief financial officer at Embraer, GPA, CPFL, among other prominent companies in their segments. In all these activities, he conducted highly relevant financial and capital market operations. José Antonio Filippa will make a significant contribution to Grupo Fleury's growth strategy, strengthening our integrated, preventive and hybrid ecosystem.

Trust, the foundation of everything

In late June, Grupo Fleury faced a cyber incident that caused instability in its systems. For a few days, we had to operate under a contingency regime. We only managed to get through this phase thanks to the dedication and engagement of our more than 12,000 employees and 3,000 physicians. To this tireless team, which at all times prioritized the care of our patients, we thank you very much. We also need to thank our clients, hospitals and HMOs, who supported us and understood that companies and governments around the world are now victims of this type of attack.

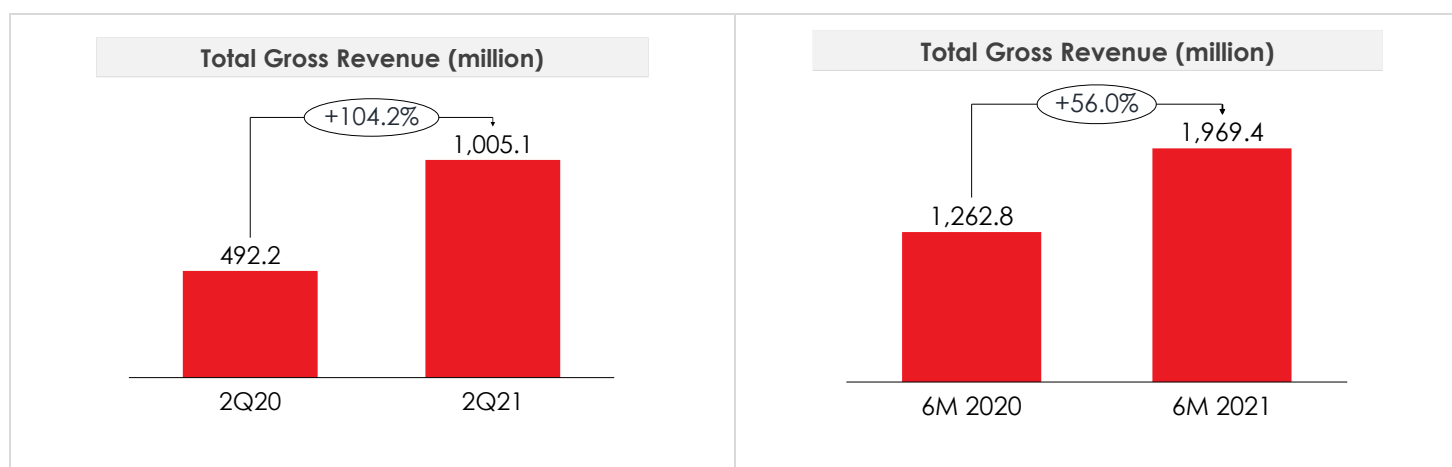
The trusting relationships we've built over decades with all of our stakeholders were tested in this episode. For our pride and happiness, they remain firm and are the basis for the Group to continue follow its objective of bringing quality healthcare, through different channels, to an increasing number of Brazilians.

Integrated, preventive and hybrid healthcare ecosystem (physical and digital)



Consolidated Gross Revenue

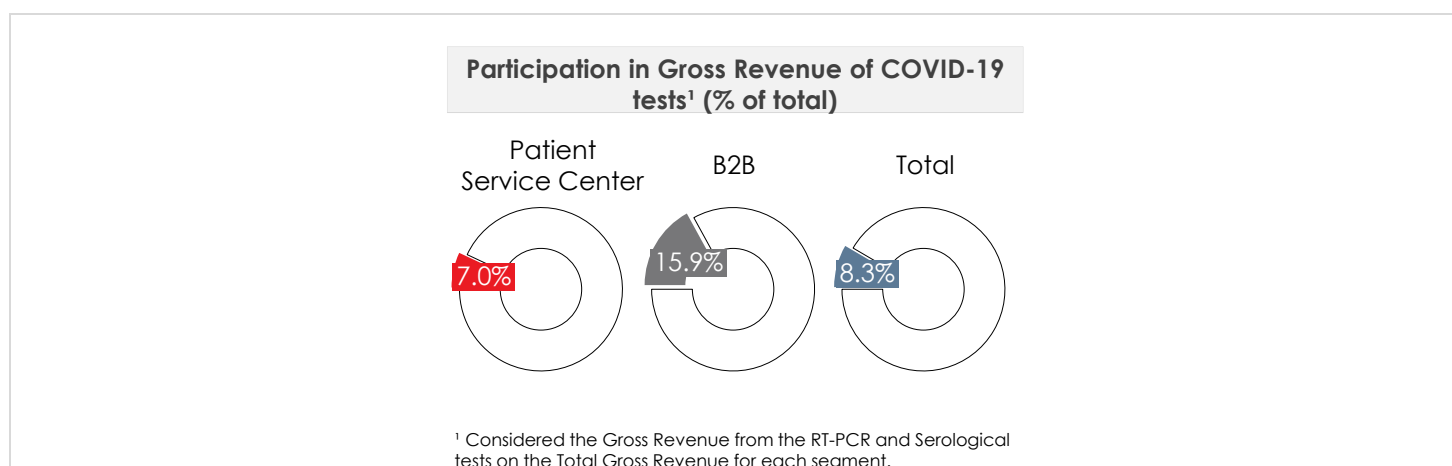
In 2Q21, total Gross Revenue reached a new historical record of R\$1.0 billion in the quarter, with growth of 104.2% compared to 2Q20 and 4.2% compared to 1Q21. In 6M21, Gross Revenue from PSCs totaled R\$ 2.0 billion, a 56.0% growth compared to the previous year.



Gross Revenue - COVID-19 Impacts

Throughout 2Q21, the volumes of elective tests at the PSCs continued to show strong expansion, contributing to the 104.2% growth recorded in the period. The same movement can be seen in B2B, which grew by 49.8%, reflecting another quarter of strong volume in the elective procedures, in addition to the continued contribution of tests for Covid-19 in Hospitals and in the Reference Laboratory segment. It is worth remembering that in 2Q20, restrictions were imposed due to the Covid-19 pandemic, with a relevant reduction in elective medical consultations, especially in the initial stage of the pandemic.

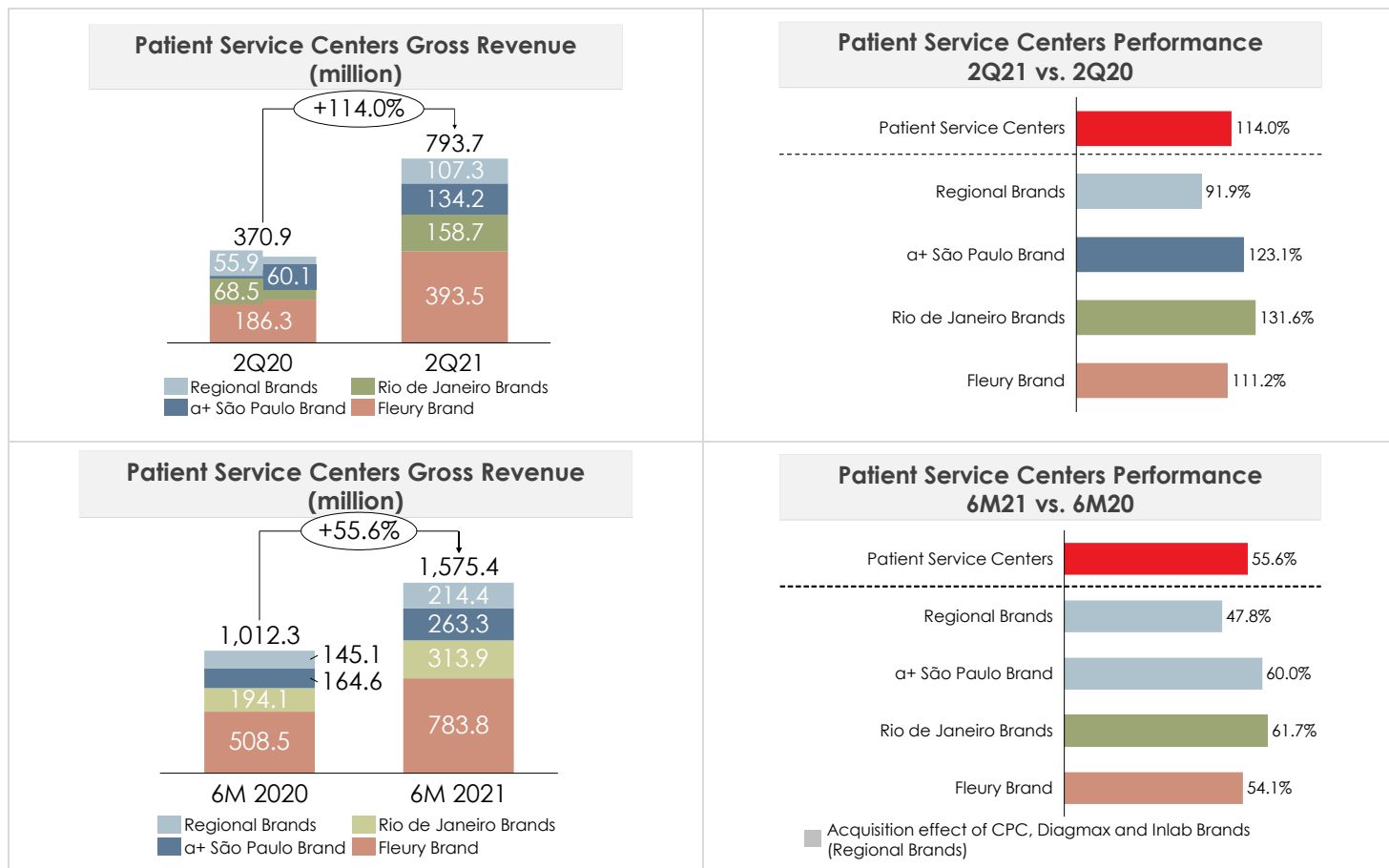
In line with the trend observed as of 4Q20, the contribution of Covid-19 tests to Gross Revenue registered a new reduction compared to the previous quarter, representing 8.3% of total Gross Revenue, against 9.7% in 1Q21 and 11.1% in 4Q20, the lowest level recorded since the beginning of the pandemic. In the PSCs, the share of Covid-19 tests was 7.0% in 2Q21, and in B2B, 15.9%.



Patient Service Centers

Gross Revenue | Patient Service Centers

Gross Revenue from PSCs reached R\$ 793.7 million in the quarter, an increase of 114.0% compared to 2Q20 and 1.5% compared to 1Q21. Once again, all of the Company's brands presented relevant growth, reflecting the continuous recovery in demand. We highlight the strong expansion of client's home service in the period, with growth of 40.4% compared to 2Q20, as a result of the Company's efforts to expand the service to all brands and increase logistic routes.



*Revenue from previous periods adjusted, considering only diagnostic medicine revenues.

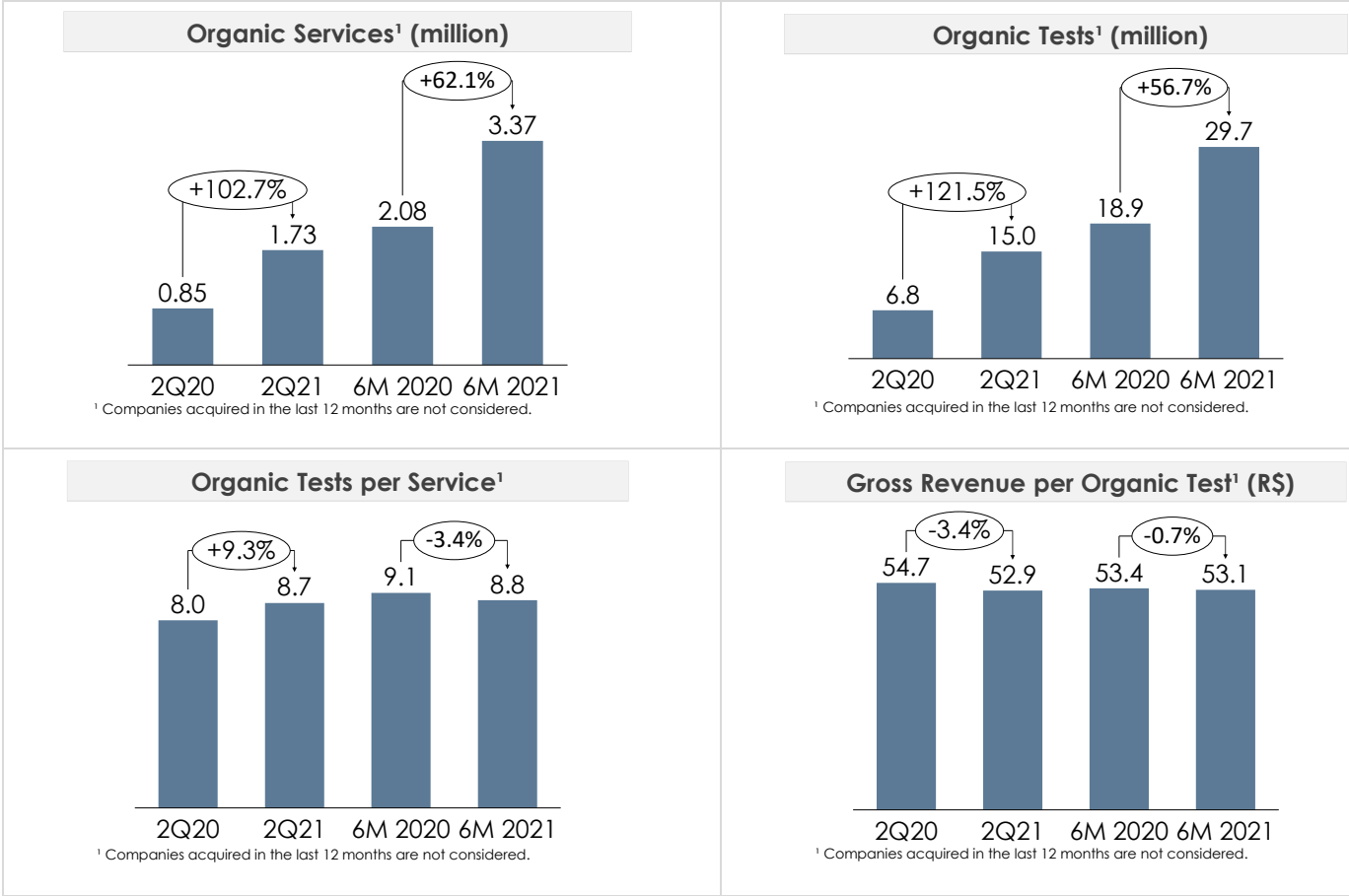
Volumes and Gross Revenue per Test | Patient Service Centers

In 2Q21, the number of Organic Services reached 1.7 million, an increase of 102.7% compared to the previous year. The increase reflects again the strong volume of elective tests in the PSCs, as well as the contribution of Covid-19 tests in the period. As mentioned, the relevant growth reflects the effects caused by social distancing from the second half of March 2020, which significantly impacted our operations in April and May of the same year.

The volume of Organic Tests reached 15.0 million and registered a growth of 121.5%. The increase reflects the strong demand registered during the quarter, as well as the relevant participation of RT-PCR and Serology tests for Covid-19.

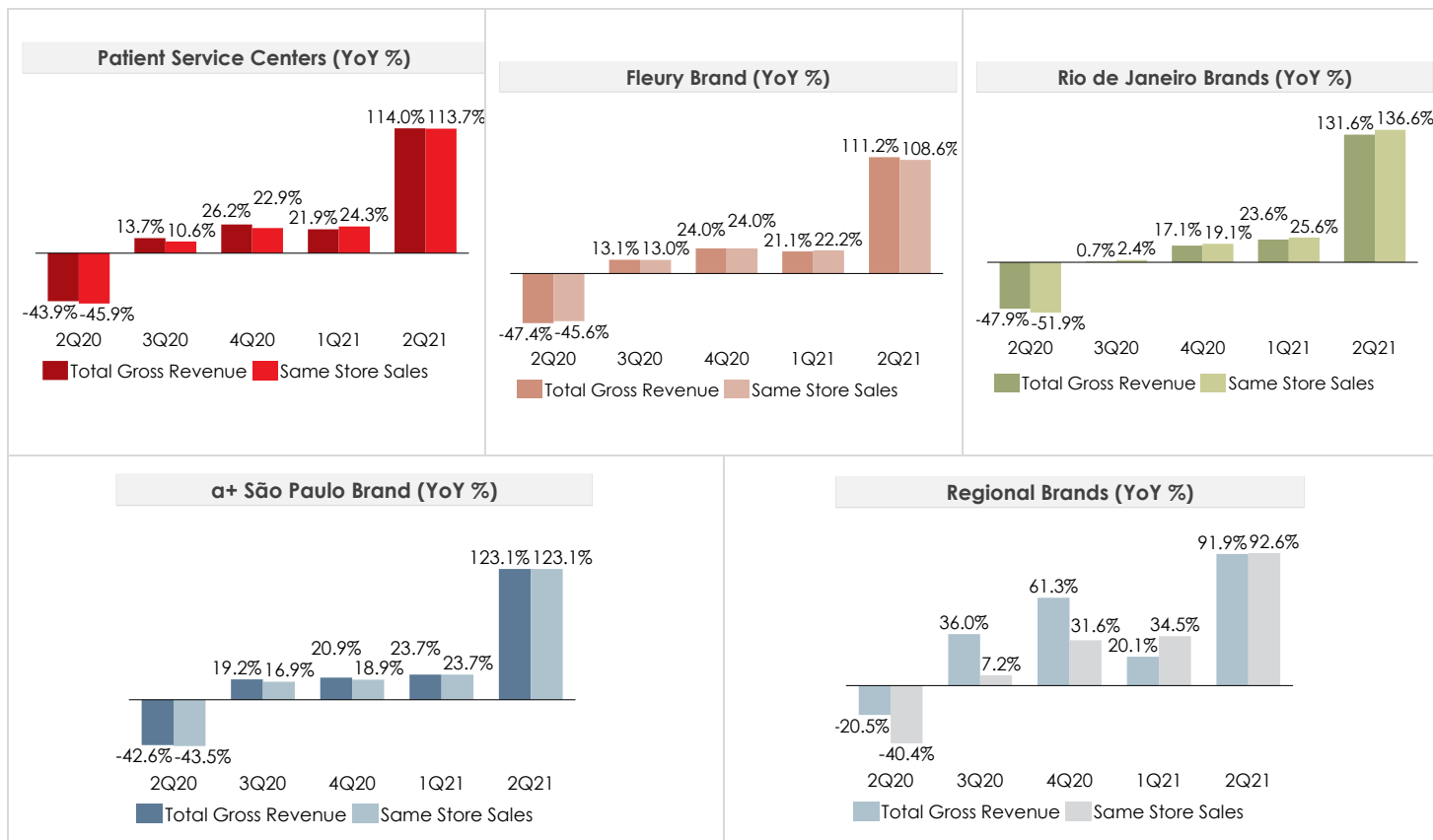
In 2Q21, the number of Tests by Organic Service grew by 9.3% compared to 2Q20, still reflecting the resumption of elective tests and also the lower participation of tests for Covid-19, RT-PCR and Serology, which many times are not accompanied by other tests in the service record.

In 2Q21, Gross Revenue per Test decreased 3.4%, reaching R\$ 52.9 compared to R\$ 54.7 in the same period of the previous year.



Gross Revenue and Same Store Sales | Patient Service Centers

In 2Q21, Gross Revenue from PSCs increased by 114.0%. Same Store Sales (SSS) grew by 113.7%. In the quarter, all brands showed relevant growth, both in Gross Revenue and in SSS. We continue with our strategy of expanding the offer of client's home service in the main brands, through the expansion of routes and inclusion of new services. For the fifth consecutive quarter, Gross Revenue from client's home service showed strong growth, representing 8.1% of consolidated revenue in 2Q21 and an increase of 40.4%.



B2B: Hospital Operations and Lab-to-lab

Volume and Gross Revenue | B2B

In 2Q21, B2B Operations grew by 49.8%, as a result of the 56.6% increase in the volume of Tests, partially impacted by the 4.3% reduction in Gross Revenue per Tests. In 6M21, growth was 42.9%, reflecting the 35.7% increase in the volume of tests and the 5.4% increase in Gross Revenue per Test.

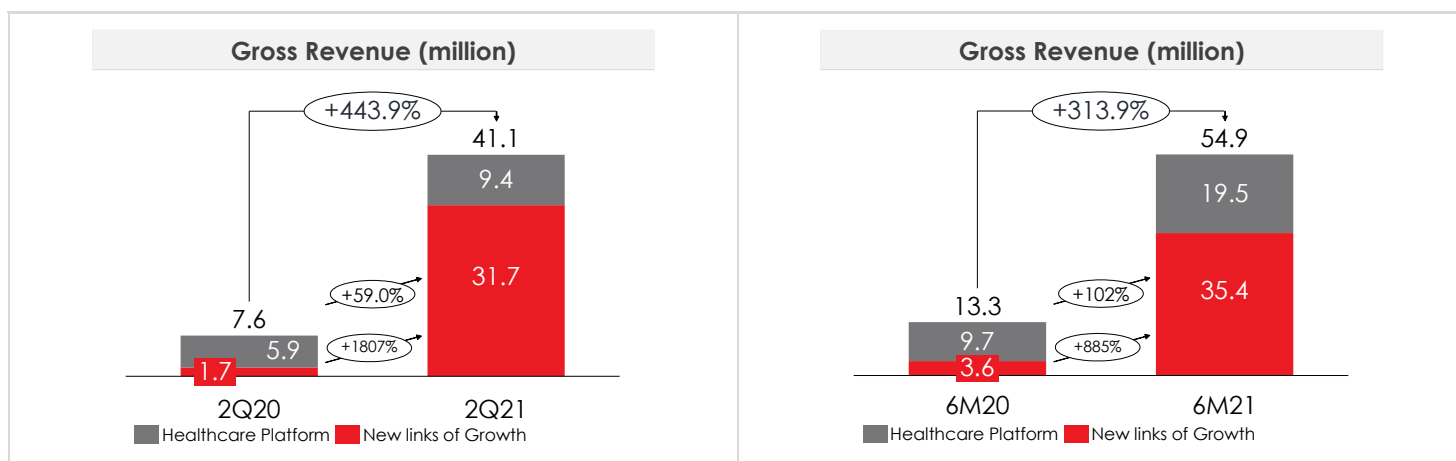
In the quarter, Operations in Hospitals showed an increase of 57.3% in Gross Revenue (+57.3% SSS), due to the strong demand for elective procedures in the period, which led to a 56.9% growth in the volume of Tests, and also in the reflection of gross revenue per test, which remained relatively stable in the period. In 6M21, operations in hospitals grew by 45.2%.

B2B Indicators	2Q21	2Q20	Variation	6M 2021	6M 2020	Variation
Gross Revenue (R\$ Million)						
B2B	170.4	113.7	49.8%	339.1	237.3	42.9%
Hospital Operations	155.5	98.9	57.3%	306.4	211.0	45.2%
Lab-to-Lab	14.9	14.8	0.1%	32.7	26.2	24.5%
Same Store Sales (R\$ Million)						
Hospital Operations	151.5	96.4	57.3%	NA	NA	NA
Tests (Million)						
B2B	9.4	6.0	56.6%	18.6	13.7	35.7%
Hospital Operations	9.0	5.8	56.9%	17.9	13.2	35.7%
Lab-to-Lab	0.3	0.2	48.5%	0.7	0.5	35.6%
Average Ticket per Test (R\$)						
B2B	18.2	19.0	-4.3%	18.2	17.3	5.4%
Hospital Operations	17.2	17.2	0.2%	17.1	16.0	7.1%
Lab-to-Lab	44.1	65.4	-32.6%	46.3	50.5	-8.3%

Healthcare Ecosystem – Saúde iD and New Businesses

Our healthcare ecosystem is strengthened, with the acceleration of the growth of Saúde iD and also of new business lines, through the services of Infusion Therapy, Day Clinic in Orthopedics, and also by the Fleury Reproductive Medicine Center, the Company's Greenfield project that was launched in March 2021. In this quarter, we started to consolidate the acquisitions of the Centro de Infusões Pacaembu and Clínica de Olhos Moacir Cunha, with 2 months of Gross Revenue of each of the Companies. Additionally, in the quarter, we completed the acquisition of 66.7% of Clínica Vita, which will open a new avenue of growth in the orthopedics specialty.

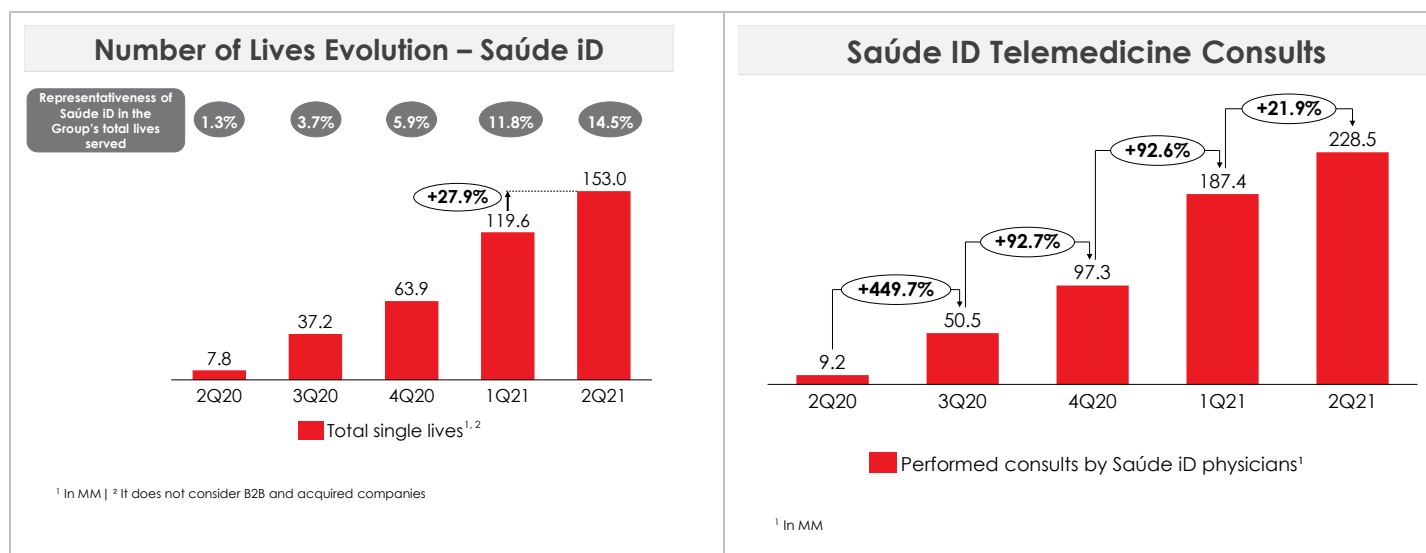
It is estimated that the addressable market for services in Orthopedics, Infusions, Ophthalmology, Fertility and other specialties can reach more than 40 billion reais in revenues per year in Brazil. Our results in these initiatives show not only the potential of the new links, but also the Group's appetite to advance in these specialties. In 2Q21, the total Gross Revenue from these new growth links reached R\$ 41.1 million, which already represents a percentage of 4.1% of the Company's Gross Revenue, with a recorded growth of 443.9% in the quarter. In 6M21, Gross Revenue totaled R\$ 54.9 million, a growth of 313.9% compared to the same period of the previous year.



Saúde ID

Saúde iD, our healthcare platform launched in September last year, enters a new level of evolution. It has continuously expanded the number of lives served by the Group, reaching the mark of more than 570 thousand telemedicine consultations performed since its launch. With a new management composition, Saúde iD now has professionals with extensive digital experience, focused on improving the user experience.

In 2Q21, of the total 1.1 million lives served, 14.5% came from Saúde iD, an increase of 27.9% compared to 1Q21. The volume of consultations performed continued to show significant growth, totaling 228.5 thousand medical consultations performed in the period, an increase of 21.9% compared to 1Q21. The boosted revenue grew 30.5% in the quarter, totaling R\$ 9.6 million compared to 1Q21. In addition to the B2B2C market, Saúde iD is now reaching the B2C public, with products in a subscription model that combines telemedicine consultations, face-to-face consultations and diagnostic tests. Additionally, it now offers surgery packages for those who do not have healthcare insurance, in an innovative model to address a potential market of R\$ 1.9 billion.



New Businesses

In line with the Company's strategy of providing increasingly complete and integrated solutions for managing people's health and well-being, we remain focused on expanding our service portfolio.

The new businesses include all initiatives that go beyond diagnostics, including the Day Clinic in Orthopedics, infusion therapy services in our brands, Centro de Medicina Reprodutiva Fleury, and also recent acquisitions, Clínica de Olhos Moacir Cunha and Centro de Infusões Pacaembu, which began to be consolidated in this quarter, in addition to Clínica Vita, whose acquisition was completed in this period.

The growth in the quarter reflects the acceleration of these new initiatives, with emphasis on the Day Clinic and Infusions, which grew by 197.3% and 123.5%, respectively. Fleury Fertilidade, inaugurated in March, has been showing positive evolution, with the closing of partnerships to accelerate this new service.

Precision and Personalized Medicine: Genomics

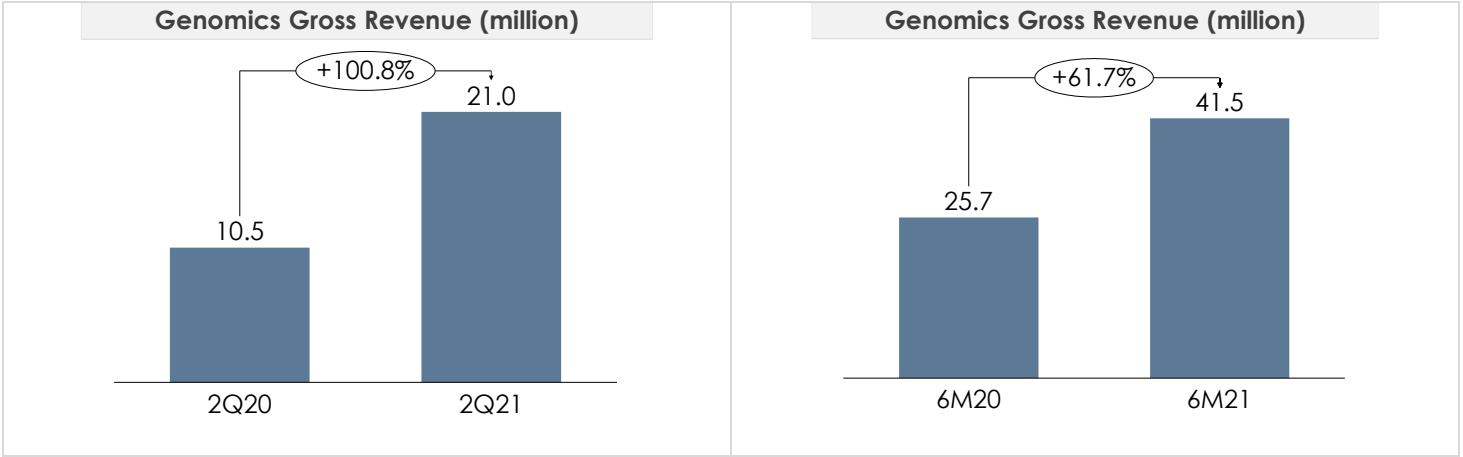
In Precision Medicine, Gross Revenue grew 100.8% in the quarter, which is the highest level of growth in history. Growth was again positively impacted by the NGS (Next Generation Sequencing) platform, which grew 137% in the period, with emphasis on Oncogenetics, Neurogenetics and Rare Diseases. The "Fleury Genomics" website grew by 70%, maintaining its presence predominantly in regions where the Company does not have physical PSCs. In initiatives related to pharmaceutical projects, patient support programs included 4 new contracts with national potential.

We continue to make financial contributions to leverage the entire personalized medicine ecosystem, providing increased robustness, capacity, portfolio and flexibility in collection methods in Genomics; We are investing in the rapid and solid implementation of digital pathology, a working model with cutting-edge technology for faster and more collaborative diagnostics for our physicians, and which makes room for the use of what is to come in Artificial Intelligence.

SOMMOS DNA continues its portfolio expansion journey with the launch of Sommos Equilíbrio, a genetic test aimed at skin care, sports performance, drug response (pharmacogenetics) and food metabolism (nutrigenetics). There was also the formalization of strategic partnerships with a network of gyms, a sports advisor and a publisher of natural health content.

We also expanded the offering of genetic counseling through telemedicine and with medical professionals in different states, we brought our clinical staff even closer to demanding physicians from different regions.

Finally, we recorded relevant growth in the Exoma test in the period, leveraged by the introduction of the test on the ANS rol (list of procedures with mandatory coverage by private healthcare insurance), as well as price adjustment, which made the test competitive with the competition, with even greater potential for growth. This is due to the investments made in carrying out this test through the acquisition of equipment that allowed for scalability and negotiations with suppliers. Expressive growth has also been taking place in hereditary cancer, somatic and genetic panels, which is also a reflection of the investments made in our platforms and the entire medical relationship leveraged by our participation in scientific events and the medical consultations carried out by our clinical staff.



Cost of Services

In 2Q21, the Cost of Services Provided increased by 49,0%. Below, the analysis of the main cost lines in 2Q21 compared to 2Q20.

Personnel and Medical Services (+62.1%): The line mainly comprises costs related to Personnel and Benefits with a fixed nature. The other costs are related to Medical Services, which have a variable nature. The growth is due to the increase in the number of hires to meet the greater demand at the PSCs and the improvement in the service level, higher costs with medical compensation due to the increase in the volume of exams, in addition to the strong expansion of client's home service. It is important to highlight the lower personnel costs in 2Q20 as a result of the Company's adherence to Provisional Measure 936 with reduction in salaries and working hours for the Company's employees.

In 2Q21, Personnel and Medical Services costs represented 33.9% of Net Revenues, with a relevant reduction of 895 bps related to 2Q20 (which was impacted by the pandemic) and a reduction of 90 bps compared to 2Q19, a better comparison basis.

General Services and Utilities (+39.0%): The increase in the quarter is due to higher maintenance costs for real estate and equipment and rentals, mainly due to the lower comparison base in 2Q20 due to the renegotiation of contracts and discounts that occurred in the period.

Direct Material and Test Intermediation (+61.9%): The growth of this line reflects the increase in the cost of materials for exams and personal protective equipment (PPE's) for service at the PSCs, due to the resumption of the volume of elective exams compared to 2Q20, in addition to the higher costs related to pharmacological products coming from infusion therapy services.

Depreciation and Amortization (+8.5%): Depreciation with the real estate right of use (effect of IFRS16), medical equipment and improvements in real estate are the most representative of this line. Additionally, the increase also reflects the higher depreciation of software licenses in the period.

General Expenses (+191.4%): Reached R\$ 1.8 million.

Cost of Services breakdown	2Q21		2Q20		Variation	
	R\$ MM	% Net Revenue	R\$ MM	% Net Revenue	▲ %	▲ bps
Personnel and medical services	(316.3)	-33.9%	(195.1)	-42.9%	62.1%	895.3 bps
General services and utilities	(139.2)	-14.9%	(100.1)	-22.0%	39.0%	707.3 bps
Materials and Test Intermediation	(141.5)	-15.2%	(87.4)	-19.2%	61.9%	403.0 bps
Depreciation and Amortization	(75.0)	-8.0%	(69.1)	-15.2%	8.5%	714.1 bps
General Expenses	(1.8)	-0.2%	(0.6)	-0.1%	191.4%	-5.8 bps
Cost of Services	-673.8	-72.3%	-452.4	-99.4%	49.0%	2714.0 bps

Cost of Services breakdown	6M 2021		6M 2020		Variation	
	R\$ MM	% Net Revenue	R\$ MM	% Net Revenue	▲ %	▲ bps
Personnel and medical services	(599.5)	-32.8%	(455.2)	-38.9%	31.7%	610.9 bps
General services and utilities	(267.0)	-14.6%	(212.3)	-18.2%	25.8%	354.2 bps
Materials and Exam Intermediation	(264.1)	-14.5%	(168.6)	-14.4%	56.6%	-3.6 bps
Depreciation and Amortization	(146.8)	-8.0%	(140.8)	-12.0%	4.3%	400.3 bps
General Expenses	(3.0)	-0.2%	(1.8)	-0.2%	67.4%	-1.1 bps
Cost of Services	-1,280.4	-70.1%	-978.7	-83.7%	30.8%	1360.7 bps

Operating Expenses and Equity in Subsidiaries

In 2Q21, Operating Expenses increased by +88.4%. Excluding non-recurring effects in the quarter, registered growth was 45.6%. Below, the analysis of the main expense lines in 2Q21 compared to 2Q20.

General and Administrative Expenses (+120.7%): The main effects reflect the increase in Personnel and Benefits expenses, in addition to expenses related to the expansion of the organizational structure of our Healthcare Platform Saúde iD. Additionally, in the quarter there were non-recurring expenses with consulting services carried out due to the cyber incident, companies acquisitions, as well as expenses with the Company's organizational restructuring - excluding these non-recurring effects, the increase in General and Administrative expenses would have been 64.8%. It is also important to highlight the lower comparison base in 2Q20, due to the reduction in working hours and salaries in the period due to the Provisional Measure 936.

Depreciation and Amortization (+1.9%): Equivalent to 1.7% of Net Revenue, a decrease of 173 bps.

Other Operating Income/(Expenses) (-127.8%): totaled R\$ 0,1 million.

Reversion / Provision for Contingencies (-4200.1%): refers to the reversal of tax contingency due to the payment of fiscal debts in the quarter.

Operating Expenses breakdown and Equity in Subsidiaries	2Q21		2Q20		Variation	
	R\$ MM	% Net Revenue	R\$ MM	% Net Revenue	▲ %	▲ bps
G&A	(115.9)	-12.4%	(52.5)	-11.5%	120.7%	-89 bps
Depreciation and Amortization	(15.9)	-1.7%	(15.6)	-3.4%	1.9%	173 bps
Other Operating Income (Expenses)	(0.1)	0.0%	0.5	0.1%	-127.8%	-13 bps
Reversal (Provision) for Contingency	2.6	0.3%	(0.1)	0.0%	-4200.1%	29 bps
Equity in Subsidiaries	(0.0)	0.0%	(1.0)	-0.2%	-99.8%	23 bps
Operating Expenses and Equity in Sub.	-129.4	-13.9%	-68.7	-15.1%	88.4%	122 bps
Non-recurring	29.4	3.2%	0.0	0.0%	0.0%	315 bps
Recurring Operating Expenses and Equity in Sub.	-100.0	-10.7%	-68.7	-15.1%	45.6%	437 bps

Operating Expenses breakdown and Equity in Subsidiaries	6M 2021		6M 2020		Variation	
	R\$ MM	% Net Revenue	R\$ MM	% Net Revenue	▲ %	▲ bps
G&A	(191.6)	-10.5%	(117.3)	-10.0%	63.4%	-46 bps
Depreciation and Amortization	(30.9)	-1.7%	(31.2)	-2.7%	-0.9%	97 bps
Other Operating (Income) Expenses	2.3	0.1%	1.3	0.1%	86.6%	2 bps
Provision (Reversal) for Contingency	2.2	0.1%	0.6	0.1%	259.2%	7 bps
Equity in Subsidiaries	(0.2)	0.0%	(1.0)	-0.1%	-79.7%	7 bps
Operating Expenses and Equity in Sub.	-218.2	-11.9%	-147.6	-12.6%	47.8%	68 bps
Non-recurring	29.4	1.6%	0.0	0.0%	0.0%	161 bps
Recurring Operating Expenses and Equity in Sub.	-188.8	-10.3%	-147.6	-12.6%	27.9%	229 bps

Income Statement

Net Revenue increased by 104.9%, as a result of the 104.2% growth in Gross Revenue and the reduction in Disallowances and Reductions, which reached 1.0% in relation to Gross Revenue, with a decrease of 35 bps in comparison with the 2Q20 and remained stable related to 1Q21. In 6M21, Net Revenue totaled R\$ 1.8 billion, an increase of 56.2%.

Gross Profit reached R\$ 258,2 million, presenting a relevant increase in the quarter due to the strong growth in Gross Revenue. In 6M21, Gross Profit reached R\$545.5 million, an increase of 186.9%.

EBITDA totaled R\$ 219.7 million, an increase of 1170% compared to 2Q20, and an EBITDA margin of 23.6%. Excluding the non-recurring effects related to the cyber incident and organizational restructuring, recurring EBITDA totaled R\$ 249.1 million in 2Q21, with recurring margin of 26.7%. In the first half of 2021, EBITDA reached R\$ 505.3 million, an increase of 134.4% compared to the same period of the last year. Excluding the non-recurring effects mentioned above, recurring EBITDA totaled R\$ 534.7 in 6M21, with a recurring margin of 29.3%.

Net Income totaled R\$ 65.5 million, compared to a loss of R\$ 73.3 million in 2Q20. In 6M21, Net Income was R\$ 184.1 million, compared to an accumulated loss of R\$ 14.6 million in 6M20. Excluding the non-recurring effects mentioned above, recurring Net Income totaled R\$ 86.6 million and R\$205.2 million in 2Q21 and 6M21, respectively.

Income Statement (R\$ million)	2Q21	2Q20	Variation	6M 2021	6M 2020	Variation
Gross Revenue	1,005.1	492.2	104.2%	1,969.4	1,262.8	56.0%
Taxes on Gross Revenue	(62.6)	(30.4)	-105.8%	(123.1)	(78.1)	-57.7%
Cancellations	(10.4)	(6.8)	-53.1%	(20.4)	(15.9)	-28.8%
Cancellations (% Gross Revenue)	-1.0%	-1.4%	35.0 bps	-1.0%	-1.3%	22.0 bps
Net Revenue	932.1	454.9	104.9%	1,825.9	1,168.9	56.2%
Cost of Rendered Services	(673.8)	(452.4)	-49.0%	(1,280.4)	(978.7)	-30.8%
Gross Profit	258.2	2.6	9911.2%	545.5	190.2	186.9%
Gross Margin	27.7%	0.6%	2714.0 bps	29.9%	16.3%	1361.0 bps
Operating Expenses and Equity in Subsidiaries	(129.4)	(68.7)	-88.4%	(218.2)	(147.6)	-47.8%
Financial Results	(36.2)	(36.6)	1.1%	(66.9)	(65.4)	-2.3%
Earnings Before Tax (EBIT)	92.6	(102.7)	190.2%	260.4	(22.8)	1240.7%
Income Tax and Social Contribution	(27.1)	29.4	-192.3%	(76.3)	8.2	-1025.8%
Effective Tax Rate	-29.3%	-28.6%	-67.0 bps	-29.3%	-36.1%	680.0 bps
Net income before minorities share	65.5	(73.3)	189.3%	184.1	(14.6)	1362.2%
Minorities share	0.04	0.00	0.0%	0.04	0.00	0.0%
Net Income	65.5	(73.3)	189.4%	184.1	(14.6)	1362.5%
Net Margin	7.0%	-16.1%	2314.0 bps	10.1%	-1.2%	1133.0 bps
EBITDA	219.7	19.6	1020.6%	505.3	215.6	134.4%
EBITDA Margin	23.6%	4.3%	1927.0 bps	27.7%	18.4%	923.0 bps
EBITDA Recorrente	249.1	19.6	1170.5%	534.7	215.6	148.0%
Margem EBITDA Recorrente	26.7%	4.3%	2242.0 bps	29.3%	18.4%	1084.0 bps
Recurring Net Income	86.6	(73.3)	218.2%	205.2	(14.6)	1507.1%
Recurring Net Margin	9.3%	-16.1%	2541.0 bps	11.2%	-1.2%	1249.0 bps

Indebtedness

Gross debt presented a reduction of 10.6 in the quarter compared to 2Q20, net result of the amortization of the principal of the 4th issuance of debentures, in the amount of R\$ 250 million, carried out in April. The net debt grows 29.1% in relation to 2Q20, and related to EBITDA LTM corresponded 1.0x, with a reduction of 0.4x in relation to 2Q20.

In July, the Company carried out its 6th issuance of debentures, being the first issuance of Debentures by a Company in the Healthcare sector in Brazil with targets linked to ESG (Environmental, Social and Governance) performance. The total amount was R\$ 1.0 billion, divided into three series, being the First Series of R\$ 250 million, the Second of R\$ 375 million and the Third of R\$ 375 million, maturing on July 8, 2025; July 8, 2026 and July 8, 2028, respectively.

Composition of Net Debt (R\$ MM)	2Q21	2Q20	Variation
Gross Debt (Debentures and Borrowings and Acquisitions)	1,839.9	2,057.7	-10.6%
Cash, Cash Equivalents and Marketable Securities	672.1	1,152.8	-41.7%
Net Debt	1,167.8	904.9	29.1%
Net Debt / EBITDA LTM	1.0x	1.4x	-0.4x
EBITDA LTM / Financial Result LTM	8.1x	4.4x	3.7x

Investments

In the quarter, investments increased by 113.7%, reaching R\$ 85.9 million. In 6M21, investments totaled R\$ 137.2 million, an increase of 69.6% compared to the same period of the previous year.

Investments in the line of New PSCs, Expansion of Supply in Existing PSCs and Technical Areas presented an increase of 102.8%, reflecting the investments made in expanding the offer in existing PSCs, integration costs of the acquired companies and also in the Fleury Reproductive Medicine Center.

In the renewal of diagnostic and maintenance equipment, the increase of 120.6 compared to the same quarter of the previous year is explained by the resumption of maintenance and equipment changes carried out during 2Q21.

Investments in IT/Digital grew by 114%, with a relevant emphasis on investments focused on the continuous expansion of the Company's healthcare platform and digitalization strategy.

CAPEX (R\$ million)	2Q21	2Q20	Variation	6M 2021	6M 2020	Variation
New PSC's, Offer Expansion in Existing Units and Technical Areas	18.6	9.2	102.8%	35.4	18.1	95.2%
Diagnostic Equipment Renewal and Maintenance	30.2	13.7	120.6%	35.1	29.2	20.2%
IT/Digital	37.2	17.4	114.0%	66.7	33.6	98.8%
Total Capex	85.9	40.2	113.7%	137.2	80.9	69.6%

Cash Flow

In 2Q21, Operating Cash Flow recorded R\$ 286.5 million, an increase of 316.1%. Once again the increase reflects the strong EBITDA growth in the quarter, compared to 2Q20, offset by the higher income tax and social contribution effect in the period.

In Working Capital, the variation in Accounts Receivable had the most relevant impact, with the variation going from R\$ 37.2 million in 2Q20 to R\$ 80.2 million in 1Q21. The impact is due to the decrease in revenue in 2Q20, which reflected in the reduction in accounts receivable compared to 2Q20, and also in the balance of the Suppliers account, reflecting the reduction in volumes due to the pandemic.

In the quarter, the Average Receipt Term was 64 days, a reduction of 15 days related to 2Q20. The Company's Free Cash Flow grew by 611.2% and totaled R\$ 199.0million, and the CAPEX level increased by 113.7% compared to 2Q20.

Cash Flow (R\$ MM)	2Q21	2Q20	▲ %	6M 2021	6M 2020	▲ %
EBITDA	219.7	19.6	1020.6%	505.3	215.6	134.4%
Provisions (reversions)	19.2	7.3	164.1%	43.6	17.9	143.0%
Income Tax Paid	(35.6)	(1.4)	-2530.9%	(57.9)	(29.1)	-98.7%
Others Operating Results	3.0	6.2	-50.8%	10.0	13.9	-28.5%
Working Capital Variation:	80.2	37.2	115.8%	(15.2)	(18.6)	18.1%
Trade Accounts Receivables	8.8	114.8	-92.3%	(19.1)	138.1	-113.8%
Suppliers	41.2	(16.0)	357.9%	3.7	(33.0)	111.3%
Salaries / Charges	36.4	20.1	81.1%	17.2	(11.6)	248.4%
Others Assets and Liabilities	(6.3)	(81.8)	92.3%	(17.1)	(112.0)	84.8%
(=) Operating Cash Flow	286.5	68.9	316.1%	485.7	199.7	143.2%
Capital Expenditures	(85.9)	(40.2)	-113.7%	(137.2)	(80.9)	-69.6%
Others Investing Activities	(1.6)	(0.7)	-141.7%	(3.5)	(0.5)	-581.1%
(=) Free Cash Flow to Firm (FCFF)	199.0	28.0	611.2%	345.0	118.3	191.7%
Interest Paid / Received	(22.3)	(33.1)	32.7%	(24.9)	(38.7)	35.7%
Change in Debt	(266.8)	386.6	-169.0%	(274.8)	368.6	-174.6%
Leasing	(43.7)	(35.6)	22.9%	(87.7)	(77.6)	-13.0%
(=) Free Cash Flow to Equity (FCFE)	(133.8)	345.9	-138.7%	(42.5)	370.5	-111.5%
Dividends and Interest on Capital	(156.3)	0.0	0.0%	(231.4)	(31.2)	-642.1%
Payment of Acquisitions	(136.2)	5.0	-2823.2%	(143.4)	(43.5)	-229.7%
Capital Increase (Stock Options)	(0.4)	0.0	0.0%	(0.4)	0.9	-140.4%
(=) Cash Flow	(426.6)	350.9	-221.6%	(417.6)	296.7	-240.8%

¹ It does not consider the variation in Marketable securities

Cash Flow Indicators	2Q21	2Q20	▲	6M 2021	6M 2020	▲
Average Collection Period	64	79	-15 days	66	61	4 days
Average Payment Period	57	60	-3 days	61	55	6 days
Cash Flow Conversion to EBITDA	130.4%	351.1%	-22077.0 bps	96.1%	92.6%	348.0 bps

Organic Expansion Plan and Acquisitions

In October 2016, the Company announced the guidelines for opening 73 to 90 new PSCs by 2021, which comprise the organic expansion plan. In March, a new Fleury Brand PSC was opened, located in Vila Mariana, São Paulo. This PSC also includes the Fleury Brand Reproductive Medicine Center. So far, 55 PSCs have been opened, corresponding to 74% of the bottom point of the projection.

In addition to the 55 PSCs inaugurated in the organic expansion plan, the Company also made six acquisitions of diagnostic brands in recent years, adding another 72 new PSCs to the brand portfolio, 36 PSCs in regions where it already had operations and 36 PSCs in new regions. It is also worth noting the growth in client's home service, which at the end of 2Q21 represented 8.1% of the group's gross revenue, equivalent to the average revenue of 25 PSCs.

	Patient Service Centers launched within the Organic Expansion Plan				
	Fleury Brand	Complexity	Patient Service Area (sqm)	State	Date
1	Fleury Santo André	Medium	587	São Paulo	feb/18
2	Fleury Carlos Weber	Medium	681	São Paulo	oct/17
3	Fleury Alameda Jaú	Fast site	380	São Paulo	set/17
4	Fleury Morumbi	Large	1.988	São Paulo	jul/17
5	Fleury Anália Franco	Large	1.214	São Paulo	jun/17
6	Fleury Heitor Penteado	Fast site	183	São Paulo	jun/17
7	Fleury São Caetano do Sul	Fast site	411	São Paulo	may/17
8	Fleury Cerro Corá	Fast site	233	São Paulo	apr/17
9	Fleury Ipiranga	Fast site	206	São Paulo	mar/17
10	Fleury Brasil	Fast site	235	São Paulo	jan/17
11	Fleury Moema	Fast site	126	São Paulo	dec/16
	Fleury Vila Mariana	Large	1.500	São Paulo	mar/21
	Regional South	Complexity	Patient Service Area (sqm)	State	Date
1	a+ João Bettgea	Small	128	Paraná	dec/17
2	a+ Água Verde	Small	171	Paraná	may/17
3	Weinmann General Vitorino	Small	113	Rio Grande do Sul	may/17
4	a+ Ecoville	Small	47	Paraná	feb/17
5	a+ Champagnat	Small	81	Paraná	feb/17
6	a+ Centro	Small	29	Paraná	feb/17
7	a+ Batel	Small	134	Paraná	dec/16
8	a+ Nossa Saúde	Small	79	Paraná	oct/16
	a+ São Paulo	Complexity	Patient Service Area (sqm)	State	Date
1	a+ Canário	Grande	680	São Paulo	out/19
2	a+ Chácara Flora	Fast site	299	São Paulo	dec/18
3	a+ Verbo Divino	Fast site	196	São Paulo	dec/18
4	a+ Berrini	Fast site	199	São Paulo	dec/18
5	a+ São Bernardo do Campo	Fast site	517	São Paulo	sep/18
6	a+ Granja Viana	Fast site	231	São Paulo	aug/18
7	a+ Tatuapé	Large	1.483	São Paulo	aug/18
8	a+ Vila Andrade	Fast site	234	São Paulo	jul/18
9	a+ Brasil	Fast site	348	São Paulo	jul/18
10	a+ Alphaville Rio Negro	Fast site	230	São Paulo	jul/18
11	a+ Ipiranga	Medium	359	São Paulo	jun/18
12	a+ Funchal	Fast site	239	São Paulo	may/18
13	a+ Guarulhos	Large	832	São Paulo	apr/18
14	a+ Pedrosa de Morais	Medium	421	São Paulo	dec/17
15	a+ Leôncio Magalhães	Medium	544	São Paulo	nov/17
16	a+ Queiroz Filho	Medium	673	São Paulo	oct/17
17	a+ Santo André	Medium	437	São Paulo	jul/17
18	a+ Augusto Tolle	Fast site	392	São Paulo	jul/17
19	a+ Itaim Bibi	Fast site	207	São Paulo	may/17

	Patient Service Centers launched within the Organic Expansion Plan				
	Fleury Brand	Complexity	Patient Service Area (sqm)	State	Date
1	Fleury Santo André	Medium	587	São Paulo	feb/18
2	Fleury Carlos Weber	Medium	681	São Paulo	oct/17
3	Fleury Alameda Jaú	Fast site	380	São Paulo	set/17
4	Fleury Morumbi	Large	1.988	São Paulo	jul/17
5	Fleury Anália Franco	Large	1.214	São Paulo	jun/17
6	Fleury Heitor Penteado	Fast site	183	São Paulo	jun/17
7	Fleury São Caetano do Sul	Fast site	411	São Paulo	may/17
8	Fleury Cerro Corá	Fast site	233	São Paulo	apr/17
9	Fleury Ipiranga	Fast site	206	São Paulo	mar/17
10	Fleury Brasil	Fast site	235	São Paulo	jan/17
11	Fleury Moema	Fast site	126	São Paulo	dec/16
	Fleury Vila Mariana	Large	1.500	São Paulo	mar/21
	Regional South	Complexity	Patient Service Area (sqm)	State	Date
1	a+ João Bettega	Small	128	Paraná	dec/17
2	a+ Água Verde	Small	171	Paraná	may/17
3	Weinmann General Vitorino	Small	113	Rio Grande do Sul	may/17
4	a+ Ecoville	Small	47	Paraná	feb/17
5	a+ Champagnat	Small	81	Paraná	feb/17
6	a+ Centro	Small	29	Paraná	feb/17
7	a+ Batel	Small	134	Paraná	dec/16
8	a+ Nossa Saúde	Small	79	Paraná	oct/16
	a+ São Paulo	Complexity	Patient Service Area (sqm)	State	Date
1	a+ Canário	Grande	680	São Paulo	out/19
2	a+ Chácara Flora	Fast site	299	São Paulo	dec/18
3	a+ Verbo Divino	Fast site	196	São Paulo	dec/18
4	a+ Berrini	Fast site	199	São Paulo	dec/18
5	a+ São Bernardo do Campo	Fast site	517	São Paulo	sep/18
6	a+ Granja Viana	Fast site	231	São Paulo	aug/18
7	a+ Tatuapé	Large	1.483	São Paulo	aug/18
8	a+ Vila Andrade	Fast site	234	São Paulo	jul/18
9	a+ Brasil	Fast site	348	São Paulo	jul/18
10	a+ Alphaville Rio Negro	Fast site	230	São Paulo	jul/18
11	a+ Ipiranga	Medium	359	São Paulo	jun/18
12	a+ Funchal	Fast site	239	São Paulo	may/18
13	a+ Guarulhos	Large	832	São Paulo	apr/18
14	a+ Pedroso de Morais	Medium	421	São Paulo	dec/17
15	a+ Leôncio Magalhães	Medium	544	São Paulo	nov/17
16	a+ Queiroz Filho	Medium	673	São Paulo	oct/17
17	a+ Santo André	Medium	437	São Paulo	jul/17
18	a+ Augusto Tolle	Fast site	392	São Paulo	jul/17
19	a+ Itaim Bibi	Fast site	207	São Paulo	may/17

	Regional RJ	Complexity	Patient Service Area (sqm)	State	Date
1	Felippe Mattoso Mena Barreto	Fast site	276	Rio de Janeiro	dec/18
2	Felippe Mattoso Av. das Américas	Large	1009	Rio de Janeiro	nov/18
3	Labs a+ Carioca	Fast site	559	Rio de Janeiro	nov/18
4	Labs a+ Posto 6	Medium	318	Rio de Janeiro	nov/18
5	Labs a+ Freguesia	Medium	363	Rio de Janeiro	nov/18
6	Labs a+ Flamengo	Medium	478	Rio de Janeiro	nov/18
7	Felippe Mattoso Ipanema	Fast site	239	Rio de Janeiro	dec/17
8	Labs a+ Catete	Fast site	145	Rio de Janeiro	dec/17
9	Labs a+ Shopping Santa Cruz	Fast site	131	Rio de Janeiro	dec/17
10	Labs a+ Mariz e Barros	Fast site	134	Rio de Janeiro	dec/17
11	Labs a+ Uruguai	Fast site	129	Rio de Janeiro	nov/17
12	Labs a+ Santa Rosa	Fast site	148	Rio de Janeiro	oct/17
13	Labs a+ Campo Grande	Fast site	281	Rio de Janeiro	sep/17
	Regional Brasília	Complexity	Patient Service Area (sqm)	State	Date
1	a+ Asa Sul	Fast site	58	Brasília	aug/17
2	a+ Sudoeste	Fast site	119	Brasília	aug/17
	Regional Pernambuco	Complexity	Patient Service Area (sqm)	State	Date
1	a+ Casa Forte	Small	151	Pernambuco	may/18
Total 55 PSCs			21,585 sqm		

PSCs inaugurated by brand

Acquired Patient Service Centers (Part 1)

	Company	PSC	Complexity	PSCs area (sqm)	State
1	Serdil	Serdil	NA	1.213	Rio Grande do Sul
2	IRN	Matriz	NA	1.697	Rio Grande do Norte
3	IRN	Parnamirim	NA	453	Rio Grande do Norte
4	IRN	Lagoa Nova	NA	1.193	Rio Grande do Norte
5	LAFE	Alcantara	NA	217	Rio de Janeiro
6	LAFE	Armando Lombardi	NA	256	Rio de Janeiro
7	LAFE	Bairro de Fatima	NA	287	Rio de Janeiro
8	LAFE	Barra II	NA	107	Rio de Janeiro
9	LAFE	Barra III	NA	151	Rio de Janeiro
10	LAFE	Belford Roxo	NA	202	Rio de Janeiro
11	LAFE	Botafogo I	NA	442	Rio de Janeiro
12	LAFE	Copacabana I	NA	207	Rio de Janeiro
13	LAFE	Copacabana II	NA	212	Rio de Janeiro
14	LAFE	Del Castilho	NA	303	Rio de Janeiro
15	LAFE	Duque de Caxias I	NA	176	Rio de Janeiro
16	LAFE	Duque de Caxias II	NA	257	Rio de Janeiro
17	LAFE	Gavea	NA	132	Rio de Janeiro
18	LAFE	Guadalupe	NA	120	Rio de Janeiro
19	LAFE	Icarai	NA	522	Rio de Janeiro
20	LAFE	Ilha do Governador I	NA	156	Rio de Janeiro
21	LAFE	Ipanema I	NA	251	Rio de Janeiro
22	LAFE	Laranjeiras II	NA	84	Rio de Janeiro
23	LAFE	Nilopolis	NA	170	Rio de Janeiro
24	LAFE	Nova Iguaçu I	NA	242	Rio de Janeiro
25	LAFE	Nova Iguaçu II	NA	88	Rio de Janeiro
26	LAFE	Nova Iguaçu III	NA	200	Rio de Janeiro
27	LAFE	Ouvidor	NA	308	Rio de Janeiro
28	LAFE	Sao Cristovão	NA	620	Rio de Janeiro
29	LAFE	Tijuca	NA	318	Rio de Janeiro
30	LAFE	Vila da Penha II	NA	175	Rio de Janeiro

Acquired Patient Service Centers (Part 2)					
31	CPC	Matriz	NA	838	Rio Grande do Norte
32	CPC	Mirassol	NA	94	Rio Grande do Norte
33	CPC	Alexandrino	NA	106	Rio Grande do Norte
34	CPC	Clinorte	NA	43	Rio Grande do Norte
35	CPC	Cidade Verde	NA	132	Rio Grande do Norte
36	CPC	Lima e Silva	NA	124	Rio Grande do Norte
37	CPC	Parnamirim	NA	77	Rio Grande do Norte
38	Diagmax	Cedire	NA	317	Pernambuco
39	Diagmax	Derby I	NA	414	Pernambuco
40	Diagmax	Derby II	NA	626	Pernambuco
41	Diagmax	Shopping Recife	NA	565	Pernambuco
42	Diagmax	Shopping Rio Mar	NA	697	Pernambuco
43	Diagmax	Shopping Tacaruma	NA	379	Pernambuco
44	Inlab	Anil	NA	70	Maranhão
45	Inlab	Araçagy	NA	122	Maranhão
46	Inlab	Bequimão	NA	93	Maranhão
47	Inlab	Centro	NA	75	Maranhão
48	Inlab	Cidade Operáeia	NA	67	Maranhão
49	Inlab	Cohab	NA	70	Maranhão
50	Inlab	Cohafuma	NA	88	Maranhão
51	Inlab	Cohajap	NA	72	Maranhão
52	Inlab	Cohama	NA	79	Maranhão
53	Inlab	Cohatrac	NA	64	Maranhão
54	Inlab	Holandeses	NA	324	Maranhão
55	Inlab	João Paulo	NA	153	Maranhão
56	Inlab	Lagoa	NA	82	Maranhão
57	Inlab	Maiobao	NA	76	Maranhão
58	Inlab	São Marcos	NA	24	Maranhão
59	Inlab	Shopping da Ilha	NA	57	Maranhão
60	Inlab	Turu	NA	47	Maranhão
61	Inlab	Olho D'Água	NA	84	Maranhão
62	Inlab	Vinhais	NA	73	Maranhão
63	Inlab	Matriz	NA	298	Maranhão
64	Inlab	Ponta do Farol	NA	65	Maranhão
65	Inlab	São Cristovão	NA	82	Maranhão
66	Inlab	Cassi	NA	15	Maranhão
67	Inlab	I-Medical	NA	9	Maranhão
68	Inlab	São Francisco	NA	22	Maranhão
Total 68 PSCs through acquisition				17,382 sqm	

Performance indicators

Performance Indicators

Operational Indicators	Description	Unit	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21
Income Statement											
Gross Revenue	Gross Revenue	R\$ MM	787.6	818.0	778.6	770.6	492.2	943.8	1,000.5	964.3	1,005.1
Net Revenue	Gross Revenue - Tax (ISS and PIS/COFINS) - Cancellations	R\$ MM	728.7	755.7	720.1	713.9	454.9	874.6	928.2	893.8	932.1
COGS	Personnel and Medical Services + Materials and Outsourcing + General Services, Rent and Utilities + General Expenses + Depreciation and Amortization	R\$ MM	(509.9)	(524.3)	(506.7)	(526.3)	(452.4)	(561.4)	(621.8)	(606.5)	(673.8)
SG&A	Does not include Other Operating Expenses / Revenues, Contingency Provisions and Equity in Subsidiaries	R\$ MM	(83.9)	(79.1)	(85.6)	(80.3)	(68.1)	(74.9)	(97.7)	(90.7)	(131.8)
EBIT	Earnings Before Interest and Taxes	R\$ MM	127.7	151.9	129.4	108.7	(65.1)	236.1	199.3	198.7	128.9
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization	R\$ MM	211.9	238.7	195.1	195.9	19.6	323.8	298.1	285.5	219.7
Net Finance Income	Interest Revenue - Interest Expenses	R\$ MM	(28.2)	(27.4)	(53.8)	(28.8)	(36.6)	(33.3)	(39.2)	(30.7)	(36.2)
Net Income	Net Income	R\$ MM	72.6	91.1	56.1	58.7	(73.3)	132.1	139.5	118.6	65.5
Net Cash Income	Net Income - Deferred income tax	R\$ MM	59.1	102.2	61.3	65.6	(89.8)	144.9	130.3	101.8	48.4
Result Indicators											
Cancellation Index	Cancellations / Gross Revenue	%	-1.3%	-1.4%	-1.3%	-1.2%	-1.4%	-1.1%	-1.0%	-1.0%	-1.0%
Gross Margin	Gross Profit / Net Revenue	%	30.0%	30.6%	29.6%	26.3%	0.6%	35.8%	33.0%	32.1%	27.7%
EBIT Margin	Earnings Before Interest and Tax / Net Revenue	%	17.5%	20.1%	18.0%	15.2%	-14.3%	27.0%	21.5%	22.2%	13.8%
EBITDA Margin	Earnings Before Interest, Tax, Depreciation and Amortization / Net Revenue	%	29.1%	31.6%	27.1%	27.4%	4.3%	37.0%	32.1%	31.9%	23.6%
Effective Tax Rate	Current Tax / Earnings Before Tax	%	-27.0%	-27.0%	-25.5%	-26.5%	-28.6%	-35.0%	-13.1%	-29.3%	-29.3%
Net Margin	Net Profit / Net Revenue	%	10.0%	12.1%	7.8%	8.2%	-16.1%	15.1%	15.0%	13.3%	7.0%
Net Cash Income Margin	(Net Income - Deferred income tax) / Net Revenue	%	8.1%	13.5%	8.5%	9.2%	-19.7%	16.6%	14.0%	11.4%	5.2%
Financial Debt											
Cash & Equivalents	Cash, Equivalents and Marketable Securities	R\$ MM	300.4	463.6	857.8	803.6	1,152.8	1,209.2	1,111.4	1,097.4	672.1
Gross Debt	Short and Long Term Debts (Borrowings and Debentures)	R\$ MM	1,150.4	1,155.0	1,639.2	1,692.2	2,057.7	2,035.2	2,012.6	1,999.5	1,839.9
Net Debt	Gross Debt - Cash and Cash equivalents	R\$ MM	850.1	691.4	781.4	888.6	904.9	826.0	901.2	902.1	1,167.8
Net Debt / EBITDA LTM	(Gross Debt - Cash and Cash equivalents) / EBITDA LTM	Multiple	1.1x	0.8x	0.9x	1.1x	1.4x	1.1x	1.1x	1.0x	1.0x
Profitability and Return											
ROIC without Goodwill (LTM)	NOPAT LTM (tax= 34%) / Capital Employed (Shareholders Equity + Net Debt - Goodwill)	%	36.0%	38.3%	38.7%	45.7%	25.6%	33.5%	36.0%	47.2%	58.7%
ROIC (LTM)	NOPAT LTM (tax= 34%) / Capital Employed (Shareholders Equity + Net Debt)	%	13.6%	14.1%	14.1%	14.6%	7.6%	10.2%	12.2%	14.7%	18.7%

FLEURY S.A. CONSOLIDATED BALANCE SHEET

Balance Sheet as of June 30th (In R\$ thousand)

Assets	Consolidated	
	6/30/2021	12/31/2020
Current		
Cash and cash equivalents	35,433	28,184
Marketable securities	570,835	1,013,621
Accounts receivable	710,160	704,468
Inventories	71,514	63,093
Taxes recoverable	20,009	22,325
IRPJ e CSLL recoverable	29,709	33,245
Other assets	31,888	15,263
Total current	1,469,548	1,880,199
Non-current		
Marketable securities	65,807	69,615
Other assets	23,171	33,086
Deferred income tax and social contribution	21,385	12,232
Judicial deposits	23,711	24,988
Total non-current	113,973	139,921
Total assets	1,583,521	2,020,120
Liabilities and equity	Consolidated	
	6/30/2021	12/31/2020
Current		
Financing	580,136	68,928
Debtentures	153,946	403,322
Financial lease	107,539	105,039
Trade accounts payable	271,937	250,459
Payroll and related taxes payable	179,050	138,774
Taxes and contributions payable	32,075	37,417
IRPJ e CSLL payable	52,080	212
Accounts payable - company acquisition	96,445	25,790
Dividends payable	791	74,504
Other accounts payable	7,019	5,326
Total current	1,481,018	1,109,771
Non-current		
Financing	7,370	531,949
Debtentures	899,575	899,522
Financial lease	637,703	680,790
Deferred income tax and social contribution, net	380,507	405,217
Tax installments	34,240	42,082
Provision for tax, labor and civil risks	14,274	14,910
Accounts payable - company acquisition	102,405	83,092
Other accounts payable	4,206	5,627
Total non-current	2,080,280	2,663,189
Total liabilities and equity	3,561,298	3,772,960
Equity		
Share capital	1,432,202	1,432,202
Capital reserve - options granted recognized	36,923	35,954
Legal reserve	115,725	115,725
Retained earnings	2,674	-
Additional dividends proposed	184,145	169,643
(-) Treasury Shares	(24,836)	(2,674)
Investment reserve	10,174	-
Non-controlling interest	1,331	-
Total equity	1,758,338	1,750,850
Total liabilities and equity	5,319,636	5,523,810

FLEURY S.A. CONSOLIDATED INCOME STATEMENT

Income Statement of the period of three months as of June 30th (In R\$ thousand, except Earnings per share)

	Consolidated		Consolidated	
	2Q21	2Q20	2021	2020
Revenue from services rendered	932,066	454,944	1,825,874	1,168,878
Cost of services rendered	(673,822)	(452,364)	(1,280,372)	(978,711)
Gross Profit	258,244	2,580	545,502	190,167
Operating income (expenses)				
General and administrative	(131,802)	(68,137)	(222,464)	(148,421)
Other operating income (expenses), net	(147)	529	2,333	1,250
Provision for tax, labor and civil risks	2,557	(62)	2,176	606
Equity in the earnings (losses) of subsidiaries	(2)	(1,028)	(201)	(989)
Operating profit before financial result	128,850	(66,118)	327,346	42,613
Financial income	6,797	8,778	13,496	18,656
Financial expenses	(43,009)	(45,378)	(80,437)	(84,096)
Financial result	(36,212)	(36,600)	(66,941)	(65,440)
Earnings before income tax and social contribution	92,638	(102,718)	260,405	(22,827)
Income tax and social contribution:				
Current	(44,239)	12,926	(110,161)	(1,317)
Deferred	17,096	16,486	33,862	9,558
Profit for the period	65,495	(73,306)	184,106	(14,586)
Attributable to the partners:				
Controlling shareholders	65,534	(73,306)	184,145	(14,586)
Non-controlling shareholders	(39)	-	(39)	-
	65,495	(73,306)	184,106	(14,586)
Earnings per share attributable to owners of the Company				
Basic earnings per share (weighted average)	0.21	(0.23)	0.58	(0.05)
Diluted earnings per share (weighted average)	0.21	(0.23)	0.58	(0.05)

FLEURY S.A. CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Statements of Changes in Equity as of June 30th (In R\$ thousand)

	Share Capital		Capital Reserve		Investment reserve	Profit for the period	Additional dividends proposed	Actions in Treasury	Shareholders' equity – Parent company	Non-controlling interest	Consolidated shareholders' equity
	Share Capital	Share issue expenses	Options granted recognized	Legal Reserve							
Balances on December 31, 2019	1,449,051	(22,784)	32,066	102,877	-	197,766	-	-	1,758,976	-	1,758,976
Capital increase	885	-	-	-	-	-	-	-	885	-	885
Stock option plan	-	-	1,944	-	-	-	-	-	1,944	-	1,944
Profit for the period	-	-	-	-	-	(14,586)	-	-	(14,586)	-	(14,586)
Dividends	-	-	-	-	-	(197,766)	-	-	(197,766)	-	(197,766)
Balances on June 30, 2020	1,449,936	(22,784)	34,010	102,877	-	(14,586)	-	-	1,549,453	-	1,549,453
Balances on December 31, 2020	1,454,986	(22,784)	35,954	115,725	-	166,969	-	-	1,750,850	-	1,750,850
Stock option plan	-	-	969	-	-	-	-	-	969	-	969
Non-controlling interest	-	-	-	-	-	-	-	-	-	1,370	1,370
Profit for the period	-	-	-	-	-	(156,795)	184,145	-	184,145	(39)	184,106
Dividends	-	-	-	-	-	(156,795)	-	-	(156,795)	-	(156,795)
Profit Reserve (Treasury Shares)	-	-	-	-	-	2,674	-	(24,836)	(22,162)	-	(22,162)
Profit reserve	-	-	-	-	10,174	(10,174)	-	-	-	-	-
Balances on March 31, 2021	1,454,986	(22,784)	36,923	115,725	10,174	2,674	184,145	(24,836)	1,757,007	1,331	1,758,338

FLEURY S.A. CONSOLIDATED STATEMENTS OF CASH FLOW

Statements of Cash Flow of the period of June 30th (In R\$ thousand)

	Consolidated	
	2021	2020
Profit for the period	184,106	(14,586)
Items not affecting cash:		
Income tax and social contribution	76,299	(8,241)
Financial and expenses income	75,306	76,202
Depreciation and amortization	177,721	171,954
Equity in the earnings (losses) of subsidiaries	201	989
Stock option plan	4,939	1,944
Constitution of provision for tax, labor and civil risks	(2,176)	(606)
Estimated losses with doubtful accounts and disallowances	20,414	16,629
Profit sharing	20,423	(26)
Other	1,829	76
Cash flows from operating activities before changes in assets and liabilities	559,062	244,335
(Increase) decrease in accounts receivable	(19,096)	138,089
(Increase) decrease in inventories	809	(51,996)
(Increase) decrease in taxes recoverable	6,127	(24,395)
(Increase) decrease in judicial deposits	1,277	(1,825)
(Increase) decrease in other assets	(6,511)	(23,563)
Increase (decrease) in trade accounts payable	3,725	(33,014)
Increase (decrease) in labor liabilities	17,226	(11,608)
Increase (decrease) in tax liabilities	(6,715)	(6,332)
Increase (decrease) in taxes paid in installments	(1,852)	(3,289)
(Increase) decrease in other liabilities	(10,201)	(450)
Total variation in assets and liabilities	(15,211)	(18,383)
Income tax and social contribution paid	(57,924)	(29,144)
Net cash from operating activities	485,927	196,808
Acquisition of property and equipment and intangible assets	(137,225)	(80,917)
Marketable securities and interest earned	449,699	(284,324)
Payments excepted cash	(140,571)	(42,113)
Purchase of treasury shares	(24,836)	-
Acquisition of	(2,867)	-
Paid-up capital in subsidiary	(357)	-
Yield from interest earning bank deposits (classified as cash)	152	84
Net cash used in investing activities	143,995	(407,270)
Borrowings and debentures	-	550,000
Settlement (principal) of financing and debentures	(275,407)	(181,328)
Interest paid in financing and debentures	(25,087)	(38,801)
Financial expenses paid	(3,623)	(2,643)
Derivative financial instruments	109	2,002
Lease payment	(87,902)	(77,619)
Capital integralization	-	885
Dividends and / or interest on shareholders' equity	(231,357)	(31,177)
Risk Withdrawn Operation	594	(225)
Net cash used in financing activities	(622,673)	221,094
(Decrease) increase in cash and cash equivalents	7,249	10,632
Cash and cash equivalents		
At the beginning of the period	28,184	8,966
At the end of the period	35,433	19,598
Variation in cash and cash equivalents	7,249	10,632

FLEURY S.A. CONSOLIDATED STATEMENTS OF VALUE ADDED

Statements of Value Added of the period of June 30th (In R\$ thousand)

	Consolidated	
	06/30/21	6/30/20
Revenues	1,952,840	1,251,807
Goods and products sold and services rendered	1,968,110	1,262,354
Estimated losses with doubtful accounts and disallowances	(20,414)	(16,629)
Other revenue	5,144	6,082
Inputs purchased from third parties	(796,766)	(549,400)
Cost of goods and products sold and services rendered	(726,381)	(507,375)
Materials, electricity, outsourced services and others	(70,296)	(41,009)
Loss/recovery of asset values	(89)	(1,016)
Gross value added	1,156,074	702,407
Depreciation and amortization	(177,721)	(171,953)
Net value added	978,353	530,454
Value added received through transfer	13,828	18,402
Equity in the earnings (losses) of subsidiaries	(201)	(989)
Financial income	14,029	19,391
	-	-
Total value added	992,181	548,856
Distribution of value added	(992,181)	(548,856)
Personnel and charges	(433,079)	(323,348)
Direct remuneration	(301,078)	(213,203)
Benefits	(108,305)	(91,238)
Charges	(23,696)	(18,907)
Taxes, fees and contributions	(272,989)	(135,916)
Federal	(212,089)	(95,504)
Municipalities	(60,900)	(40,412)
Interest, rental and other operating expenses	(102,007)	(104,178)
Rental	(14,611)	(10,603)
Interest	(80,437)	(84,096)
Other operating expenses	(6,959)	(9,479)
Retained earnings	(184,106)	14,586
Retained (earnings) loss for the period	(184,145)	14,586
Non-controlling interest in retained (earnings) losses.	39	-

BOARD OF EXECUTIVE DIRECTORS DECLARATION ABOUT FINANCIAL STATEMENTS

The Executive Directors of Fleury S.A. ("Company"), pursuant to item VI of Article 25 of CVM Instruction 480 of December 7th, 2009, as changed, declare that they reviewed, discussed and agreed with the Company's financial statements for the period ended on June 30th, 2021, authorizing the completion on this date.

São Paulo, July 27th, 2021.

Jeane Mike Tsutsui

Chief Executive Officer

Fernando Augusto Rodrigues Leão Filho

Chief Financial and Investor Relations Officer

José Roberto Araujo da Silva

Commercial and B2B Business Officer

Claudio Almeida Prado

Operations Support Officer

Edgar Gil Rizzatti

Medical, Technical and Process Officer

BOARD OF EXECUTIVE DIRECTORS DECLARATION ABOUT INDEPENDENT AUDITOR'S REPORT

The Executive Officers of Fleury S.A. ("Company"), in accordance with item V of Article 25 of CVM Instruction 480 of December 7th, 2009, as changed, declare that they reviewed, discussed and agreed with the opinions expressed in the independent auditors' report on the Company's financial statements for the period ended July 30th, 2021, authorizing the completion on this date.

São Paulo, July 27th, 2021.

Jeane Mike Tsutsui

Chief Executive Officer

Fernando Augusto Rodrigues Leão Filho

Chief Financial and Investor Relations Officer

José Roberto Araujo da Silva

Commercial and B2B Business Officer

Claudio Almeida Prado

Operations Support Officer

Edgar Gil Rizzatti

Medical, Technical and Process Officer

FLEURY S.A.
CNPJ/MF nº 60.840.055/0001-31
NIRE 35.300.197.534

Minutes of the Meeting of the Audit, Risk and Integrity Committee
Held on July 23, 2021

Date, time and place: Held at 9:00 a.m., on July 23, 2021, at the Company's headquarters, located in the city and state of São Paulo, at Av. General Valdomiro de Lima, nº 508, Jabaquara

Attendance: The completeness of the members of the Committee, João Roberto Gonçalves Teixeira (coordinator), Marcio Pinheiro Mendes, Luiz Carlos Vaini and Marcelo Santos Dall'Occo; and guests: Jeane Mike Tsutsui – Chief Executive Officer, Fernando Augusto Rodrigues Leão Filho – Chief Financial Officer, Gisele Schneider – Controllershship Manager, Jeferson Guilherme dos Santos – Internal Audit Manager, Marcelo Orlando – representative of PwC Auditores Independentes.

Resolution: Gathered to evaluate the Company's financial statements for the Second Quarter of 2021, the management report and the independent auditors' report, the Committee asked the representatives of PwC to provide clarifications on the audit carried out, having informed them that there were no significant changes in the audit planning; there was no disagreement between the audit and management; there were no facts or impediments to the audit work, that the estimates made by Management are adequate; not having any notes related to evidence of fraud and unlawful acts involving members of the Administration, which PwC representatives reaffirmed that they comply with all the independence requirements established in the rules and regulations. The Committee was also informed that, in the opinion of the auditors, the financial statements adequately present, in all relevant aspects, the equity and financial position, individual and consolidated, of Fleury SA, the individual and consolidated performance of its operations and their respective cash flows. individual and consolidated cash flows for the first quarter, in accordance with accounting practices adopted in Brazil and international financial reporting standards (IFRS) issued by the International Accounting Standards Board (IASB). After the presentation, the conclusion of the external audit was for the approval of the Financial Statements without reservations.

In this way, the Committee recommends the Board of Directors to approve the financial statements - both parent company and consolidated – related to the period ended on

June 30, 2021, prepared by the Company and audited by PricewaterhouseCoopers (PwC) Auditores Independentes.

Closing: With no further matters on the agenda and in the absence of any other expression, this meeting was closed. These minutes were drafted, having been read and approved, and signed by all.

Members of the Committee:

João Roberto Gonçalves Teixeira

Márcio Pinheiro Mendes

Luiz Carlos Vaini

Marcelo Santos Dall'Occo

FLEURY S.A.
CNPJ/MF nº 60.840.055/0001-31
NIRE 35.300.197.534

Minutes of the Meeting of the Fiscal Council
Held on July 26, 2021

Date, time and place: Held at 2:00 p.m., on July 26, 2021, at the Company's headquarters, located in the city and state of São Paulo, at Av. General Valdomiro de Lima, nº 508, Jabaquara

Attendance: All members of the Fiscal Council were present: Messrs. (I) Luciana Doria Wilson; (ii) José Maria Chapina Alcazar; and (iii) Sergio Moreno. Guests: Luiz Carlos Vaini, Coordinator of the Audit Committee and Marcelo Orlando of PricewaterhouseCoopers (PwC) Auditores Independentes.

Chair: The meeting was chaired by Ms. Luciana Doria Wilson and secretariat by Ms. Andrea Marçon Bocabello.

Agenda: to resolve on: (i) the executive board's accounts, the management report and the audited financial statements for the year ended June 30, 2021.

Resolution: The members of the Fiscal Council, by unanimous vote and without any restrictions, decide:

(i) After assessing the matter, based on the clarifications provided by the Company's management and by the representatives of the external audit, and also considering the opinion of PwC's independent auditors, dated July 29, 2021, the Fiscal Council opined that the financial statements and other documents established in article 133 of Law No. 6,404/1976, referring to the period ended on 06/30/2021, are in conditions to be analyzed by the Company's Board of Directors.

Closing: There being nothing more to be discussed and there being no other manifestation, the present meeting was closed, from which these minutes were drawn up, which, having been read and approved, were signed by all those present. Signatures: Presiding Board: Mrs. Luciana Doria Wilson, Chair; Andrea Marçon Bocabello, Secretary. Board members: Luciana Doria Wilson; José Maria Chapina Alcazar and Sergio Moreno.

These minutes match the original drawn up in the proper book.

São Paulo, July 26th, 2021.

Luciana Doria Wilson
Chair

Andrea Marçon Bocabello
Secretary