

**FLEURY S.A.**

Publicly-Held Company
Corporate Taxpayer's Registry
(CNPJ/ME) no. 60.840.055/0001-31
Board of Trade (NIRE) 35.300.197.534

INSTITUTO HERMES PARDINI S.A.

Publicly-Held Company
Corporate Taxpayer's Registry
(CNPJ/ME) no. 19.378.769/0001-76
Board of Trade (NIRE) 3130009880-0

MATERIAL FACT**Signing of the Protocol and Justification of the Merger of Shares**

Fleury S.A. ("Fleury") and Instituto Hermes Pardini S.A. ("Hermes Pardini", and when jointly with Fleury, the "Companies"), in compliance with the provisions of article 157, paragraph 4th of the Brazilian Corporation Law and CVM Resolution no. 44/21, inform their shareholders and the market in general that it was executed the Protocol and Justification regulating a corporate reorganization involving the combination of Fleury's and Hermes Pardini's businesses and shareholders' bases ("Protocol and Justification" or "Transaction"), as per the illustrative presentation of the Transaction, which constitutes Exhibit I to this Material Fact for information purposes only.

The Companies believe that combining the two operations represents an excellent opportunity to create value, which may result in significant gains for their shareholders by (i) increasing the competitiveness of the Companies in the transforming environment of the health care and diagnostic medicine sector with geographic complementarity and national presence, robust capital structure, support from their relevant shareholders and an adequate organizational structure, and (ii) reinforcing organic and inorganic growth.

The Companies estimate that the combination of Fleury's and Hermes Pardini's businesses will generate an increase in the combined company's annual EBITDA of between BRL 160 million and BRL 190 million¹.

The brand "Hermes Pardini" due to its strong reputation, quality and reliability will be maintained for at least 10 years, counted from the effective consummation of the Business Combination, in all units in which it is currently used, as well as will expand its use in new units of such brand that may be created through its growth.

¹ This estimate is not a guarantee of future performance and involves risks and uncertainties that, being based on assumptions, depend on future events that may not be confirmed.

Transaction Structure

The implementation of the Transaction will result in:

- (i) Fleury owning all the shares issued by Hermes Pardini;
- (ii) The receipt by all Hermes Pardini shareholders for each Hermes Pardini common share, of:
 - a. an installment in national currency of BRL 2.154102722 ("Reference Value of the Cash Installment per Share"), adjusted *pro rata die* by the variation of the CDI, as from the date of Hermes Pardini's corporate approval for the Transaction until the date of its consummation and subject to the adjustments provided for under the Protocol and Justification, as applicable, to be paid in cash, in a single installment, in up to fifteen (15) days counted as from the date of the consummation of the Transaction; and
 - b. 1.213542977 common share issued by Fleury ("Reference Exchange Ratio per Share"), subject to adjustments provided for under the Protocol and Justification.

The Transaction will be implemented through the following main steps, all interdependent and related to each other:

- (i) The merger of all shares issued by Hermes Pardini into a special purpose vehicle wholly owned by Fleury ("Holding Fleury"), with Hermes Pardini becoming a wholly owned subsidiary of Holding Fleury;
- (ii) The receipt by all Hermes Pardini shareholders of 1 (one) common share and 1 (one) redeemable preferred share of Holding Fleury for each Hermes Pardini share;
- (iii) The redemption of the preferred shares issued by Holding Fleury; and
- (iv) The subsequent merger of Holding Fleury into Fleury, based on the exchange ratio of 1.2135 Fleury's share for each Holding Fleury's share, with the extinguishment of Holding Fleury and succession by Fleury in all its rights and obligations.

Commitments Between Companies

A "Business Combination Agreement" was executed by the Companies and certain shareholders of the Companies, which has as its object:

- (i) Ensure the practice by the parties of all acts necessary for the consummation of the Transaction, as well as the calling and holding of the respective shareholders' general meetings of the Companies and of Holding Fleury for the approval of the Transaction; and

- (ii) The commitment of such shareholders not to sell or acquire shares issued by the respective Companies until the general meetings that will resolve on the Transaction ("Combination Agreement").

The current controlling shareholders of Hermes Pardini, Bradesco Diagnóstico em Saúde S.A. and Fleury's doctors shareholder group executed the "Shareholders' Agreement on Equity Rights and Other Covenants, under Condition Suspensive, of Fleury S.A." which main purpose is to regulate certain equity rights in relation to Fleury shares held or to be held in the future by the signatories of the aforementioned agreement, in addition to the appointment of members to the Company's Board of Directors by Hermes Pardini's controlling shareholders. The effectiveness of the Shareholders' Agreement is conditioned on the completion of the Transaction ("Equity Shareholders' Agreement" and, together with the Protocol and Justification and the Combination Agreement, the "Transaction Documents").

Capital Increase

Up to the date of consummation of the Transaction, a capital increase of Fleury may be approved, under conditions to be detailed in due course, to maintain its growth strategy, without adjustment to the Reference Value of the Cash Installment per Share and the Reference Exchange Ratio per Share, provided the following terms and conditions set forth in the Protocol and Justification are met:

- (i) Maximum of 70,567,969 new shares to be issued by Fleury;
- (ii) The capital increase shall be carried out by means of:
 - a. Public offering for distribution of new shares, where the price will be established by a bookbuilding procedure, with no minimum price limitation;
or
 - b. Capital increase through a private subscription, where the subscription price:
 - i. Will be determined based on the volume weighted average price (VWAP) measured over a period less than or equal to 30 calendar days;
 - ii. Will consider that the period for measuring the VWAP shall start after the disclosure of this Material Fact; and
 - iii. Will observe a negative goodwill of no more than 5% on the calculated VWAP.

Approvals and Fines

Pursuant to the Protocol and Justification, within thirty (30) business days as of the date of execution of the Transaction Documents, the Companies' managements shall call extraordinary general meetings for their respective shareholders to resolve on the Transaction. Additional information in relation to the Transaction, as provided for in Resolution no. 78/22, shall be disclosed when the extraordinary general meetings are called.

The Protocol and Justification also establishes a BRL 250 million fine to Fleury or Hermes Pardini if, provided certain conditions set forth in the Protocol are met, the Transaction is not approved at a Fleury's or Hermes Pardini's shareholders' meeting.

In addition to other conditions precedent common to this type of transaction, the Transaction is subject to obtaining authorizations and consents from third parties, including the Administrative Council for Economic Defense – CADE.

Access to Information and Documents

The Companies inform that the signed copies of the Transaction Documents will be disclosed, on this date, via a Notice to the Market and will be available on their respective Investor Relations' and CVM' websites.

Advisors

Fleury is being advised in this Transaction by Citigroup Global Markets Brasil, CCTVM S.A., as exclusive financial advisors, and BMA Advogados. Hermes Pardini is being advised by Madrona Advogados and its controlling shareholders by Ochman Advogados and Tavernard Advogados.

Fleury and Hermes Pardini will keep its shareholders and the market in general informed in the event of any fact that must be disclosed, pursuant to applicable law and regulation.

São Paulo, June 30th, 2022

JOSÉ ANTONIO DE ALMEIDA FILIPPO
Chief Financial and Investor
Relations Officer
Fleury S.A.

CAMILO DE LELIS MACIEL SILVA
Chief Financial and Investor
Relations Officer
Instituto Hermes Pardini S.A.

Exhibit I

Presentation of the Transaction to the market



Merger

Announcement to the Market

June 2022



Disclaimer

"In addition to other conditions precedent common to this type of transaction, the Transaction described herein is subject to approval by Fleury's and Hermes Pardini's shareholders' meetings and to obtaining authorizations and consents from third parties, including the Administrative Council for Economic Defense – CADE.

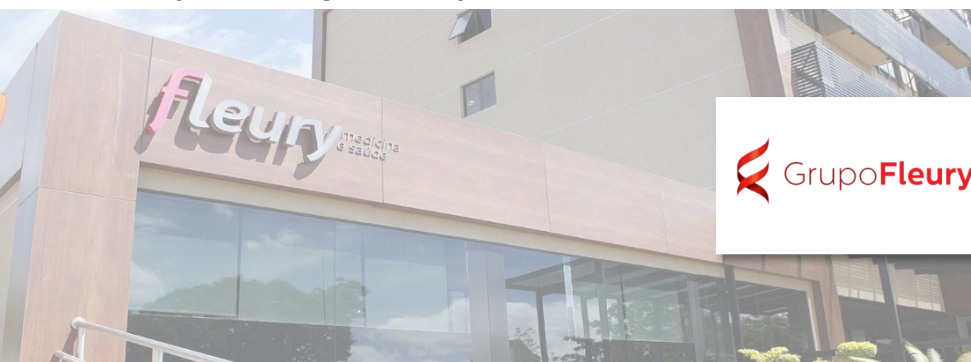
This presentation may include forward-looking statements that are subject to risks and uncertainties because they are not statements of historical facts, but reflect the beliefs and expectations of our managements, as well as the available information. Our affirmations are based in large part on current expectations and projections about future events and financial trends that affect or may affect our business, and which may or may not materialize. Many factors may adversely affect the results contained in our forward-looking statements. The forward-looking statements include information about results and projections, strategy, financing plans, competitive position, industry environment, potential growth opportunities and the effects of competition. Such estimates and projections speak only as of the date they were made and we undertake no obligation to publicly update or revise any of these estimates in light of new information, future events or other factors, subject to applicable regulations. The managerial financial information, as well as other non-accounting information contained in this presentation have not been reviewed by the independent auditors. For review of the accounting and audited information, see the consolidated financial statements of the companies involved in the transaction.

The implementation of the Transaction is subject to factors that may be beyond the companies' control and the success in achieving the synergies and value enhancements described herein will depend, in part, on the companies' ability to realize the growth opportunities and cost savings resulting from the combination of their businesses. There can be no certainty that such factors, opportunities and savings will occur as expected.

The companies alert their shareholders and market participants to carefully read the information contained in the material fact disclosed on this date and in the other materials disclosed by the companies in connection with the Transaction."

Ambition to Become a Leading Player in the Healthcare Market

The new company expands its role in diagnostic medicine, becoming one of the main **healthcare players** with operations throughout the value chain and focus on coordinating the entire patient journey



Strengthening the addressable market for growth with **quality and reference in diagnostic medicine**

Build a **relevant role through the New Links** program to broaden the value chain presence and focus on the formation of healthcare platforms and ecosystems



Relevance in diagnostic medicine



Broad **business complementarity** in B2C and B2B in different geographic markets



Business Model
(All segments)

Strategic Rationale of the Transaction

Merger of **Well-Recognized**
Platforms in Diagnostics
(R\$6.1 bn of Revenue⁽¹⁾ and R\$1.6 bn
EBITDA⁽¹⁾)

Relevant Portfolio of
Recognized Brands in the Industry,
focused on Quality and
Excellence

Complementarity
Regional and Market Segments

Renowned Management and
Health Professionals



Value Creation
Synergy Opportunities
(Annual R\$160 - 190 million increase
in EBITDA⁽²⁾)

Development of Logistics
Infrastructure and Production
Platforms in Diagnostic Medicine

Outstanding Position in the
B2C, B2B and Hospitals Market in
Diagnostic Medicine Markets

Creation of one of the **leading companies in the diagnostics sector in Brazil**

Combined Company: Well-Recognized Platform in Diagnostics

Combined Numbers (1Q22 LTM)



R\$ 6.1 bn in Net Revenue ⁽¹⁾ and **R\$ 1.6 bi** EBITDA⁽¹⁾



487 Patient Service Centers and **24** Technical Area



12 States and Federal District



+20 k Employees and **4.3k** are Medical Service Providers



+245 million⁽²⁾ of Exams



39 Brands

 **Grupo Fleury**

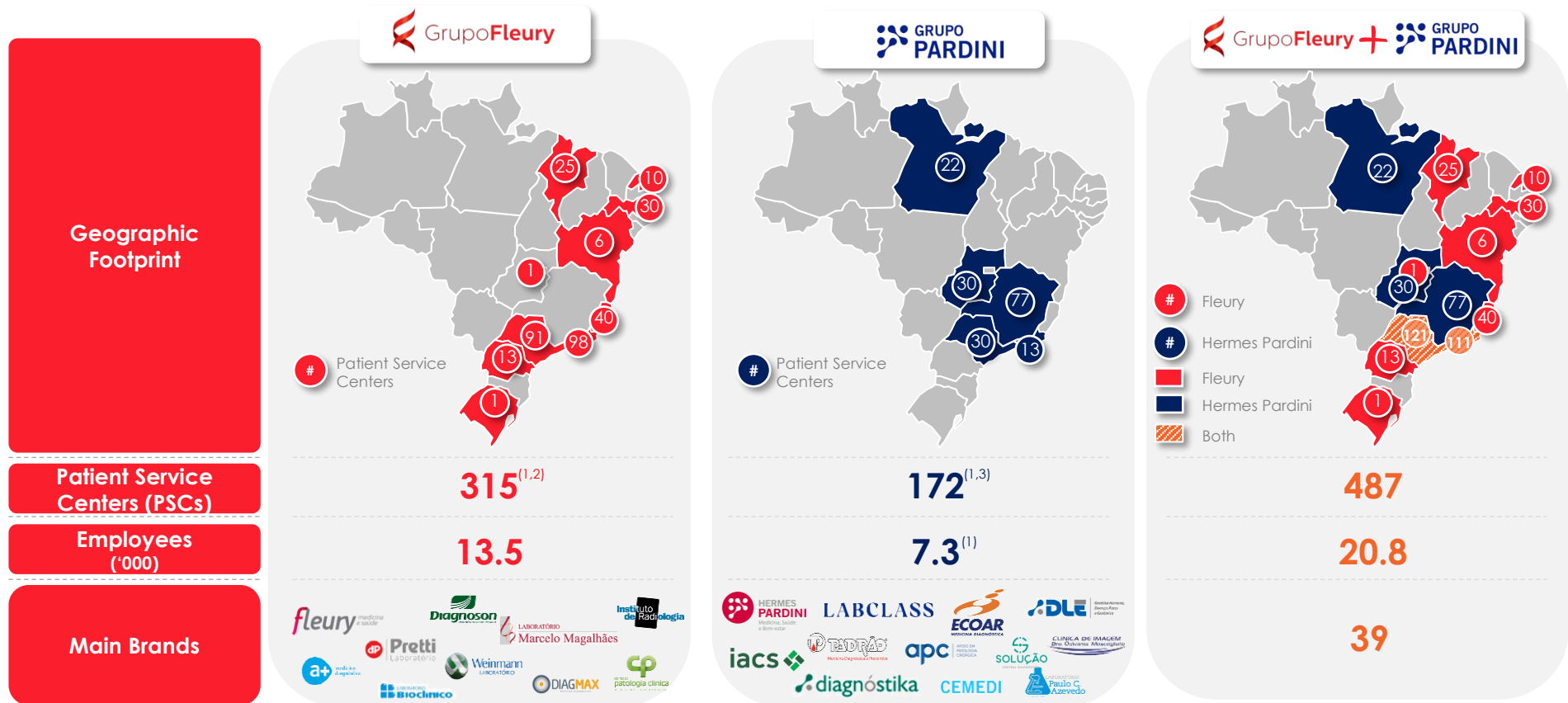
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 **GRUPO PARDINI**

Technical Quality and Reputation Reference Model

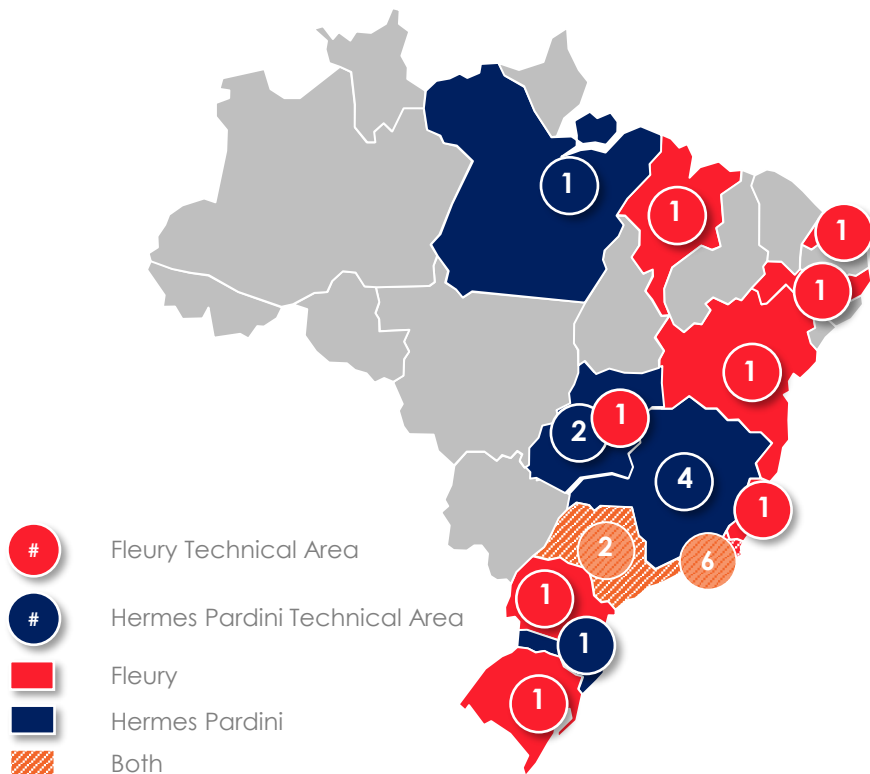
Network Complementary of Patient Service Center...

Complementary geographic position in Brazil



... And Geographic Complementarity in Technical Areas

Geographic Footprint in Technical Areas



Combination of Technical Areas and Exams

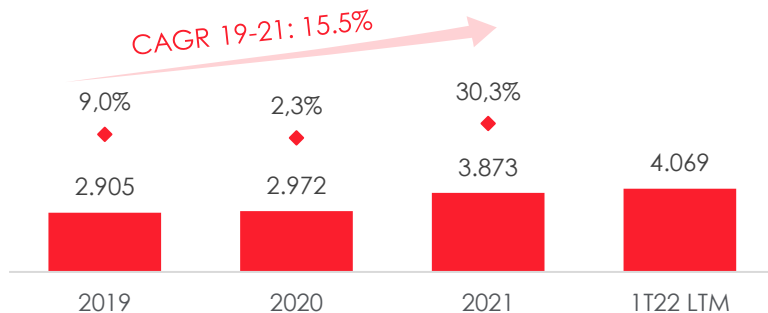
	GrupoFleury	GRUPO PARDINI	GrupoFleury + GRUPO PARDINI
Number of Technical Areas ⁽¹⁾	10	14	24
Volume of PSC and B2B Exams ⁽²⁾ (millions)	98	38	136
Exam Volume Lab-to-Lab (millions)	1	111	112

Consistent Growth

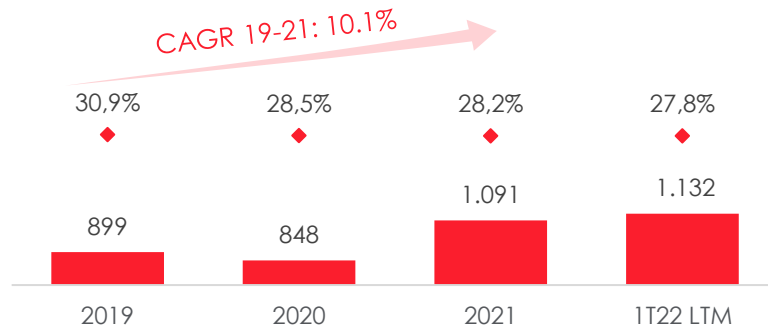
Historical Financial



Net Revenue and Growth Fleury (R\$ mm; %)



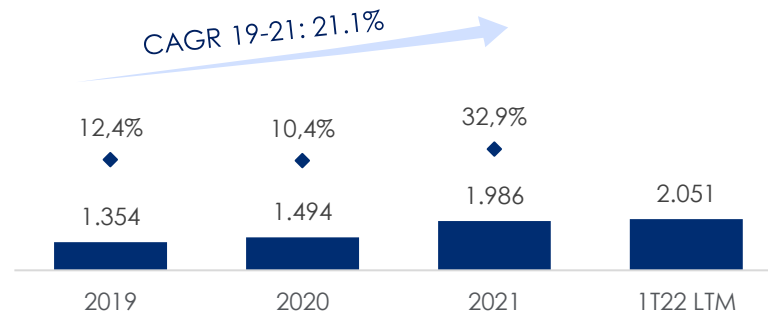
EBITDA⁽¹⁾ and EBITDA Margin Fleury (R\$ mm; %)



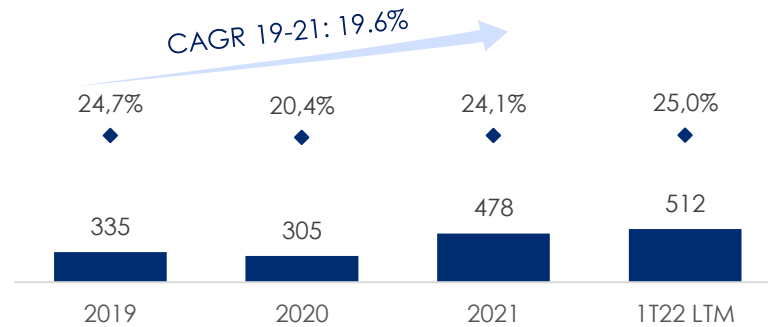
Historical Financial



Net Revenue and Growth Hermes Pardini (R\$ mm; %)



EBITDA⁽¹⁾ and EBITDA Margin Hermes Pardini (R\$ mm; %)



... Supported by Consistent Acquisition Track-Record



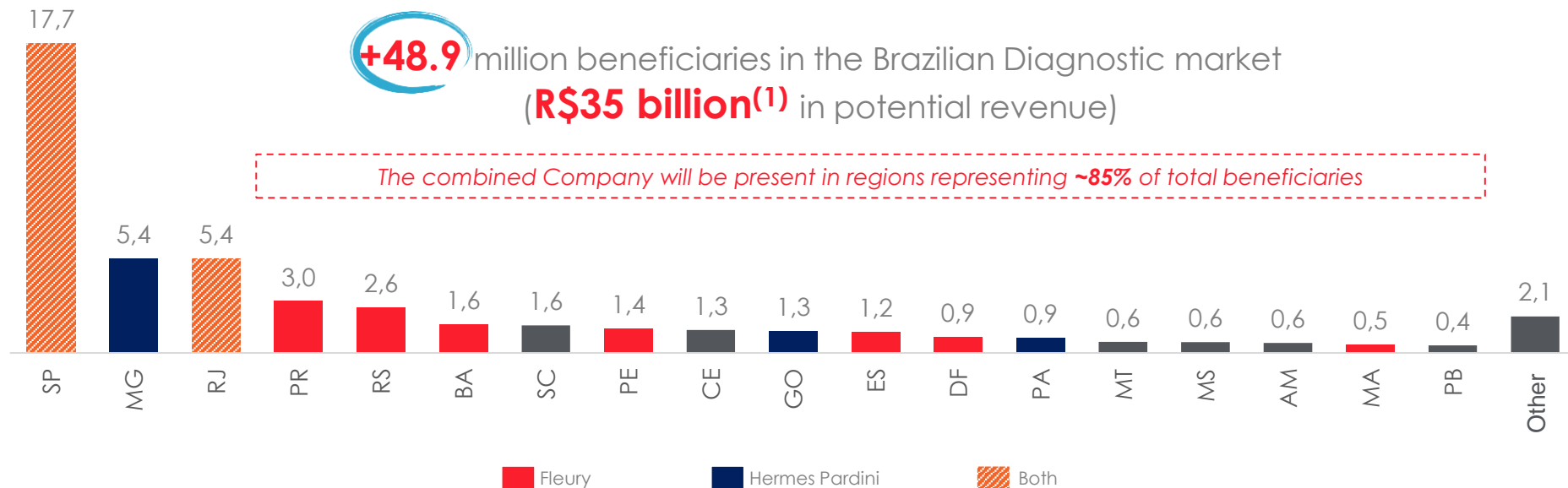
Strategically Positioned for a Market with Great Potential

The Diagnostics market in Brazil is still quite fragmented, presenting a relevant growth opportunity for the combined company

Diagnostic Medicine in Brazil and Number of Beneficiaries in 2021 (millions)

+48.9 million beneficiaries in the Brazilian Diagnostic market
(**R\$35 billion⁽¹⁾** in potential revenue)

The combined Company will be present in regions representing ~85% of total beneficiaries



High quality exams offering
in a more complete portfolio



High complexity tests for
multiple laboratories and
regions



**Potential to nationally
improve capillarity and
infrastructure**

Relevant Potential for Synergies



Consolidation of the
growth strategy
in various
market
segments, **Lab-
to-Lab** and other
expansion fronts



**Operational,
logistics,
production and
cost
efficiencies,**
incorporating the
best practices of
each company



**Improve
products
offering** by
combining portfolios
and medical teams

Estimated incremental EBITDA between R\$160 and 190 million/year⁽¹⁾

Transaction and Ownership Structure

Transaction

Consideration

- Consideration for Hermes Pardini shareholders comprising (for each PARD3):
 - 1.213542977 FLRY3 shares and
 - R\$2.154102722 in cash

Governance

- Board of Directors up to 11 members (1 member appointed by each Pardini family member)

Approvals

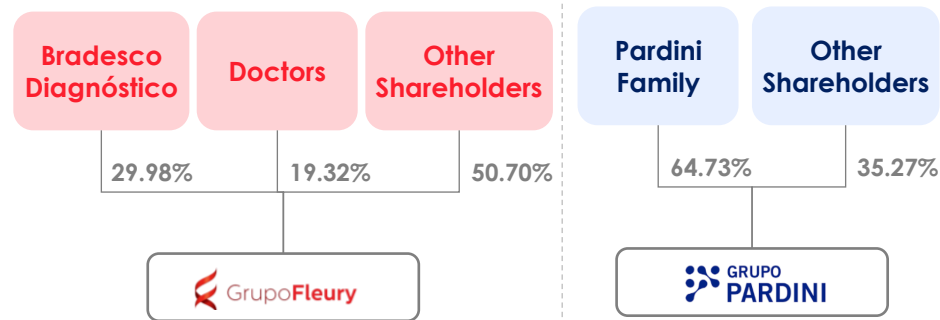
- Closing subject to conditions precedent set forth in definitive contracts, including:
 - Approval in Extraordinary General Meetings of both companies
 - Approval by CADE (Brazilian Antitrust Authority)

Capital Increase

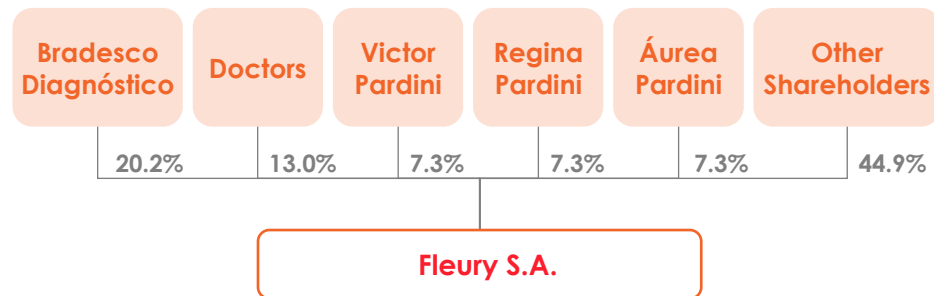
- Fleury may promote a capital increase of up to 70.6 mm shares to:
 - Reduce leverage
 - Continue the expansion plan (organic and inorganic)

Ownership Structure

Pre-transaction Structure⁽¹⁾



Post-transaction Structure^{(2) (3)}



Closing Remarks

- **Expands Leadership** Within the Diagnostics Sector in Brazil
- **Complementarity** of Regional Footprint and Market Segments
- **Solid Portfolio** of Brands, **Well-Recognized** in the Industry for their Operational Excellence
- Strategically Positioned in a Market With Substantial **Growth Opportunities**
- **Value Creation** Through Synergy Opportunities

Key Financial Metrics (1Q22 LTM; R\$ mm)



Gross Revenue	4,382	2,209
Net Revenue	4,069	2,051
EBITDA ⁽¹⁾	1,132	512
EBITDA Margin ⁽¹⁾	27.8%	25.0%
Net Debt	1,545	85
Net Debt / EBITDA ⁽¹⁾	1.4x	0.2x

Estimated incremental EBITDA between R\$160 and 190 mm/year⁽²⁾

Timeline and Next Steps



**Contracts Execution
and Announcement**



Approval at the EGMs



Fulfillment of Precedent Conditions
(including regulatory approvals)



Closing

Next Steps



Execution of Definitive Contracts



Market Announcement



Approval at the EGMs (Fleury and Hermes Pardini)



Fulfillment of Precedent Conditions (including regulatory approvals, e.g. Brazilian Antitrust Council (CADE)⁽¹⁾)



Closing

Q&A



Grupo **Fleury**

+



GRUPO
PARDINI



